Office of the City Clerk
City of Chicago

City Hall
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Room 107
Chicago, IL 60602
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Legislation Referred to Committees at the Chicago City Council Meeting 2/13/2013
Section 1b - Mayoral Introductions Containing Economic Disclosure Statements

	File #	Title	Sponsor(s)	Committee Referral
Agreement(s) - Lease				
1	O2013-803	Lease agreement with Mercury Skyline Yacht Charters, Inc.(d/b/a Chicago First Lady Cruises) and Wendella Sightseeing Co., Inc. for tour boat operations on Chicago River	Emanuel, Rahm (Mayor)	License
2	O2013-809	Lease agreement with Franciscan Outreach Association at 10 S Kedzie Ave	Emanuel, Rahm (Mayor)	Housing
3	O2013-815	Lease agreement with Near North Health Services Corporation for parking lot at 1014-1024 E 43rd St	Emanuel, Rahm (Mayor)	Housing
4	O2013-818	Lease agreement with North Park Village Garden Club for vacant land at 5801 N Pulaski Rd	Emanuel, Rahm (Mayor)	Housing
Agreement(s) - Loan				
5	O2013-845	Loan agreement and associated provision of tax credits and conveyance to Halsted Limited Partnership	Emanuel, Rahm (Mayor)	Finance
Agreement(s) - Redevelopment				
6	O2013-843	Redevelopment agreement with Pullman Park Development-Phase 1B and Chicago Neighborhood Initiatives, Inc. for construction of small shop and mid-box retail space	Emanuel, Rahm (Mayor)	Finance
Bonds & Bond Issues				
7	O2013-1327	Issuance of O'Hare International Airport Revenue Bonds	Emanuel, Rahm (Mayor)	Finance
8	O2013-804	Issuance of Tax Increment Financing Revenue Refunding Bonds for (Pilsen Redevelopment Project) Series 2013	Emanuel, Rahm (Mayor)	Finance
9	O2013-808	Issuance of Motor Fuel Tax Revenue Bonds, Series 2013 and Motor Fuel Tax Revenue TIFIA Bonds	Emanuel, Rahm (Mayor)	Finance
10	O2013-835	Grant of general obligation bond proceeds for SOS Children's Villages for acquisition of properties at 1232, 1238, 1252, 1302, 1320, 1336 and 1348 W Washburne Ave to construct and operate foster care facilities	Emanuel, Rahm (Mayor)	Housing
11	O2013-838	Grant of general obligation bond proceeds for SOS Children's Villages for acquision of properties at 7612, 7619 and 7620 S Parnell Ave for rehabilitation of buildings as foster care facilities and construction of buildings at 7654, 7656 and 7655 S Parnell Ave for muti-unit foster care facilities	Emanuel, Rahm (Mayor)	Housing

Legislation Referred to Committees at the Chicago City Council Meeting
2/13/2013
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	File #	Title	Sponsor(s)	Committee Referral
Open Space Impact Fee(s)				
12	O2013-873	Expenditure of open space impact fee funds for Armstrong Elementary School and Hearst Elementary School for creation of school gardens	Emanuel, Rahm (Mayor)	Special Events
Sale of City-owned Property				
13	O2013-1376	Sale of City-owned property for expansion of existing 47th Street Intermodal Railroad Facility	Emanuel, Rahm (Mayor)	Housing
14	O2013-819	Sale of City-owned property at 1908 E 75th St	Emanuel, Rahm (Mayor)	Housing
15	O2013-821	Sale of City-owned property at 2929-2931 W Wilcox St	Emanuel, Rahm (Mayor)	Housing
16	O2013-822	Sale of City-owned property at 5600-5602 S Carpenter St	Emanuel, Rahm (Mayor)	Housing
17	O2013-826	Sale of City-owned property at 6130-6132 S Kenwood Ave	Emanuel, Rahm (Mayor)	Housing
18	O2013-827	Sale of City-owned property at 6843 S Ada St	Emanuel, Rahm (Mayor)	Housing
19	O2013-833	Negotiated sale of City-owned property at 7841 S Racine Ave to Beloved Community, Inc.	Emanuel, Rahm (Mayor)	Housing

Office of the City Clerk

O2013-803

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Lease agreement with Chicago Department of Transportation and Mercury Skyline Yacht Charters, Inc. d/b/a Chicago First Lady Cruises for Location 1 and Wendella Sightseeing Co., Inc., for Location 2 for tour boat operations on Chicago River
Committee(s) Assignment:	Committee on License and Consumer Protection

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OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Transportation, I transmit herewith an ordinance authorizing the execution of tour boat operations license agreements.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government as defined in Article VII, Section 6(a) of the Constitution of the State of Illinois; and

WHEREAS, pursuant to Section 4-250-08, the Department of Transportation may, subject to approval of the city council, enter into license agreements for the use of City-owned property along the Chicago River to conduct a commercial passenger vessel business; and

WHEREAS, the City solicited proposals for the operation of tour boats on the Chicago River at City-owned locations 1 and 2, as described in the attached Exhibits 1 and 2; and

WHEREAS, the CDOT Commissioner has determined that Mercury Skyline Yacht Charters, Inc. d/b/a Chicago First Lady Cruises and Wendella Sightseeing Company, Inc. were highly qualified and submitted the proposals most advantageous to the City for locations 1 and 2, respectively; and

WHEREAS, the City and Licensee desire to enter into license agreements for the tour boat operations, pursuant to Section 4-250-08; **Now, Therefore,**

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are hereby incorporated by reference as if fully set forth herein.

SECTION 2. The Commissioner of the Department of Transportation ("Commissioner") is authorized to execute, on behalf of the City, license agreements with Mercury Skyline Yacht Charters, Inc. d/b/a Chicago First Lady Cruises , for Location 1, and Wendella Sightseeing Company, Inc., for Location 2 in substantially the forms attached to this Ordinance as Exhibits 1 and 2, with such changes to these terms as are reasonably acceptable to the Commissioner, provided such changes do not decrease the license fee or increase the contract term as set forth in Exhibits 1 and 2.

SECTION 3. The Commissioner and such other City officials as may be required are hereby authorized to take such other actions and execute such other documents as may be necessary or desirable to implement the intent of this ordinance.

SECTION 4. This ordinance will be in full force and effect from and after the date of its passage.

EXHIBIT 1

EXHIBIT 2

LICENSE AGREEMENT

BETWEEN

THE CITY OF CHICAGO
DEPARTMENT OF TRANSPORTATION

AND

MERCURY SKYLINE YACHT CHARTERS, INC. AND
MERCURY SIGHTSEEING BOATS, INC.

FOR

DOCKING OF TOUR BOATS
ON THE CHICAGO RIVER

RAHM EMANUEL
MAYOR

LICENSE AGREEMENT

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List of Exhibits

Exhibit 1	Location, Tour Boats and Yearly License Fees
Exhibit 2	Service Facilities
Exhibit 3	Insurance Requirements and Certificate of Insurance
Exhibit 4	Form of Letter of Credit
Exhibit 5	Economic Disclosure Statement and Affidavit
Exhibit 6	Other Licenses, Permits and/or Certifications
Exhibit 7	Special Conditions Regarding MBE/WBE Participation (Including Schedules C-1 and D-1)
Exhibit 8	Public Works Provisions

LICENSE AGREEMENT

This License Agreement (the "**License Agreement**") is entered into effective as of the _____ day of _____, 2013 ("**Effective Date**"), by and between Mercury Skyline Yacht Charters and Mercury Sightseeing Boats, Inc., Illinois corporations, authorized to do business in the State of Illinois (collectively, "**Licensee**"), and the City of Chicago, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois ("**City**"), acting through its Chicago Department of Transportation ("**Department**"). City and Licensee agree as follows:

Deleted: _____

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TERMS AND CONDITIONS

ARTICLE 1. DEFINITIONS

1.1 Definitions

The following words and phrases have the following meanings for purposes of this License Agreement:

"**Chief Procurement Officer**" means the Chief Procurement Officer of the City and any representative duly authorized to act on his behalf.

"**City Council**" means the City Council of the City.

"**City Regulations**" means all applicable City Ordinances, Mayoral Executive Orders, provisions of the Municipal Code and rules and regulations promulgated by the appropriate City department, divisions or sections pursuant to the requirements of the Municipal Code.

"**Comptroller**" means the Chief Executive of the Department of Finance of the City and any individual authorized in writing to act on his behalf.

"**Commissioner**" means the Commissioner of the Chicago Department of Transportation and any representative duly authorized to act on the Commissioner's behalf in connection with this License Agreement.

"**Gross Revenues**" means the sum of (1) all amounts collected, billed by or due to the Licensee [and to the Chicago Architecture Foundation] to be paid in cash (including stolen or lost cash), credits or property of any kind or nature arising from or attributable to, directly or indirectly, or in anyway derived from, the use of the Location, whether or not such amounts are actually collected and (2) any other revenues arising from the possession by the Licensee of its rights to use the Location under this Agreement. Gross Revenues will be determined without any deduction on account of the cost of providing the Tour Service, the cost of materials used, labor or service costs or any other expense whatever. Gross Revenues will not include taxes billed to or paid by the users of the Tour Services. No other expenses or allowances will be deducted from Gross Revenues.

"**License Agreement**" means this agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

"**Location**" means the site on the Chicago River designated by the City as a docking area for Licensee's Tour Boats and the adjacent land, which site is described in detail in Exhibit 1 of this License Agreement. The Location may include Service Facilities as set forth in Exhibit 2. The Location licensed to the Licensee is specified in Article 2 of this License Agreement.

"**Municipal Code**" means the Municipal Code of Chicago as amended from time to time.

"**Ordinance**" means the ordinance passed on _____, 2013 by the City Council of the City, which ordinance appears at pages _____-_____ of the Journal of the Proceedings of the City Council of the City of Chicago, and which authorizes the Commissioner to enter into agreements granting the privilege of docking Tour Boats on the Chicago River.

"**Service Facilities**" means the facilities that may be provided by the City, at the City's discretion, for the use of Licensee in providing Tour Service (as defined below) at the Location, which facilities may include a service building, a utility center, an ascending/descending staircase, and dock/riverwall protection, as set forth in Exhibit 2.

"**Subcontractor**" means any person or entity with whom the Licensee contracts to provide any portion of the Tour Services and or any related services under this License Agreement, including Subcontractors of any tier, suppliers and materialmen whether or not in privity with the Licensee.

"**Tour Boat**" means any boat, ship or other vessel listed in Exhibit 1 (as amended from time to time to reflect new or replacement vessels) to be used in giving tours or charters to passengers or in providing on the Chicago River and Lake Michigan.

"**Tour Service**" means a service offered to the public generally, wherein members of the public may purchase tickets for regularly scheduled tours of the Chicago River and Lake Michigan, for which tours the members of the public will be picked up and dropped off at the single Location.

"**U.S.C.G.**" means the United States Coast Guard, a federal governmental agency.

1.2 Interpretation

(a) The term "**include**" (in all its forms) means "include, without limitation" unless the context clearly states otherwise.

(b) All references in this License Agreement to Articles, Sections or Exhibits, unless otherwise expressed or indicated are to the Articles, Sections or Exhibits of this License Agreement.

(c) Words importing persons include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) Any headings preceding the text of the Articles and Sections of this License Agreement, and any table of contents or marginal notes appended to it, are solely for convenience or reference and do not constitute a part of this License Agreement, nor do they affect the meaning, construction or effect of this License Agreement.

(e) Words importing the singular include the plural and vice versa. Words of the masculine gender include the correlative words of the feminine and neuter genders.

(f) All references to a number of days mean calendar days, unless indicated otherwise.

1.3 Incorporation of Exhibits

The following attached Exhibits are made a part of this License Agreement:

Exhibit 1	Location, Tour Boats and Yearly License Fees
Exhibit 2	Service Facilities
Exhibit 3	Insurance Requirements and Certificate of Insurance
Exhibit 4	Form of Letter of Credit
Exhibit 5	Economic Disclosure Statement and Affidavit
Exhibit 6	Other Licenses, Permits and/or Certifications
Exhibit 7	Special Conditions Regarding MBE/WBE Participation (Including Schedules C-1 and D-1)
Exhibit 8	Public Works Provisions

ARTICLE 2. SCOPE OF LICENSEE AGREEMENT AND CONDITIONS GOVERNING LICENSEE'S ACTIVITIES

2.1 License Granted

(a) The City grants to the Licensee permission to use docking space, for the purpose of docking Tour Boats to be used for Tour Services on the Chicago River and Lake Michigan at the Location specified in the attached Exhibit 1 ("**License**"). Additional services and activities may be added to this License agreement with the prior written consent of the Department and within the general scope of the original request for proposal as issued by the City. "**Docking**" will be deemed to take place when a Tour Boat is attached, affixed or tied to the Location for any period of time in any manner, for any purpose.

Deleted: , and for no other purpose whatsoever

(b) This License Agreement does not limit the ability of the City to grant any other person or other party the right to use the Location specified in Exhibit 1 of this License Agreement or any other Location, with the sole exception that the City may not issue a license to another party to operate a Tour Service from the Location specified in Exhibit 1 if the issuance of such license would materially interfere with the License issued here.

(c) The City makes no representations regarding the surface or the subsurface condition of the Location and the land adjacent to the Location. The City makes no guaranties, either expressed or implied, and the City assumes no responsibility with respect to the sufficiency or accuracy of any information conveyed, pertaining to the condition of the Location and adjacent land. If it becomes necessary for repairs to the structural integrity of the dock, the City will assume this responsibility and the Licensee must cooperate. The Licensee will immediately reimburse the City for damage to the dock and adjacent land.

(d) Nothing in this License is intended, or will be deemed, to give rise to a lease of real estate by the City to the Licensee. This License constitutes a license agreement, which permits the Licensee to operate its business at the Location specified in this License Agreement. The City has not conveyed any leasehold interest of any to the Licensee in this License Agreement. Neither the Licensee nor anyone acting for the Licensee may file this License Agreement or any copy of it, or any statement, paper or affidavit which in any manner refers to this License Agreement, in the Office of the Recorder of Deeds of Cook County, Illinois, or in any other public office: if any such document is so filed, this License Agreement and every provision in it may, in the sole discretion of the City, be declared null and void, and, additionally, the City may in such circumstance declare such filing to be an event of default under this License Agreement.

2.2 Rights Retained by the City in Granting License

(a) The Licensee acknowledges and agrees that this License Agreement is subject to

and subordinate to any existing or future agreement(s) of any kind between the City and any other person or party pertaining to the use, development, construction, operation and/or maintenance of the Chicago River, the Location, or the adjoining dockwalls, wharf areas, roadways and walkways. The City reserves the right, at its sole discretion, to further develop, improve, maintain, modify and repair the dockwalls, wharf areas, roadways and walkways connected to them at any time without interference or hindrance by the Licensee.

(b) The City reserves the right to relocate the Location and to cause the Licensee to relocate the Tour Boat and/or the Tour Service to another location either on a temporary basis or permanently, for any reason whatsoever, including if relocation is necessitated by any work, development or other public purpose pertaining to any part of the Chicago River and Lake Michigan, the Location, or the adjoining dockwalls, wharf area, or Michigan Avenue bridge.

(c) The Commissioner will provide written notice to the Licensee that the City is exercising any of its rights under this Section 2.2. No later than 30 days from the receipt of such notice, the Licensee shall remove, modify, replace, relocate, or vacate its facilities, as directed by the Commissioner, in his or her sole discretion, at the sole Licensee's expense. If the Licensee fails to comply within the time period provided, the City may relocate Licensee's Tour Boat and any appurtenances at the Licensee's expense. Licensee must pay the City within 10 days of receipt of invoice from the City. In an emergency, as determined by the Commissioner, the City may order the Licensee to remove or relocate its Tour Boat(s) and/or any appurtenances immediately.

2.3 Restrictions and Obligations Related to Operation at the Location

(a) City Access to Location:

The City, its representatives and employees will at all times have free access to the Location for purposes necessary, incidental to or connected with the performance or exercise of the City's governmental functions. If Licensee violates this subsection 2.3(a), liquidated damages shall be assessed in the amount of $1000 per occasion. Nothing in this subsection 2.3(a) is intended to limit the City's rights to gain entry to the Location granted under any law or by this Agreement.

(b) Location and Facilities:

The location, size, and Service Facilities available at the Location are set forth in Exhibit 1 to this License Agreement. Subject to the restrictions found in this License Agreement, Licensee will be allowed to operate either a Tour Service from the Location only. For all such regular Tour and Charter Services, Licensee will be prohibited from loading and/or unloading passengers at any public property (including other locations) other than the Location licensed to the Licensee. If the Licensee seeks to load or unload passengers at other

locations it must give prior notice to the Department and ensure that any required permits and permissions are secured by the Licensee or interested third parties. Licensee is responsible for managing dock facilities and Tour Boats from the Location. Licensee must perform Tour Services in a manner sensitive to the residents who live along side the Chicago River and Lake Michigan and its natural habitat.

Licensee must provide at its own cost and expense the following for the Location:

(i) Development of entertainment and recreational activities appropriate for the Location, which activities must be approved in writing by the Commissioner prior to commencement.

(ii) Development and implementation of an environmentally friendly plan of daily operations, including recycling program for the Location and aboard the Tour Boats, and the implementation of energy efficient Tour Boats.

(iii) Maintenance of the Location in an orderly, clean and safe fashion and a plan
that makes use of environmentally friendly methods of operations, cleaning and activities in order to protect the Chicago River and Lake Michigan and its wildlife.

(iv) Collection and disposal of all trash and recycling including providing receptacles for recycling and picking up all loose or blowing trash.

(v) Landscaping where possible that provides a natural and green setting in an urban context.

The Department has the authority to review and approve all improvements proposed by the Licensee. These improvements may include: dock improvements, kiosk placement, landscaping, ornamental lights, and railings. The Licensee must install the finishes necessary and complete the utility connections for its operation.

(c) Maintenance:

No Tour Boat maintenance activities of any kind are allowed at the Location. Prohibited maintenance activities include all engine maintenance, all preventive maintenance, all painting, and any and all other maintenance of the Tour Boat.

The Licensee may perform only **minor cleaning** of the decks and public portions of the Tour Boat at the Location, provided that Licensee may only use biodegradable detergent and water to clean the Tour Boat.

Emergency maintenance and/or reasonably unforesecable maintenance of the Tour Boat, which is or becomes necessary in order to assure the safety of the public, or in order to prevent the Tour Boat from becoming a hazard to navigation or otherwise from constituting a burden on the Chicago River and Lake Michigan, may be conducted at the Location.

The Licensee will be allowed to fuel the Tour Boat at its Location only in the manner and at the times that the City permits. Unless otherwise specified by the City in writing, the Licensee may fuel the Tour Boat at the location between the hours of 12 p.m. and 7:30 a.m. Fueling at other times, whether from land or water, is an event of default.

The Licensee is responsible for the routine maintenance of the Location and of the Service Facilities at the Location. However, if the Licensee's use of a Location causes damage to the Location or to any of the Service Facilities, the City may repair the Location or Service Facilities at the sole expense of the Licensee or require the Licensee to perform the repairs. Any repairs made by the Licensee or Subcontractor(s) must be done in accordance with the terms of Exhibit 8.

(d) Parking:

The Licensee, and all of the Licensee's agents, employees, invitees, passengers, and all other persons coming on to the Location, are prohibited from parking at the Location. Licensee shall inform all of its agents, employees, invitees, passengers, and all other persons coming on to the Location of this parking restriction. Any violation of this Section may result in the removal of any illegally parked vehicle at the sole cost and expense of the Licensee.

(e) No Habitation on Tour Boat:

No person may use any Tour Boat as a residence for any period of time while the Tour Boat is docked at any Location. However, this provision is not intended to prevent the Licensee from posting individuals on a Tour Boat as required to ensure the security of the Tour Boat.

(f) No Announcements or Disruptive Noise:

Licensee may not broadcast announcements or any other disruptive sounds from any Tour Boat or the Location. Such restrictions, however, do not prevent the Licensee from making any announcements or broadcasts required by U.S.C.G. or other regulations, nor will the restrictions set forth above prevent the Licensee from using a Tour Boat's public address system to convey information relating to sights on this tour to passengers while the Tour Boat is not docked at the Location. Amplified music on the Chicago River after 8:30 PM is prohibited.

(g) No Additions to the Location; No Advertising:

The Licensee may not attach, affix, or permit to be attached or affixed upon the Location any flags, placards, signs, poles, wires, aerials, antennae, improvements or fixtures of any kind without prior written consent of the Commissioner.

The Licensee may not place any advertisements on their Tour Boats, on the Location or on any public way without the written consent of the Commissioner.

Deleted:

(h) Sanitary Conditions:

The Licensee, at its own expense, must maintain and keep the Location, as well as the surrounding area, in a safe, clean, and sanitary condition during any time it is operating the Tour and Charter Services or performing other services pursuant to this License. If the Location and areas are not so maintained by the Licensee, then the City may terminate this License Agreement, or enter upon the Location and take all actions necessary to restore the Location to the condition required in this License Agreement at the Licensee' sole expense. The cost and expense to the City for any measures taken pursuant to this section will be charged to and must be paid immediately by the Licensee.

The Licensee must clean up and properly dispose of all refuse, waste, surplus materials and sanitary toilet waste on or about the Location on a daily basis during the term of this License Agreement. If the Licensee fails to commence performance of the tasks described in this paragraph within 5 business days after receiving written notice from the City to do so, the City may arrange to have the work performed by City employees or third parties and may charge the Licensee for all costs associated with the work, reserves the right to draw against the Letter of Credit for all such associated costs all as set forth in Section 2.9(a) herein, and may terminate the License Agreement.

(i) Suspension or Revocation of Permit:

If the Licensee violates the terms of any permit required by this License Agreement or which is otherwise required for the operation of the Tour Service, the Commissioner of the City permit-issuing Department may suspend or revoke such permit, or may take any action the Commissioner deems necessary, including ordering the Licensee to cease operation of the Tour Service until the violation has been corrected to the Commissioner's satisfaction.

(j) Utilities:

Licensee shall be responsible for all expenses related to utilities, including all electricity, telephone and water supply. The Licensee will be solely responsible for all utility charges incurred during the term of this License Agreement and any extension periods to it. The City will provide a three-phase electrical supply to the Location. The Licensee will be required to provide

at its own expense all equipment necessary to transform the three-phase electricity to any other form of current required for their Tour Services. The City will not include sewage hook-up as part of the Service Facilities. The City will install all general lighting at the Location: Licensee is responsible for providing all lighting on the Tour Boats and any gangways or similar accessways, as and if such lighting is necessary for the safety of the public. The Licensee is required to open utility accounts as required for its operations including with ComEd, SBC, and the City's Department of Water Management.

The Licensee may not construct, install or otherwise modify any utility access facilities, or any other facilities, without the prior written consent of the Commissioner. If the Commissioner issues such consent, then the Licensee must comply with all conditions and/or requirements contained in the consent as to the construction or installation of the facilities and the provisions in Exhibit 8 of this License Agreement. The construction, installation or modification of any utility or other facilities without the express written consent of the Commissioner may be deemed an event of default under Article 8 of this License Agreement. In addition, the Licensee bears the full burden and expense of removing or replacing to original condition the facility added to or modified.

(k) Season:

Tour Boats are not allowed to dock at the Location between January 15 and March 1of any year. Between January 15 and March 1 of any year, any Tour Boat docked at a Location is subject to removal by the City at the Licensee's sole expense. Licensee shall notify the City as to its seasonal operation start and end dates on an annual basis prior to getting access to the site for the operation of its Tour Boat or Charter Boat services.

(l) Rentals of Smaller Vessels:

The Licensee is not allowed to lease or dock human-powered craft, including stand-up paddle boards, canoes, kayaks and water bikes, or powered or other craft, including jet skis or motor operated boats. All vessels are subject to the approval of the Commissioner.

(m) Violation of No Wake:

The Licensee must comply with the No Wake Zones of the Chicago River and Lake Michigan. If the Licensee is observed violating the No Wake Zones of the Chicago River and Lake Michigan, the Licensee is subject to fines from the Chicago Police Department. If repeated incidents occur, the City may elect to terminate the License Agreement.

(n) Signs, Canpoies, Awnings:

Licensee must provide to the City for any approval a proposed sign, canopy, or awning located in the public way to indicate the identity of the Licensee operating the Tour Service from the Location. The City will, in its sole discretion, determine the size, appearance and location of any sign, canopy, or awning and no additional signs, canopies, or awnings will be allowed on any portion of the Location for any purpose without the prior written consent of the City.

2.4. Non-Liability of Public Officials

Licensee and any assignee or Subcontractor of Licensee must not charge any official, employee or agent of the City personally with any liability or expenses of defense or hold any official, employee or agent of the City personally liable to them under any term or provision of this License Agreement or because of the City's execution, attempted execution or any breach of this License Agreement.

2.5 Licensee's Tour Boat Operation and Maintenance Obligations

(a) Compliance with Law and Industry Standards:

The Licensee must comply with all laws, including all applicable federal, state and local laws, rules, regulations, decrees, orders and judgments; applicable requirements of the Municipal Code; applicable written standards of the City's Departments of Transportation and Buildings; manufacturers' specifications; and the standards set forth in the National Electric Code.

(b) Tour Boat Compliance with Maritime and Other Regulations:

The Licensee must comply with all applicable U.S.C.G. regulations. Further, each Tour Boat and all equipment associated with it must comply with applicable laws, including without limitation U.S.C.G. and Illinois Commerce Commission regulations and other requirements, including U.S.C.G. certification and registration, if applicable, of the Tour Boats. The Licensee must furnish copies of U.S.C.G. certifications of all Tour Boats to the City for inclusion in Exhibit 6 of this License Agreement. The City reserves the right to inspect any Tour Boat and all Service Facilities, as well as maintenance procedures and facilities related to the docking, operation and maintenance of the Tour Boat. If the inspection discloses that the Tour Boat does not comply with the terms of this License Agreement, the City will give written notice to the Licensee of its non-compliance. Such non-compliance will constitute an event of default under this License Agreement. Any dispute as to matters covered in this section must be submitted for dispute resolution in accordance with Article 5 of this License Agreement.

(c) Size of Tour Boats and Drawbridge Access:

Licensee must utilize vessels that do not require lifting of bridges, regardless of the water level of the Chicago River.

Further, the Tour Boat is limited to a length reasonably commensurate with the dock footage of the Location at which the Tour Boat is operated. The Commissioner, in the Commissioner's sole discretion, will determine whether the length of the proposed Tour boat is appropriate for the proposed Location.

(d) Safety Considerations:

The Licensee must at all times exercise reasonable care and comply with all applicable provisions of federal, state and local laws, rules and regulations to prevent accidents and/or injuries, and to avoid damage to and/or loss affecting City facilities, the Chicago River and Lake Michigan, the Location, the Service Facilities, and the property of third parties in connection with the docking, operation and maintenance of the Tour Boat and the Location. The Licensee must erect and properly maintain at all times all necessary safeguard barriers, flags and lights for the protection of the Licensee's and its Subcontractors' employees, City employees, and the public, which become necessary due to a later-occurring defect in the structure of the Location or any of the Service Facilities. If any such defect develops, the Licensee must notify the City immediately, and must maintain all necessary safety precautions until such time as the City rectifies the defect.

The Licensee must report to the Department any damage on, about, under or adjacent to the Chicago River and Lake Michigan, the Location, City property or the property of third persons, whether such damage is a result of the Licensee's operation of the Tour Boat or is unrelated to it.

(e) Restoration of Damaged Property:

If the Licensee causes damage to public or private property along the river or the lakefront, the Location, City facilities, or other property in connection with the activities contemplated by this License Agreement, the Licensee must, at its own expense and in a manner approved by the City and/or the owner of the private property, rebuild, restore and repair the Chicago River and Lake Michigan, City property or facilities or private property to a condition equal to the condition of the property before the incident that caused such damaged property or facilities. If the Licensee fails to perform such rebuilding, replacement or restoration within 5 business days of the disturbance (unless public safety is affected in which case such shorter time as the City will request), the City or the owner, after written notice to the Licensee, has the right to do so at the sole expense of the Licensee.

(f) Tour Boat Documentation:

The Licensee must provide the Commissioner for his approval a full description of the appearance and features of each Tour Boat. The specific requirements for such descriptions are

further set forth in Exhibit 1. The Licensee may not add or remove any Tour Boat from service or replace a Tour Boat with another Tour Boat without the prior written approval of the Commissioner. Such addition, removal or replacement of a Tour Boat without written approval of the Commissioner will be an event of default under this License Agreement.

(g) Seaworthiness:

The Licensee must at all times take all actions necessary to assure the seaworthiness of its Tour Boats. This includes compliance with all applicable U.S.C.G. and U.S. Corps of Engineers rules and regulations. The Licensee represents and warrants that all Tour Boats to be used to provide any Tour Service of any kind will be seaworthy and safe at all times.

(h) Commissioner's Right to Order Removal of Tour Boat:

The Licensee enters into this License Agreement with full knowledge and acceptance that the Commissioner may at any time determine that a particular Tour Boat is non-compliant with the terms and requirements of this License Agreement. The Commissioner may, at any time, identify a particular Tour Boat and either (1) order its removal from the Location, the Chicago River, and Lake Michigan, or (2) order the Licensee to cease operating the Tour Boat. If the Commissioner exercises such right, and/or the Tour Boat is not removed within 14 days from the date on which the removal of that Tour Boat is ordered by the Commissioner, the Tour Boat will be subject to immediate removal by the City at the owner's expense.

(i) Tour Boat Enhancements:

The Licensee must notify the Department of any proposed enhancements to or upgrades or replacements of any Tour Boat at least 60 days before making any such enhancement. For the purpose of this section "enhancements" includes any modifications to the appearance or function of the Tour Boat, without limitation. The Licensee must provide the City with written notice indicating the specific Tour Boat on which it would like to make a particular enhancement or upgrade. No enhancement of any kind may be made without the prior written consent of the Commissioner, and the enhancements must be made at no cost to the City. Enhancements must comply with all applicable laws. Any dispute under this section must be resolved in accordance with the dispute resolution provisions set forth in Article 5 of this License Agreement.

(j) Licenses and Permits

The Licensee bears responsibility for and, in a timely manner consistent with its obligations under this License Agreement, must secure and maintain at its sole expense such permits, licenses, authorizations and approvals as are necessary for the Licensee to operate the Tour Boats on the public water ways in accordance with this License Agreement.

(k). In the Event of Fire or Other Destruction of Location

If the Location, or any portion of the Location, is destroyed or damaged by fire or other disaster so as to prevent the use of the Location for the purposes and during the periods specified in this License Agreement, the City is not obligated to repair or rebuild the Location. The City may, however, in the City's sole discretion, elect to repair the Location. If the City elects not to repair the Location, then this License Agreement terminates, and the Licensee waives any claim against the City for damages, including lost profits, by reason of the termination. If the City elects to repair the Location, this License Agreement does not terminate, but is suspended until such time as the Commissioner issues written notice to the Licensee that the Licensee may resume Tour Services. The Yearly License Fee will be adjusted for the actual number of days the dock was open. The term of this License Agreement will not be extended.

If it becomes necessary for any reason in the judgment of the City to remove or modify any part of the Location's Service Facilities and the Licensee incurs any loss as a result, the Licensee may not bring any claim or charge against the City for restoration or replacement of the Service Facilities or any losses.

(l). Restrictions on Solicitations and Sales

(i) Central Location for the Dissemination of Information about Tour Boats:

Unless otherwise approved by the Commissioner, the Licensee is allowed to hand out or otherwise disseminate information about Tour Services only at two sites on the Location: (1) from inside the Service Facilities provided by the City at the Location; and (2) on the Tour Boats themselves. The Licensee is not allowed to hand out or otherwise disseminate information about Tour Services at any other public location, including on the public way along upper and lower Wacker Drive from Lake Shore Drive to the intersection of Wacker Drive and Washington Street.

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(ii). Ticket Sales:

Unless otherwise agreed in writing by the City, the Licensee is allowed to sell tickets for the Tour Services online, via hotel concierges, the Chicago Architecture Foundation and other venues that are not on the public way, or at two areas on the Location. Licensee may have up to two people promoting the tours and ticket sales at the top of the stairs; any changes or additional persons must be approved by the Commissioner. Tickets may be sold at the Service Facilities provided at the Location by the City, and tickets may be sold on the Tour Boat. The Licensee is not allowed to sell tickets on the public way,

Deleted: at any other location, including

including along the upper and lower Wacker Drive from Lake Shore Drive to the intersection of Wacker Drive and Washington Street.

(iii). Hawking:

In addition to the restrictions set forth above in sub paragraphs (i) and (ii) of this section, ticket sales or solicitations of business of any description along any public way in the City are subject to all applicable restrictions of such activities contained in the Municipal Code and as governed by the "Rules and Regulations Pertaining to Tour Boats and Water Taxis" as issued by the Department of Consumer Services or such amendments thereto.

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In addition to any penalties that the Licensee may incur for violations of any ordinance, if the Commissioner determines that the Licensee has engaged in ticket sales, solicitation of business or dissemination of information in any of the areas set forth above, then, upon the third such occurrence, and upon any subsequent occurrence, the Commissioner may elect to terminate the License or pursue any other remedy afforded to the City by the terms of Article 8 of this License Agreement.

2.6 Minority and Women's Business Enterprises Commitment

In the performance of this License Agreement, Licensee must abide by the minority and women's business enterprise commitment requirements set for by the Commissioner. The Licensee must utilize MBEs and WBEs at the levels of participation described below.

It is the policy of the City of Chicago that Local Businesses certified as Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) in accordance with Section 2-92-410 et seq. of the Municipal Code of Chicago and Regulation Governing Certification of Minority and Women-owned Businesses, and all other Regulation promulgated under the aforementioned section of the Municipal Code shall have the maximum opportunity to participate fully in the performance of this agreement. Therefore, the Licensee shall not discriminate against any person or business on the basis of race, color, national origin or sex, and shall take affirmative action to ensure that women and minority businesses shall have the maximum opportunity to compete for and perform subcontracts for supplies and services.

The Commissioner has established a goal of awarding not less than 25% to MBE and 5% to WBE for any outside services contracted out by the Licensee of the Location.

In the event that the Licensee elects to perform improvements to the Location, upon approval by the Department, the Commissioner has established a goal of awarding not less than 25% to MBE and 5% to WBE for the total value of the improvement project.

Every year that this License Agreement is in effect, prior to the first day of operations, the Licensee must submit to the Department a revised summary of the MBE/WBE participation for the year. The financial report required as part of the supplemental income must also include a statement to the Department showing (i) a calculation of the proposed MBE/WBE participation for the year based on Licensee's projections (DPS Schedule C-1 and D-1's will be accepted), and (ii) a calculation of the actual MBE/WBE utilization that Licensee achieved.

Licensee will be required to provide a certified financial statement from a CPA no later than January 15th of each year documenting the previous seasons activity to determine the annual gross revenue and Supplement Revenue Fees due. In addition, this report should include a section showing compliance with the MBE/WBE requirements established by the Commissioner including; identifying each MBE/WBE firm, the firms certification of compliance with the program and contract amount goals and actual expenditures.
If an improvement project is being completed between two seasons, the Licensee can determine which year the percentages can be applied but must notify the Department in writing prior to beginning the project.

If the Licensee fails to meet the participation goals established by the Commissioner in any year, then the City may, in its sole discretion, treat such failure as an event of default or may allow the Licensee to increase its proposed MBE/WBE participation levels in the year immediately succeeding the year of deficiency in order to compensate fully for the deficiency.

2.7 Insurance

Licensee must provide and maintain at Licensee's own expense, during the term of this License Agreement and any time period following expiration if Licensee is required to return and perform any of the Services or Additional Services under this License Agreement, the insurance coverages and requirements specified in Exhibit 3 of this License Agreement, insuring all operations related to this License Agreement.

2.8 Indemnification

(a) Licensee must protect, defend, indemnify, and hold the City, its officers, officials, representatives, and employees (collectively the "**Indemnitees**"), harmless from and against any and all claims, damages, demands, injury or death, in consequence of granting this License Agreement or arising out of or being in any way connected with Licensee's performance under this License Agreement except for matters shown by final judgment to have been caused by or attributable to the negligence of Indemnitees. This indemnification obligation is effective

to the maximum extent permitted by applicable law. This indemnity extends to all legal costs, including attorney fees, costs, liens, judgments, settlements, penalties, professional fees, and other expenses incurred by the City, including fines and penalties imposed by public bodies, and the reasonable settlement of such claims. This indemnification obligation is not limited by any amount of insurance required under this License Agreement or the Letter of Credit required in Section 2.9 of this License Agreement. Further, the indemnification obligation contained in this section will survive the expiration or termination of this License Agreement.

(b) At the City Corporation Counsel's option, Licensee must defend all suits brought upon all such Losses and must pay all costs and expenses incidental to them, but the City has the right, at its option, to participate, at its own cost, in the defense of any suit, without relieving Licensee of any of its obligations under this License Agreement. Any settlement must be made only with the prior written consent of the City Corporation Counsel, if the settlement requires any action on the part of the City.

(c) To the extent permissible by law, Licensee waives any limits to the amount of its obligations to defend, indemnify, hold harmless, or contribute to any sums due under any Losses, including any claim by any employee of Licensee that may be subject to the Workers Compensation Act, 820 ILCS 305/1 *et seq.* or any other related law or judicial decision (such as, *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Illinois Workers Compensation Act, the Illinois Pension Code, any other statute or judicial decision.

(d) The Licensee waives the right to receive the benefits of or to invoke the protection afforded by all maritime statutory limitations of liability, including the Limitation of Vessel Owner's Liability Act, 48 U.S.C. §183 et seq., that could act to diminish the liability of the Licensee for any harm or damage arising from the operation of any Tour Boats under this License Agreement in any manner, or for all Losses or other costs arising from or occasioned by the operation by the Licensee of any Tour Boats on the Chicago River or on Lake Michigan. This provision is not intended to avoid or waive federal jurisdiction under applicable admiralty laws. This waiver extends only to the City, and not to third parties seeking recovery for Losses or other costs solely against the Licensee.

(f) Without limiting its waiver, the Licensee specifically consents to pay all sums in respect of any Losses or other costs arising from or occasioned by the use of any Tour Boat on the Chicago River or on Lake Michigan; this indemnification includes the following:

(i) Loss or damage to any other ship, vessel or boat caused proximately or otherwise by the Licensee's Tour Boat, or loss of the cargo of such other ship, vessel or boat;

(ii) Loss of life or personal injury, or for any cost of life salvage;

(ii) Loss or damage to any harbor, dock, building, graving or otherwise, slipway, pontoon, pier, quay, tunnel, jetty, stage, buoy, cables of any kind, or other fixed or movable object or property whatsoever;

(iv) The cost of the removal, raising or destruction of the wreck of any Tour Boat employed by the Licensee in performing the Tour Services;

(v) If a Tour Boat is disabled or otherwise, the cost of towage or other salvage of the Tour Boat employed by the Licensee in performing the Tour Services;

(vi) Loss or damage to the Location as defined in this License Agreement; and

(vii) Loss or damage to the bottom or banks of the Chicago River, or to the shoreline of Lake Michigan.

2.9 Letter of Credit

(a) Terms of the Letter of Credit

The Licensee must provide the City with an irrevocable, unconditional, standby letter of credit ("**Letter of Credit**") in an amount equal to $100,000. If the Licensee fails to furnish the Letter of Credit pursuant to the requirements set forth in this Section 2.9, then the Commissioner may terminate the License Agreement. The Letter of Credit must be renewed for the Location each year during the term of the License Agreement and for 12 months beyond the term.

The Letter of Credit must be in the form set forth in Exhibit 4 to this License Agreement. The Letter of Credit will be used to ensure the faithful performance by the Licensee of all provisions of this License Agreement and compliance with all orders, permits and directions of any agency, commission, board, department, division or office of the City having jurisdiction over the Licensee's acts or defaults under this License Agreement and for payment by the Licensee of any costs, liens, claims and taxes due the City which arise by reason of the Licensee's acts in accordance with this License Agreement.

The City will be entitled to draw on the Letter of Credit if the Licensee: (i) has failed to pay the City in whole or in part any of the fees or other charges set forth in this License Agreement within the time fixed in this License Agreement; (ii) has failed to repay the City in whole or in part within 10 days for any damages, expenses or costs which the City has suffered or is compelled to pay by reason of the Licensee's acts or omissions under this License Agreement; or (iii) has failed, after 5 days notice to the Licensee of such failure, to comply with any provision of this License Agreement which the Commissioner has reasonably determined can be remedied by a draw on the Letter of Credit. The City will also be entitled to draw on any

Letter of Credit which expires (either by its terms or because of non-renewal) on a date prior to the termination date of this License Agreement unless proof of renewal of such Letter of Credit or a replacement Letter of Credit in form and substance satisfactory to the City's Corporation Counsel has been furnished to the City's Corporation Counsel at least 30 days prior to the expiration date of the Letter of Credit. Upon the sole condition of delivery by the City to the issuer of the Letter of Credit of a demand for payment, purportedly signed by the Commissioner or the Comptroller, whether acting or actual, the City can immediately draw up to the amount outstanding. After such draw, the City will notify the Licensee of the amount and date of the draw and will include in the notice the basis pursuant to which the City's right to draw has been exercised. If amounts are drawn under the Letter of Credit, the Licensee will take such actions as may be necessary to maintain the Letter of Credit at full amount within 5 days of the City's notice of draw and must cause it to be maintained at that full amount for 12 months beyond the expiration or termination of the License Agreement, whichever is later. The rights reserved to the City under the Letter of Credit will be in addition to any rights it may have under this License Agreement, at law or in equity.

(b) Qualified Issuers

The Letter of Credit must be issued by a company or financial institution that is authorized to do business in the State of Illinois, is acceptable to the City Comptroller and has an office in the City of Chicago where the City may draw on the Letter of Credit.

(c) Right to Require Replacement Letter of Credit

If the financial condition of the issuer of a Letter of Credit materially and adversely changes, the City may, at any time, require that the Letter of Credit be replaced with a Letter of Credit consistent with the requirements set forth in this section.

(d) No Excuse from Performance

None of the provisions contained in this Section 2.9 nor the Letter of Credit required by this Section 2.9 will be construed to excuse the faithful performance by Licensee of the terms and conditions of this License Agreement or limit the liability of the Licensee under this License Agreement for any and all damages in excess of the amounts of the Letter of Credit.

2.10 Assignments and Subcontracts

(a) Licensee shall not assign, delegate or otherwise transfer all or any part of its rights or obligations under this License Agreement: (i) unless otherwise provided for elsewhere in this License Agreement; or (ii) without the express written consent of the Commissioner. The absence of such a provision or written consent voids the attempted assignment, delegation or

transfer and is of no effect as to the Services or this License Agreement. No approvals given by the Commissioner, including approvals for the use of any Subcontractors, operate to relieve Licensee of any of its obligations or liabilities under this License Agreement.

(b) All Subcontractors are subject to the prior approval of the Commissioner. Approval for the use of any Subcontractor in performance of the Services is conditioned upon performance by the Subcontractor in accordance with the terms and conditions of this License Agreement. If any Subcontractor fails to perform the Services in accordance with the terms and conditions of this License Agreement to the satisfaction of the Department, the City has the absolute right upon written notification to immediately rescind approval and to require the performance of this License Agreement by Licensee personally or through any other City-approved Subcontractor. Any approval for the use of Subcontractors in the performance of the Services under this License Agreement under no circumstances operates to relieve Licensee of any of its obligations or liabilities under this License Agreement.

(c) Licensee, upon entering into any agreement with a Subcontractor, must furnish upon request of the Commissioner or the Department a copy of its agreement. Licensee must ensure that all subcontracts contain provisions that require the Services be performed in strict accordance with the requirements of this License Agreement, provide that the Subcontractors are subject to all the terms of this License Agreement and are subject to the approval of the Department and the Commissioner. If the agreements do not prejudice any of the City's rights under this License Agreement, such agreements may contain different provisions than are provided in this License Agreement with respect to extensions of schedule, time of completion, payments, guarantees and matters not affecting the quality of the Services.

(d) The City reserves the right to assign or otherwise transfer all or any part of its interests under this License Agreement to any successor.

2.11 Disclaimer

Licensee acknowledges that the City or its contractors may engage in public improvement projects in the vicinity of the Chicago river, including, without limitation, the riverwalk. Licensee shall cooperate with the City and its contractors to facilitate such work. City hereby disclaims all liability for all consequential, incidental, special, punitive, and indirect damages, including all liability for lost profits, for any reason whatsoever, including but not limited to any alleged losses caused by such projects. Without limiting the foregoing, Licensee agrees that it will make no claims against the City for damages, charges, additional costs or fees or any lost profits or costs incurred by reason of delays or hindrances by the City or its contractors in the operation of the Tour Service pursuant to this License Agreement.

ARTICLE 3. TERM OF LICENSE AGREEMENT

3.1 Initial Term

Unless earlier terminated in accordance with any provision of this License Agreement, this License Agreement will continue for ten years from the Effective Date.

3.2 License Agreement Extension Option

The Commissioner may at any time before this License Agreement expires elect to extend the term of this License Agreement for up to eight additional, consecutive 5 year terms, under the same terms and conditions as this original License Agreement by written notice to the Licensee.

ARTICLE 4. COMPENSATION

4.1 Compensation

(a) Each year, the Licensee must pay to the City the fees set forth in Exhibit 1 of this License Agreement. As set forth in Exhibit 1, each year the Licensee will pay the City a Minimum Annual Guarantee and a Supplemental Revenue Fee.

(b) The Minimum Annual Guarantee for any year is due and payable in two installments by the Licensee. The first payment of 50% of the Minimum Annual Guarantee is due on or before the April 1 of such year, and the remaining 50% of the yearly License fee is due on or before the August 1 of such year.

(c) The Supplemental Revenue Fee for each year is due and payable no later than 45 days after the end of that year.

4.2 Taxes and other Licensee Costs

(a) The Licensee must pay any assessments and taxes of any kind which arise as a result of or in connection with this License and the uses of the Location.

(b) The Licensee must obtain, and must pay any and all fees necessary to obtain federal, state and local licenses, permits and authorizations required for docking and operating each Tour Boat including inspection fees required in connection with obtaining electrical wiring permits from the City. This includes each of the following as may be required or may become applicable to the Licensee or the licensed Tour Boat and must be attached to Exhibit 6 of this License Agreement: a certificate of inspection, a certificate of documentation, and any and all other licenses or certifications required by the U.S.C.G.; a great lakes radiotelephone license certificate of the Federal Communications Commission; a State of Illinois registration or title; and all other vessel and operation licenses required by the State of Illinois or the City.

(c) Notwithstanding the foregoing, the Licensee may claim a credit against any amounts due under this License Agreement equal to the amount of the Chicago Boat Mooring Tax paid by the Licensee pursuant to section 3-16-030 of the Municipal Code of Chicago.

4.3 Late Payment, Material Underpayment or Nonpayment

If the Licensee fails to make its yearly payments when due, or makes an underpayment in any annual payment period of more than 5% of the amount due for such annual payment period, then the City may charge the Licensee interest on the amount due of 1.25% for each month said amount remains due and owing. Interest on the amount of the underpayment due will accrue from the date on which the original payment should have been made. If any payment owed pursuant to this License Agreement remains past due for more than 30 business days, the Commissioner may declare a breach of this License Agreement and terminate the License Agreement upon 30 days' written notice to the Licensee.

4.4 Records and Audit

The Licensee [and the Chicago Architecture Foundation] must maintain books and records related to the operation of the Tour Service, including cash and non-cash revenues generated and ticket sales. All books and records must be maintained in a manner consistent with generally accepted accounting principles and practice.

No later than the date for payment of the Supplemental Revenue Fee as described in Section 4.1(c), the Licensee must supply to the Commissioner an audit, conducted by an independent certified public accountant, in form and substance acceptable to the Commissioner, certifying as to the Gross Revenues from the Location [for both Licensee and the Chicago Architecture Foundation], and calculating the Supplemental Revenue Fee due to the City for the prior year pursuant to the Agreement. If Licensee fails to timely furnish to the Commissioner the annual statement required under this Agreement or if the independent certified public accountant's opinion is qualified or conditioned in any manner, the Commissioner has the right (but is not obligated) without notice, to conduct an audit of Licensee's books and records and to prepare the statements at Licensee's expense. In any event, the City, upon 10 days' written notice to the Licensee, may perform or have performed by a City consultant, an audit and review of the records serving as the basis for the Licensee's annual statement. If the City's independent audit determines that the compensation paid to the City was underpaid in the prior calendar year by more than 5%, the Contractor will bear the cost of the City's audit in addition to paying the City the underpayment, plus interest as set forth in Section 4.3. This provision survives the termination or expiration of this Agreement.

[Licensee acknowledges and covenants that it has an agreement with the Chicago Architecture Foundation to enable compliance with this subsection.]

ARTICLE 5. DISPUTES

Except as otherwise provided in this License Agreement, Licensee must and the Commissioner may bring any dispute arising under this License Agreement which is not resolved by the parties to the Commissioner for decision based upon the written submissions of the parties. The Commissioner will issue a written decision and send it to the Licensee by mail. The decision of the Commissioner is final and binding. The sole and exclusive remedy to challenge the decision of the Commissioner is judicial review by means of a common law writ of certiorari.

ARTICLE 6. COMPLIANCE WITH ALL LAWS

6.1 Compliance with All Laws Generally

(a) Licensee must observe and comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later and whether or not they appear in this Agreement, including those set forth in this Article 6, and Licensee must pay all taxes and obtain all licenses, certificates and other authorizations required by them. Licensee must require all Subcontractors to do so, also. Further, Licensee must execute an Economic Disclosure Statement and Affidavit ("**EDS**") in the form attached to this Agreement as Exhibit 4. Notwithstanding acceptance by the City of the EDS, Licensee's failure in the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Licensee must promptly update its EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate. Licensee agrees that Licensee's failure to maintain current throughout the term and any extensions of the term, the disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, shall constitute an event of default.

(b) Notwithstanding anything in this Agreement to the contrary, references to a statute or law are considered to be a reference to (i) the statute or law as it may be amended from time to time; (ii) all regulations and rules pertaining to or promulgated pursuant to the statute or law; and (iii) all future statutes, laws, regulations, rules and executive orders pertaining to the same or similar subject matter.

6.2 Nondiscrimination

(a) **Licensee**

Licensee must comply with applicable federal, state, and local laws and related regulations prohibiting discrimination against individuals and groups. If this Agreement is federally funded in whole or in part, additional provisions related to nondiscrimination may be set forth in Exhibit 8.

(i) **Federal Requirements**

Licensee must not engage in unlawful employment practices, such as (1) failing or refusing to hire or discharging any individual, or otherwise discriminating against any individual with respect to compensation or the terms, conditions, or privileges of the individual's employment, because of the individual's race, color, religion, sex, age, handicap/disability or national origin; or (2) limiting, segregating or classifying Licensee's employees or applicants for employment in any way that would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect the individual's status as an employee, because of the individual's race, color, religion, sex, age, handicap/disability or national origin.

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Civil Rights Act of 1964, 42 U.S.C. sec. 2000e *et seq.* (1981), as amended and the Civil Rights Act of 1991, P.L. 102-166. Attention is called to: Exec. Order No. 11246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000e note, as amended by Exec. Order No. 11375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. §§621-34; Rehabilitation Act of 1973, 29 U.S.C. §§ 793-794 (1981); Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*; 41 C.F.R. Part 60 *et seq.* (1990); and all other applicable federal statutes, regulations and other laws.

(ii) **State Requirements**

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.* (1990), as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 44 Ill. Admin. Code § 750 Appendix A. Furthermore, Licensee must comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.* (1990), as amended, and all other applicable state statutes, regulations and other laws.

(iii) **City Requirements**

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Chicago Human Rights Ordinance, ch. 2-160, Section 2-160-010 *et seq.* of the Municipal Code of Chicago

(1990), as amended, and all other applicable City ordinances and rules.

(b)Subcontractors
Licensee must incorporate all of this Section 6.2 by reference in all agreements entered into with any suppliers of materials, furnisher of services, Subcontractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement. Further, Licensee must furnish and must cause each of its Subcontractor(s) to furnish such reports and information as requested by the federal, state, and local agencies charged with enforcing such laws and regulations, including the Chicago Commission on Human Relations.

6.3 Inspector General

It is the duty of any bidder, proposer or Licensee, all Subcontractors, every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners and employees of any bidder, proposer, Licensee, Subcontractor or such applicant to cooperate with the Legislative Inspector General or the Inspector General in any investigation or hearing, if applicable, undertaken pursuant to Chapters 2-55 or 2-56, respectively, of the Municipal Code. Licensee understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code. All subcontracts must inform Subcontractors of the provision and require understanding and compliance with it.

6.4 MacBride Ordinance

The City of Chicago through the passage of the MacBride Principles Ordinance seeks to promote fair and equal employment opportunities and labor practices for religious minorities in Northern Ireland and provide a better working environment for all citizens in Northern Ireland.

In accordance with Section 2-92-580 of the Municipal Code of the City of Chicago, if Licensee conducts any business operations in Northern Ireland, the Licensee must make all reasonable and good faith efforts to conduct any business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220).

The provisions of this Section 6.4 do not apply to contracts for which the City receives funds administered by the United States Department of Transportation, except to the extent Congress has directed that the Department of Transportation not withhold funds from states and localities that choose to implement selective purchasing policies based on agreement to comply with the MacBride Principles for Northern Ireland, or to the extent that such funds are not otherwise withheld by the Department of Transportation.

6.5 Business Relationships with Elected Officials

Pursuant to MCC Sect. 2-156-030(b), it is illegal for any elected official, or any person acting at the direction of such official, to contact either orally or in writing any other City official or employee with respect to any matter involving any person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months. In addition, no elected official may participate in any discussion in any City Council committee hearing or in any City Council meeting or vote on any matter involving the person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months.

Violation of MCC Sect. 2-156-030 by any elected official with respect to this contract will be grounds for termination of this contract. The term financial interest is defined as set forth in MCC Chapter 2-156.

6.6 Chicago "Living Wage" Ordinance

(a) Section 2-92-610 of the Municipal Code provides for a living wage for certain categories of workers employed in the performance of City contracts, specifically non-City employed security guards, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers ("**Covered Employees**"). Accordingly, pursuant to Section 2-92-610 and regulations promulgated under it:

(i) If Licensee has 25 or more full-time employees, and

(ii) If at any time during the performance of this License Agreement, Licensee and/or any Subcontractor or any other entity that provides any portion of the Services (collectively "**Performing Parties**") uses 25 or more full-time security guards, or any number of other full-time Covered Employees, then

(iii) Licensee must pay its Covered Employees, and must ensure that all other Performing Parties pay their Covered Employees, not less than the minimum hourly rate as determined in accordance with this provision (the "**Base Wage**") for all Services performed under this License Agreement.

(b) Licensee's obligation to pay, and to ensure payment of, the Base Wage will begin at any time during the term of this License Agreement when the conditions set forth in (a)(i) and (a)(ii) above are met, and will continue until the end of the term of this License Agreement.

(c) As of July 1, 2012, the Base Wage is $11.53 per hour, and each July 1 thereafter, the Base Wage will be adjusted using the most recent federal poverty guidelines for a family of four as published annually by the U.S. Department of Health and Human Services, to constitute the following: the poverty guidelines for a family of four divided by 2000 hours or the current base wage, whichever is higher. The currently applicable Base Wage is available from the Department of Procurement Services. At all times during the term of this License Agreement, Licensee and all other Performing Parties must pay the Base Wage (as adjusted in accordance with the above). If the payment of prevailing wages is required for Services done under this License Agreement, and the prevailing wages for Covered Employees are higher than the Base Wage, then Licensee and all other Performing Parties must pay the prevailing wage rates.

(d) Licensee must include provisions in all subcontracts requiring its Subcontractors to pay the Base Wage to Covered Employees. Licensee agrees to provide the City with documentation acceptable to the Commissioner demonstrating that all Covered Employees, whether employed by Licensee or by a Subcontractor, have been paid the Base Wage, upon the City's request for such documentation. The City may independently audit Licensee and/or Subcontractors to verify compliance with this section. Failure to comply with the requirements of this section will be an event of default under this License Agreement, and further, failure to comply may result in ineligibility for any award of a City contract or subcontract for up to 3 years.

(e) Not-for-Profit Corporations: If Licensee is a corporation having federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and is recognized under Illinois not-for-profit law, then the provisions of subsections (a) through (d) above do not apply.

6.7 Prohibition on Certain Contributions

No Contractor or any person or entity who directly or indirectly has an ownership or beneficial interest in Contractor of more than 7.5% ("Owners"), spouses and domestic partners of such Owners, Contractor's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% ("Sub-owners") and spouses and domestic partners of such Sub-owners (Contractor and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee during (i) the bid or other solicitation process for this Contract or Other Contract, including while this Contract or Other Contract is executory, (ii) the term of this Contract or any

Other Contract between City and Licensee, and/or (iii) any period in which an extension of this Contract or Other Contract with the City is being sought or negotiated.

Licensee represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Licensee or the date the Licensee approached the City, as applicable, regarding the formulation of this Contract, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Licensee shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Contract, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Contract, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Licensee violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Contract resulting from this specification, the CPO may reject Licensee's bid.

For purposes of this provision:

"Other Contract" means any agreement entered into between the Licensee and the City that is (i) formed under the authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"Contribution" means a "political contribution" as defined in MCC Ch. 2-156, as amended.

"Political fundraising committee" means a "political fundraising committee" as defined in MCC Ch. 2-156, as amended.

6.8 Firms Owned or Operated by Individuals with Disabilities

The City encourages Licensees to use Subcontractors that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code of the City of Chicago, where not otherwise prohibited by federal or state law.

6. 9 Ineligibility to do Business with City.

Failure by the Licensee or any Controlling Person (defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code shall render this Contract voidable or subject to termination, at the option of the Chief Procurement Officer. Licensee agrees that Licensee's failure to maintain eligibility (or failure by Controlling Persons to maintain eligibility) to do business with the City in violation of Section 1-23-030 of the Municipal Code shall constitute an event of default.

6.10 Deemed Inclusion

Provisions required by law, ordinances, rules, regulations, or executive orders to be inserted in this License Agreement are deemed inserted in this License Agreement whether or not they appear in this License Agreement or, upon application by either party, this License Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this License Agreement is signed prevent its enforcement.

ARTICLE 7. SPECIAL CONDITIONS

7.1 Warranties and Representations

In connection with signing and carrying out this License Agreement, Licensee:

(a) warrants that Licensee has all appropriate permits and licenses as required by federal, state and local laws to perform the Tour Services required under this License Agreement and will perform no Services for which a license is required by law and for which Licensee is not appropriately licensed;

(b) warrants it is financially solvent; it and each of its employees, agents and Subcontractors of any tier are competent to perform the Services required under this License

Agreement; and Licensee is legally authorized to execute and perform or cause to be performed this License Agreement under the terms and conditions stated in this License Agreement;

(c) warrants that it will not knowingly use the services of any ineligible contractor or Subcontractor for any purpose in the performance of its Services under this License Agreement;

(d) warrants that Licensee and its Subcontractors are not in default at the time this License Agreement is signed, and have not been deemed by the Chief Procurement Officer or any other City official to have, within 5 years immediately preceding the date of this License Agreement, been found to be in default on any contract awarded by the City ;

(e) represents that it has carefully examined and analyzed the provisions and requirements of this License Agreement; it understands the nature of the Services required; from its own analysis it has satisfied itself as to the nature of all things needed for the performance of this License Agreement; this License Agreement is feasible of performance in accordance with all of its provisions and requirements, and Licensee warrants it can and will perform, or cause to be performed, the Services in strict accordance with the provisions and requirements of this License Agreement;

(f) represents that Licensee and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of § 2-92-320 of the Municipal Code , and in connection with it, and additionally in connection with the Illinois Criminal Code, 720 ILCS 5/33E as amended, and the Illinois Municipal Code, 65 ILCS 5/11-42.1-1; and

(g) acknowledges that any certification, affidavit or acknowledgment made under oath in connection with this License Agreement is made under penalty of perjury and, if false, is also cause for termination under Sections 8.2 and 8.3 of this License Agreement.

(h) warrants and represents that it has in effect and will maintain in effect during the term of this License Agreement a valid certificate of service authority to operate a Tour Service granted by the U.S.C.G., a copy of which is attached in Exhibit 6.

(i) represents that it has inspected in detail the designated Location and has familiarized itself with all of the local conditions of the docking areas and adjacent land affecting the provision of Tour Services at the Location and Section 2.3(b) services. The Licensee is solely responsible for all errors in the Licensee's proposal or losses subsequently incurred by the Licensee as a result of the Licensee's failure to adequately inspect the Location, the License Agreement; and

(j) warrants that it will operate a Tour Service in accordance with all applicable provisions and requirements of the Department of Homeland Security;

(j) warrants and represents that it has examined the Location and appurtenant land prior to the submission of Licensee's proposal, and further, the Licensee agrees that the Location are in a safe condition and in good repair; and

(l) The Licensee warrants and represents that neither the Licensee nor any Affiliate of Licensee appears on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

"Affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

7.2 Ethics

(a) In addition to the foregoing warranties and representations, Licensee warrants:

(i) no officer, agent or employee of the City is employed by Licensee or has a financial interest directly or indirectly in this License Agreement or the compensation to be paid under this License Agreement except as may be permitted in writing by the Board of Ethics established under Chapter 2-156 of the Municipal Code.

(ii) no payment, gratuity or offer of employment will be made in connection with this License Agreement by or on behalf of any Subcontractors to Licensee or higher tier Subcontractors or anyone associated with them, as an inducement for the award of a subcontract or order.

(b) Licensee further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 is voidable as to the City.

7.3 Joint and Several Liability

If Licensee, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then under this License Agreement, each and

without limitation every obligation or undertaking in this License Agreement to be fulfilled or performed by Licensee is the joint and several obligation or undertaking of each such individual or other legal entity. _____. are jointly and severally liable under this License Agreement.

7.4 Business Documents

At the request of the City, Licensee must provide copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreement, as applicable.

7.5 Conflicts of Interest

(a) No member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Services to which this License Agreement pertains is permitted to have any personal interest, direct or indirect, in this License Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee is allowed to be admitted to any share or part of this License Agreement or to any financial benefit to arise from it.

(b) Licensee represents that it, and to the best of its knowledge, its Subcontractors if any (Licensee and Subcontractors will be collectively referred to in this Section 7.5 as "**Licensee Parties**"), presently have no direct or indirect interest and will not acquire any direct or indirect interest in any project or contract that would conflict in any manner or degree with the performance of its Services under this License Agreement.

(c) Further, Licensee Parties must not assign any person having any conflicting interest to perform any services under this License Agreement. If the City, by the Commissioner in his reasonable judgment, determines that any of Licensee Parties' services for others conflict with the Services that Licensee Parties are to render for the City under this License Agreement, Licensee Parties must terminate such other services immediately upon request of the City.

7.6 Non-Liability of Public Officials

Licensee and any assignee or Subcontractor of Licensee must not charge any official, employee or agent of the City personally with any liability or expenses of defense or hold any official, employee or agent of the City personally liable to them under any term or provision of this Agreement or because of the City's execution, attempted execution or any breach of this Agreement.

7.7 EDS / Certification Regarding Suspension and Debarment

Licensee certifies, as further evidenced in the EDS attached as

Exhibit 5, by its acceptance of this Agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. Licensee further agrees by executing this Agreement that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. If Licensee or any lower tier participant is unable to certify to this statement, it must attach an explanation to the Agreement.

7.8 Waiver of Forcible Entry and Detainer Act

Notwithstanding any interpretation that may be imposed upon this License Agreement, the Licensee understands and hereby agrees to forego and waive all provisions of the Forcible Entry and Detainer Act, 735 ILCS 5/9-101 *et seq.* as it might apply to the Location, and the Service Facilities.

ARTICLE 8. EVENTS OF DEFAULT, REMEDIES, TERMINATION, SUSPENSION AND RIGHT TO OFFSET

8.1 Events of Default Defined

The following constitute events of default:

(a) Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Licensee to the City.

(b) Licensee's failure to perform any of its obligations under this License Agreement including the following:

(i) Failure to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the timely performance of the Services;

(ii) Failure to have and maintain all licenses required by law to perform the Tour Services;

(iii) Failure to timely perform the Services;

(iv) Failure to perform the Services in a manner reasonably satisfactory to the Commissioner or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;

(v) Failure to promptly re-perform, as required, within a reasonable time and at no cost to the City, Services that are rejected as erroneous or unsatisfactory;

(vi) Discontinuance of the Services for reasons within Licensee's reasonable control;

(vii) Failure to comply with Section 6.1 in the performance of the License Agreement;

(viii) Failure promptly to update EDS(s) furnished in connection with this License Agreement when the information or responses contained in it or them is no longer complete or accurate;

(ix) Failure to furnish and maintain a Letter of Credit pursuant to the requirements set forth in Section 2.9;

(x) Failure to comply with any other material term of this License Agreement, including the provisions concerning insurance and nondiscrimination; and

(xi) Any other acts specifically stated in this License Agreement as constituting an act of default.

(c) Any change in ownership or control of Licensee, without the prior written approval of the Commissioner (when such prior approval is permissible by law), which approval the Commissioner will not unreasonably withhold.

Deleted:

(d) Default by Licensee under any other agreement either entity or both entities may presently have or may enter into with the City for the duration of this License Agreement. Licensee acknowledges that in the event of a default under this License Agreement the City may also declare a default under any other agreements.

Deleted:

Deleted:

(e) Licensee's violation of City ordinance(s) unrelated to performance under the License Agreement such that, in the opinion of the Commissioner, it indicates a willful or reckless disregard for City laws and regulations.

8.2 Remedies

(a) Notices. The occurrence of any event of default permits the City, at the City's sole option, to declare Licensee in default. The Commissioner may in his sole discretion give Licensee an opportunity to cure the default within a certain period of time, which period of time must not exceed 30 days unless extended by the Commissioner. Whether to declare Licensee in default is within the sole discretion of the Commissioner and neither that decision nor the factual basis for it is subject to review or challenge under the Disputes provision of this License Agreement.

The Commissioner will give Licensee written notice of the default, either in the form of a cure notice ("**Cure Notice**"), or, if no opportunity to cure will be granted, a default notice ("**Default Notice**"). If the Commissioner gives a Default Notice, he will also indicate any present intent he may have to terminate this License Agreement, and the decision to terminate is final and effective upon giving the notice. If the Commissioner decides not to terminate, this decision will not preclude him from later deciding to terminate the License Agreement in a later notice, which will be final and effective upon the giving of the notice or on the date set forth in the notice, whichever is later. The Commissioner may give a Default Notice if Licensee fails to effect a cure within the cure period given in a Cure Notice. When a Default Notice with intent to terminate is given as provided in this Section 8.2 and Article 10, Licensee must discontinue any Tour Services, unless otherwise directed in the notice.

(b) Exercise of Remedies. After giving a Default Notice, the City may invoke any or all of the following remedies:

(i) The right to terminate this License Agreement, in whole or in part;

(ii) The right of specific performance, an injunction or any other appropriate equitable remedy;

(iii) The right to money damages;

(iv) The right to deem Licensee non-responsible in future contracts to be awarded by the City;

(v) The right to draw on the Letter of Credit.

(c) City's Reservation of Rights. If the Commissioner considers it to be in the City□s best interests, he may elect not to declare default or to terminate this License Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the Commissioner permits Licensee to continue to provide the Tour Services despite one or more events of default, Licensee is in no way relieved of any of its responsibilities, duties or obligations under this License Agreement, nor does the City waive or relinquish any of its rights.

(d) Non-Exclusivity of Remedies. The remedies under the terms of this License Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy is cumulative and is in addition to any other remedies, existing now or later, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any event of default impairs any such right or power, nor is it a waiver of any event of default nor acquiescence in it, and every such right and power may be exercised from time to time and as often as the City considers expedient.

8.3 Early Termination

(a) In addition to termination under Sections 8.1 and 8.2 of this License Agreement, the Commissioner may terminate this License Agreement, at any time by giving 15 days' prior written notice to the Licensee, if, in the sole discretion of the Commissioner, the Commissioner determines that such termination is in the best interest of the City. If the Commissioner elects to terminate this entire License Agreement, the Licensee must terminate all Tour Services within 10 business days after the issuance of such notice and remove Tour Boats from the Location.

(b) Payment to the City of any sums remaining to be paid under this License Agreement must be made by the Licensee on a pro-rata basis: calculation of the pro-rata share will be predicated upon the season during which the Licensee is licensed to operate on the Chicago River and Lake Michigan, as specified in Section 4.1 of this License Agreement.

(c) Any License fees and compensation previously received by the City will be retained by the City.

(d) Upon termination of this License Agreement the Licensee must at once surrender possession of the Location. If possession is not immediately surrendered, the City may take possession of the Location and expel or remove the Licensee and those claiming by, through, or under it, without civil or criminal liability.

(e) The Licensee must pay and discharge all costs, expenses, and attorneys' fees which might be incurred by the City in enforcing the terms and conditions of this License Agreement.

(f) Licensee must include in its contracts with Subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the City arising from termination of subcontracts after the early termination. Licensee will not be entitled to make any early termination claims against the City resulting from any Subcontractor's claims against Licensee or the City.

(g) If the City's election to terminate this License Agreement for default under Sections 8.1 and 8.2 is determined in a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered to be an early termination under this Section 8.3.

8.4 Suspension

The City may at any time request that Licensee suspend its Services, or any part of them, by giving 15 days prior written notice to Licensee or upon informal oral, or even no notice, in the

event of emergency. Licensee must promptly resume its performance of the Services under the same terms and conditions as stated in this License Agreement upon written notice by the Commissioner and such equitable extension of time as may be mutually agreed upon by the Commissioner and Licensee when necessary for continuation or completion of Tour Services. The City will not be liable for any additional costs or expenses actually incurred by Licensee as a result of recommencing the Tour Services.

No suspension of this License Agreement is permitted in the aggregate to exceed a period of 45 days within any one year of this License Agreement. If the total number of days of suspension exceeds 45 days, Licensee by written notice to the City may treat the suspension as an early termination of this License Agreement under Section 8.3.

ARTICLE 9. GENERAL CONDITIONS

9.1 Entire Agreement

(a) General

This License Agreement, and the exhibits attached to it and incorporated in it, constitute the entire agreement between the parties and no other terms, conditions, warranties, inducements, considerations, promises or interpretations are implied or impressed upon this License Agreement that are not addressed in this License Agreement.

(b) No Collateral Agreements

Licensee acknowledges that, except only for those representations, statements or promises contained in this License Agreement and any exhibits attached to it and incorporated by reference in it, no representation, statement or promise, oral or in writing, of any kind whatsoever, by the City, its officials, agents or employees, has induced Licensee to enter into this License Agreement or has been relied upon by Licensee, including any with reference to: (i) the meaning, correctness, suitability or completeness of any provisions or requirements of this License Agreement; (ii) the nature of the Services to be performed; (iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities needed for the performance of this License Agreement; (iv) the general conditions which may in any way affect this License Agreement or its performance; (v) the compensation provisions of this License Agreement; or (vi) any other matters, whether similar to or different from those referred to in (i) through (vi) immediately above, affecting or having any connection with this License Agreement, its negotiation, any discussions of its performance or those employed or connected or concerned with it.

(c) **No Omissions**

Licensee acknowledges that Licensee was given ample opportunity and time and was requested by the City to review thoroughly all documents forming this License Agreement before signing this License Agreement in order that it might request inclusion in this License Agreement of any statement, representation, promise or provision that it desired or on that it wished to place reliance. Licensee did so review those documents, and either every such statement, representation, promise or provision has been included in this License Agreement or else, if omitted, Licensee relinquishes the benefit of any such omitted statement, representation, promise or provision and is willing to perform this License Agreement in its entirety without claiming reliance on it or making any other claim on account of its omission.

9.2 Counterparts

This License Agreement is comprised of several identical counterparts, each to be fully signed by the parties and each to be considered an original having identical legal effect.

9.3 Amendments

Except as provided in Section 3.2 of this License Agreement, no changes, amendments, modifications or discharge of this License Agreement, or any part of it are valid unless in writing and signed by the authorized agent of Licensee and by the Commissioner or their respective successors and assigns. The City incurs no liability for Additional Services without a written amendment to this License Agreement under this Section 9.3.

Whenever under this License Agreement Licensee is required to obtain the City□s prior written approval, the effect of any approval that may be granted pursuant to Licensee's request is prospective only from the later of the date approval was requested or the date on which the action for which the approval was sought is to begin. In no event is approval permitted to apply retroactively to a date before the approval was requested.

9.4 Governing Law and Jurisdiction

This License Agreement is governed as to performance and interpretation in accordance with the laws of the State of Illinois without regard to choice of law.

Licensee irrevocably submits itself to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this License Agreement. Service of process on Licensee may be made, at the option of the City, either by registered or certified mail addressed to the applicable office as provided for in this License Agreement, by registered or certified mail addressed to the office actually maintained by Licensee, or by

personal delivery on any officer, director, or managing or general agent of Licensee. If any action is brought by Licensee against the City concerning this License Agreement, the action must be brought only in those courts located within the County of Cook, State of Illinois.

9.5 Severability

If any provision of this License Agreement is held or deemed to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions of this License Agreement or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this License Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this License Agreement does not affect the remaining portions of this License Agreement or any part of it.

9.6 Assigns

The Licensee may not assign this License Agreement without prior written consent of the City. Assignment without prior written consent of the City is deemed an event of default under Article 8 of this License Agreement.

9.7 Cooperation

Licensee must at all times cooperate fully with the City and act in the City's best interests. If this License Agreement is terminated for any reason, or if it is to expire on its own terms, Licensee must make every effort to ensure an orderly transition to another provider of the Services, if any, orderly demobilization of its own operations in connection with the Services, uninterrupted provision of Services during any transition period and must otherwise comply with the reasonable requests and requirements of the Department in connection with the termination or expiration.

9.8 Waiver

Nothing in this License Agreement authorizes the waiver of a requirement or condition contrary to law or ordinance or that would result in or promote the violation of any federal, state or local law or ordinance.

Whenever under this License Agreement the City by a proper authority waives Licensee's performance in any respect or waives a requirement or condition to either the City's or Licensee's performance, the waiver so granted, whether express or implied, only applies to the particular

instance and is not a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver is a modification of this License Agreement regardless of the number of times the City may have waived the performance, requirement or condition. Such waivers must be provided to Licensee in writing.

9.9 Independent Contractor

(a) This License Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business association or organization of any kind between Licensee and the City. The rights and the obligations of the parties are only those set forth in this License Agreement. Licensee must perform under this License Agreement as an independent contractor and not as a representative, employee, agent, or partner of the City.

(b) This License Agreement is between the City and an independent contractor and, if Licensee is an individual, nothing provided for under this License Agreement constitutes or implies an employer-employee relationship such that:

(i) The City will not be liable under or by reason of this License Agreement for the payment of any compensation award or damages in connection with the Licensee performing the Services required under this License Agreement.

(ii) Licensee is not entitled to membership in any City Pension Fund, Group Medical Insurance Program, Group Dental Program, Group Vision Care, Group Life Insurance Program, Deferred Income Program, vacation, sick leave, extended sick leave, or any other benefits ordinarily provided to individuals employed and paid through the regular payrolls of the City.

(iii) The City is not required to deduct or withhold any taxes, FICA or other deductions from any compensation provided to Licensee.

(c)(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Licensee is aware that City policy prohibits City employees from directing any individual to apply for a position with Licensee, either as an employee or as a subcontractor, and from directing Licensee to hire an individual as an employee or as a subcontractor. Accordingly, Licensee must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Licensee under this Agreement are

employees or subcontractors of Licensee, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Licensee.

(iii) Licensee will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Licensee by a City employee or City official in violation of Section (ii) above, or advocating a violation of Section (iii) above, Licensee will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General, and also to the head of the relevant City Department utilizing services provided under this Agreement. Licensee will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to the contract.

ARTICLE 10. NOTICES

Notices provided for in this License Agreement, unless provided for otherwise in this License Agreement, must be given in writing and may be delivered personally or by placing in the United States mail, first class and certified, return receipt requested, with postage prepaid and addressed as follows:

If to the City:
Department of Transportation
30 N. LaSalle Street
Suite 1100
Chicago, Illinois 60610
Attention: Commissioner

With Copies to: Department of Law
Room 600, City Hall
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Corporation Counsel

If to Licensee: Mercury Cruiselines
1242 Northwest Highway
Palatine, IL 60067

Changes in these addresses must be in writing and delivered in accordance with the provisions of this Article 10. Notices delivered by mail are considered received three days after mailing in accordance with this Article 10. Notices delivered personally are considered effective upon receipt. Refusal to accept delivery has the same effect as receipt.

ARTICLE 11. AUTHORITY

The signature(s) of each person signing on behalf of the Licensee have been made with complete and full authority to commit the Licensee to all terms and conditions of this License Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

[Signature Pages, Exhibits and Schedules follow.]

SIGNATURE PAGE
SIGNED at Chicago, Illinois:

CITY OF CHICAGO

By: _____
Commissioner of Transportation

LICENSEE
By:_____
Its:_____
Attest:_____

State of
County of
This instrument was acknowledged before me on _____ (date) by (name/s of person/s) as _____ (type of authority, e.g., officer, trustee, etc.) of (name of party on behalf of whom instrument was executed).

(Signature of Notary Public) Seal:

EXHIBIT 1
Location, Tour Boats and Yearly License Fees

In exchange for the privilege to dock and operate a Tour Service at the Location herein specified in accordance with the terms and conditions of this License Agreement, the Licensee must operate the Tour Service as follows:

For Location _____, which is _____,
(Location #) (Length in Feet)

And which is located at_____

_____;
(description of Location)

The Licensee will operate a Tour Service utilizing the following vessels:

the _____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the _____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the _____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the _____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the _____, a
(name of Tour Boat)

_____.

(description of Tour Boat, including length)

For the use of which Location, for each year of the Agreement, the Licensee must pay the following Minimum Annual Guarantee and Supplemental Revenue Fee in accordance with Article 4 of this License Agreement:

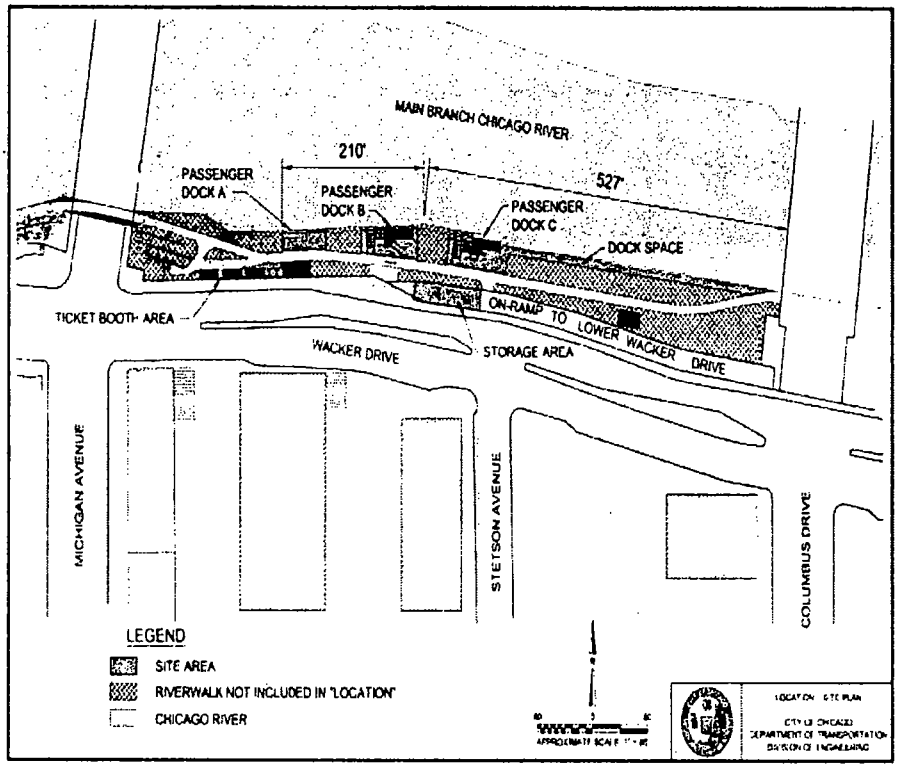
Minimum Annual Guarantee = $_____ for year one and shall be increased by 3% each year of the Agreement.

Supplemental Revenue Fee = 5% of Gross Revenues.

EXHIBIT 2

Service Facilities

LOCATION 1



[020605]

EXHIBIT 3
Insurance Requirements and Certificate of Insurance

INSURANCE REQUIREMENTS
Department of Transportation
Tour Boat Operators License Agreement

Licensee must provide and maintain at Licensee's own expense, during the term of the Agreement the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

A. INSURANCE TO BE PROVIDED

1) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than $500,000 each accident, illness or disease. Coverage must include United States Long shore and Harbor Workers, Jones Act when applicable.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than $2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work or Services.

Subcontractors performing work for the Licensee must maintain limits of not less than $1,000,000 with the same terms herein.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Licensee must provide Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

4) Marine Protection & Indemnity

When Licensee undertakes any marine operation in connection with this Agreement, Licensee must provide Marine Protection & Indemnity coverage with limits of not less than $5,000,000. Coverage must include property damage and bodily injury to third parties, injuries to crew members if not provided through other insurance; damage to wharves, piers and other structures, and collision. The City of Chicago is to be named as an additional insured.

5) Property

The Licensee is responsible for all loss or damage to personal property (including materials, equipment, tools and supplies) owned, rented or used by Licensee.

B. ADDITIONAL REQUIREMENTS

The Licensee must furnish the City of Chicago, Department of Transportation, Division of Engineering, 30 N. LaSalle Street, Room 400, 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Licensee must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Agreement. The failure of the City to obtain certificates or other insurance evidence from Licensee is not a waiver by the City of any requirements for the Licensee to obtain and maintain the specified coverages. The Licensee shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Licensee of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

The Licensee must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Licensee.

The Licensee hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Licensee in no way limit the Licensee's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Licensee under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Licensee is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Licensee must require all subcontractors to provide the insurance required herein, or Licensee may provide the coverages for subcontractors. All subcontractors are subject to the same insurance requirements of Licensee unless otherwise specified in this Agreement.

If Licensee or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

Notwithstanding any provision in the Agreement to the contrary, the City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

[020605]

EXHIBIT 4
Form of Letter of Credit

(Date)

City of Chicago
c/o Commissioner of Department of Transportation
Room 107
121 North LaSalle Street
Chicago, Illinois 60602

APPLICANT:
Gentlemen:

We hereby issue Unconditional, Irrevocable Stand-By Letter of Credit No in your favor up to an aggregate amount of Dollars ($_____). This Letter of Credit is issued, presentable and payable at our offices at _____.

Funds under this Credit are available to you unconditionally against your sight drafts for any sum or sums not exceeding a total of _____Dollars ($_____) drawn on us mentioning our Letter of Credit No. _____ purportedly signed by the Commissioner of the Department of _____ or the City Comptroller of the City of Chicago (whether acting or actual).

Our obligations hereunder are primary obligations to the City of Chicago (City) and shall not be affected by the performance or non-performance by _____ [insert name and address of applicant] ("Applicant") under any agreement with the City or by any bankruptcy or other insolvency proceeding initiated by or against Applicant. Applicant is not the owner of or beneficiary under this Letter of Credit and possesses no interest whatsoever in this Letter of Credit or proceeds of same. We engage with you that any draws under this Letter of Credit shall be duly honored on sight if presented to us on or before _____, 200_.

Partial and multiple drawings are permitted.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for an additional 12 month period from the present or any future expiration date hereof, unless at least 30 days prior to any such date we notify you by certified mail that we elect not to consider this Letter of Credit renewed for any such additional period.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce publication No. 500 (IUCP) and to the Uniform Commercial Code - Letters of Credit, 810 ILCS 5/5-101 et seq. as amended and as in effect in the State of Illinois (UCC). To the extent the provisions of the IUCP and the UCC conflict, the provisions of the

UCC shall control.

(authorized signature)

EXHIBIT 5

Economic Disclosure Statement and Affidavit

EXHIBIT 6

Other Licenses, Permits and/or Certifications

EXHIBIT 7

Special Conditions Regarding MBE and WBE Participation
(Including Schedules C-1 and D-1)

EXHIBIT 8

Public Works Provisions

Employment of Illinois Laborers on Public Works Projects

Licensee must use only Illinois laborers in the performance of this License Agreement to the extent (i) required by the Employment of Illinois Laborers on Public Works Projects Act, 30 ILCS, 570/0.01, as amended from time to time and (ii) otherwise permitted by law.

Disposal of Materials, Construction Debris, Soil and Waste

Licensee is responsible for the proper disposal of all materials, construction debris, soil and other waste. Hauling and disposal by a Subcontractor does not relieve the Licensee from responsibility for proper disposal. Disposal of all materials, construction debris, soil, and other wastes must be at a disposal site that is properly licensed and permitted to accept the particular materials, construction debris, soil and other wastes delivered to it in accordance with all Environmental Laws. The Licensee must identify the disposal site(s) or transfer station(s) to which the Licensee has contractual access and for which proper, sanitary landfill permits and/or licenses have been obtained.

Steel Products

To the extent permitted by law, this License Agreement is subject to all provisions of the "Steel Products Procurement Act," 30 ILCS 565/1 *et seq.* as it may be amended from time to time. Knowing violation of this law may result in the filing and prosecution of a complaint by the Attorney General of the State of Illinois and will subject violators to a fine of the greater of $5,000 or the payment price received as a result of such violation.

Americans with Disabilities Act

Licensee must perform all construction or alteration that it undertakes in connection with this License Agreement in compliance with all federal, state and local laws and regulations regarding accessibility standards for disabled or environmentally limited persons including: American with Disabilities Act, P.L. 101-336 (1990) and the Uniform Federal Accessibility Standards ("UFAS") or the American with Disabilities Act ("**ADA**") and; the Illinois Environmental Barriers Act, 410 ILCS 25/1 *et seq.* (1991), and the regulations promulgated with them. If the above cited standards are inconsistent, the Licensee must comply with the standard providing greater accessibility.

Prevailing Wage Rates

In the performance of the work, Licensee is fully responsible for paying not less than the prevailing rate of wages as determined by the Illinois Department of Labor, which must be paid to all

laborers, mechanics, and other workers performing work under this License Agreement.

Licensee's attention is called to the generally prevailing hourly rate of wages, as determined by the Illinois Department of Labor, which are incorporated into the License Agreement and set forth in Attachment 8-A. These wage rates are also the prevailing wage rates for the City of Chicago, as determined by the Department as of the date of execution of this License Agreement.

The wage rates set forth in this License Agreement were the rates in effect at the time this License Agreement was executed. If the Illinois Department of Labor revises the prevailing rate of hourly wages to be paid for the work before completion of the project, the revised rate applies to this License Agreement from the effective date of the revision, but the revision does not entitle Licensee to any increased compensation under the terms of this License Agreement.

As a condition of making payment to Licensee, the City may require Licensee to submit an affidavit to the effect that not less than the prevailing hourly wage rate is being paid to laborers, mechanics, and other workers employed under this License Agreement in accordance with Illinois law.

Chicago Residency Requirements

If the funding under this License Agreement is $100,000 or more, and unless otherwise prohibited by law, Licensee and all Subcontractors that perform work on the site of the construction project undertaken under this License Agreement must comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago specified in Section 2-92-330 of the Municipal Code (at least 50% of the total worker hours must be performed by actual residents of the City of Chicago). In addition to complying with this requirement, Licensee and all Subcontractors must make good faith efforts to utilize qualified residents of the City of Chicago in both unskilled and skilled labor positions.

1. "Actual residents of the City of Chicago" means persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment
2. Licensee may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-920-330 in accordance with standards and procedures developed by the Chief Procurement Officer of the City of Chicago ("**Chief Procurement Officer**").
   a) Licensee must provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the project. Licensee and Subcontractors must maintain copies of personal documents supportive of every Chicago employee's actual record of residence.
   b) Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) which must be submitted to the Commissioner in triplicate, must clearly identify the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the company hired the employee should be written in after the employee's name.
   c) Licensee and Subcontractors must grant full access to Licensee and the Subcontractor's employment records to the Chief Procurement Officer,

the Commissioner of the supervising department, the Superintendent of the Chicago Police Department, the Inspector General, or their duly authorized representatives. Licensee and Subcontractors must maintain all relevant personnel data and records for a period of at least three years after Final Completion and Acceptance of the work.

d) At the direction of the supervising department, Licensee must furnish affidavits and other supporting documentation to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

3. Good faith efforts on Licensee's part to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) does not suffice to replace the actual, verified achievement of the requirements of this section concerning the worker hours performed by actual Chicago residents.

4. When the work is completed, if the City has determined that Licensee failed to fulfill the requirements of this section concerning worker hours performed by actual Chicago Residents or failed to report in the manner as indicated above, the City will be damaged in that it thereby failed to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this section. Therefore, in such a case of noncompliance, Licensee must pay to the City 1/20th of 1%, 0.0005, of the approved Yearly License Fee for this License Agreement to the City in payment for each percentage of shortfalls toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly will result in the surrender of the entire liquidated damages as if no Chicago residents were employed. The willful falsification of statements in the certification of payroll data may subject Licensee or Subcontractors or employee to prosecution.

Nothing provided in this section may be construed to be a limitation upon the "Notice of Requirements For Affirmative Action To Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246" or other affirmative action required for equal opportunity under the provisions of this License Agreement. Licensee must include this provision in all subcontracts.

Performance and Payment Bonds

Licensee must, before performing the work, deliver to the City a performance and payment bond in an amount determined solely by the Commissioner of the Chicago Department of Transportation. Any performance bond that Licensee provides must comply with the provisions of 30 ILCS 550/1 *et.seq.*, as amended, and of Chapter 2, § 2-92-030 of the Municipal Code, as amended. It must also be in the form of the performance and payment bond attached as Attachment 8-B. The surety or sureties issuing the bond must be acceptable to the City and must have a Best's Key Rating Guide of "B+," Class XI or greater and be listed in the most recently published "Listing of Approved Sureties" of the U.S. Department of the Treasury Circular 570, with underwriting limitations in excess of the Yearly License Fee. The bond must cover the warranty period required by the City.

In case of Licensee's neglect, failure, or refusal to provide satisfactory sureties when so directed within 10 days after such notification, the Commissioner may declare this License Agreement forfeit, but such forfeiture will not release Licensee or Licensee's surety or sureties from any liability that may have

accrued before the date of the forfeiture.

If at any time the surety or sureties, or any one of them, upon the bond become insolvent, or are, in the sole opinion of the City, unsatisfactory, or unable to respond to damages in case of liability on such bond, the Commissioner will notify Licensee and direct that Licensee furnish a bond issued by a satisfactory surety or sureties forthwith.

Multi-Project Labor Agreement (PLA)

The City has entered into the PLA with various trades regarding projects involving construction, demolition, maintenance, rehabilitation, and/or renovation work, as described in the PLA, a copy of which may be found on the City's website at: http://www.cityofchicago.org/dam/city/depts/dps/RulesRegulations/Multi-ProjectLaborAgreement-PLAandSignatoryUnions.pdf.

To the extent that this Contract involves a project that is subject to the PLA, Licensee acknowledges familiarity with the requirements of the PLA and its applicability to any Work under this Agreement, and shall comply in all respects with the PLA.

Attachment 8-A

Prevailing Wage Rates

Prevailing Wage Rates

If this Contract calls for the construction of a "public work," within the meaning of Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq. ("the Act"), the Act requires Contractors and Subcontractors to pay laborers, workers and mechanics performing services on public works projects no less than the "prevailing rate of wages" (hourly wages plus fringe benefits) in the county where the work is performed. For information regarding current prevailing wage rates, please refer to the Illinois Department of Labor's website at: www.state.il.us/agency/idol/rates/rates.HTM. All Contractors and Subcontractors rendering services under a Contract for the construction of a public work must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping duties.

The term general prevailing hourly rate, when used in this requirement will mean the hourly cash wages plus fringe benefits for health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character on public works.

As a condition of making payment to the Contractor, the City may require the Contractor to submit an affidavit to the effect that not less than the prevailing hourly wage rate is being paid to laborers, mechanics and other workmen employed on this Contract in accordance with Illinois or federal law, as applicable.

Attachment 8-B

Performance and Payment Bond

LICENSE AGREEMENT

BETWEEN

THE CITY OF CHICAGO DEPARTMENT OF TRANSPORTATION

AND

WENDELLA SIGHTSEEING COMPANY, INC.

FOR

DOCKING OF TOUR BOATS ON THE CHICAGO RIVER

RAHM EMANUEL
MAYOR

LICENSE AGREEMENT

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Exhibit 6	Other Licenses, Permits and/or Certifications
Exhibit 7	Special Conditions Regarding MBE/WBE Participation (Including Schedules C-1 and D-1)
Exhibit 8	Public Works Provisions

LICENSE AGREEMENT

This License Agreement (the "**License Agreement**") is entered into effective as of the day of February, 2013 ("**Effective Date**"), by and between Wendella Sightseeing Company, Inc., an Illinois corporation, authorized to do business in the State of Illinois (collectively, "**Licensee**"), and the City of Chicago, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois ("**City**"), acting through its Chicago Department of Transportation ("**Department**"). City and Licensee agree as follows:

TERMS AND CONDITIONS

ARTICLE 1. DEFINITIONS

1.1 Definitions

The following words and phrases have the following meanings for purposes of this License Agreement:

"**Chief Procurement Officer**" means the Chief Procurement Officer of the City and any representative duly authorized to act on his behalf.

"**City Council**" means the City Council of the City.

"**City Regulations**" means all applicable City Ordinances, Mayoral Executive Orders, provisions of the Municipal Code and rules and regulations promulgated by the appropriate City department, divisions or sections pursuant to the requirements of the Municipal Code.

"**Comptroller**" means the Chief Executive of the Department of Finance of the City and any individual authorized in writing to act on his behalf.

"**Commissioner**" means the Commissioner of the Chicago Department of Transportation and any representative duly authorized to act on the Commissioner's behalf in connection with this License Agreement.

"**Gross Revenues**" means the sum of (1) all amounts collected, billed by or due to the Licensee to be paid in cash (including stolen or lost cash), credits or property of any kind or nature arising from or attributable to, directly or indirectly, or in anyway derived from, the use of the Location, whether or not such amounts are actually collected and (2) any other revenues arising from the possession by the Licensee of its rights to use the Location under this Agreement. Gross Revenues will be determined without any deduction on account of the cost of providing the Tour Service, the cost of materials used, labor or service costs or any other expense whatever. Gross Revenues excludes taxes billed to or paid by the users of the Tour Services. No other expenses or allowances will be deducted from Gross Revenues.

"**License Agreement**" means this agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

"**Location**" means the site on the Chicago River designated by the City as a docking area for Licensee's Tour Boats and the adjacent land, which site is described in detail in Exhibit 1 of this License Agreement. The Location may include Service Facilities as set forth in Exhibit 2. The Location licensed to the Licensee is specified in Article 2 of this License Agreement.

"**Municipal Code**" means the Municipal Code of Chicago as amended from time to time.

"**Ordinance**" means the ordinance passed on February 13, 2013 by the City Council of the City, which ordinance appears at pages_____-_____of the Journal of the Proceedings of the City Council of the City of Chicago, and which authorizes the Commissioner to enter into agreements granting the privilege of docking Tour Boats on the Chicago River.

"**Service Facilities**" means the facilities that may be provided by the City, at the City's discretion, for the use of Licensee in providing Tour Service (as defined below) at the Location, which facilities may include a service building, a utility center, an ascending/descending staircase, and dock/riverwall protection, as set forth in Exhibit 2.

"**Subcontractor**" means any person or entity with whom the Licensee contracts to provide any portion of the Tour Services and or any related services under this License Agreement, including Subcontractors of any tier, suppliers and materialmen whether or not in privity with the Licensee.

"**Tour Boat**" means any boat, ship or other vessel listed in Exhibit 1 to be used in giving tours to passengers or in providing on the Chicago River and Lake Michigan.

"**Tour Service**" means a service offered to the public generally, wherein members of the public may purchase tickets for private charters and regularly scheduled tours of the Chicago River and Lake Michigan, for which tours the members of the public will be picked up and dropped off at the single Location, and also includes water taxi services.

"**U.S.C.G.**" means the United States Coast Guard, a federal governmental agency.

1.2 Interpretation

(a) The term "**include**" (in all its forms) means "include, without limitation" unless the context clearly states otherwise.

(b) All references in this License Agreement to Articles, Sections or Exhibits, unless

otherwise expressed or indicated are to the Articles, Sections or Exhibits of this License Agreement.

(c) Words importing persons include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) Any headings preceding the text of the Articles and Sections of this License Agreement, and any table of contents or marginal notes appended to it, are solely for convenience or reference and do not constitute a part of this License Agreement, nor do they affect the meaning, construction or effect of this License Agreement.

(e) Words importing the singular include the plural and vice versa. Words of the masculine gender include the correlative words of the feminine and neuter genders.

(f) All references to a number of days mean calendar days, unless indicated otherwise.

1.3 Incorporation of Exhibits

The following attached Exhibits are made a part of this License Agreement:

Exhibit 1	Location, Tour Boats and Yearly License Fees
Exhibit 2	Service Facilities
Exhibit 3	Insurance Requirements and Certificate of Insurance
Exhibit 4	Form of Letter of Credit
Exhibit 5	Economic Disclosure Statement and Affidavit
Exhibit 6	Other Licenses, Permits and/or Certifications
Exhibit 7	Special Conditions Regarding MBE/WBE Participation (Including Schedules C-1 and D-1)
Exhibit 8	Public Works Provisions

ARTICLE 2. SCOPE OF LICENSEE AGREEMENT AND CONDITIONS GOVERNING LICENSEE'S ACTIVITIES

2.1 License Granted

(a) The City grants to the Licensee permission to use docking space, for the purpose of

docking Tour Boats to be used for Tour Services on the Chicago River and Lake Michigan at the

Location specified in the attached Exhibit 1 ("**License**"), and for no other purpose whatsoever. "**Docking**" will be deemed to take place when a Tour Boat is attached, affixed or tied to the Location for any period of time in any manner, for any purpose.

(b) This License Agreement does not limit the ability of the City to grant any other person or other party the right to use the Location specified in Exhibit 1 of this License Agreement or any other Location, with the sole exception that the City may not issue a license to another party to operate a Tour Service from the Location specified in Exhibit 1 if the issuance of such license would materially interfere with the License issued here.

(c) The City makes no representations regarding the surface or the subsurface condition of the Location and the land adjacent to the Location. The City makes no guaranties, either expressed or implied, and the City assumes no responsibility with respect to the sufficiency or accuracy of any information conveyed, pertaining to the condition of the Location and adjacent land. If it becomes necessary for repairs to the structural integrity of the dock, the City will assume this responsibility and the Licensee must cooperate. The Licensee will immediately reimburse the City for damage to the dock and adjacent land.

(d) Nothing in this License is intended, or will be deemed, to give rise to a lease of real estate by the City to the Licensee. This License constitutes a license agreement, which permits the Licensee to operate its business at the Location specified in this License Agreement. The City has not conveyed any leasehold interest of any to the Licensee in this License Agreement. Neither the Licensee nor anyone acting for the Licensee may file this License Agreement or any copy of it, or any statement, paper or affidavit which in any manner refers to this License Agreement, in the Office of the Recorder of Deeds of Cook County, Illinois, or in any other public office: if any such document is so filed, this License Agreement and every provision in it may, in the sole discretion of the City, be declared null and void, and, additionally, the City may in such circumstance declare such filing to be an event of default under this License Agreement.

2.2 Rights Retained by the City in Granting License

(a) The Licensee acknowledges and agrees that this License Agreement is subject to and subordinate to any existing or future agreement(s) of any kind between the City and any other person or party pertaining to the use, development, construction, operation and/or maintenance of the Chicago River, the Location, or the adjoining dockwalls, wharf areas, roadways and walkways. The City reserves the right, at its sole discretion, to further develop, improve, maintain, modify and repair the dockwalls, wharf areas, roadways and walkways connected to them at any time without interference or hindrance by the Licensee.

(b) The City reserves the right to relocate the Location and to cause the Licensee to relocate the Tour Boat and/or the Tour Service to another location either on a temporary basis or

permanently, for any reason whatsoever, including if relocation is necessitated by any work,

development or other public purpose pertaining to any part of the Chicago River and Lake Michigan, the Location, or the adjoining dockwalls, wharf area, or Michigan Avenue bridge.

(c) The Commissioner will provide written notice to the Licensee that the City is exercising any of its rights under this Section 2.2. No later than 30 days from the receipt of such notice, the Licensee shall remove, modify, replace, relocate, or vacate its facilities, as directed by the Commissioner, in his or her sole discretion, at the sole Licensee's expense. If the Licensee fails to comply within the time period provided, the City may relocate Licensee's Tour Boat and any appurtenances at the Licensee's expense. Licensee must pay the City within 10 days of receipt of invoice from the City. In an emergency, as determined by the Commissioner, the City may order the Licensee to remove or relocate its Tour Boat(s) and/or any appurtenances immediately.

2.3 Restrictions and Obligations Related to Operation at the Location

(a) City Access to Location:

The City, its representatives and employees will at all times have free access to the Location for purposes necessary, incidental to or connected with the performance or exercise of the City's governmental functions. If Licensee violates this subsection 2.3(a), liquidated damages shall be assessed in the amount of $1000 per occasion. Nothing in this subsection 2.3(a) is intended to limit the City's rights to gain entry to the Location granted under any law or by this Agreement.

(b) Location and Facilities:

The location, size, and Service Facilities available at the Location are set forth in Exhibit 1 to this License Agreement. Subject to the restrictions found in this License Agreement, Licensee will be allowed to operate either a Tour Service, private charter services, or water taxi services ("Services") from the Location only. For all such routine Services, Licensee will be prohibited from loading and/or unloading passengers at any public property (including other locations) other than the Location licensed to the Licensee. If the Licensee seeks to load or unload passengers at other locations it must give prior notice to the Department and ensure that any required permits and permissions are secured by the Licensee or interested third parties. Licensee is responsible for managing dock facilities and Tour Boats from the Location. Licensee must perform Tour Services in a manner sensitive to the residents who live along side the Chicago River and Lake Michigan and its natural habitat.

Licensee must provide at its own cost and expense the following for the Location:

(i) Development of entertainment and recreational activities appropriate for the Location, which activities must be approved in writing by the Commissioner prior to commencement.

(ii) Development and implementation of an environmentally friendly plan of daily operations, including recycling program for the Location and aboard the Tour Boats, and the implementation of energy efficient Tour Boats.

(iii) Maintenance of the Location in an orderly, clean and safe fashion and a plan that makes use of environmentally friendly methods of operations, cleaning and activities in order to protect the Chicago River and Lake Michigan and its wildlife.

(iv) Collection and disposal of all trash and recycling including providing receptacles for recycling and picking up all loose or blowing trash.

(v) Landscaping where possible that provides a natural and green setting in an urban context.

The Department has the authority to review all improvements proposed by the Licensee. These improvements may include: dock improvements, kiosk placement, landscaping, ornamental lights, and railings. The Licensee must install the finishes necessary and complete the utility connections for its operation.

(c) Maintenance:

No Tour Boat maintenance activities of any kind are allowed at the Location. Prohibited maintenance activities include all engine maintenance, all preventive maintenance, all painting, and any and all other maintenance of the Tour Boat.

The Licensee may perform only **minor cleaning** of the decks and public portions of the Tour Boat at the Location, provided that Licensee may only use biodegradable detergent and water to clean the Tour Boat.

Emergency maintenance and/or reasonably unforeseeable maintenance of the Tour Boat, which is or becomes necessary in order to assure the safety of the public, or in order to prevent the Tour Boat from becoming a hazard to navigation or otherwise from constituting a burden on the Chicago River and Lake Michigan, may be conducted at the Location.

The Licensee will be allowed to fuel the Tour Boat at its Location only in the manner and at the times that the City permits. Unless otherwise specified by the City in writing, the Licensee may fuel the Tour Boat at the location between the hours of 12 p.m. and 7:30 a.m. Fueling at other times, whether from land or water, is an event of default.

The Licensee is responsible for the routine maintenance of the Location and of the Service Facilities at the Location. However, if the Licensee's use of a Location causes damage to the Location or to any of the Service Facilities, the City may repair the Location or Service Facilities at the sole expense of the Licensee or require the Licensee to perform the repairs. Any repairs made by the Licensee or Subcontractor(s) must be done in accordance with the terms of Exhibit 8.

(d) Parking:

The Licensee, and all of the Licensee's agents, employees, invitees, passengers, and all other persons coming on to the Location, are prohibited from parking at the Location. Licensee shall inform all of its agents, employees, invitees, passengers, and all other persons coming on to the Location of this parking restriction. Any violation of this Section may result in the removal of any illegally parked vehicle at the sole cost and expense of the Licensee.

(e) No Habitation on Tour Boat:

No person may use any Tour Boat as a residence for any period of time while the Tour Boat is docked at any Location. However, this provision is not intended to prevent the Licensee from posting individuals on a Tour Boat as required to ensure the security of the Tour Boat.

(f) No Announcements or Disruptive Noise:

Licensee may not broadcast announcements or any other disruptive sounds from any Tour Boat or the Location. Such restrictions, however, do not prevent the Licensee from making any announcements or broadcasts required by U.S.C.G. or other regulations, nor will the restrictions set forth above prevent the Licensee from using a Tour Boat's public address system to convey information relating to sights on this tour to passengers while the Tour Boat is not docked at the Location. Amplified music on the Chicago River after 8:30 PM is prohibited.

(g) No Additions to the Location; No Advertising:

The Licensee may not attach, affix, or permit to be attached or affixed upon the Location any flags, placards, signs, poles, wires, aerials, antennae, improvements or fixtures of any kind without prior written consent of the Commissioner.

The Licensee may only place any advertisements on their Tour Boats, on the Location or on any public way, with the prior written consent of the Commissioner.

(h) Sanitary Conditions:

The Licensee, at its own expense, must maintain and keep the Location, as well as the surrounding area, in a safe, clean, and sanitary condition. If the Location and areas are not so maintained by the Licensee, then the City may terminate this License Agreement, or enter upon the Location and take all actions necessary to restore the Location to the condition required in this License Agreement at the Licensee' sole expense. The cost and expense to the City for any measures taken pursuant to this section will be charged to and must be paid immediately by the Licensee.

The Licensee must clean up and properly dispose of all refuse, waste, surplus materials and sanitary toilet waste on or about the Location on a daily basis during the term of this License Agreement. If the Licensee fails to commence performance of the tasks described in this paragraph within 5 business days after receiving written notice from the City to do so, the City may arrange to have the work performed by City employees or third parties and may charge the Licensee for all costs associated with the work, reserves the right to draw against the Letter of Credit for all such associated costs all as set forth in Section 2.9(a) herein, and may terminate the License Agreement.

(i) Suspension or Revocation of Permit:

If the Licensee violates the terms of any permit required by this License Agreement or which is otherwise required for the operation of the Tour Service, the Commissioner of the City permit-issuing Department may suspend or revoke such permit, or may take any action the Commissioner deems necessary, including ordering the Licensee to cease operation of the Tour Service until the violation has been corrected to the Commissioner's satisfaction.

(j) Utilities:

Licensee shall be responsible for all expenses related to utilities, including all electricity, telephone and water supply. The Licensee will be solely responsible for all utility charges incurred during the term of this License Agreement and any extension periods to it. The City will provide a three-phase electrical supply to the Location. The Licensee will be required to provide at its own expense all equipment necessary to transform the three-phase electricity to any other form of current required for their Tour Services. The City will not include sewage hook-up as part of the Service Facilities. The City will install all general lighting at the Location: Licensee is responsible for providing all lighting on the Tour Boats and any gangways or similar accessways, as and if such lighting is necessary for the safety of the public. The Licensee is required to open utility accounts as required for its operations including with ComEd, SBC, and the City's Department of Water Management.

The Licensee may not construct, install or otherwise modify any utility access facilities, or any other facilities, without the prior written consent of the Commissioner. If the Commissioner issues such consent, then the Licensee must comply with all conditions and/or requirements contained in the consent as to the construction or installation of the facilities and the provisions in Exhibit 8 of this License Agreement. The construction, installation or modification of any utility or other facilities without the express written consent of the Commissioner may be deemed an event of default under Article 8 of this License Agreement. In addition, the Licensee bears the full burden and expense of removing or replacing to original condition the facility added to or modified.

(k) Season:

Tour Boats are not allowed to dock at the Location between January 15 and March 1of any year. Between January 15 and March 1 of any year, any Tour Boat docked at a Location is subject to removal by the City at the Licensee's sole expense. Licensee shall notify the City as to its seasonal operation start and end dates on an annual basis prior to getting access to the site for the operation of its Tour Boat or Charter Boat services.

(l) Rentals of Smaller Vessels:

The Licensee is not allowed to lease or dock human-powered craft, including stand-up paddle boards, canoes, kayaks and water bikes, or powered or other craft, including jet skis or motor operated boats. All vessels are subject to the approval of the Commissioner.

(m) Violation of No Wake:

The Licensee must comply with the No Wake Zones of the Chicago River and Lake Michigan. If the Licensee is observed violating the No Wake Zones of the Chicago River and Lake Michigan, the Licensee is subject to fines from the Chicago Police Department. If repeated incidents occur, the City may elect to terminate the License Agreement.

(n) Signs, Canpoies, Awnings:

Licensee must provide to the City for any approval a proposed sign, canopy, or awning located in the public way to indicate the identity of the Licensee operating the Tour Service from the Location. The City will, in its sole discretion, determine the size, appearance and location of any sign, canopy, or awning and no additional signs, canopies, or awnings will be allowed on any portion of the Location for any purpose without the prior written consent of the City.

2.4 Non-Liability of Public Officials

Licensee and any assignee or Subcontractor of Licensee must not charge any official, employee or agent of the City personally with any liability or expenses of defense or hold any official, employee or agent of the City personally liable to them under any term or provision of this License Agreement or because of the City's execution, attempted execution or any breach of this License Agreement.

2.5 Licensee's Tour Boat Operation and Maintenance Obligations

(a) Compliance with Law and Industry Standards:

The Licensee must comply with all laws, including all applicable federal, state and local laws, rules, regulations, decrees, orders and judgments; applicable requirements of the Municipal Code; applicable written standards of the City's Departments of Transportation and Buildings;

manufacturers' specifications; and the standards set forth in the National Electric Code.

(b) Tour Boat Compliance with Maritime and Other Regulations:

The Licensee must comply with all applicable U.S.C.G. regulations. Further, each Tour Boat and all equipment associated with it must comply with applicable laws, including without limitation U.S.C.G. and Illinois Commerce Commission regulations and other requirements, including U.S.C.G. certification and registration, if applicable, of the Tour Boats. The Licensee must furnish copies of U.S.C.G. certifications of all Tour Boats to the City for inclusion in Exhibit 6 of this License Agreement. The City reserves the right to inspect any Tour Boat and all Service Facilities, as well as maintenance procedures and facilities related to the docking, operation and maintenance of the Tour Boat. If the inspection discloses that the Tour Boat does not comply with the terms of this License Agreement, the City will give written notice to the Licensee of its non-compliance. Such non-compliance will constitute an event of default under this License Agreement. Any dispute as to matters covered in this section must be submitted for dispute resolution in accordance with Article 5 of this License Agreement.

(c) Size of Tour Boats and Drawbridge Access:

Licensee must utilize vessels that do not require lifting of bridges, regardless of the water level of the Chicago River.

Further, the Tour Boat is limited to a length reasonably commensurate with the dock footage of the Location at which the Tour Boat is operated. The Commissioner, in the Commissioner's sole discretion, will determine whether the length of the proposed Tour boat is appropriate for the proposed Location.

(d) Safety Considerations:

The Licensee must at all times exercise reasonable care and comply with all applicable provisions of federal, state and local laws, rules and regulations to prevent accidents and/or injuries, and to avoid damage to and/or loss affecting City facilities, the Chicago River and Lake Michigan, the Location, the Service Facilities, and the property of third parties in connection with the docking, operation and maintenance of the Tour Boat and the Location. The Licensee must erect and properly maintain at all times all necessary safeguard barriers, flags and lights for the protection of the Licensee's and its Subcontractors' employees, City employees, and the public, which become necessary due to a later-occurring defect in the structure of the Location or any of the Service Facilities. If any such defect develops, the Licensee must notify the City immediately, and must maintain all necessary safety precautions until such time as the City rectifies the defect.

The Licensee must report to the Department any damage on, about, under or adjacent to the Chicago River and Lake Michigan, the Location, City property or the property of third persons,

whether such damage is a result of the Licensee's operation of the Tour Boat or is unrelated to it.

(e) Restoration of Damaged Property:

If the Licensee causes damage to public or private property along the river or the lakefront, the Location, City facilities, or other property in connection with the activities contemplated by this License Agreement, the Licensee must, at its own expense and in a manner approved by the City and/or the owner of the private property, rebuild, restore and repair the Chicago River and Lake Michigan, City property or facilities or private property to a condition equal to the condition of the property before the incident that caused such damaged property or facilities. If the Licensee fails to perform such rebuilding, replacement or restoration within 5 business days of the disturbance (unless public safety is affected in which case such shorter time as the City will request), the City or the owner, after written notice to the Licensee, has the right to do so at the sole expense of the Licensee.

(f) Tour Boat Documentation:

The Licensee must provide the Commissioner for his approval a full description of the appearance and features of each Tour Boat. The specific requirements for such descriptions are further set forth in Exhibit 1. The Licensee may not add or remove any Tour Boat from service or replace a Tour Boat with another Tour Boat without the prior written approval of the Commissioner. Such addition, removal or replacement of a Tour Boat without written approval of the Commissioner will be an event of default under this License Agreement.

(g) Seaworthiness:

The Licensee must at all times take all actions necessary to assure the seaworthiness of its Tour Boats. This includes compliance with all applicable U.S.C.G. and U.S. Corps of Engineers rules and regulations. The Licensee represents and warrants that all Tour Boats to be used to provide any Tour Service of any kind will be seaworthy and safe at all times.

(h) Commissioner's Right to Order Removal of Tour Boat:

The Licensee enters into this License Agreement with full knowledge and acceptance that the Commissioner may at any time determine that a particular Tour Boat is non-compliant with the terms and requirements of this License Agreement. The Commissioner may, at any time, identify a particular Tour Boat and either (1) order its removal from the Location, the Chicago River, and Lake Michigan, or (2) order the Licensee to cease operating the Tour Boat. If the Commissioner exercises such right, and/or the Tour Boat is not removed within 14 days from the date on which the removal of that Tour Boat is ordered by the Commissioner, the Tour Boat will be subject to immediate removal by the City at the owner's expense.

(i) Tour Boat Enhancements:

The Licensee must notify the Department of any proposed enhancements to or upgrades of any Tour Boat at least 60 days before making any such enhancement. For the purpose of this section "enhancements" includes any modifications to the appearance or function of the Tour Boat, without limitation. The Licensee must provide the City with written notice indicating the specific Tour Boat on which it would like to make a particular enhancement or upgrade. No enhancement of any kind may be made without the prior written consent of the Commissioner, and the enhancements must be made at no cost to the City. Enhancements must comply with all applicable laws. Any dispute under this section must be resolved in accordance with the dispute resolution provisions set forth in Article 5 of this License Agreement.

(j) Licenses and Permits

The Licensee bears responsibility for and, in a timely manner consistent with its obligations under this License Agreement, must secure and maintain at its sole expense such permits, licenses, authorizations and approvals as are necessary for the Licensee to operate the Tour Boats on the public water ways in accordance with this License Agreement.

(k). In the Event of Fire or Other Destruction of Location

If the Location, or any portion of the Location, is destroyed or damaged by fire or other disaster so as to prevent the use of the Location for the purposes and during the periods specified in this License Agreement, the City is not obligated to repair or rebuild the Location. The City may, however, in the City's sole discretion, elect to repair the Location. The Licensee may, with permission from the City, elect to repair the Location. If neither the City nor Licensee elects to repair the Location, then this License Agreement terminates, and the Licensee waives any claim against the City for damages, including lost profits, by reason of the termination. If the City or Licensee elects to repair the Location, this License Agreement does not terminate, but is suspended until such time as the Commissioner issues written notice to the Licensee that the Licensee may resume Tour Services. The Yearly License Fee will be adjusted for the actual number of days the dock was open. The term of this License Agreement will not be extended.

If it becomes necessary for any reason in the judgment of the City to remove or modify any part of the Location's Service Facilities and the Licensee incurs any loss as a result, the Licensee may not bring any claim or charge against the City for restoration or replacement of the Service Facilities or any losses.

(l). Restrictions on Solicitations and Sales

(i) Central Location for the Dissemination of Information about Tour Boats:

The Licensee is allowed to hand out or otherwise disseminate information

about Tour Services only at two sites on the Location: (1) from inside the Service

Facilities provided by the City at the Location; and (2) on the Tour Boats themselves. The Licensee is not allowed to hand out or otherwise disseminate information about Tour Services at any other public location, including on the public way along upper and lower Wacker Drive from Lake Shore Drive to the intersection of Wacker Drive and Washington Street. The City may change the location of the Information Site at any time.

(ii). Ticket Sales:

Unless otherwise agreed in writing by the City, the Licensee is allowed to sell tickets for the Tour Services online, and at two areas on the Location. The Licensee is not allowed to sell tickets at any other location on the public way, including along the upper and lower Wacker Drive from Lake Shore Drive to the intersection of Wacker Drive and Washington Street.

(iii). Hawking:

In addition to the restrictions set forth above in sub paragraphs (i) and (ii) of this section, ticket sales or solicitations of business of any description along any public way in the City are subject to all applicable restrictions of such activities contained in the Municipal Code.

In addition to any penalties that the Licensee may incur for violations of any ordinance, if the Commissioner determines that the Licensee has engaged in ticket sales, solicitation of business or dissemination of information in any of the areas set forth above, then, upon the third such occurrence, and upon any subsequent occurrence, the Commissioner may elect to terminate the License or pursue any other remedy afforded to the City by the terms of Article 8 of this License Agreement.

2.6 Minority and Women's Business Enterprises Commitment

In the performance of this License Agreement, Licensee must abide by the minority and women's business enterprise commitment requirements set for by the Commissioner. The Licensee must utilize MBEs and WBEs at the levels of participation described below.

It is the policy of the City of Chicago that Local Businesses certified as Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) in accordance with Section 2-92-410 et seq. of the Municipal Code of Chicago and Regulation Governing Certification of Minority and Women-owned Businesses, and all other Regulation promulgated

under the aforementioned section of the Municipal Code shall have the maximum opportunity to participate fully in the performance of this agreement. Therefore, the Licensee shall not discriminate against any person or business on the basis of race, color, national origin or sex, and shall take affirmative action to ensure that women and minority businesses shall have the maximum opportunity to compete for and perform subcontracts for supplies and services.

The Commissioner has established a goal of awarding not less than 25% to MBE and 5% to WBE for any outside services contracted out by the Licensee of the Location.

In the event that the Licensee elects to perform improvements to the Location, upon approval by the Department, the Commissioner has established a goal of awarding not less than 25% to MBE and 5% to WBE for the total value of the improvement project.

Every year that this License Agreement is in effect, prior to the first day of operations, the Licensee must submit to the Department a revised summary of the MBE/WBE participation for the year. The financial report required as part of the supplemental income must also include a statement to the Department showing (i) a calculation of the proposed MBE/WBE participation for the year based on Licensee's projections (DPS Schedule C-1 and D-1's will be accepted), and (ii) a calculation of the actual MBE/WBE utilization that Licensee achieved.

Licensee will be required to provide a certified financial statement from a CPA no later than January 15th of each year documenting the previous seasons activity to determine the annual gross revenue and Supplement Revenue Fees due. In addition, this report should include a section showing compliance with the MBE/WBE requirements established by the Commissioner including; identifying each MBE/WBE firm, the firms certification of compliance with the program and contract amount goals and actual expenditures.
If an improvement project is being completed between two seasons, the Licensee can determine which year the percentages can be applied but must notify the Department in writing prior to beginning the project.

If the Licensee fails to meet the participation goals established by the Commissioner in any year, then the City may, in its sole discretion, treat such failure as an event of default or may allow the Licensee to increase its proposed MBE/WBE participation levels in the year immediately succeeding the year of deficiency in order to compensate fully for the deficiency.

2.7 Insurance

Licensee must provide and maintain at Licensee's own expense, during the term of this License Agreement and any time period following expiration if Licensee is required to return and perform any of the Services or Additional Services under this License Agreement, the insurance coverages and requirements specified in Exhibit 3 of this License Agreement, insuring all operations related to this License Agreement.

2.8 Indemnification

(a) Licensee must protect, defend, indemnify, and hold the City, its officers, officials, representatives, and employees (collectively the "**Indemnitees**"), harmless from and against any and all claims, damages, demands, injury or death, in consequence of granting this License Agreement or arising out of or being in any way connected with Licensee's performance under this License Agreement except for matters shown by final judgment to have been caused by or attributable to the negligence of Indemnitees. This indemnification obligation is effective to the maximum extent permitted by applicable law. This indemnity extends to all legal costs, including attorney fees, costs, liens, judgments, settlements, penalties, professional fees, and other expenses incurred by the City, including fines and penalties imposed by public bodies, and the reasonable settlement of such claims. This indemnification obligation is not limited by any amount of insurance required under this License Agreement or the Letter of Credit required in Section 2.9 of this License Agreement. Further, the indemnification obligation contained in this section will survive the expiration or termination of this License Agreement.

(b) At the City Corporation Counsel's option, Licensee must defend all suits brought upon all such Losses and must pay all costs and expenses incidental to them, but the City has the right, at its option, to participate, at its own cost, in the defense of any suit, without relieving Licensee of any of its obligations under this License Agreement. Any settlement must be made only with the prior written consent of the City Corporation Counsel, if the settlement requires any action on the part of the City.

(c) To the extent permissible by law, Licensee waives any limits to the amount of its obligations to defend, indemnify, hold harmless, or contribute to any sums due under any Losses, including any claim by any employee of Licensee that may be subject to the Workers Compensation Act, 820 ILCS 305/1 *et seq.* or any other related law or judicial decision (such as, *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The City, however, does not waive any limitations it may have on its liability under the Illinois Workers Compensation Act, the Illinois Pension Code, any other statute or judicial decision.

(d) The Licensee waives the right to receive the benefits of or to invoke the protection afforded by all maritime statutory limitations of liability, including the Limitation of Vessel Owner's Liability Act, 48 U.S.C. §183 et seq., that could act to diminish the liability of the Licensee for any harm or damage arising from the operation of any Tour Boats under this License Agrcement in any manner, or for all Losses or other costs arising from or occasioned by the operation by the Licensee of any Tour Boats on the Chicago River or on Lake Michigan. This provision is not intended to avoid or waive federal jurisdiction under applicable admiralty laws. This waiver extends only to the City, and not to third parties seeking recovery for Losses or other costs solely against the Licensee.

(f) Without limiting its waiver, the Licensee specifically consents to pay all sums in

respect of any Losses or other costs arising from or occasioned by the use of any Tour Boat on the Chicago River or on Lake Michigan; this indemnification includes the following:

(i) Loss or damage to any other ship, vessel or boat caused proximately or otherwise by the Licensee's Tour Boat, or loss of the cargo of such other ship, vessel or boat;

(ii) Loss of life or personal injury, or for any cost of life salvage;

(ii) Loss or damage to any harbor, dock, building, graving or otherwise, slipway, pontoon, pier, quay, tunnel, jetty, stage, buoy, cables of any kind, or other fixed or movable object or property whatsoever;

(iv) The cost of the removal, raising or destruction of the wreck of any Tour Boat employed by the Licensee in performing the Tour Services;

(v) If a Tour Boat is disabled or otherwise, the cost of towage or other salvage of the Tour Boat employed by the Licensee in performing the Tour Services;

(vi) Loss or damage to the Location as defined in this License Agreement; and

(vii) Loss or damage to the bottom or banks of the Chicago River, or to the shoreline of Lake Michigan.

2.9 Letter of Credit

(a) Terms of the Letter of Credit

The Licensee must provide the City with an irrevocable, unconditional, standby letter of credit ("**Letter of Credit**") in an amount equal to $100,000. If the Licensee fails to furnish the Letter of Credit pursuant to the requirements set forth in this Section 2.9, then the Commissioner may terminate the License Agreement. The Letter of Credit must be renewed for the Location each year during the term of the License Agreement and for 12 months beyond the term.

The Letter of Credit must be in the form set forth in Exhibit 4 to this License Agreement. The Letter of Credit will be used to ensure the faithful performance by the Licensee of all provisions of this License Agreement and compliance with all orders, permits and directions of any agency, commission, board, department, division or office of the City having jurisdiction over the Licensee's acts or defaults under this License Agreement and for payment by the Licensee of any costs, liens, claims and taxes due the City which arise by reason of the Licensee's acts in accordance with this License Agreement.

The City will be entitled to draw on the Letter of Credit if the Licensee: (i) has failed

to pay the City in whole or in part any of the fees or other charges set forth in this License Agreement within the time fixed in this License Agreement; (ii) has failed to repay the City in whole or in part within 10 days for any damages, expenses or costs which the City has suffered or is compelled to pay by reason of the Licensee's acts or omissions under this License Agreement; or (iii) has failed, after 5 days notice to the Licensee of such failure, to comply with any provision of this License Agreement which the Commissioner has reasonably determined can be remedied by a draw on the Letter of Credit. The City will also be entitled to draw on any Letter of Credit which expires (either by its terms or because of non-renewal) on a date prior to the termination date of this License Agreement unless proof of renewal of such Letter of Credit or a replacement Letter of Credit in form and substance satisfactory to the City's Corporation Counsel has been furnished to the City's Corporation Counsel at least 30 days prior to the expiration date of the Letter of Credit. Upon the sole condition of delivery by the City to the issuer of the Letter of Credit of a demand for payment, purportedly signed by the Commissioner or the Comptroller, whether acting or actual, the City can immediately draw up to the amount outstanding. After such draw, the City will notify the Licensee of the amount and date of the draw and will include in the notice the basis pursuant to which the City's right to draw has been exercised. If amounts are drawn under the Letter of Credit, the Licensee will take such actions as may be necessary to maintain the Letter of Credit at full amount within 5 days of the City's notice of draw and must cause it to be maintained at that full amount for 12 months beyond the expiration or termination of the License Agreement, whichever is later. The rights reserved to the City under the Letter of Credit will be in addition to any rights it may have under this License Agreement, at law or in equity.

(b) Qualified Issuers

The Letter of Credit must be issued by a company or financial institution that is authorized to do business in the State of Illinois, is acceptable to the City Comptroller and has an office in the City of Chicago where the City may draw on the Letter of Credit.

(c) Right to Require Replacement Letter of Credit

If the financial condition of the issuer of a Letter of Credit materially and adversely changes, the City may, at any time, require that the Letter of Credit be replaced with a Letter of Credit consistent with the requirements set forth in this section.

(d) No Excuse from Performance

None of the provisions contained in this Section 2.9 nor the Letter of Credit required by this Section 2.9 will be construed to excuse the faithful performance by Licensee of the terms and conditions of this License Agreement or limit the liability of the Licensee under this License Agreement for any and all damages in excess of the amounts of the Letter of Credit.

2.10 Assignments and Subcontracts

(a) Licensee shall not assign, delegate or otherwise transfer all or any part of its rights or obligations under this License Agreement: (i) unless otherwise provided for elsewhere in this License Agreement; or (ii) without the express written consent of the Commissioner. The absence of such a provision or written consent voids the attempted assignment, delegation or transfer and is of no effect as to the Services or this License Agreement. No approvals given by the Commissioner, including approvals for the use of any Subcontractors, operate to relieve Licensee of any of its obligations or liabilities under this License Agreement.

(b) All Subcontractors are subject to the prior approval of the Commissioner. Approval for the use of any Subcontractor in performance of the Services is conditioned upon performance by the Subcontractor in accordance with the terms and conditions of this License Agreement. If any Subcontractor fails to perform the Services in accordance with the terms and conditions of this License Agreement to the satisfaction of the Department, the City has the absolute right upon written notification to immediately rescind approval and to require the performance of this License Agreement by Licensee personally or through any other City-approved Subcontractor. Any approval for the use of Subcontractors in the performance of the Services under this License Agreement under no circumstances operates to relieve Licensee of any of its obligations or liabilities under this License Agreement.

(c) Licensee, upon entering into any agreement with a Subcontractor, must furnish upon request of the Commissioner or the Department a copy of its agreement. Licensee must ensure that all subcontracts contain provisions that require the Services be performed in strict accordance with the requirements of this License Agreement, provide that the Subcontractors are subject to all the terms of this License Agreement and are subject to the approval of the Department and the Commissioner. If the agreements do not prejudice any of the City's rights under this License Agreement, such agreements may contain different provisions than are provided in this License Agreement with respect to extensions of schedule, time of completion, payments, guarantees and matters not affecting the quality of the Services.

(d) The City reserves the right to assign or otherwise transfer all or any part of its interests under this License Agreement to any successor.

2.11 Disclaimer

Licensee acknowledges that the City or its contractors may engage in public improvement projects in the vicinity of the Chicago river, including, without limitation, the riverwalk. Licensee shall cooperate with the City and its contractors to facilitate such work. City hereby disclaims all liability for all consequential, incidental, special, punitive, and indirect damages, including all liability for lost profits, for any reason whatsoever, including but not limited to any alleged losses caused by such projects. Without limiting the foregoing, Licensee agrees that it will make no claims

against the City for damages, charges, additional costs or fees or any lost profits or costs incurred by reason of delays or hindrances by the City or its contractors in the operation of the Tour Service pursuant to this License Agreement.

ARTICLE 3. TERM OF LICENSE AGREEMENT

3.1 Initial Term

Unless earlier terminated in accordance with any provision of this License Agreement, this License Agreement will continue for ten years from the Effective Date.

3.2 License Agreement Extension Option

The Commissioner may at any time before this License Agreement expires elect to extend the term of this License Agreement for up to eight additional, consecutive 5 year terms, under the same terms and conditions as this original License Agreement by written notice to the Licensee.

ARTICLE 4. COMPENSATION

4.1 Compensation

(a) Each year, the Licensee must pay to the City the fees set forth in Exhibit 1 of this License Agreement. As set forth in Exhibit 1, each year the Licensee will pay the City a Minimum Annual Guarantee and a Supplemental Revenue Fee.

(b) The Minimum Annual Guarantee for any year is due and payable in two installments by the Licensee. The first payment of 50% of the Minimum Annual Guarantee is due on or before the April 1 of such year, and the remaining 50% of the Minimum Annual Guarantee is due on or before August 1 of such year.

(c) The Supplemental Revenue Fee for each year is due and payable no later than 45 days after the end of that year.

4.2 Taxes and other Licensee Costs

(a) The Licensee must pay any assessments and taxes of any kind which arise as a result of or in connection with this License and the uses of the Location.

(b) The Licensee must obtain, and must pay any and all fees necessary to obtain federal, state and local licenses, permits and authorizations required for docking and operating each Tour Boat including inspection fees required in connection with obtaining electrical wiring permits from the City. This includes each of the following as may be required or may become applicable to the

Licensee or the licensed Tour Boat and must be attached to Exhibit 6 of this License Agreement: a certificate of inspection, a certificate of documentation, and any and all other licenses or certifications required by the U.S.C.G.; a great lakes radiotelephone license certificate of the Federal Communications Commission; a State of Illinois registration or title; and all other vessel and operation licenses required by the State of Illinois or the City.

(c) Notwithstanding the foregoing, the Licensee may claim a credit against any amounts due under this License Agreement equal to the amount of the Chicago Boat Mooring Tax paid by the Licensee pursuant to section 3-16-030 of the Municipal Code of Chicago.

4.3 Late Payment, Material Underpayment or Nonpayment

If the Licensee fails to make its yearly payments when due, or makes an underpayment in any annual payment period of more than 5% of the amount due for such annual payment period, then the City may charge the Licensee interest on the amount due of 1.25% for each month said amount remains due and owing. Interest on the amount of the underpayment due will accrue from the date on which the original payment should have been made. If any payment owed pursuant to this License Agreement remains past due for more than 30 business days, the Commissioner may declare a breach of this License Agreement and terminate the License Agreement upon 30 days' written notice to the Licensee.

4.4 Records and Audit

The Licensee must maintain books and records related to the operation of the Tour Service, including cash and non-cash revenues generated and ticket sales. All books and records must be maintained in a manner consistent with generally accepted accounting principles and practice.

No later than the date for payment of the Supplemental Revenue Fee as described in Section 4.1(c), the Licensee must supply to the Commissioner an audit, conducted by an independent certified public accountant, in form and substance acceptable to the Commissioner, certifying as to the Gross Revenues from the Location, and calculating the Supplemental Revenue Fee due to the City for the prior year pursuant to the Agreement. If Licensee fails to timely furnish to the Commissioner the annual statement required under this Agreement or if the independent certified public accountant's opinion is qualified or conditioned in any manner, the Commissioner has the right (but is not obligated) without notice, to conduct an audit of Licensee's books and records and to prepare the statements at Licensee's expense. In any event, the City, upon 10 days' written notice to the Licensee, may perform or have performed by a City consultant, an audit and review of the records serving as the basis for the Licensee's annual statement. If the City's independent audit determines that the compensation paid to the City was underpaid in the prior calendar year by more than 5%, the Contractor will bear the cost

of the City's audit in addition to paying the City the underpayment, plus interest as set forth in Section 4.3. This provision survives the termination or expiration of this Agreement.

ARTICLE 5. DISPUTES

Except as otherwise provided in this License Agreement, Licensee must and the Commissioner may bring any dispute arising under this License Agreement which is not resolved by the parties to the Commissioner for decision based upon the written submissions of the parties. The Commissioner will issue a written decision and send it to the Licensee by mail. The decision of the Commissioner is final and binding. The sole and exclusive remedy to challenge the decision of the Commissioner is judicial review by means of a common law writ of certiorari.

ARTICLE 6. COMPLIANCE WITH ALL LAWS

6.1 Compliance with All Laws Generally

(a) Licensee must observe and comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later and whether or not they appear in this Agreement, including those set forth in this Article 6, and Licensee must pay all taxes and obtain all licenses, certificates and other authorizations required by them. Licensee must require all Subcontractors to do so, also. Further, Licensee must execute an Economic Disclosure Statement and Affidavit ("**EDS**") in the form attached to this Agreement as Exhibit 4. Notwithstanding acceptance by the City of the EDS, Licensee=s failure in the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Licensee must promptly update its EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate. Licensee agrees that Licensee's failure to maintain current throughout the term and any extensions of the term, the disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, shall constitute an event of default.

(b) Notwithstanding anything in this Agreement to the contrary, references to a statute or law are considered to be a reference to (i) the statute or law as it may be amended from time to time; (ii) all regulations and rules pertaining to or promulgated pursuant to the statute or law; and (iii) all future statutes, laws, regulations, rules and executive orders pertaining to the same or similar subject matter.

6.2 Nondiscrimination

(a) **Licensee**

Licensee must comply with applicable federal, state, and local laws and related regulations prohibiting discrimination against individuals and groups. If this Agreement is federally funded in whole or in part, additional provisions related to nondiscrimination may be set forth in Exhibit 8.

(i) **Federal Requirements**

Licensee must not engage in unlawful employment practices, such as (1) failing or refusing to hire or discharging any individual, or otherwise discriminating against any individual with respect to compensation or the terms, conditions, or privileges of the individual's employment, because of the individual's race, color, religion, sex, age, handicap/disability or national origin; or (2) limiting, segregating or classifying Licensee's employees or applicants for employment in any way that would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect the individual's status as an employee, because of the individual's race, color, religion, sex, age, handicap/disability or national origin.

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Civil Rights Act of 1964, 42 U.S.C. sec. 2000e *et seq.* (1981), as amended and the Civil Rights Act of 1991, P.L. 102-166. Attention is called to: Exec. Order No. 11246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000e note, as amended by Exec. Order No. 11375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. •• 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. "621-34; Rehabilitation Act of 1973, 29 U.S.C. •• 793-794 (1981); Americans with Disabilities Act, 42 U.S.C. '12101 *et seq.*; 41 C.F.R. Part 60 *et seq.* (1990); and all other applicable federal statutes, regulations and other laws.

(ii) **State Requirements**

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.* (1990), as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 44 Ill. Admin. Code • 750 Appendix A. Furthermore, Licensee must comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.* (1990), as amended, and all other applicable state statutes, regulations and other laws.

(iii) **City Requirements**

Licensee must comply with, and the procedures Licensee utilizes and the Services Licensee provides under this Agreement must comply with, the Chicago Human Rights

Ordinance, ch. 2-160, Section 2-160-010 *et seq.* of the Municipal Code of Chicago (1990), as amended, and all other applicable City ordinances and rules.

(b)Subcontractors
Licensee must incorporate all of this Section 6.2 by reference in all agreements entered into with any suppliers of materials, furnisher of services, Subcontractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement. Further, Licensee must furnish and must cause each of its Subcontractor(s) to furnish such reports and information as requested by the federal, state, and local agencies charged with enforcing such laws and regulations, including the Chicago Commission on Human Relations.

6.3 Inspector General

It is the duty of any bidder, proposer or Licensee, all Subcontractors, every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners and employees of any bidder, proposer, Licensee, Subcontractor or such applicant to cooperate with the Legislative Inspector General or the Inspector General in any investigation or hearing, if applicable, undertaken pursuant to Chapters 2-55 or 2-56, respectively, of the Municipal Code. Licensee understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code. All subcontracts must inform Subcontractors of the provision and require understanding and compliance with it.

6.4 MacBride Ordinance

The City of Chicago through the passage of the MacBride Principles Ordinance seeks to promote fair and equal employment opportunities and labor practices for religious minorities in Northern Ireland and provide a better working environment for all citizens in Northern Ireland.

In accordance with Section 2-92-580 of the Municipal Code of the City of Chicago, if Licensee conducts any business operations in Northern Ireland, the Licensee must make all reasonable and good faith efforts to conduct any business operations in Northern Ireland in accordance with the MacBride Principles for Northern Ireland as defined in Illinois Public Act 85-1390 (1988 Ill. Laws 3220).

The provisions of this Section 6.4 do not apply to contracts for which the City receives funds administered by the United States Department of Transportation, except to the extent Congress has directed that the Department of Transportation not withhold funds from states and localities that choose to implement selective purchasing policies based on agreement to comply with the MacBride Principles for Northern Ireland, or to the extent that such funds are not otherwise withheld by the Department of Transportation.

6.5 Business Relationships with Elected Officials

Pursuant to MCC Sect. 2-156-030(b), it is illegal for any elected official, or any person acting at the direction of such official, to contact either orally or in writing any other City official or employee with respect to any matter involving any person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months. In addition, no elected official may participate in any discussion in any City Council committee hearing or in any City Council meeting or vote on any matter involving the person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months.

Violation of MCC Sect. 2-156-030 by any elected official with respect to this contract will be grounds for termination of this contract. The term financial interest is defined as set forth in MCC Chapter 2-156.

6.6 Chicago "Living Wage" Ordinance

(a) Section 2-92-610 of the Municipal Code provides for a living wage for certain categories of workers employed in the performance of City contracts, specifically non-City employed security guards, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers ("**Covered Employees**"). Accordingly, pursuant to Section 2-92-610 and regulations promulgated under it:

(i) If Licensee has 25 or more full-time employees, and

(ii) If at any time during the performance of this License Agreement, Licensee and/or any Subcontractor or any other entity that provides any portion of the Services (collectively "**Performing Parties**") uses 25 or more full-time security guards, or any number of other full-time Covered Employees, then

(iii) Licensee must pay its Covered Employees, and must ensure that all other Performing Parties pay their Covered Employees, not less than the minimum hourly rate as determined in accordance with this provision (the "**Base Wage**") for all Services performed under this License Agreement.

(b) Licensee's obligation to pay, and to ensure payment of, the Base Wage will begin at any time during the term of this License Agreement when the conditions set forth in (a)(i) and (a)(ii) above are met, and will continue until the end of the term of this License Agreement.

(c) As of July 1, 2012, the Base Wage is $11.53 per hour, and each July 1 thereafter, the Base Wage will be adjusted using the most recent federal poverty guidelines for a family of four as published annually by the U.S. Department of Health and Human Services, to constitute the following: the poverty guidelines for a family of four divided by 2000 hours or the current base wage, whichever is higher. The currently applicable Base Wage is available from the Department of Procurement Services. At all times during the term of this License Agreement, Licensee and all other Performing Parties must pay the Base Wage (as adjusted in accordance with the above). If the payment of prevailing wages is required for Services done under this License Agreement, and the prevailing wages for Covered Employees are higher than the Base Wage, then Licensee and all other Performing Parties must pay the prevailing wage rates.

(d) Licensee must include provisions in all subcontracts requiring its Subcontractors to pay the Base Wage to Covered Employees. Licensee agrees to provide the City with documentation acceptable to the Commissioner demonstrating that all Covered Employees, whether employed by Licensee or by a Subcontractor, have been paid the Base Wage, upon the City's request for such documentation. The City may independently audit Licensee and/or Subcontractors to verify compliance with this section. Failure to comply with the requirements of this section will be an event of default under this License Agreement, and further, failure to comply may result in ineligibility for any award of a City contract or subcontract for up to 3 years.

(e) Not-for-Profit Corporations: If Licensee is a corporation having federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and is recognized under Illinois not-for-profit law, then the provisions of subsections (a) through (d) above do not apply.

6.7 Prohibition on Certain Contributions

No Contractor or any person or entity who directly or indirectly has an ownership or beneficial interest in Contractor of more than 7.5% ("Owners"), spouses and domestic partners of such Owners, Contractor's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% ("Sub-owners") and spouses and domestic partners of such Sub-owners (Contractor and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee during (i) the bid or other solicitation process for this Contract or Other Contract, including while this Contract or Other Contract is executory, (ii) the term of this Contract or any Other Contract between City and Licensee, and/or (iii) any period in which an extension of this Contract or Other Contract with the City is being sought or negotiated.

Licensee represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Licensee or the date the Licensee approached the City, as applicable, regarding the formulation of this Contract, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Licensee shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Contract, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Contract, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Licensee violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Contract resulting from this specification, the CPO may reject Licensee's bid.

For purposes of this provision:

"Other Contract" means any agreement entered into between the Licensee and the City that is (i) formed under the authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"Contribution" means a "political contribution" as defined in MCC Ch. 2-156, as amended.

"Political fundraising committee" means a "political fundraising committee" as defined in MCC Ch. 2-156, as amended.

6.8 Firms Owned or Operated by Individuals with Disabilities

The City encourages Licensees to use Subcontractors that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code of the City of Chicago, where not otherwise prohibited by federal or state law.

6. 9 Ineligibility to do Business with City.

Failure by the Licensee or any Controlling Person (defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code shall render this Contract voidable or subject to termination, at the option of the Chief Procurement Officer. Licensee agrees that Licensee's failure to maintain eligibility (or failure by Controlling Persons to maintain eligibility) to do business with the City in violation of Section 1-23-030 of the Municipal Code shall constitute an event of default.

6.10 Deemed Inclusion

Provisions required by law, ordinances, rules, regulations, or executive orders to be inserted in this License Agreement are deemed inserted in this License Agreement whether or not they appear in this License Agreement or, upon application by either party, this License Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this License Agreement is signed prevent its enforcement.

ARTICLE 7. SPECIAL CONDITIONS

7.1 Warranties and Representations

In connection with signing and carrying out this License Agreement, Licensee:

(a) warrants that Licensee has all appropriate permits and licenses as required by federal, state and local laws to perform the Tour Services required under this License Agreement and will perform no Services for which a license is required by law and for which Licensee is not appropriately licensed;

(b) warrants it is financially solvent; it and each of its employees, agents and Subcontractors of any tier are competent to perform the Services required under this License Agreement; and Licensee is legally authorized to execute and perform or cause to be performed this License Agreement under the terms and conditions stated in this License Agreement;

(c) warrants that it will not knowingly use the services of any ineligible contractor or Subcontractor for any purpose in the performance of its Services under this License Agreement;

(d) warrants that Licensee and its Subcontractors are not in default at the time this License Agreement is signed, and have not been deemed by the Chief Procurement Officer or any other City official to have, within 5 years immediately preceding the date of this License Agreement, been found to be in default on any contract awarded by the City ;

(e) represents that it has carefully examined and analyzed the provisions and requirements of this License Agreement; it understands the nature of the Services required; from its own analysis it has satisfied itself as to the nature of all things needed for the performance of this License Agreement; this License Agreement is feasible of performance in accordance with all of its provisions and requirements, and Licensee warrants it can and will perform, or cause to be performed, the Services in strict accordance with the provisions and requirements of this License Agreement;

(f) represents that Licensee and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of § 2-92-320 of the Municipal Code , and in connection with it, and additionally in connection with the Illinois Criminal Code, 720 ILCS 5/33E as amended, and the Illinois Municipal Code, 65 ILCS 5/11-42.1-1; and

(g) acknowledges that any certification, affidavit or acknowledgment made under oath in connection with this License Agreement is made under penalty of perjury and, if false, is also cause for termination under Sections 8.2 and 8.3 of this License Agreement.

(h) warrants and represents that it has in effect and will maintain in effect during the term of this License Agreement a valid certificate of service authority to operate a Tour Service granted by the U.S.C.G., a copy of which is attached in Exhibit 6.

(i) represents that it has inspected in detail the designated Location and has familiarized itself with all of the local conditions of the docking areas and adjacent land affecting the provision of Tour Services at the Location and Section 2.3(b) services. The Licensee is solely responsible for all errors in the Licensee's proposal or losses subsequently incurred by the Licensee as a result of the Licensee's failure to adequately inspect the Location, the License Agreement; and

(j) warrants that it will operate a Tour Service in accordance with all applicable provisions and requirements of the Department of Homeland Security;

(j) warrants and represents that it has examined the Location and appurtenant land prior to the submission of Licensee's proposal, and further, the Licensee agrees that the Location are in a safe condition and in good repair; and

(l) The Licensee warrants and represents that neither the Licensee nor any Affiliate of Licensee appears on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

"Affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

7.2 Ethics

(a) In addition to the foregoing warranties and representations, Licensee warrants:

(i) no officer, agent or employee of the City is employed by Licensee or has a financial interest directly or indirectly in this License Agreement or the compensation to be paid under this License Agreement except as may be permitted in writing by the Board of Ethics established under Chapter 2-156 of the Municipal Code.

(ii) no payment, gratuity or offer of employment will be made in connection with this License Agreement by or on behalf of any Subcontractors to Licensee or higher tier Subcontractors or anyone associated with them, as an inducement for the award of a subcontract or order.

(b) Licensee further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 is voidable as to the City.

7.3 Joint and Several Liability

If Licensee, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then under this License Agreement, each and without limitation every obligation or undertaking in this License Agreement to be fulfilled or performed by Licensee is the joint and several obligation or undertaking of each such individual or other legal entity. Licensee or its successors or assigns are jointly and severally liable under this License Agreement.

7.4 Business Documents

At the request of the City, Licensee must provide copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreement, as applicable.

7.5 Conflicts of Interest

(a) No member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Services to which this License Agreement pertains is permitted to have any personal interest, direct or indirect, in this License Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee is allowed to be admitted to any share or part of this License Agreement or to any financial benefit to arise from it.

(b) Licensee represents that it, and to the best of its knowledge, its Subcontractors if any (Licensee and Subcontractors will be collectively referred to in this Section 7.5 as "**Licensee Parties**"), presently have no direct or indirect interest and will not acquire any direct or indirect interest in any project or contract that would conflict in any manner or degree with the performance of its Services under this License Agreement.

(c) Further, Licensee Parties must not assign any person having any conflicting interest to perform any services under this License Agreement. If the City, by the Commissioner in his reasonable judgment, determines that any of Licensee Parties' services for others conflict with the Services that Licensee Parties are to render for the City under this License Agreement, Licensee Parties must terminate such other services immediately upon request of the City.

7.6 Non-Liability of Public Officials

Licensee and any assignee or Subcontractor of Licensee must not charge any official, employee or agent of the City personally with any liability or expenses of defense or hold any official, employee or agent of the City personally liable to them under any term or provision of this Agreement or because of the City's execution, attempted execution or any breach of this Agreement.

7.7 EDS / Certification Regarding Suspension and Debarment

Licensee certifies, as further evidenced in the EDS attached as Exhibit 5, by its acceptance of this Agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. Licensee further agrees by executing this Agreement that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. If Licensee or any lower tier participant is unable to certify to this statement, it must attach an explanation to the Agreement.

7.8 Waiver of Forcible Entry and Detainer Act

Notwithstanding any interpretation that may be imposed upon this License Agreement, the Licensee understands and hereby agrees to forego and waive all provisions of the Forcible Entry and Detainer Act, 735 ILCS 5/9-101 *et seq.* as it might apply to the Location, and the Service Facilities.

ARTICLE 8. EVENTS OF DEFAULT, REMEDIES, TERMINATION, SUSPENSION AND RIGHT TO OFFSET

8.1 Events of Default Defined

The following constitute events of default:

(a) Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Licensee to the City.

(b) Licensee's failure to perform any of its obligations under this License Agreement including the following:

(i) Failure to perform the Services with sufficient personnel and equipment or with sufficient material to ensure the timely performance of the Services;

(ii) Failure to have and maintain all licenses required by law to perform the Tour Services;

(iii) Failure to timely perform the Services;

(iv) Failure to perform the Services in a manner reasonably satisfactory to the Commissioner or inability to perform the Services satisfactorily as a result of insolvency, filing for bankruptcy or assignment for the benefit of creditors;

(v) Failure to promptly re-perform, as required, within a reasonable time and at no cost to the City, Services that are rejected as erroneous or unsatisfactory;

(vi) Discontinuance of the Services for reasons within Licensee's reasonable control;

(vii) Failure to comply with Section 6.1 in the performance of the License Agreement;

(viii) Failure promptly to update EDS(s) furnished in connection with this License Agreement when the information or responses contained in it or them is no longer complete or accurate;

(ix) Failure to furnish and maintain a Letter of Credit pursuant to the requirements set forth in Section 2.9;

(x) Failure to comply with any other material term of this License Agreement, including the provisions concerning insurance and nondiscrimination; and

(xi) Any other acts specifically stated in this License Agreement as constituting an act of default.

(c) Any change in ownership or control of Wendella Sightseeing Company, Inc., without the prior written approval of the Commissioner (when such prior approval is permissible by law), which approval the Commissioner will not unreasonably withhold.

(d) Default by Wendella Sightseeing Company, Inc. under any other agreement either entity or both entities may presently have or may enter into with the City for the duration of this License Agreement. Wendella Sightseeing Company, Inc. acknowledges that in the event of a default under this License Agreement the City may also declare a default under any other agreements.

(e) Licensee's violation of City ordinance(s) unrelated to performance under the License Agreement such that, in the opinion of the Commissioner, it indicates a willful or reckless disregard for City laws and regulations.

8.2 Remedies

(a) Notices. The occurrence of any event of default permits the City, at the City's sole option, to declare Licensee in default. The Commissioner may in his sole discretion give Licensee an opportunity to cure the default within a certain period of time, which period of time must not exceed 30 days unless extended by the Commissioner. Whether to declare Licensee in default is within the sole discretion of the Commissioner and neither that decision nor the factual basis for it is subject to review or challenge under the Disputes provision of this License Agreement.

The Commissioner will give Licensee written notice of the default, either in the form of a cure notice ("**Cure Notice**"), or, if no opportunity to cure will be granted, a default notice ("**Default Notice**"). If the Commissioner gives a Default Notice, he will also indicate any present intent he may have to terminate this License Agreement, and the decision to terminate is final and effective upon giving the notice. If the Commissioner decides not to terminate, this decision will not preclude

him from later deciding to terminate the License Agreement in a later notice, which will be final and effective upon the giving of the notice or on the date set forth in the notice, whichever is later. The Commissioner may give a Default Notice if Licensee fails to effect a cure within the cure period given in a Cure Notice. When a Default Notice with intent to terminate is given as provided in this Section 8.2 and Article 10, Licensee must discontinue any Tour Services, unless otherwise directed in the notice.

(b) Exercise of Remedies. After giving a Default Notice, the City may invoke any or all of the following remedies:

(i) The right to terminate this License Agreement, in whole or in part;

(ii) The right of specific performance, an injunction or any other appropriate equitable remedy;

(iii) The right to money damages;

(iv) The right to deem Licensee non-responsible in future contracts to be awarded by the City;

(v) The right to draw on the Letter of Credit.

(c) City's Reservation of Rights. If the Commissioner considers it to be in the City s best interests, he may elect not to declare default or to terminate this License Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the Commissioner permits Licensee to continue to provide the Tour Services despite one or more events of default, Licensee is in no way relieved of any of its responsibilities, duties or obligations under this License Agreement, nor does the City waive or relinquish any of its rights.

(d) Non-Exclusivity of Remedies. The remedies under the terms of this License Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy is cumulative and is in addition to any other remedies, existing now or later, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any event of default impairs any such right or power, nor is it a waiver of any event of default nor acquiescence in it, and every such right and power may be exercised from time to time and as often as the City considers expedient.

8.3 Early Termination

(a) In addition to termination under Sections 8.1 and 8.2 of this License Agreement, the Commissioner may terminate this License Agreement, at any time by giving 15 days' prior written notice to the Licensee, if, in the sole discretion of the Commissioner, the Commissioner determines

that such termination is in the best interest of the City. If the Commissioner elects to terminate this entire License Agreement, the Licensee must terminate all Tour Services within 10 business days after the issuance of such notice and remove Tour Boats from the Location.

(b) Payment to the City of any sums remaining to be paid under this License Agreement must be made by the Licensee on a pro-rata basis: calculation of the pro-rata share will be predicated upon the season during which the Licensee is licensed to operate on the Chicago River and Lake Michigan, as specified in Section 4.1 of this License Agreement.

(c) Any License fees and compensation previously received by the City will be retained by the City.

(d) Upon termination of this License Agreement the Licensee must at once surrender possession of the Location. If possession is not immediately surrendered, the City may take possession of the Location and expel or remove the Licensee and those claiming by, through, or under it, without civil or criminal liability.

(e) The Licensee must pay and discharge all costs, expenses, and attorneys' fees which might be incurred by the City in enforcing the terms and conditions of this License Agreement.

(f) Licensee must include in its contracts with Subcontractors an early termination provision in form and substance equivalent to this early termination provision to prevent claims against the City arising from termination of subcontracts after the early termination. Licensee will not be entitled to make any early termination claims against the City resulting from any Subcontractor's claims against Licensee or the City.

(g) If the City's election to terminate this License Agreement for default under Sections 8.1 and 8.2 is determined in a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered to be an early termination under this Section 8.3.

8.4 Suspension

The City may at any time request that Licensee suspend its Services, or any part of them, by giving 15 days prior written notice to Licensee or upon informal oral, or even no notice, in the event of emergency. Licensee must promptly resume its performance of the Services under the same terms and conditions as stated in this License Agreement upon written notice by the Commissioner and such equitable extension of time as may be mutually agreed upon by the Commissioner and Licensee when necessary for continuation or completion of Tour Services. The City will not be liable for any additional costs or expenses actually incurred by Licensee as a result of recommencing the Tour Services.

No suspension of this License Agreement is permitted in the aggregate to exceed a period of 45 days within any one year of this License Agreement. If the total number of days of suspension exceeds 45 days, Licensee by written notice to the City may treat the suspension as an early termination of this License Agreement under Section 8.3.

ARTICLE 9. GENERAL CONDITIONS

9.1 Entire Agreement

(a) General

This License Agreement, and the exhibits attached to it and incorporated in it, constitute the entire agreement between the parties and no other terms, conditions, warranties, inducements, considerations, promises or interpretations are implied or impressed upon this License Agreement that are not addressed in this License Agreement.

(b) No Collateral Agreements

Licensee acknowledges that, except only for those representations, statements or promises contained in this License Agreement and any exhibits attached to it and incorporated by reference in it, no representation, statement or promise, oral or in writing, of any kind whatsoever, by the City, its officials, agents or employees, has induced Licensee to enter into this License Agreement or has been relied upon by Licensee, including any with reference to: (i) the meaning, correctness, suitability or completeness of any provisions or requirements of this License Agreement; (ii) the nature of the Services to be performed; (iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities needed for the performance of this License Agreement; (iv) the general conditions which may in any way affect this License Agreement or its performance; (v) the compensation provisions of this License Agreement; or (vi) any other matters, whether similar to or different from those referred to in (i) through (vi) immediately above, affecting or having any connection with this License Agreement, its negotiation, any discussions of its performance or those employed or connected or concerned with it.

(c) No Omissions

Licensee acknowledges that Licensee was given ample opportunity and time and was requested by the City to review thoroughly all documents forming this License Agreement before signing this License Agreement in order that it might request inclusion in this License Agreement of any statement, representation, promise or provision that it desired or on that it wished to place reliance. Licensee did so review those documents, and either every such statement, representation, promise or provision has been included in this License Agreement or else, if omitted, Licensee

relinquishes the benefit of any such omitted statement, representation, promise or provision and is willing to perform this License Agreement in its entirety without claiming reliance on it or making any other claim on account of its omission.

9.2 Counterparts

This License Agreement is comprised of several identical counterparts, each to be fully signed by the parties and each to be considered an original having identical legal effect.

9.3 Amendments

Except as provided in Section 3.2 of this License Agreement, no changes, amendments, modifications or discharge of this License Agreement, or any part of it are valid unless in writing and signed by the authorized agent of Licensee and by the Commissioner or their respective successors and assigns. The City incurs no liability for Additional Services without a written amendment to this License Agreement under this Section 9.3.

Whenever under this License Agreement Licensee is required to obtain the City s prior written approval, the effect of any approval that may be granted pursuant to Licensee's request is prospective only from the later of the date approval was requested or the date on which the action for which the approval was sought is to begin. In no event is approval permitted to apply retroactively to a date before the approval was requested.

9.4 Governing Law and Jurisdiction

This License Agreement is governed as to performance and interpretation in accordance with the laws of the State of Illinois without regard to choice of law.

Licensee irrevocably submits itself to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this License Agreement. Service of process on Licensee may be made, at the option of the City, either by registered or certified mail addressed to the applicable office as provided for in this License Agreement, by registered or certified mail addressed to the office actually maintained by Licensee, or by personal delivery on any officer, director, or managing or general agent of Licensee. If any action is brought by Licensee against the City concerning this License Agreement, the action must be brought only in those courts located within the County of Cook, State of Illinois.

9.5 Severability

If any provision of this License Agreement is held or deemed to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all

cases because it conflicts with any other provision or provisions of this License Agreement or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this License Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this License Agreement does not affect the remaining portions of this License Agreement or any part of it.

9.6 Assigns

The Licensee may not assign this License Agreement without prior written consent of the City, which shall not be unreasonably withheld. Assignment without prior written consent of the City is deemed an event of default under Article 8 of this License Agreement.

9.7 Cooperation

Licensee must at all times cooperate fully with the City and act in the City's best interests. If this License Agreement is terminated for any reason, or if it is to expire on its own terms, Licensee must make every effort to ensure an orderly transition to another provider of the Services, if any, orderly demobilization of its own operations in connection with the Services, uninterrupted provision of Services during any transition period and must otherwise comply with the reasonable requests and requirements of the Department in connection with the termination or expiration.

9.8 Waiver

Nothing in this License Agreement authorizes the waiver of a requirement or condition contrary to law or ordinance or that would result in or promote the violation of any federal, state or local law or ordinance.

Whenever under this License Agreement the City by a proper authority waives Licensee's performance in any respect or waives a requirement or condition to either the City's or Licensee's performance, the waiver so granted, whether express or implied, only applies to the particular instance and is not a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver is a modification of this License Agreement regardless of the number of times the City may have waived the performance, requirement or condition. Such waivers must be provided to Licensee in writing.

9.9 Independent Contractor

(a) This License Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business

association or organization of any kind between Licensee and the City. The rights and the obligations of the parties are only those set forth in this License Agreement. Licensee must perform under this License Agreement as an independent contractor and not as a representative, employee, agent, or partner of the City.

(b) This License Agreement is between the City and an independent contractor and, if Licensee is an individual, nothing provided for under this License Agreement constitutes or implies an employer-employee relationship such that:

(i) The City will not be liable under or by reason of this License Agreement for the payment of any compensation award or damages in connection with the Licensee performing the Services required under this License Agreement.

(ii) Licensee is not entitled to membership in any City Pension Fund, Group Medical Insurance Program, Group Dental Program, Group Vision Care, Group Life Insurance Program, Deferred Income Program, vacation, sick leave, extended sick leave, or any other benefits ordinarily provided to individuals employed and paid through the regular payrolls of the City.

(iii) The City is not required to deduct or withhold any taxes, FICA or other deductions from any compensation provided to Licensee.

(c)(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Licensee is aware that City policy prohibits City employees from directing any individual to apply for a position with Licensee, either as an employee or as a subcontractor, and from directing Licensee to hire an individual as an employee or as a subcontractor. Accordingly, Licensee must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Licensee under this Agreement are employees or subcontractors of Licensee, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Licensee.

(iii) Licensee will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership

in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Licensee by a City employee or City official in violation of Section (ii) above, or advocating a violation of Section (iii) above, Licensee will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General, and also to the head of the relevant City Department utilizing services provided under this Agreement. Licensee will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to the contract.

ARTICLE 10. NOTICES

Notices provided for in this License Agreement, unless provided for otherwise in this License Agreement, must be given in writing and may be delivered personally or by placing in the United States mail, first class and certified, return receipt requested, with postage prepaid and addressed as follows:

If to the City:
Department of Transportation
30 N. LaSalle Street
Suite 1100
Chicago, Illinois 60610
Attention: Commissioner

With Copies to:
Department of Law
Room 600, City Hall
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Corporation Counsel

If to Licensee: _____
_____
_____

Attention:_____

Changes in these addresses must be in writing and delivered in accordance with the provisions of this Article 10. Notices delivered by mail are considered received three days after mailing in accordance with this Article 10. Notices delivered personally are considered effective upon receipt. Refusal to accept delivery has the same effect as receipt.

ARTICLE 11. AUTHORITY

The signature(s) of each person signing on behalf of the Licensee have been made with complete and full authority to commit the Licensee to all terms and conditions of this License Agreement, including each and every representation, certification and warranty contained herein, including without limitation such representations, certifications and warranties collectively attached hereto and incorporated by reference herein.

[Signature Pages, Exhibits and Schedules follow.]

SIGNATURE PAGE
SIGNED at Chicago, Illinois:

CITY OF CHICAGO

By: _____
Commissioner of Transportation

LICENSEE
By: Michael Borgstrom
Its: President
Attest: _____

State of
County of

This instrument was acknowledged before me on _____(date) by (name/s of person/s) as _____(type of authority, e.g., officer, trustee, etc.) of (name of party on behalf of whom instrument was executed).

(Signature of Notary Public) Seal:

EXHIBIT 1
Location, Tour Boats and Yearly License Fees

In exchange for the privilege to dock and operate a Tour Service at the Location herein specified in accordance with the terms and conditions of this License Agreement, the Licensee must operate the Tour Service as follows:

For Location_____, which is_____,
(Location #) (Length in Feet)

And which is located at_____

_____;
(description of Location)

The Licensee will operate a Tour Service utilizing the following vessels:

the_____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the_____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the_____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the_____, a
(name of Tour Boat)

_____; and
(description of Tour Boat, including length)

the_____, a
(name of Tour Boat)

For the use of which Location, for each year of the Agreement, the Licensee must pay the following Minimum Annual Guarantee and Supplemental Revenue Fee in accordance with Article 4 of this License Agreement:

Minimum Annual Guarantee = $681,450.00 for year one and shall be increased by 3% each year of the Agreement.

Supplemental Revenue Fee = 3% of Gross Revenues through 2027; 2.25% thereafter.

EXHIBIT 2

Service Facilities

LOCATION 2

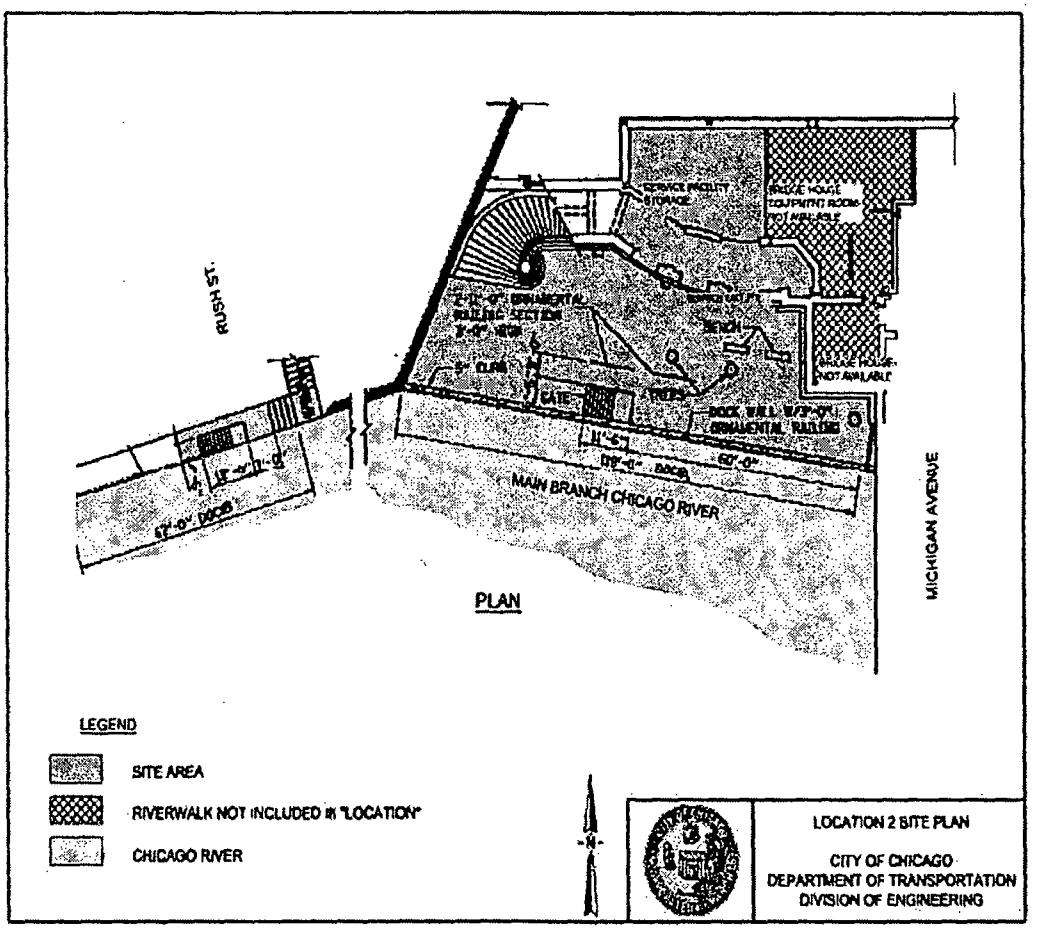

EXHIBIT 3

Insurance Requirements and Certificate of Insurance

INSURANCE REQUIREMENTS
Department of Transportation
Tour Boat Operators License Agreement

Licensee must provide and maintain at Licensee's own expense, during the term of the Agreement the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

A. INSURANCE TO BE PROVIDED

1) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work under this Agreement and Employers Liability coverage with limits of not less than $500,000 each accident, illness or disease. Coverage must include United States Long shore and Harbor Workers, Jones Act when applicable.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than $2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work or Services.

Subcontractors performing work for the Licensee must maintain limits of not less than $1,000,000 with the same terms herein.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Licensee must provide Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

4) Marine Protection & Indemnity

When Licensee undertakes any marine operation in connection with this Agreement, Licensee must provide Marine Protection & Indemnity coverage with limits of not less than $5,000,000. Coverage must include property damage and bodily injury to third parties, injuries to crew members if not provided through other insurance; damage to wharves, piers and other structures, and collision. The City of Chicago is to be named as an additional insured.

5) Property

The Licensee is responsible for all loss or damage to personal property (including materials, equipment, tools and supplies) owned, rented or used by Licensee.

B. ADDITIONAL REQUIREMENTS

The Licensee must furnish the City of Chicago, Department of Transportation, Division of Engineering, 30 N. LaSalle Street, Room 400, 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Licensee must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Agreement. The failure of the City to obtain certificates or other insurance evidence from Licensee is not a waiver by the City of any requirements for the Licensee to obtain and maintain the specified coverages. The Licensee shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Licensee of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

The Licensee must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Licensee.

The Licensee hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Licensee in no way limit the Licensee's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self insurance programs maintained by the City of Chicago do not contribute with insurance provided by the Licensee under the Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Licensee is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

The Licensee must require all subcontractors to provide the insurance required herein, or Licensee may provide the coverages for subcontractors. All subcontractors are subject to the same insurance requirements of Licensee unless otherwise specified in this Agreement.

If Licensee or subcontractor desires additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

Notwithstanding any provision in the Agreement to the contrary, the City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.

EXHIBIT 4
Form of Letter of Credit

(Date)

City of Chicago
c/o Commissioner of Department of Transportation
Room 107
121 North LaSalle Street
Chicago, Illinois 60602

APPLICANT:
Gentlemen:

We hereby issue Unconditional, Irrevocable Stand-By Letter of Credit No in your favor up to an aggregate amount of Dollars ($_____). This Letter of Credit is issued, presentable and payable at our offices at_____.

Funds under this Credit are available to you unconditionally against your sight drafts for any sum or sums not exceeding a total of_____Dollars ($_____) drawn on us mentioning our Letter of Credit No._____purportedly signed by the Commissioner of the Department of_____or the City Comptroller of the City of Chicago (whether acting or actual).

Our obligations hereunder are primary obligations to the City of Chicago (City) and shall not be affected by the performance or non-performance by_____[insert name and address of applicant] ("Applicant") under any agreement with the City or by any bankruptcy or other insolvency proceeding initiated by or against Applicant. Applicant is not the owner of or beneficiary under this Letter of Credit and possesses no interest whatsoever in this Letter of Credit or proceeds of same. We engage with you that any draws under this Letter of Credit shall be duly honored on sight if presented to us on or before_____, 200_.

Partial and multiple drawings are permitted.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for an additional 12 month period from the present or any future expiration date hereof, unless at least 30 days prior to any such date we notify you by certified mail that we elect not to consider this Letter of Credit renewed for any such additional period.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce publication No. 500 (IUCP) and to the Uniform Commercial Code - Letters of Credit, 810 ILCS 5/5-101 et seq. as amended and as in effect in the State of Illinois (UCC). To the extent the provisions of the IUCP and the UCC conflict, the provisions of the UCC shall control.

(authorized signature)
[020605]

EXHIBIT 5

Economic Disclosure Statement and Affidavit

EXHIBIT 6

Other Licenses, Permits and/or Certifications

EXHIBIT 7

Special Conditions Regarding MBE and WBE Participation (Including Schedules C-1 and D-1)

EXHIBIT 8

Public Works Provisions

Employment of Illinois Laborers on Public Works Projects

Licensee must use only Illinois laborers in the performance of this License Agreement to the extent (i) required by the Employment of Illinois Laborers on Public Works Projects Act, 30 ILCS, 570/0.01, as amended from time to time and (ii) otherwise permitted by law.

Disposal of Materials, Construction Debris, Soil and Waste

Licensee is responsible for the proper disposal of all materials, construction debris, soil and other waste. Hauling and disposal by a Subcontractor does not relieve the Licensee from responsibility for proper disposal. Disposal of all materials, construction debris, soil, and other wastes must be at a disposal site that is properly licensed and permitted to accept the particular materials, construction debris, soil and other wastes delivered to it in accordance with all Environmental Laws. The Licensee must identify the disposal site(s) or transfer station(s) to which the Licensee has contractual access and for which proper, sanitary landfill permits and/or licenses have been obtained.

Steel Products

To the extent permitted by law, this License Agreement is subject to all provisions of the "Steel Products Procurement Act," 30 ILCS 565/1 *et seq.* as it may be amended from time to time. Knowing violation of this law may result in the filing and prosecution of a complaint by the Attorney General of the State of Illinois and will subject violators to a fine of the greater of $5,000 or the payment price received as a result of such violation.

Americans with Disabilities Act

Licensee must perform all construction or alteration that it undertakes in connection with this License Agreement in compliance with all federal, state and local laws and regulations regarding accessibility standards for disabled or environmentally limited persons including: American with Disabilities Act, P.L. 101-336 (1990) and the Uniform Federal Accessibility Standards ("UFAS") or the American with Disabilities Act ("**ADA**") and; the Illinois Environmental Barriers Act, 410 ILCS 25/1 *et seq.* (1991), and the regulations promulgated with them. If the above cited standards are inconsistent, the Licensee must comply with the standard providing greater accessibility.

Prevailing Wage Rates

In the performance of the work, Licensee is fully responsible for paying not less than the prevailing rate of wages as determined by the Illinois Department of Labor, which must be paid to all laborers, mechanics, and other workers performing work under this License Agreement.

Licensee's attention is called to the generally prevailing hourly rate of wages, as determined by

the Illinois Department of Labor, which are incorporated into the License Agreement and set forth in Attachment 8-A. These wage rates are also the prevailing wage rates for the City of Chicago, as determined by the Department as of the date of execution of this License Agreement.

The wage rates set forth in this License Agreement were the rates in effect at the time this License Agreement was executed. If the Illinois Department of Labor revises the prevailing rate of hourly wages to be paid for the work before completion of the project, the revised rate applies to this License Agreement from the effective date of the revision, but the revision does not entitle Licensee to any increased compensation under the terms of this License Agreement.

As a condition of making payment to Licensee, the City may require Licensee to submit an affidavit to the effect that not less than the prevailing hourly wage rate is being paid to laborers, mechanics, and other workers employed under this License Agreement in accordance with Illinois law.

Chicago Residency Requirements

If the funding under this License Agreement is $100,000 or more, and unless otherwise prohibited by law, Licensee and all Subcontractors that perform work on the site of the construction project undertaken under this License Agreement must comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago specified in Section 2-92-330 of the Municipal Code (at least 50% of the total worker hours must be performed by actual residents of the City of Chicago). In addition to complying with this requirement, Licensee and all Subcontractors must make good faith efforts to utilize qualified residents of the City of Chicago in both unskilled and skilled labor positions.

1. "Actual residents of the City of Chicago" means persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment
2. Licensee may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-920-330 in accordance with standards and procedures developed by the Chief Procurement Officer of the City of Chicago ("**Chief Procurement Officer**").
   a) Licensee must provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the project. Licensee and Subcontractors must maintain copies of personal documents supportive of every Chicago employee's actual record of residence.
   b) Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) which must be submitted to the Commissioner in triplicate, must clearly identify the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the company hired the employee should be written in after the employee's name.
   c) Licensee and Subcontractors must grant full access to Licensee and the Subcontractor's employment records to the Chief Procurement Officer, the Commissioner of the supervising department, the Superintendent of the Chicago Police Department, the Inspector General, or their duly authorized representatives. Licensee and Subcontractors must maintain all relevant personnel data and records for a period of at least three years

after Final Completion and Acceptance of the work.

d) At the direction of the supervising department, Licensee must furnish affidavits and other supporting documentation to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

3. Good faith efforts on Licensee's part to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) does not suffice to replace the actual, verified achievement of the requirements of this section concerning the worker hours performed by actual Chicago residents.

4. When the work is completed, if the City has determined that Licensee failed to fulfill the requirements of this section concerning worker hours performed by actual Chicago Residents or failed to report in the manner as indicated above, the City will be damaged in that it thereby failed to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this section. Therefore, in such a case of noncompliance, Licensee must pay to the City 1/20th of 1%, 0.0005, of the approved Yearly License Fee for this License Agreement to the City in payment for each percentage of shortfalls toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly will result in the surrender of the entire liquidated damages as if no Chicago residents were employed. The willful falsification of statements in the certification of payroll data may subject Licensee or Subcontractors or employee to prosecution.

Nothing provided in this section may be construed to be a limitation upon the "Notice of Requirements For Affirmative Action To Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246" or other affirmative action required for equal opportunity under the provisions of this License Agreement. Licensee must include this provision in all subcontracts.

Performance and Payment Bonds

Licensee must, before performing the work, deliver to the City a performance and payment bond in an amount determined solely by the Commissioner of the Chicago Department of Transportation. Any performance bond that Licensee provides must comply with the provisions of 30 ILCS 550/1 *et.seq.*, as amended, and of Chapter 2, § 2-92-030 of the Municipal Code, as amended. It must also be in the form of the performance and payment bond attached as Attachment 8-B. The surety or sureties issuing the bond must be acceptable to the City and must have a Best's Key Rating Guide of "B+," Class XI or greater and be listed in the most recently published "Listing of Approved Sureties" of the U.S. Department of the Treasury Circular 570, with underwriting limitations in excess of the Yearly License Fee. The bond must cover the warranty period required by the City.

In case of Licensee's neglect, failure, or refusal to provide satisfactory sureties when so directed within 10 days after such notification, the Commissioner may declare this License Agreement forfeit, but such forfeiture will not release Licensee or Licensee's surety or sureties from any liability that may have accrued before the date of the forfeiture.

If at any time the surety or sureties, or any one of them, upon the bond become insolvent, or are, in the sole opinion of the City, unsatisfactory, or unable to respond to damages in case of liability on such bond, the Commissioner will notify Licensee and direct that Licensee furnish a bond issued by a satisfactory surety

or sureties forthwith.

Multi Project Labor Agreement (PLA)

The City has entered into the PLA with various trades regarding projects involving construction, demolition, maintenance, rehabilitation, and/or renovation work, as described in the PLA, a copy of which may be found on the City's website at: http://www.cityofchicago.org/dam/city/depts/dps/RulesRegulations/Multi-ProjectLaborAgreement-PLAandSignatoryUnions.pdf.

To the extent that this Contract involves a project that is subject to the PLA, Licensee acknowledges familiarity with the requirements of the PLA and its applicability to any Work under this Agreement, and shall comply in all respects with the PLA.

Attachment 8-A

Prevailing Wage Rates

Prevailing Wage Rates

If this Contract calls for the construction of a "public work," within the meaning of Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq. ("the Act"), the Act requires Contractors and Subcontractors to pay laborers, workers and mechanics performing services on public works projects no less than the "prevailing rate of wages" (hourly wages plus fringe benefits) in the county where the work is performed. For information regarding current prevailing wage rates, please refer to the Illinois Department of Labor's website at: www.state.il.us/agency/idol/rates/rates.HTM. All Contractors and Subcontractors rendering services under a Contract for the construction of a public work must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping duties.

The term general prevailing hourly rate, when used in this requirement will mean the hourly cash wages plus fringe benefits for health and welfare, insurance, vacations and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character on public works.

As a condition of making payment to the Contractor, the City may require the Contractor to submit an affidavit to the effect that not less than the prevailing hourly wage rate is being paid to laborers, mechanics and other workmen employed on this Contract in accordance with Illinois or federal law, as applicable.

Attachment 8-B

Performance and Payment Bond

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT and AFFIDAVIT
Related to Contract/Amendment/Solicitation
EDS # 39814

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting the EDS:

Wendella Sightseeing Company, Inc.

Enter d/b/a if applicable:

The Disclosing Party submitting this EDS is:

the Applicant

B. Business address of the Disclosing Party:

405 N Wabsh Ave., Suite P2E
Chicago, IL 60611
United States

C. Telephone:

312-337-1446

Fax:

Email:

msb@wendellaboats.com

D. Name of contact person:

Mr. Michael Borgstrom

E. Federal Employer Identification No. (if you have one):

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains:

RFP FOR CHICAGO TOUR BOAT SERVICES Specification No. 103855 Requisition No. 66648

Which City agency or department is requesting this EDS?

DEPT OF PROCUREMENT SERVICES

Specification Number

103855

Contract (PO) Number

Revision Number

Release Number

User Department Project Number

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Privately held business corporation

Is the Disclosing Party incorporated or organized in the State of Illinois?

Yes

B. DISCLOSING PARTY IS A LEGAL ENTITY:

1.a.1 Does the Disclosing Party have any directors?

Yes

1.a.3 List below the full names and titles of all executive officers and all directors, if any, of the entity. Do not include any directors who have no power to select the entity's officers.

Officer/Director:	Mr. Robert Harvey Borgstrom
Title:	Chief Executive Officer
Role:	Both

Officer/Director:	Mr. Michael Steven Borgstrom
Title:	President
Role:	Officer

Officer/Director:	Mrs. Mary Elizabeth Borgstrom
Title:	Secretary/Treasurer
Role:	Officer

Officer/Director:	Mr. Steven Robert Borgstrom
Title:	Vice President
Role:	Officer

2. Ownership Information

Please provide ownership information concerning each person or entity having a direct or indirect beneficial interest in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited lability company, or interest of a beneficiary of a trust, estate, or other similar entity. Note: Pursuant to Section 2-154-030 of the Municipal code of Chicago, the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

- Mr. Robert Borgstrom - 10%
- Mr. Michael Borgstrom - 45%
- Mr. Steven Borgstrom - 45%

Owner Details

Name	Address
Mr. Michael Borgstrom	405 N Wabsh Ave., Suite P2E Chicago, IL 60611 United States

Mr. Robert Borgstrom	405 N Wabsh Ave., Suite P2E Chicago, IL 60611 United States
Mr. Steven Borgstrom	405 N Wabsh Ave., Suite P2E Chicago, IL 60611 United States

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

No

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

1. Has the Disclosing Party retained any legal entities in connection with the Matter?

Yes

2. List below the names of all legal entities which are retained parties.

Name:	Stuart Krauskopf Law
Anticipated/ Retained:	Retained
Business Address:	414 N Orleans St. Suite 210 Chicago, IL 60654 United States
Relationship:	Attorney
Fees ($$ or %):	$50,000.00
Estimated/Paid:	Paid

Name:	Serafin & Associates
Anticipated/ Retained:	Retained
Business Address:	409 W Huron St. #600 Chicago, IL 60654 United States
Relationship:	Lobbyist
Fees ($$ or %):	$35,000.00
Estimated/Paid:	Paid

3. Has the Disclosing Party retained any persons in connection with the Matter?

No

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage of any child support obligations by any Illinois court of competent jurisdiction?

No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows:

i. neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and
ii. the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City.

NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

I certify the above to be true

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

I certify the above to be true

3. Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

I certify the above to be true

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of

- bid-rigging in violation of 720 ILCS 5/33E-3;
- bid-rotating in violation of 720 ILCS 5/33E-4; or
- any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

I certify the above to be true

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

I certify the above to be true

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), Chapter 2-56 (Inspector General) and Chapter 2-156 (Governmental Ethics) of the Municipal Code.

I certify the above to be true

7. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago.

None

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

The Disclosing Party certifies that, as defined in Section 2-32-455(b) of the Municipal Code, the Disclosing Party

is not a "financial institution"

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

No

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

If the Disclosing Party cannot make this verification, the Disclosing Party must disclose all required information in the space provided below or in an attachment in the "Additional Info" tab. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

I can make the above verification

SECTION VI -- CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

Is the Matter federally funded? For the purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

No

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. A training program is available on line at www.cityofchicago.org/city/en/depts/ethics.html, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

I acknowledge and consent to the above

The Disclosing Party understands and agrees that:

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

I acknowledge and consent to the above

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

I certify the above to be true

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U.S. General Services Administration.

I certify the above to be true

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

I certify the above to be true

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This question is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

No

ADDITIONAL INFO

Please add any additional explanatory information here. If explanation is longer than 1000 characters, you may add an attachment below. Please note that your EDS, including all attachments, becomes available for public viewing upon contract award. Your attachments will be viewable "as is" without manual redaction by the City. You are responsible for redacting any non-public information from your documents before uploading.

List of vendor attachments uploaded by City staff

None.

List of attachments uploaded by vendor

None.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

/s/ 01/04/2013
Mr. Michael Borgstrom
President
Wendella Sightseeing Company, Inc.

This is a printed copy of the Economic Disclosure Statement, the original of which is filed electronically with the City of Chicago. Any alterations must be made electronically, alterations on this printed copy are void and of no effect.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT and AFFIDAVIT
Related to Contract/Amendment/Solicitation
EDS # 39361

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting the EDS:

Mercury Skyline Yacht Charters, Inc.

Enter d/b/a if applicable:

Chicago First Lady Cruises

The Disclosing Party submitting this EDS is:

the Applicant

B. Business address of the Disclosing Party:

1242 W. Northwest Highway
Palatine, IL 60067
United States

C. Telephone:

312-218-2001

Fax:

847-991-5255

Email:

bobagra@aol.com

D. Name of contact person:

Mrs. Holly Hawkins Agra

E. Federal Employer Identification No. (if you have one):

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains:

Chicago Tour Boat Services

Which City agency or department is requesting this EDS?

DEPT OF PROCUREMENT SERVICES

Specification Number

103855

Contract (PO) Number

66648

Revision Number

Release Number

User Department Project Number

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Privately held business corporation

Is the Disclosing Party incorporated or organized in the State of Illinois?

Yes

B. DISCLOSING PARTY IS A LEGAL ENTITY:

1.a.1 Does the Disclosing Party have any directors?

Yes

1.a.3 List below the full names and titles of all executive officers and all directors, if any, of the entity. Do not include any directors who have no power to select the entity's officers.

Officer/Director:	Mrs. Holly Hawkins Agra
Title:	President
Role:	Both
Officer/Director:	Mr. Robert Lee Agra Jr
Title:	CFO/Secretary/Treasurer
Role:	Both
Officer/Director:	Mrs. Marjorie L. Tucker
Title:	Director
Role:	Director

2. Ownership Information

Please provide ownership information concerning each person or entity having a direct or indirect beneficial interest in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited lability company, or interest of a beneficiary of a trust, estate, or other similar entity. Note: Pursuant to Section 2-154-030 of the Municipal code of Chicago, the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

- Mrs. Holly Hawkins Agra - 63.0915%
- Mr. Robert Lee Agra Jr - 23.6593%
- Mrs. Marjorie L. Tucker - 7.8864%

Owner Details

Name	Address
Mr. Robert Lee Agra Jr	1242 W. Northwest Highway Palatine, IL 60067 United States
Mrs. Holly Hawkins Agra	1242 W. Northwest Highway Palatine, IL 60067 United States

Mrs. Marjorie L. Tucker	1242 W. Northwest Highway Palatine, IL 60067 United States

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

No

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

1. Has the Disclosing Party retained any legal entities in connection with the Matter?

Yes

2. List below the names of all legal entities which are retained parties.

Name:	The Haymarket Group
Anticipated/ Retained:	Anticipated
Business Address:	500 N. Dearborn St., #1150

	Chicago, IL 60654 United States
Relationship:	Lobbyist
Fees ($$ or %):	3600.00
Estimated/Paid:	Estimated

---

3. Has the Disclosing Party retained any persons in connection with the Matter?

Yes

4. List below the names of all persons who are retained parties.

Name:	Mr. Thomas P. Coffey
Anticipated/ Retained:	Anticipated
Business Address:	The Haymarket Group 500 N. Dearborn St., #1150 Chicago, IL 60654 United States
Relationship:	Lobbyist
Fees ($$ or %):	3600.00
Estimated/Paid:	Estimated

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage of any child support obligations by any Illinois court of competent jurisdiction?

No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if

the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows:

i. neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and
ii. the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City.

NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

I certify the above to be true

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

I certify the above to be true

3. Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years

before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

I certify the above to be true

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of

- bid-rigging in violation of 720 ILCS 5/33E-3;
- bid-rotating in violation of 720 ILCS 5/33E-4; or
- any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

I certify the above to be true

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

I certify the above to be true

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), Chapter 2-56 (Inspector General) and Chapter 2-156 (Governmental Ethics) of the Municipal Code.

I certify the above to be true

7. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago.

None

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

The Disclosing Party certifies that, as defined in Section 2-32-455(b) of the Municipal Code, the Disclosing Party

is not a "financial institution"

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

No

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

If the Disclosing Party cannot make this verification, the Disclosing Party must disclose all required information in the space provided below or in an attachment in the "Additional Info" tab. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies

during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

I can make the above verification

SECTION VI -- CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

Is the Matter federally funded? For the purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

No

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. A training program is available on line at www.cityofchicago.org/city/en/depts/ethics.html, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

I acknowledge and consent to the above

The Disclosing Party understands and agrees that:

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void),

at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

I acknowledge and consent to the above

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

I certify the above to be true

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U.S. General Services Administration.

I certify the above to be true

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such

contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

I certify the above to be true

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This question is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

No

ADDITIONAL INFO

Please add any additional explanatory information here. If explanation is longer than 1000 characters, you may add an attachment below. Please note that your EDS, including all attachments, becomes available for public viewing upon contract award. Your attachments will be viewable "as is" without manual redaction by the City. You are responsible for redacting any non-public information from your documents before uploading.

List of vendor attachments uploaded by City staff

None.

List of attachments uploaded by vendor

None.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

/s/ 12/20/2012
Mrs. Holly Hawkins Agra
President
Mercury Skyline Yacht Charters, Inc.

This is a printed copy of the Economic Disclosure Statement, the original of which is filed electronically with the City of Chicago. Any alterations must be made electronically, alterations on this printed copy are void and of no effect.

Office of the City Clerk

O2013-809

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Lease agreement with Franciscan Outreach Association for space at 10 S Kedzie Ave
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG -

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith ordinances authorizing the execution of lease agreements.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1: On behalf of the City of Chicago as Landlord, the Commissioner of the Department of Fleet and Facility Management and the Commissioner of the Department of Family and Support Services are authorized to execute a Lease with Franciscan Outreach Association, as Tenant, governing the use of approximately 1,400 square feet of space located at 10 South Kedzie Avenue; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

LEASE NO. 20289

LEASE

THIS LEASE is made and entered into this _____ day of_____, 2013 (the "Commencement Date"), by and between **THE CITY OF CHICAGO,** an Illinois Municipal Corporation and Home Rule Unit of Government (herein referred to as "**Landlord**" or "**City**") and **FRANCISCAN OUTREACH ASSOCIATION,** an Illinois Not-for-Profit Corporation (hereinafter referred to as "**Tenant**").

RECITALS

WHEREAS, Landlord is the owner of the building located at 10 South Kedzie Avenue and comprised of approximately 62,660 square feet more commonly known as the Garfield Park Community Center, located at 10 South Kedzie Avenue, Chicago, Illinois, as legally described in **Exhibit A** attached hereto and made a part hereof (the "Building"); and

WHEREAS, Landlord's Department of Family and Support Services has selected Tenant to perform certain services as outlined in the Delegate Agency Grant Agreement attached hereto and made a part hereof as **Exhibit B**; and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, approximately 1,400 square feet of office space located in Room 129 of the Building as depicted on **Exhibit C** attached hereto and made a part hereof (the "Premises") together with non-exclusive access to an adjacent parking to be used by Tenant as provided herein.

NOW THEREFORE, in consideration of the covenants, terms and conditions set forth herein, the parties hereto agree and covenant as follows:

SECTION 1. GRANT

Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the following described premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

> Room 129 of 10 South Kedzie Avenue comprised of approximately 1,400 square feet of space together with access to an adjoining parking lot all located at 10 South Kedzie Avenue, Chicago, Illinois (part of PIN 16-14-203-047).

SECTION 2. TERM

2.1 Term. The term of this Lease ("Term") shall commence on the Commencement Date and shall terminate on December 31, 2013, unless sooner terminated as set forth in this Lease.

SECTION 3. RENT, TAXES, AND UTILITIES

3.1 Rent. Tenant shall pay base rent ("Rent") to Landlord for use of the Premises in the amount of:

One Dollar ($1.00) for the entire Term with the receipt and sufficiency of said sum hereby acknowledged by both parties.

3.2 Operating Costs. Tenant shall reimburse Landlord's Operating Costs for the Premises pursuant to Section 3.2.a below beginning on the Commencement Date as reimbursement for Landlord's costs to operate the Building and the Premises, but not as rent.

a. Calculation of Operating Costs. Tenant shall pay to Landlord Operating Costs (as hereinafter defined) incurred by Landlord with regards to Tenant's proportionate use of the Building (the "Proportionate Use"). This Proportionate Use shall be based on the square footage leased by Tenant divided by the Building's total square footage. The Building's total square footage is approximately 62,660 square feet and Tenant's leasehold is approximately 1,400 square feet or 2.23% of the Building's total square footage. "Operating Costs" shall be based on Tenant's 2.23% Proportionate Use. Operating Costs shall include (i) all utilities (including, but not limited to gas, electricity, and water), (ii) security services, (iii) landscaping and snow removal, and (iv) Tenant's allocable share of other costs incurred by Landlord in operating the Building (excluding any capital improvements that may be required). For 2013, Tenant's Operating Costs are estimated to be, and Tenant shall initially pay, $711.40 per month (subject to subsequent accounting and adjustment which may serve to increase or decrease these estimated Operating Costs). The estimated monthly Operating Costs are set forth in **Exhibit D** and are subject to future adjustments.

b. Reimbursement Procedure. Operating Costs shall be paid to Landlord at the City of Chicago, Department of Finance, Warrants for Collection, City Hall, 121 North LaSalle, Room 107, Chicago, Illinois 60602 or at such place as Landlord may from time to time designate in writing to Tenant. Landlord shall invoice Tenant for such Operating Costs on a monthly basis. In the event that Tenant does not receive such invoice from Landlord, Tenant shall contact Landlord. Landlord's failure to invoice Tenant for Operating Costs or other expenses does not constitute a waiver of payment of any such charges.

3.3 Utilities. Landlord shall pay for gas, electricity, and water supplied to the Building. Tenant shall pay when due all charges for any applicable telephone or other communication service provided to the Premises for Tenant's use.

3.4 Taxes. In the event that or Leasehold taxes are ever assessed against the Premises as a result of Tenant's tenancy, Tenant shall pay when due any leasehold taxes, penalties, and interest assessed or levied on Tenant's portion of the Premises without reimbursement or other setoff from Landlord. Tenant acknowledges that leasehold taxes are one (1) year in arrears in Cook County and that as a result Tenant will be responsible for satisfaction of all leasehold taxes, penalties, and interest assessed or levied on the subject Premises at least one year after Tenant vacates the Premises. Notwithstanding the foregoing, nothing contained herein shall preclude Tenant from contesting any charge or tax levied against the Premises. The failure of Tenant to pay such taxes, interest, and penalties during the pendency of the contest shall not

constitute a default under this Lease. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease agreement, but payment may be a requirement for contesting such taxes.

3.5 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of Operating Costs or other costs due hereunder shall be deemed to be other than on account of the amount due, and no endorsement of statement or any check or any letter accompanying any check or payment of rent shall be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice as to Landlord's right to recover the balance of such installment or payment to pursue any other remedies available to Landlord.

SECTION 4. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER

4.1 Covenant of Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the rent, Operating Costs, and upon observing and keeping the covenants, agreements, and conditions of this Lease on its part to be kept, observed, and performed, shall lawfully and quietly hold, occupy, and enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord or by any person or persons claiming under Landlord.

4.2 Maintenance. Landlord shall take reasonable efforts to maintain the Building and the Premises in a condition of good repair and good order. Tenant shall notify Landlord regarding any issues with maintenance of the Premises and/or Building. Tenant shall also notify Landlord regarding any issues with other services provided to the Premises and/or Building by Landlord or through Landlord's contractors. Landlord shall be responsible for resolving any building code violations issued on the Building and/or Premises. In the event such building code violations were caused by Tenant, Tenant shall resolve such issues at Tenant's cost or Landlord can perform such repairs subject to reimbursement from Tenant.

4.3 Landlord's Right of Access. Landlord shall have the right of reasonable access to the Premises and/or Building, upon reasonable prior written notice to Tenant, for the purpose of inspecting and making repairs to the Premises and/or Building and for the purposes of monitoring Tenant's compliance with Delegate Agency Grant Agreement. Landlord shall always have access to the Premises and/or Building in the event of maintenance or security emergencies.

4.4 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any law. Tenant further covenants not to do or suffer any waste or damage any portion of the Premises and/or Building, and to comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state, and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises. Any activities on the Premises must be limited to services provided by Tenant pursuant to the Delegate Agency Grant Agreement. All such activities must be provided consistent with Tenant's not-for-profit purposes and so as to lessen the burdens of government by providing such social care services.

4.5 Alterations and Additions. Tenant may make alterations, additions, and improvements on the Premises. Any such alterations, additions, and improvements shall be in full compliance with the applicable Law, permit requirements, and building codes. In addition, Tenant will comply with all insurance requirements under this Lease including, but not limited to, Section 6.1 (f). Tenant must obtain the prior written consent of the Commissioner of the Department of Fleet and Facility Management before commencing any alterations, additions, and or improvements including, but not limited to, telephone network switch and upgrades. Any additions and improvements shall be without cost to Landlord and shall become property of Landlord at Lease termination without offset or other credit to Tenant. Notwithstanding the foregoing, Landlord shall not have any affirmative obligations to provide any additional services or incur additional costs for code upgrades or code repairs or other improvements to either the Premises or the Building that may be triggered by any of Tenant's alterations, additions, or improvements.

SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS

5.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof.

5.2 Tenant's Covenant against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises or Building. All liens and encumbrances created by Tenant shall attach to Tenant's interest only. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify Landlord in a manner satisfactory to Landlord in its sole discretion to protect Landlord against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, Landlord, at its election, may pay and satisfy same, and all sums so paid by Landlord, with interest from the date of payment at the rate set at 12% per annum.

SECTION 6. INSURANCE AND INDEMNIFICATION

6.1 Insurance. The Tenant shall procure and maintain at all times at Tenant's own expense, during the term of this Lease, the insurance coverages and requirements specified below, insuring all operations related to the lease with insurance companies authorized to do business in the state of Illinois.

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance and Occupational Disease Insurance, as prescribed by applicable law, covering all Tenant's employees and Employer's Liability coverage with limits of not less than $500,000 each accident or illness.

b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (with no limitation endorsement). The City of Chicago, its employees, elected officials, agents, and representatives are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from the Lease.

c) Professional/ Liability. When any professional consultants perform services in the Premises or in connection with Tenant's use of the Premises, Liability Insurance covering acts, errors or omissions related to such activities must be maintained with limits of not less than $3,000,000. Coverage must include contractual liability. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years. Tenant shall provide Landlord with copies of the professional licenses and/or certificates for each of the professional consultants performing services in the Premises or in connection with the Tenant's use of the Premises.

d) Automobile Liability Insurance. (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Tenant shall provide Comprehensive Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence, for bodily injury and property damage.

e) All Risk Property Insurance. All risk property insurance coverage shall be maintained by the Tenant for full replacement value to protect against loss, damage to or destruction of property. The policy shall list the City of Chicago as an additional insured and loss payee.

The Tenant shall be responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by the Tenant.

f) All Risk Builders Risk Insurance. When Tenant undertakes any construction, including improvements, betterments, and/or repairs, the Tenant shall provide All Risk Builders Risk Insurance, at replacement cost, for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverage shall include but not limited to the following: right to partial occupancy, earth movement, flood including surface water backup and sewer backup and seepage. The City of Chicago shall be named as an additional insured and loss payee.

6.2 Other Terms of Insurance. The Tenant will furnish the City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Lease, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Lease. The Tenant shall submit evidence on insurance prior to Lease award. The receipt of any certificates does not constitute agreement by the Landlord that the insurance requirements in the Lease have been fully met or that the insurance policies

indicated on the certificate are in compliance with all Lease requirements. The failure of the Landlord to obtain certificates or other insurance evidence from Tenant shall not be deemed to be a waiver by the Landlord. The Tenant shall advise all insurers of the Lease provisions regarding insurance. Non-conforming insurance shall not relieve Tenant of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease, and the Landlord retains the right to terminate the Lease until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to the Landlord in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Tenant.

The Tenant agrees that its insurers shall waive their rights of subrogation against the Landlord of Chicago its employees, elected officials, agents or representatives.

The Tenant expressly understands and agrees that any coverages and limits furnished by Tenant shall in no way limit the Tenant's liabilities and responsibilities specified within the Lease documents or by law.

The Tenant expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall apply in excess of and not contribute with insurance provided by the Tenant under the Lease.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.
The City of Chicago, Department of Finance, Office of Risk Management, maintains the right to modify, delete, alter or change these requirements.

6.3 Tenant's Indemnification. Tenant shall indemnify, defend, and hold Landlord harmless against all liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, costs, damages, and expenses (including reasonable attorney's fees, expenses, and court costs), whether such claim is related to or arises from personal injury or property damage which may be expended by or accrue against, be charged to, or be recovered from Landlord or Tenant by reason of Tenant's performance of or failure to perform any of Tenant's obligations , or Tenant's negligent acts or failure to act under this Lease, or resulting from the acts or failure to act of Tenant's contractors, invitees, agents, or employees or from any liability arising from access to the Premises or the Building by any of Tenant's contractors, invitees, agents, or employees or any third parties seeking services from Tenant under this Lease.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 Damage or Destruction. If the Premises and/or the Building are damaged or destroyed or a casualty to such extent that Tenant cannot continue, occupy or conduct its normal business therein, or if, in Tenant or Landlord's opinion, the Premises and/or Building are

rendered untenantable, either Landlord or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving the other party written notice of such exercise. If either party exercises this option, Tenant shall cease operations immediately and the Operating Costs shall be apportioned as of the date of such damage or destruction. Landlord shall repay to Tenant any prepaid Operating Costs.

SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

8.1 Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as defined in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use her or his position to influence any City governmental decision or action with respect to this Lease.

8.2 Duty to Comply with Governmental Ethics Ordinance. Landlord and Tenant shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity, or offer of employment shall be made in connection with any City of Chicago contract as an inducement for the award of that contract or order. Any contract negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City of Chicago.

SECTION 9. HOLDING OVER

9.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month beginning on January 1, 2014 and the rent and Operating Costs will be the same as outlined in Section 3.1 and Section 3.2 of this Lease. During any holding over, all other provisions of this Lease shall remain in full force and effect.

SECTION 10. MISCELLANEOUS

10.1 Notice. All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Tenant to Landlord shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to Landlord as follows:

City of Chicago
Department of Family and Support Services
1615 West Chicago Avenue
Chicago, Illinois 60622
With a copy to:

City of Chicago
Department of Fleet and Facility Management
Office of Real Estate Management

30 North LaSalle Street, Suite 300
Chicago, Illinois 60602

or at such other place as Landlord may from time to time designate by written notice to Tenant. All notices, demands, and requests by Landlord to Tenant shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Tenant as follows:

Franciscan Outreach Association
1645 West Lemoyne Street
Chicago, Illinois 60622

or at such other place as Tenant may from time to time designate by written notice to Landlord. Any notice, demand or request which shall be served upon Tenant by Landlord, or upon Landlord by Tenant, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

10.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

10.3 Governing Law. This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois.

10.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

10.5 Captions and Section Numbers. The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

10.6 Binding Effect of Lease. The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

10.7 Time is of the Essence. Time is of the essence of this Lease and of each and every provision hereof.

10.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

10.9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are duly authorized and acting representatives of Landlord and Tenant respectively and that by their execution of this Lease, it became the binding obligation of Landlord and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

10.10 Termination of Lease. Landlord and Tenant shall have the right to terminate this Lease for any reason by providing each other with ninety (90) days prior written notice at any time after the Commencement Date. In addition, this Lease shall automatically terminate in the event that the Landlord is unable to appropriate funding for Tenant as required under the Delegate Agency Grant Agreement. In the event of such non-appropriation, this Lease shall terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under the Delegate Agency Grant Agreement are exhausted.

10.11 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

10.12 Tenant Default. Tenant must adhere to all provisions of this Lease. Failure of Tenant to adhere to all provisions of this Lease will result in default. In the event of such default, Landlord will notify Tenant in writing as to the circumstances giving rise to such default. Upon written receipt of such notice, Tenant must cure such default within thirty (30) days. If Tenant does not cure such default within thirty (30) days, Landlord may cancel this Lease with thirty (30) days written notice. A default under the Delegate Agency Grant Agreement (after lapse of any notice and cure period provided for thereunder) shall also constitute an immediate default under this Lease (with no additional notice or cure period).

10.13 No Brokers. Tenant warrants to Landlord that no broker or finder (a) introduced Tenant to the Premises, (b) assisted Tenant in the negotiation of this Lease, or (c) dealt with Tenant on Tenant's behalf in connection with the Premises or this Lease. Landlord warrants to Tenant that no broker or finder (a) introduced Landlord to Tenant, (b) assisted Landlord in the negotiation of this Lease, or (c) dealt with Landlord on Landlord's behalf in connection with the Premises or this Lease. Any and all payments due from Tenant to Landlord under this Lease shall be paid directly to Landlord.

10.14 Amendments. From time to time, the parties hereto may administratively amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of this Lease, including, but not limited to, leasehold expansion or reduction within the Building and space remeasurement. Provided, however, that such Amendment(s) shall not serve to extend the Term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such Amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Landlord and Tenant. Such Amendment(s)

shall only take effect upon execution by both parties. Upon execution, such Amendment(s) shall become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

10.15 Compliance with Delegate Agency Grant Agreement. Tenant shall at all times be in compliance with the Delegate Agency Grant Agreement or any agreements entered into between Tenant and Landlord's Department of Family and Support Services relative to the Premises and/or Building.

10.16 Access to Parking Lot. Tenant, its agents, employees, licensees, contractors, clients, and invitees shall have non-exclusive access to the rear parking lot of the Building on a first-come first-served basis. Such use of the rear parking lot shall be subject to all rules in place, or hereinafter in place, governing the access to the rear parking lot. Tenant acknowledges that Landlord may from time to time lease parts of the parking lot to other parties. Landlord and Tenant acknowledge that in fulfilling Landlord and Tenant's public benefit mission, the parking lot is provided primarily for the benefit of Landlord's clients and Tenant's clients and not as staff parking.

10.17 Existing Furniture. Tenant may use any furniture belonging to Landlord and located within the Premises that is not removed by Landlord by the Commencement Date.

10.18 No Other Rights. The execution of this Lease does not give Tenant any other right with respect to the Premises and/or Building. Any rights not expressly granted to Tenant through this Lease are reserved exclusively to Landlord. Unless otherwise specified in this Lease, execution of this Lease does not obligate Landlord to undertake any additional duties or services.

10.19 Municipal Marketing Efforts. The City shall have the right to install digital advertising sign on the adjoining parking lot or on the Building as part of the City's municipal marketing efforts, subject to the separate approval of City Council.

10.20 No Construction against Preparer. This Lease shall not be interpreted in favor of either the Landlord or Tenant. Landlord and Tenant acknowledge that both parties participated fully in the mutual drafting of this Lease.

SECTION 11. RESPONSIBILITIES OF TENANT

11.1 Tenant Inspection. Tenant has inspected the Premises, Building, and all related areas and grounds. Tenant is satisfied with the physical condition thereof. Tenant accepts the Premises and the Building in "as-is" condition.

11.2 Custodial Services. Tenant shall be responsible for providing custodial services to the Premises. Custodial services shall include, but shall not be limited to, cleaning, washing, emptying wastepaper baskets, and sweeping. At a later date, Tenant may opt into Landlord's custodial service. In such event, custodial services shall be included as reimbursable Operating Costs.

11.3 Access to Public Shelter Space. Tenant shall have access to the approximately 2,430 square feet public shelter space (the "Shelter") located on the 1st floor of the Building as identified on **Exhibit C**. The Shelter shall be used by clients of the Landlord's Department of Family and Support Services, by Tenant's clients, and by members of the general public. Tenant shall not be required to pay Operating Costs for the space allocable to the Shelter. The Shelter space shall, however, be subject to all of the other terms and conditions of this Lease.

11.4 General Condition. Tenant shall keep the Premises in a sanitary condition, free of insects, rodents, vermin, and other pests. Tenant shall be responsible for payment of any extermination services that may be required to resolve any issues that may arise from Tenant's failure to maintain the Premises in a sanitary condition, free of insects, rodents, vermin, and other pests.

11.5 Use of Phone Lines and Data Lines. Where possible, Tenant shall use Landlord's existing phone and data lines for Tenant's phone and data lines. If Tenant requires additional or new phone or data lines, Tenant shall pay for all costs required for such additional or new phone or data lines. Tenant shall also be responsible for removal or relocation of any City phone or data lines that may be required for installation of Tenant's equipment. In the event that that Tenant uses the City's phone lines or data lines, Landlord's cost for such phone lines shall be included as a fully reimbursable Operating Cost per Section 3.3 of this Lease.

11.6 Security. Landlord shall provide security for the Building and the Premises. Tenant shall secure Tenant's property located within the Premises. Landlord's security costs shall be included as reimbursable Operating Costs. Tenant shall abide by any security rules that may apply to the Building and/or the Premises.

11.7 Security Procedures. Landlord shall provide Tenant with a key and, if applicable, a security code, for Tenant's access to the Building entrance and the Premises. If Tenant desires to access the Premises or Building before the Building opens or after it closes, it shall be the Tenant's responsibility to open and close the Building and Premises.

11.8 Repairs for Tenant Negligence, Vandalism, or Misuse. Tenant shall assume responsibility for any repairs to the Premises and/or Building necessitated by the negligence, vandalism, or misuse of the Premises and/or Building or equipment therein by Tenant's employees, invitees, agents, clients, or contractors.

11.9 Fire Extinguishers. Landlord shall provide and maintain fire extinguishers as may be required by applicable code in the Building and the Premises at all times.

11.10 Signage. Tenant may place exterior and interior signage on the Premises and/or Building. Such signage and placement must be approved in writing by the Commissioner of the Department of Fleet and Facility Management.

11.11 Hazardous Materials. Tenant shall keep out of the Premises materials which cause a fire hazard or safety hazard. Tenant shall not store any hazardous materials within the Premises

and/or Building. Tenant shall dispose of all medical wastes, if any, at Tenant's cost and in accordance with any applicable laws.

11.12 Illegal Activity. Tenant, or any of its agents or employees, shall not perform or permit any practice that is injurious to the Premises or Building, is illegal, or increases the rate of insurance on the Premises and/or Building.

11.13 No Alcohol or Illegal Drugs. Tenant agrees that no alcoholic beverages or illegal drugs of any kind or nature shall be sold, given away, or consumed on the Premises or Building by Tenant's staff, contractors, agents, invitees, or clients.

11.14 Licensing and Permits. For any activity which Tenant desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Tenant prior to using the Premises for such activity. The Department of Family and Support Services and the Department of Fleet and Facility Management must be notified of any such license or permit. Failure to obtain and maintain a required license or permit shall constitute a breach of the terms of this Lease.

11.15 Full Liability. Tenant assumes full legal and financial responsibility and liability for any use of the Premises by Tenant, Tenant's staff, Tenant's agents, Tenant's invitees, and clients entering the Premises to receive services from Tenant.

11.16 Non-Discrimination. Tenant agrees that Tenant shall not discriminate on the basis of race, color, sex, age, religion, disability, national origin, sexual orientation, marital status, parental status, military discharge status, immigration status, or source of income with respect to services provided by Tenant on the Premises. Tenant shall not use the Premises for any religious purposes.

11.17 Building Rules. Tenant shall comply with all reasonable rules and regulations in place on the Commencement Date or thereafter promulgated in writing by Landlord for the Building including, but not limited to, any parking lot rules and regulations.

11.18 Economic Disclosure Statement and Affidavit ("EDS") Updates. Throughout the Lease Term and during any holding over periods, Tenant shall provide Landlord with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement and Affidavit ("EDS"). Landlord may also request such updates from time to time. Failure to provide such information on a timely basis shall constitute a default under this Lease.

11.19 Trade Fixtures. Tenant shall maintain Tenant's equipment and trade fixtures in the Premises in good condition. Upon the termination or cancellation of this Lease, Tenant shall remove Tenant's personal property and equipment and shall repair any injury or damage to the Premises and/or Building resulting from such removal. If Tenant does not remove Tenant's furniture, machinery, trade fixtures and all other items of personal property, Landlord may, at its option, remove the same and deliver them to any other place of business of Tenant or warehouse the same. Tenant shall pay the cost of such removal, including the repair for such removal, delivery and warehousing, to Landlord on demand, or Landlord may treat such property as being

conveyed to Landlord with this Lease serving as a bill of sale, without further payment or credit by Landlord to Tenant.

11.20 Condition on Surrender. Upon the termination or cancellation of this Lease, Tenant shall surrender the Premises to Landlord in a comparable or better condition to the condition of the Premises at the beginning of Tenant's occupancy, with normal wear and tear excepted.

SECTION 12. TENANT DISCLOSURES AND REPRESENTATIONS

12.1 Business Relationships. Tenant acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Tenant hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

12.2 Patriot Act Certification. Tenant represents and warrants that neither Tenant nor any Affiliate thereof (as defined in the next paragraph) is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment, the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to Tenant that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Tenant, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

12.3 Prohibition on Certain Contributions-Mayoral Executive Order No. 2011-4. Tenant agrees that Tenant, any person or entity who directly or indirectly has an ownership or beneficial interest in Tenant of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Tenant's contractors (i.e., any person or entity in direct contractual privity with

Tenant regarding the subject matter of this Lease) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Tenant and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Lease by Tenant, (ii) while this Lease or any Other Contract is executory, (iii) during the term of this Lease or any Other Contract between Tenant and the City, or (iv) during any period while an extension of this Lease or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Tenant represents and warrants that from the date the City approached the Tenant or the date Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Tenant agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Tenant agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein, Tenant agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Lease, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Tenant intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to close the transaction contemplated by this Lease.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City of Chicago to which Tenant is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago;

(ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

(A) they are each other's sole domestic partner, responsible for each other's common welfare; and
(B) neither party is married; and
(C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
(D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
(E) two of the following four conditions exist for the partners:
    1. The partners have been residing together for at least 12 months.
    2. The partners have common or joint ownership of a residence.
    3. The partners have at least two of the following arrangements:
        a. joint ownership of a motor vehicle;
        b. a joint credit account;
        c. a joint checking account;
        d. a lease for a residence identifying both domestic partners as tenants.
    4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

12.4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Tenant's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Tenant's, general contractor's and its subcontractor's duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Lease. Non-

compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease, and may further affect the Tenant's eligibility for future contract awards.

12.5 Failure to Maintain Eligibility to do Business with City. Failure by Tenant or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Lease and the transactions contemplated thereby. Tenant shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

12.6 Cooperation with Inspector General and Legislative Inspector General. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, the Tenant acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Office of the Inspector General and Office of the Legislative Inspector General in connection with any activities undertaken by such office with respect to this Lease, including, without limitation, making available to the Office of the Inspector General and the Office of the Legislative Inspector General the department's premises, equipment, personnel, books, records and papers. The Tenant agrees to abide by the provisions of Chapter 2-26-110 et seq.

12.7 *Shakman* Prohibitions.

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Tenant is aware that City policy prohibits City employees from directing any directing any individual to apply for a position with Tenant, either as an employee or as a subcontractor, and from directing Tenant to hire an individual as an employee or as a subcontractor. Accordingly, Tenant must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Tenant under this Lease are employees or subcontractors of Tenant, not employees of the City of Chicago. This Lease is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Tenant.

(iii) Tenant will not condition, base, or knowingly prejudice or affect any term or term or aspect to the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Lease, a political

organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iii) In the event of any communication to Tenant by a City employee or City official in violation of Section 9.9(c)(ii) above, or advocating a violation of Section 9.9(c)(iii) above, Tenant will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Lease. Tenant will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD:

THE CITY OF CHICAGO,
an Illinois Municipal Corporation and Home Rule Unit of Government

DEPARTMENT OF FAMILY AND SUPPORT SERVICES

By: _____
Commissioner

DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By: _____
Commissioner

APPROVED AS TO FORM AND LEGALITY:
BY: DEPARTMENT OF LAW

By: _____
Deputy Corporation Counsel
Real Estate Division

TENANT:

FRANCISCAN OUTREACH ASSOCIATION,
an Illinois Not-for-Profit Corporation

By: _____

Name: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION OF PREMISES

PART OF LOTS 40, 41, & 42 IN BLOCK 1 OF SUPERIOR COURT PARTITION OF THE EAST ½ OF THE NORTHEAST ¼ OF THE NORTHEAST ¼ OF SECTION 14 TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY ILLINOIS.

PIN: 16-14-203-047 (partial)

Common Address: 10 South Kedzie Avenue

EXHIBIT B

DELEGATE AGENCY GRANT AGREEMENT

(to come)

EXHIBIT C

DEPICTION OF PREMISES

(To Come)

EXHIBIT D

ESTIMATED OPERATING COSTS FOR 2013

GARFIELD PARK COMMUNITY CENTER
10 SOUTH KEDZIE AVENUE
(subject to future adjustments)

Operating Costs	**Building Annual**
Electricity Service	$136,251
Gas Service	$32,712
Custodial Services	*excluded (*$192,380)
Security Services	$203,925
Dumpster Services	$2,731
Landscaping	$6,748
Pest Control	$450
	$382,817

10 South Kedzie Avenue Premises = 2.23% of Building
10 South Kedzie Avenue Premises Annual Operating Costs ($382,817X 2.23%) = $8,536.82
10 South Kedzie Avenue Premises Monthly Operating Costs ($8,536.82/12) = **$711.40**

10 South Kedzie Avenue
Franciscan Outreach Association
Lease No. 20289

SECTION 2: This Ordinance shall be effective from and after the date of its passage and approval.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Franciscan Outreach Association

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 1645 W. Le Moyne St.
Chicago, IL 60622

C. Telephone: (773) 278-6724 Fax: (773) 278-7120 Email: khaterose@franoutreach.org

D. Name of contact person: Khate Rose Quandt

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Lease at 10 S Kedzie

G. Which City agency or department is requesting this EDS? FLEET AND FACILITY

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II – DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
see attached page 2.1	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

Franciscan Outreach Association

Members of the Board of Directors
As of January 30, 2013

Board Member	Position on Board
Margaret Scanlan Brown	Director, President, and Board Chair
Patrick O'Connor	Director, Treasurer
Robert Summers	Director, Secretary
Philip Doran	Director
Catherine Shriver	Director
Brett Galley	Director
Kathryn Galley	Director
Russell Iacono	Director
Geneva Kennedy	Director
James V. LoBianco	Director
Chris Seth	Director
Fr. Ed Shea, OFM	Director
Brian Moore	Director
James Kramer	Director

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V – CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI – CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [X] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [X] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [X] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

Not applicable because the disclosing party has fewer than 50 employees.

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Franciscan Outreach Association
(Print or type name of Disclosing Party)

By: Diana Faust
(Sign here)

Diana Faust
(Print or type name of person signing)

Executive Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 30th, 2013
at Cook County, Illinois (state).

Notary Public.

Commission expires: .

NICHOLAS BENEDETTO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
July 21, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

JASON C. ERVIN
ALDERMAN, 28TH WARD
259 NORTH PULASKI AVE
CHICAGO ILLINOIS 60624
TELEPHONE (773) 533-0900
FAX (773) 533-6199
E MAIL JASON ERVIN@CITYOFCHICAGO ORG

CITY COUNCIL
CITY OF CHICAGO
COUNCIL CHAMBER
CITY HALL-ROOM 200
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE 312-744-3066
FAX 312-744 4229

COMMITTEE MEMBERSHIPS
COMMITTEES, RULES AND ETHICS
ECONOMIC CAPITAL & TECHNOLOGY DEVELOPMENT
EDUCATION AND CHILD DEVELOPMENT
FINANCE
PEDESTRIAN AND TRAFFIC SAFETY
TRANSPORTATION

January 28, 2013

Ald. Ray Suarez
Chairman
Committee on Housing and Real Estate
121 North LaSalle Street, Room 200
Chicago, Illinois 60602

RE: 10 South Kedzie Avenue – Franciscan Outreach Association
New City as Landlord Lease

Dear Alderman Suarez ,

The Department of Fleet and Facility Management has contacted our office regarding a proposed City as Landlord Lease for the Garfield Center located at 10 South Kedzie Avenue. This Lease would allow Franciscan Outreach Association to use part of the 10 South Kedzie Avenue property for homeless programming. Our office does not object to the proposed Lease with Franciscan Outreach Association for their use of part of the property located at 10 South Kedzie Avenue.

Please contact our office at (773) 533-0900 should you have any questions on this matter.

Sincerely,

Jason Ervin
Alderman, 28th Ward

"Moving the 28th Ward to the Next Level"

Office of the City Clerk

O2013-815

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Lease agreement with Near North Health Services Corporation for parking lot at 1014-1024 E 43rd St
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG -

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith ordinances authorizing the execution of lease agreements.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1: The Commissioner of the Department of Fleet and Facility Management is authorized to execute on behalf of the City of Chicago, as Landlord, a Lease with Near North Health Services Corporation, as Tenant, for Near North Health Services Corporation's use of a City-owned parking lot of approximately 13,250 square feet and located at 1014-24 East 43rd Street for non-public parking; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

LEASE NO. 20118

LEASE

THIS LEASE (the "Lease") is made and entered into this _____ day of _____, 2013 by and between, the **CITY OF CHICAGO,** an Illinois municipal corporation and home rule unit of government (herein referred to as "City" or "Landlord"), and **NEAR NORTH HEALTH SERVICE CORPORATION,** an Illinois not-for-profit corporation (hereinafter referred to as "Tenant").

RECITALS

WHEREAS, Landlord is the owner of the parking lot located at 1014-24 East 43rd Street, Chicago, Cook County, Illinois as legally described on Exhibit A attached hereto; and

WHEREAS, the property located at 1014-24 East 43rd Street has no present municipal use; and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, approximately 13,250 square feet of a paved lot located at 1014-24 East 43rd Street to be used by the Tenant as non-general parking only for Tenant's staff and patients to Tenant's Holman Neighborhood Health Center located at 4230 South Greenwood Avenue.

NOW THEREFORE, in consideration of the covenants, terms and conditions set forth herein, the parties hereto agree and covenant as follows:

SECTION 1. GRANT

Landlord hereby leases to Tenant the following described premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

> Approximately 13,250 square feet of a paved lot located at 1014-24 East 43rd Street, Chicago, Illinois (PIN# 20-02-121-013 - the "Premises").

SECTION 2. TERM

The term of this Lease ("Term") shall commence on the date of Lease execution ("Commencement Date"), and shall end on December 31, 2015, unless sooner terminated as set forth in this Lease.

SECTION 3. RENT, TAXES, AND UTILITIES

3.1 Rent. Tenant shall pay base rent for the Premises in the amount of:

One Dollar ($1.00) for the entire Term the receipt and sufficiency of said sum being herewith acknowledged by both parties.

3.2 Utilities. Tenant shall pay when due all charges for gas, electricity, light, heat, water, power and telephone or other communication service, and all other utility services used in or supplied to the Premises. Landlord shall assume no responsibility for payment of any utilities.

3.3 Taxes and Other Levies. Tenant shall pay when due any real estate or leasehold taxes, interest, or penalties assessed or levied on the Premises. Tenant shall contact the appropriate taxing body to ascertain the tax amount assessed on the subject Premises. Tenant shall provide Landlord with proof of payment in full within ten (10) days of such payment. Tenant's failure to pay any such taxes, interest, or penalties shall constitute a default under this Lease. Notwithstanding the foregoing, nothing herein shall preclude Tenant from contesting any charge or taxes, interest, or penalties levied against the Premises. The failure of Tenant to pay such taxes, interest, or penalties during the pendency of the contest shall not constitute a default under this Lease. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease.

SECTION 4. CONDITION AND ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER

4.1 Covenant of Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the rent and upon observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, shall lawfully enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord.

4.2 Tenant's Duty to Maintain Premises and Right of Access. Tenant shall, at Tenant's expense, keep the Premises in a condition of thorough repair and good order, and in compliance with all applicable provisions of the Municipal Code of Chicago, including but not limited to those provisions in Title 13 ("Building and Construction"), Title 14 ("Electrical Equipment and Installation"), Title 15 ("Fire Prevention") and all applicable provisions of the Landscape Ordinance of the City of Chicago. If Tenant shall refuse or neglect to make needed repairs within thirty (30) days after written notice thereof sent by Landlord, unless such repair cannot be remedied by thirty (30) days, and Tenant shall have commenced and is diligently pursuing all necessary action to remedy such repair, Landlord, at Landlord's option, is authorized to either make such repairs and Tenant will promptly and within thirty (30) business days of demand reimburse Landlord for the reasonable cost thereof, or Landlord can immediately terminate this Lease by providing the Tenant with written notice thereof. Landlord shall have the right of access to the Premises for the purpose of inspecting and making repairs to the Premises, provided that except in the case of emergencies, Landlord shall first give notice to Tenant of Landlord's desire to enter the Premises and Landlord will schedule its entry so as to minimize any interference with Tenant's use of Premises.

4.3 Use of the Premises. Tenant covenants that Tenant shall use the Premises strictly for non-general public free parking for the employees and clients of Tenant's Holman Neighborhood Health Center located at 4230 South Greenwood Avenue. Tenant shall not use the Premises in a manner that would violate any Law. Tenant further covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments which may be

applicable to the Premises or to the use or manner of use of the Premises, disfigurement or injury to any building or improvement on the Premises, or to fixtures and equipment thereof. The promotion and operation of a non-general parking lot shall not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office. In addition, Tenant covenants that Tenant shall not use said Premises for any other political functions or for religious activities of any sort. The activity contemplated under this Lease does not contemplate general public parking and is limited to providing parking for vehicles driven by Tenant's staff or Tenant's clients. Tenant shall not operate the Premises so as to cause the Premises to be deemed a "Competing Parking Facility" under the Chicago Metered Parking System Agreement dated December 4, 2008 by and between the City of Chicago and Chicago Parking Meters, LLC.

4.4 Alterations and Additions. Tenant may not make any alterations, additions and/or improvements to the Premises without the prior written consent of Landlord's Commissioner of the Department of Fleet and Facility Management.

SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS

5.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof.

5.2 Tenant's Covenant against Encumbering Title. Tenant shall not do any act which shall in any way encumber the fee simple estate of the Landlord in and to the Premises, nor shall the interest or estate of the Landlord in the Premises be in any way subject to any claim by way of lien or encumbrance, whether by operation of law or by virtue of any express or implied contract by Tenant any claim to, or lien upon, the Premises arising from any act or omission of Tenant shall accrue only against the leasehold estate of Tenant and shall be subject to and subordinate to the paramount title and rights of Landlord in and to the Premises.

5.3 Tenant's Covenant against Liens. Tenant shall not permit the Premises to become subject to any mechanic's, laborer's, or materialmen's liens on account of labor or material furnished to Tenant or claimed to have been furnished to Tenant. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify Landlord in a manner satisfactory to Landlord in its sole discretion to protect Landlord against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, Landlord, at its election, may, but is not obligated to, pay and satisfy same, and all sums so paid by Landlord, with interest from the date of payment at the rate set at 12% per annum.

SECTION 6. INSURANCE AND INDEMNIFICATION

6.1 Insurance. The Tenant shall procure and maintain at all times, at Tenant's own expense, during the Term of this Lease, the insurance coverages and requirements specified below, insuring all operations related to this Lease.

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance, in accordance with the laws of the State of Illinois, or any other applicable jurisdiction, covering all employees and Employer's Liability coverage with limits of not less than $100,000 each accident or illness.

b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (with no limitation endorsement). The City of Chicago, its employees, elected officials, agents, and representatives are to be named as additional insureds on a primary, non contributory basis for any liability arising directly or indirectly from the Lease.

c) Automobile Liability Insurance. (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Tenant shall provide Comprehensive Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence, for bodily injury and property damage.

The Tenant shall be responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by the Tenant.

6.2 Other Terms of Insurance. The Tenant will furnish the City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Lease, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Lease. The Tenant shall submit evidence of insurance prior to Lease award. The receipt of any certificates does not constitute agreement by the City that the insurance requirements in the Lease have been fully met or that the insurance polices indicated on the certificate are in compliance with all Lease requirements. The failure of the City to obtain certificates or other insurance evidence from Tenant shall not be deemed to be a waiver by the City. The Tenant shall advise all insurers of the Lease provisions regarding insurance. Non-conforming insurance shall not relieve Tenant of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease, and the City retains the right to terminate the Lease until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by Tenant.

The Tenant agrees that insurers shall waive their rights of subrogation against the City of Chicago its employees, elected officials, agents or representatives.

The Tenant expressly understands and agrees that any coverages and limits furnished by Tenant shall in no way limit the Tenant's liabilities and responsibilities specified within the Lease documents or by law.

The Tenant expressly understands and agrees that any insurance or self insurance programs maintained by the City of Chicago shall apply in excess of and not contribute with insurance provided by the Tenant under this Lease.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The City of Chicago, Department of Finance, Office of Risk Management, maintains the right to reasonably modify, delete, alter or change these requirements.

6.3 Tenant's Indemnification. Tenant shall indemnify, defend, and hold Landlord harmless against all liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, costs, damages, and expenses (including reasonable attorney's fees, expenses, and court costs), and loss or damage to personal property as set forth in Section 6.1(c) herein, whether such claim is related to or arises from personal injury, property damage, or property loss which may be expended by or accrue against, be charged to, or be recovered from Landlord or Tenant by reason of Tenant's performance of or failure to perform any of Tenant's obligations under this Lease, or Tenant's negligent acts or failure to act, or resulting from the acts or failure to act of Tenant's or any of Tenant's contractors, respective officers, directors, agents, employees, licensees or invitees. Tenant shall indemnify, defend and hold Landlord harmless against any and all claims, including but not limited to, claims that may arise under the Metered Parking Concessions Agreement entered into between Landlord and Chicago Parking Meters, L.L.C., and Claims that may arise in relation to the use of the Premises by the general public.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 Damage or Destruction. If the Premises are damaged, destroyed, or sustain a casualty to such extent that Tenant cannot continue, occupy or conduct its normal business therein, or if, in Landlord's opinion or Tenant's opinion, the Premises are rendered unusable, either Landlord or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving the other party five (5) days written notice to such effect.

SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

8.1 Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial

interest (as defined in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use his or her position to influence any City governmental decision or action with respect to this Lease.

8.2 Duty to Comply with Governmental Ethics Ordinance. Landlord and Tenant shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity, or offer of employment shall be made in connection with any City of Chicago contract, as an inducement for the award of that contract or order. Any contract or lease negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City of Chicago.

SECTION 9. HOLDING OVER

9.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning January 1, 2016 and the rent shall be at the same rate as set forth in Section 3.1 of this Lease. During such holding over all provisions of this Lease shall remain in full force and effect.

SECTION 10. MISCELLANEOUS

10.1 Notice. All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Tenant to Landlord shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to Landlord as follows:

City of Chicago
Department of Fleet and Facility Management
Office of Real Estate Management
30 North LaSalle Street, Suite 300
Chicago, Illinois 60602

or at such other place as Landlord may from time to time designate by written notice to Tenant. All notices, demands, and requests by Landlord to Tenant shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Tenant as follows:

Berneice Mills-Thomas
Executive Director
Near North Health Service Corporation
1276 North Clybourn Avenue
Chicago, Illinois 60610

With a copy to: William A. Micelli

Miner, Barnhill & Galland P.C.
14 West Erie Street
Chicago, Illinois 60654

or at such other place as Tenant may from time to time designate by written notice to Landlord. Any notice, demand or request which shall be served upon Tenant by Landlord, or upon Landlord by Tenant, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

10.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

10.3 Governing Law. This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois.

10.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

10.5 Captions and Section Numbers. The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

10.6 Binding Effect of Lease. The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

10.7 Time is of the Essence. Time is of the essence of this Lease and of each and every provision hereof.

10.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

10.9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are duly authorized and acting representatives of Landlord and Tenant respectively and that by their execution of this Lease, it became the binding obligation of Landlord and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

10.10 Termination of Lease. Landlord and Tenant shall have the right to terminate this Lease for any reason without penalty by providing each other with 30 days prior written notice at any time after the Commencement Date.

10.11 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

10.12 Amendments. From time to time, the parties hereto may administratively amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of this Lease. Provided, however, that such Amendment(s) shall not serve to extend the Lease Term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such Amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Landlord and Tenant. Such Amendment(s) shall only take effect upon execution by both parties. Upon execution, such Amendment(s) shall become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

10.13 No Other Rights. This Lease does not give the Tenant any other right with respect to the Premises, including, but no limited to, closure of streets, sidewalks, or other public thoroughfares. Any rights not specifically granted to Tenant by and through this document are reserved exclusively to Landlord. Execution of this Lease does not obligate the City in any manner and the City shall not undertake any additional duties or services including, but not limited to, custodial services, maintenance, security, or snow removal.

10.14 Prior Leases. Landlord and Tenant acknowledge and agree that the Tenant has leased and occupied the Premises under prior Lease No. 20118 dated October 7, 1997 and Prior Lease No. 20118 dated February 18, 2010. Landlord reserves the right to enforce any and all of Tenant's prior obligations pursuant to these prior agreements. Tenant acknowledges and agrees that it has no claims against Landlord under such prior Leases as of the date hereof, and Landlord acknowledges and agrees that it has no claims against Landlord under such prior Leases as of the date hereof.

10.15 No Conflict with Metered Parking Concessions Agreement. No provisions of this Lease shall conflict with the Metered Parking Concessions Agreement entered into between Landlord and Chicago Parking Meters, L.L.C.

10.16 Municipal Marketing Efforts. The City shall have the right to install a digital advertising sign on the Premises as part of the City's municipal marketing efforts, subject to the separate approval of City Council.

10.17 Lease Construction. This Lease has been prepared by Landlord and reviewed and approved by Tenant. This Lease shall not be interpreted against either Landlord or Tenant because of the parties' mutual efforts to finalize this Lease.

SECTION 11. ADDITIONAL RESPONSIBILITIES OF TENANT

11.1 Snow Removal. Tenant shall provide and pay for prompt snow removal of snow and ice from the Premises and sidewalks that immediately abut the Premises. Tenant acknowledges that Landlord shall not have any responsibilities relative to snow or ice removal on the Premises and/or the sidewalks that immediately abut the Premises.

11.2 No Tailgating. Tenant shall not permit tailgating on the Premises, or any other activity other than non-general public parking by persons utilizing or visiting Tenant's health center at 4230 South Greenwood Avenue.

11.3 No Reckless Driving. Tenant shall not permit reckless driving on the Premises.

11.4 No Alcohol or Illegal Drugs. Without exception, Tenant shall not permit the consumption of alcoholic beverages of any kind on the Premises. Tenant shall not permit the use of any illegal drugs of any nature on the Premises.

11.5 Satisfaction with Condition. Tenant agrees that Tenant has inspected the Premises and all related areas and grounds and that Tenant is satisfied with the physical condition thereof and accepts the Premises in its "As-Is" condition.

11.6 Illegal Activity. Tenant, or any of its agents or employees, shall not perform or permit any practice that is injurious to the Premises, is illegal, or increases the rate of insurance on the Premises.

11.7 Hazardous Materials. Tenant shall keep out and off of the Premises materials which cause a fire hazard or safety hazard and shall comply with reasonable requirements of Landlord's fire insurance carrier. Tenant shall not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances thereto.

11.8 No Religious or Political Use. Tenant shall not allow the Premises to be used for any religious or political purposes.

11.9 No Fees. Tenant shall not charge a fee to any staff, or other invitee for use of, or access to, the Premises.

11.10 Required Permits. For any activity which Tenant desires to conduct on the Premises in which a license or permit is required, said license or permit must be obtained by Tenant prior to using the Premises for such activity. The Landlord's Department of Fleet and Facility Management must be notified of any such license or permit. Failure to obtain a required license or permit shall constitute a breach of the terms of this Lease. Tenant acknowledges that this Lease shall not act as a substitute for any permit that may be required.

11.11 Non-Discrimination. Tenant agrees that Tenant shall (a) not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the use or occupancy of the Premises or any part thereof, and (b) not use the Premises for any religious or political activities.

11.12 Repairs for Tenant Negligence, Vandalism, or Misuse. Tenant shall assume all responsibility for any repairs to the Premises necessitated by the negligence, vandalism, or misuse of the Premises or equipment therein by Tenant's employees, invitees, agents, contractors or third parties. Tenant may perform such repairs with service providers suitable to Landlord and at Tenant's sole cost without further setoff or deduction from Landlord. In the event Tenant is unwilling or unable to perform said repairs, Landlord may perform such repairs subject to full reimbursement to Landlord by Tenant of all costs required for such repairs including, but not limited to, labor and material associated with such repairs.

11.13 No Other Rights. This Lease does not give Tenant any other right with respect to the Premises. Any rights not specifically granted to Tenant by and through this Lease are reserved exclusively to Landlord. Execution of this Lease does not obligate Landlord in any manner not specified in this Lease and Landlord shall not undertake any additional duties or services.

11.14 Security. Tenant shall be responsible for securing all vehicles placed on the Premises. Landlord shall have no security responsibilities or liability for any stolen vehicles, vandalized vehicles, vehicles damaged by wind, hail or other natural elements, stolen personal property, or any accidents on the Premises arising from the use of the Premises by any party.

11.15 Full Liability. Tenant assumes full legal and financial responsibility and liability for any and all use of the Premises by Tenant, Tenant's staff, Tenant's agents, or Tenant's invitees, or any third parties entering the Premises.

11.16 Economic Disclosure Statement and Affidavit ("EDS") Updates. Throughout the Lease Term, Tenant shall provide Landlord with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement and Affidavit ("EDS"). Landlord may also request such updates from time to time. Failure to provide such information on a timely basis shall constitute a default under this Lease.

SECTION 12. TENANT DISCLOSURES AND REPRESENTATIONS

12.1 Business Relationships. Tenant acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City

Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Tenant hereby represents and warrants that to the best of its knowledge no violation of Section 2-156-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

12.2 Patriot Act Certification. Tenant represents and warrants that neither Tenant nor any Affiliate thereof (as defined in the next paragraph) is listed on any of the lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment, the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to Tenant that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Tenant, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

12.3 Prohibition on Certain Contributions-Mayoral Executive Order No. 2011-4. Tenant agrees that Tenant, any person or entity who directly or indirectly has an ownership or beneficial interest in Tenant of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Tenant's contractors (i.e., any person or entity in direct contractual privity with Tenant regarding the subject matter of this Lease) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Tenant and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Lease by Tenant, (ii) while this Lease or any Other Contract is executory, (iii) during the Term of this Lease or any Other Contract between Tenant and the City, or (iv) during any period while an extension of this Lease or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Tenant represents and warrants that from the date the City approached the Tenant or the date Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Tenant agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Tenant agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4_or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein, Tenant agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Lease, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Tenant intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to close the transaction contemplated by this Lease or to suspend the transaction after execution.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City of Chicago to which Tenant is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

(A) they are each other's sole domestic partner, responsible for each other's common welfare; and
(B) neither party is married; and
(C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

(D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and

(E) two of the following four conditions exist for the partners:

1. The partners have been residing together for at least 12 months.
2. The partners have common or joint ownership of a residence.
3. The partners have at least two of the following arrangements:
   a. joint ownership of a motor vehicle;
   b. a joint credit account;
   c. a joint checking account;
   d. a lease for a residence identifying both domestic partners as tenants.
4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

12.4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Tenant's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Tenant's, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease, and may further affect the Tenant's eligibility for future contract awards.

12.5 Failure to Maintain Eligibility to do Business with City. Failure by Tenant or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Lease and the transactions contemplated thereby. Tenant shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

12.6 Cooperation with Inspector General and Legislative Inspector General. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, the Tenant acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with

the Office of the Inspector General and the Office of the Legislative Inspector General in connection with any activities undertaken by such office with respect to this Lease, including, without limitation, making available to the Office of the Inspector General and the Office of the Legislative Inspector General the department's premises, equipment, personnel, books, records and papers. The Tenant agrees to abide by the provisions of Chapter 2-26-110 et seq.

12.7 *Shakman* Prohibitions.

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Tenant is aware that City policy prohibits City employees from directing any individual to apply for a position with Tenant, either as an employee or as a subcontractor, and from directing Tenant to hire an individual as an employee or as a subcontractor. Accordingly, Tenant must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Tenant under this Lease are employees or subcontractors of Tenant, not employees of the City of Chicago. This Lease is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Tenant.

(iii) Tenant will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Lease, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Tenant by a City employee or City official in violation of Section 12.7, or advocating a violation of Section 12.7 above, Tenant will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Lease. Tenant will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD:

CITY OF CHICAGO,
an Illinois municipal corporation and home rule unit of government

BY: DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By: _____
Commissioner

APPROVED AS TO FORM AND LEGALITY:
BY: THE DEPARTMENT OF LAW

By: _____
Deputy Corporation Counsel
Real Estate Division

TENANT:

NEAR NORTH HEATLH SERVICE CORPORATION,
an Illinois Not-for-Profit Corporation

By: _____

Name: _____

Its: _____

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Subject to Title Commitment and Survey

LOTS 10 THROUGH 15 IN BLOCK 2 OF MILLER & CHAMBERLAIN'S SUBVIDISION OF BLOCK 2 IN RESUBDIVISION OF BLOCK 1 & 2 IN RESUBDIVISION OF THE REFORM SCHOOL PROPERTY, BEING THE SOUTH 25 ACRES OF THE NORTHWEST FRACTIONAL ¼ OF SECTION 2, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY ILLINOIS.

PIN#: 20-02-121-013

Common Address: 1014-24 East 43rd Street

1014-24 East 43rd Street
Near North Health Services Corporation
Lease No. 20118

SECTION 2: This Ordinance shall be effective from and after the date of its passage and approval.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Near North Health Service Corporation d/b/a Komed Holman Health Center

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: N/A
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 1276 North Clybourn Avenue
Chicago, Il 60610

C. Telephone: 312.337.1073 Fax: 312.337.7136 Email: bthomas@nmh.org

D. Name of contact person: Berneice Mills-Thomas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Parking Lot located at 1044-24 East 43rd Street

G. Which City agency or department is requesting this EDS? Dept. of Fleet & Facility Management

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[x] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

State of Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [x] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
N/A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
	N/A	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N/A

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
		N/A	

(Add sheets if necessary)

[XX] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

N/A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Berneice Mills-Thomas
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Berneice Mills-Thomas
(Print or type name of person signing)

Executive Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 29, 2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: _____.

OFFICIAL SEAL
NIANNA HICKMAN
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:09/15/16

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

N/A

WILLIAM D. BURNS
ALDERMAN, 4TH WARD
435 EAST 35TH STREET
CHICAGO, ILLINOIS 60616
TELEPHONE: 773-536-8103
FAX: 773-536-7296

CITY COUNCIL
CITY OF CHICAGO

COUNCIL CHAMBER
CITY HALL – ROOM 200
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE 312-744-2690

COMMITTEE MEMBERSHIPS

COMMITTEES, RULES AND ETHICS

FINANCE

HOUSING AND REAL ESTATE

PEDESTRIAN AND TRAFFIC SAFETY

TRANSPORTATION AND PUBLIC WAY

WORKFORCE DEVELOPMENT AND AUDIT

December 3, 2012

Alderman Ray Suarez
Chairman
Committee on Housing and Real Estate
121 North LaSalle Street, Room 200
Chicago, Illinois 60602

RE: 1014-24 East 43rd Street – Near North Health Services Corporation
City as Landlord Lease Renewal

Dear Alderman Suarez:

The Department of Fleet and Facility Management has contacted our office regarding a proposed City as Landlord Lease renewal with Near North Health Services Corporation as tenant. Near North Health Services Corporation uses a City-owned parking lot located at 1014-24 East 43rd Street for their staff and patients. I have no objection to the proposed Lease renewal with Near North Health Services Corporation.

Should you have any questions or require additional information, please contact me and in my absence my Chief of Staff, Charis Tripplet at (773) 536-8103.

Sincerely,

William D. Burns
Alderman, 4th Ward

Office of the City Clerk

O2013-818

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Lease agreement with North Park Village Garden Club for vacant land at 5801 North Pulaski Rd
Committee(s) Assignment:	Committee on Housing and Real Estate

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1: The Commissioner of the Department of Fleet and Facility Management is authorized to execute on behalf of the City of Chicago, as Landlord, a Lease with the North Park Village Garden Club, as Tenant, for the North Park Village Garden Club's use of approximately 43,560 square feet of vacant City-owned land located at 5801 North Pulaski Road for gardening; such Lease to be approved as to form and legality by the Corporation Counsel in substantially the following form:

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Fleet and Facility Management, I transmit herewith ordinances authorizing the execution of lease agreements.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

LEASE NO. 20175

LEASE

THIS LEASE (the "Lease") is made and entered into this ____ day of _____2013, by and between **THE CITY OF CHICAGO,** a municipal corporation and home rule unit of government (herein referred to as "**Landlord**"), and **NORTH PARK VILLAGE GARDEN CLUB,** an Illinois not-for-profit corporation (hereinafter referred to as "**Tenant**").

RECITALS

WHEREAS, Landlord is the owner of the premises more commonly known as 5801 North Pulaski Road ("North Park Village"), Chicago, Cook County, Illinois; and

WHEREAS, Landlord has agreed to lease to Tenant, and Tenant has agreed to lease from Landlord, approximately one (1) acre (43,560 square feet) of vacant land located at 5801 North Pulaski Road as depicted on **Exhibit A** attached hereto to be used as exclusively as garden for persons that are members of Tenant's organization;

NOW THEREFORE, in consideration of the covenants, terms and conditions set forth herein, the parties hereto agree and covenant as follows:

SECTION 1. GRANT

1.1 Grant. Landlord hereby leases to Tenant, and Tenant leases from Landlord, the following described premises situated in the City of Chicago, County of Cook, State of Illinois, to wit:

> Approximately one (1) acre (43,560 square feet) of vacant land located at 5801 North Pulaski Road (part of PIN # 13-02-300-004 - the "Premises").

SECTION 2. TERM

2.1 Term. The term of this Lease ("Term") shall commence on the date of execution ("Commencement Date") and shall terminate on December 31, 2017, unless sooner terminated as set forth in this Lease.

SECTION 3. RENT, OPERATING COSTS, TAXES, AND UTILITIES

3.1 Rent. Tenant shall pay rent ("Rent") for the use of the Premises in the amount of:

> One Dollar ($1.00) for the entire Term with the receipt and sufficiency of said sum being herewith acknowledged by both parties.

3.2 Operating Costs. As operating costs("Operating Costs") , and not as Rent, Tenant shall pay to Landlord an annual sum equal to $10.00 per member of the North Park Village Garden Club that uses the Premises for gardening. Provided, however, that any members that are

residents of North Park Village or any members that are sixty-five (65) years of age or older on January 1st of each calendar year shall not be included in such fee assessment. Operating costs are due and payable no later than June 30th of each year. On or before each May 31st of each year Tenant shall advise Landlord as to Tenant's membership. Landlord reserves the right to include water costs as additional operating expenses at a future date.

Operating Costs shall be paid to Landlord at the Department of Finance, Warrants for Collection, City Hall, 121 North LaSalle Street, Room 107, Chicago, Illinois 60602, or at such place as Landlord may from time to time designate in writing to Tenant.

3.3 Utilities. Tenant shall pay when due all charges, if any, for gas, electricity, light, heat, power and telephone or other communication service, and all other utility services used in or supplied to the Premises for Tenant's use.

3.4 Taxes. Tenant acknowledges that Premises are exempt from leasehold, real estate, and other property taxes. Tenant shall pay when due any leasehold, real estate, and other property taxes assessed or levied on the subject Premises where attributable to Tenant's use of the Premises. Tenant shall pay such amounts and Tenant shall provide Landlord with proof of such payment within ten (10) days of such payment. Tenant further acknowledges that real estate taxes are one (1) year in arrears in Cook County and that as a result Tenant shall be responsible for satisfaction of leasehold, real estate, and other property taxes assessed or levied on the subject Premises on account of Tenant's use for at least one year after Tenant vacates the Premises. Tenant's failure to pay any such taxes shall constitute a default under this Lease. Notwithstanding the foregoing, nothing herein shall preclude Tenant from contesting any charge or tax levied against the subject Premises. The failure of Tenant to pay such taxes during the pendency of the contest shall not constitute a default under this Lease. Tenant's tax responsibilities under this section shall survive the expiration, cancellation, or termination of this Lease.

3.5 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than any installment or payment of the Rent or Operating Costs due hereunder shall be deemed to be other than on account of the amount due, and no endorsement of statement or any check or any letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction. Landlord may accept such check or payment without prejudice as to Landlord's right to recover the balance of such installment or payment to pursue any other remedies available to Landlord.

SECTION 4. ENJOYMENT OF PREMISES, ALTERATIONS AND ADDITIONS, SURRENDER

4.1 Covenant of Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon paying the Operating Costs and upon observing and keeping all of the covenants, agreements and conditions of this Lease on its part to be kept, observed and performed, shall lawfully and quietly hold, occupy and enjoy the Premises (subject to the provisions of this Lease) during the Term without hindrance or molestation by Landlord or by any person or persons claiming under Landlord.

4.2 Landlord's Right of Access. Landlord shall have an unequivocal and unfettered right to access the Premises at all times.

4.3 Tenant's Duty to Maintain Premises and Right of Access. Tenant shall, at Tenant's expense and without reimbursement from Landlord, keep the Premises in a condition of thorough repair and good order as determined by Landlord, and in compliance with all applicable provisions of the Municipal Code of Chicago, including, but not limited to, the Landscape Ordinance of the City of Chicago. If Tenant shall refuse or neglect to make requested repairs within thirty (30) days after written notice thereof sent by Landlord, unless such repair cannot be remedied by thirty (30) days, and Tenant shall have commenced and is diligently pursuing all necessary action to remedy such repair, Landlord is authorized to make such repairs and Tenant will promptly and within fifteen (15) business days of demand reimburse Landlord for the reasonable cost thereof. Landlord shall have the right of access to the Premises for the purpose of inspecting and making repairs to the Premises.

4.4 Use of the Premises. Tenant shall not use the Premises in a manner that would violate any Law. Tenant further covenants not to do or suffer any waste or damage, comply in all respects with the laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governmental departments which may be applicable to the Premises or to the use or manner of use of the Premises, disfigurement or injury to any building or improvement on the Premises, or to fixtures and equipment thereof. Any activities on the Premises must be limited to the use as a non-profit garden by members of Tenant's organization. The promotion and operation of a garden does not include direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any candidate for public office. Tenant agrees that in utilizing said Premises that it shall not discriminate against any member of the public because of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, immigration status, or source of income in the use of the Premises. Tenant further covenants that the Premises shall not be used for any religious purposes.

4.5 Alterations and Additions. Tenant may only make alterations, additions and improvements on the Premises upon the prior written consent of the Commissioner of the Department of Fleet and Facility Management. Any such alterations, additions and improvements shall be materially related to the operation of a garden, cannot include any permanent structures, and must be in full compliance with any applicable Laws and permits that may be required.

4.6 Future Use Restrictions. Tenant's use and enjoyment of the Premises shall be subject to any of Landlord's rules, responsibilities, restrictions, or any other use directives reasonably related to Tenant's use of the Premises or which may hereinafter be promulgated by Landlord at Landlord's sole and exclusive discretion.

SECTION 5. ASSIGNMENT, SUBLEASE, AND LIENS

5.1 Assignment and Sublease. Tenant shall not assign this Lease in whole or in part, or sublet the Premises or any part thereof.

5.2 Tenant's Covenant against Liens. Tenant shall not cause or permit any lien or encumbrance, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon Landlord's title or interest in the Premises. All liens and encumbrances created by Tenant shall attach to Tenant's interest only. In case of any such lien attaching, Tenant shall immediately pay and remove such lien or furnish security or indemnify Landlord in a manner satisfactory to Landlord in its sole discretion to protect Landlord against any defense or expense arising from such lien. Except during any period in which Tenant appeals any judgment or obtains a rehearing of any such lien, or in the event judgment is stayed, Tenant shall immediately pay any judgment rendered against Tenant, with all proper costs and charges, and shall have the lien released and any judgment satisfied. If Tenant fails to pay and remove any lien or contest such lien in accordance herewith, Landlord, at its election, may, but is not obligated to, pay and satisfy same, and all sums so paid by Landlord, with interest from the date of payment at the rate set at 12% per annum.

SECTION 6. INSURANCE AND INDEMNIFICATION

6.1 Insurance. Tenant shall procure and maintain at all times, at Tenant's own expense, during the term of this Lease and during any holding over, the insurance coverages and requirements specified below, insuring all operations related to this Lease.

The kinds and amounts of insurance required are as follows:

a) Workers Compensation and Employers Liability Insurance. Workers Compensation and Employers Liability Insurance, in accordance with the laws of the State of Illinois, or any other applicable jurisdiction, covering all Tenant's employees and Employer's Liability coverage with limits of not less than $100,000 each accident or illness.

b) Commercial Liability Insurance. (Primary and Umbrella). Commercial Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence, for bodily injury, personal injury, and property damage liability. Coverage extensions shall include the following: All premises and operations, products/completed operations, defense, separation of insureds, and contractual liability (with no limitation endorsement). The City of Chicago, its employees, elected officials, agents, and representatives are to be named as additional insureds on a primary, non-contributory basis for any liability arising directly or indirectly from the Lease.

c) Automobile Liability Insurance. (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, Tenant shall provide Comprehensive Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence, for bodily injury and property damage.

Tenant shall be responsible for all loss or damage to personal property (including but not limited to materials, equipment, tools and supplies), owned or rented, by Tenant and its members.

6.2 Other Terms of Insurance. Tenant will furnish to the City of Chicago, Department of Fleet and Facility Management, Office of Real Estate Management, 30 North LaSalle Street, Suite 300, Chicago, Illinois 60602 original Certificates of Insurance evidencing the required coverage to be in force on the date of this Lease, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Lease. Tenant shall submit evidence of insurance prior to Lease award. The receipt of any certificates Landlords not constitute agreement by Landlord that the insurance requirements in the Lease have been fully met or that the insurance policies indicated on the certificate are in compliance with all Lease requirements. The failure of Landlord to obtain certificates or other insurance evidence from Tenant shall not be deemed to be a waiver by Landlord. Tenant shall advise all insurers of the Lease provisions regarding insurance. Non-conforming insurance shall not relieve Tenant of its obligation to provide Insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Lease, and Landlord retains the right to terminate the Lease until proper evidence of insurance is provided.

The insurance shall provide for thirty (30) days prior written notice to be given to Landlord in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self-insured retentions on referenced insurance coverages shall be borne by Tenant.

Tenant agrees that insurers shall waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents or representatives.

Tenant expressly understands and agrees that any coverages and limits furnished by Tenant shall in no way limit Tenant's liabilities and responsibilities specified within the Lease documents or by law.

Tenant expressly understands and agrees that any insurance or self-insurance programs maintained by the City of Chicago shall apply in excess of and not contribute with insurance provided by Tenant under this Lease.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The City of Chicago, Department of Finance, Office of Risk Management, maintains the right to reasonably modify, delete, alter or change these requirements. Landlord shall provide Tenant with thirty (30) day prior written notice of such modification, deletion, alteration, or change of these requirements.

6.3 Additional Insured. Tenant shall name Landlord as an additional insured. Said coverage shall be evidenced on the Certificate of Insurance covering the subject premises.

6.4 Tenant's Indemnification. Tenant shall indemnify, defend, and hold Landlord harmless against all liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, costs, damages, and expenses (including reasonable attorney's fees, expenses, and court costs), and loss or damage to personal property as set forth in Section 6.1(c) herein, whether such claim is related to or arises from personal injury, property damage, or property loss which may be expended by or accrue against, be charged to, or be recovered from Landlord or Tenant by reason of Tenant's performance of or failure to perform any of Tenant's obligations under this Lease or Tenant's negligent acts or failure to act, or resulting from the acts or failure to act of Tenant's contractors, respective officers, directors, agents, employees, licensees or invitees. Tenant shall indemnify, defend and hold Landlord harmless against any and all claims that may arise in relation to the use of the Premises by Tenant, and any of its members, contractors, respective officers, directors, agents, employees, licensees or invitees.

SECTION 7. DAMAGE OR DESTRUCTION

7.1 Damage or Destruction. If the Premises are damaged or destroyed to such extent that Tenant cannot continue, occupy or conduct its normal activity therein, or if, in Tenant's opinion or Landlord's opinion, the Premises are rendered untenantable, either Landlord or Tenant shall have the option to declare this Lease terminated as of the date of such damage or destruction by giving the other party written notice to such effect.

SECTION 8. CONFLICT OF INTEREST AND GOVERNMENTAL ETHICS

8.1 Conflict of Interest. No official or employee of the City of Chicago, nor any member of any board, commission or agency of the City of Chicago, shall have any financial interest (as defined in Chapter 2-156 of the Municipal Code), either direct or indirect, in the Premises; nor shall any such official, employee, or member participate in making or in any way attempt to use his/her position to influence any governmental decision or action with respect to this Lease by the Landlord.

8.2 Duty to Comply with Governmental Ethics Ordinance. Landlord and Tenant shall comply with Chapter 2-156 of the Municipal Code of Chicago, "Governmental Ethics," including but not limited to section 2-156-120, which states that no payment, gratuity, or offer of employment shall be made in connection with any City of Chicago contract, as an inducement for the award of that contract or order. Any contract or lease negotiated, entered into, or performed in violation of any of the provisions of Chapter 2-156 shall be voidable as to the City.

SECTION 9. HOLDING OVER

9.1 Holding Over. Any holding over by Tenant shall be construed to be a tenancy from month to month only beginning on January 1, 2018 and the rent and operating costs shall be the same as listed in Section 3.1 and Section 3.2 of this Lease. During such holding over all other provisions of this Lease shall remain in full force and effect.

SECTION 10. MISCELLANEOUS

10.1 Notice. All notices, demands and requests which may be or are required to be given, demanded or requested by either party to the other shall be in writing. All notices, demands and requests by Tenant to Landlord shall be delivered by national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid addressed to Landlord as follows:

City of Chicago
Department of Fleet and Facility Management
Office of Real Estate Management
30 North LaSalle Street, Suite 300
Chicago, Illinois 60602

or at such other place as Landlord may from time to time designate by written notice to Tenant. All notices, demands, and requests by Landlord to Tenant shall be delivered by a national overnight courier or shall be sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed to Tenant as follows:

North Park Village Garden Club
P.O. Box 59224
Chicago, Illinois 60659

or at such other place as Tenant may from time to time designate by written notice to Landlord. Any notice, demand or request which shall be served upon Tenant by Landlord, or upon Landlord by Tenant, in the manner aforesaid, shall be deemed to be sufficiently served or given for all purposes hereunder at the time such notice, demand or request shall be mailed.

10.2 Partial Invalidity. If any covenant, condition, provision, term or agreement of this Lease shall, to any extent, be held invalid or unenforceable, the remaining covenants, conditions, provisions, terms and agreements of this Lease shall not be affected thereby, but each covenant, condition, provision, term or agreement of this Lease shall be valid and in force to the fullest extent permitted by law.

10.3 Governing Law. This Lease shall be construed and be enforceable in accordance with the laws of the State of Illinois.

10.4 Entire Agreement. All preliminary and contemporaneous negotiations are merged into and incorporated in this Lease. This Lease contains the entire agreement between the parties and shall not be modified or amended in any manner except by an instrument in writing executed by the parties hereto.

10.5 Captions and Section Numbers. The captions and section numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections of this Lease nor in any way affect this Lease.

10.6 Binding Effect of Lease. The covenants, agreements, and obligations contained in this Lease shall extend to, bind, and inure to the benefit of the parties hereto and their legal representatives, heirs, successors, and assigns.

10.7 Time is of the Essence. Time is of the essence of this Lease and of each and every provision hereof.

10.8 No Principal/Agent or Partnership Relationship. Nothing contained in this Lease shall be deemed or construed by the parties hereto nor by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto.

10.9 Authorization to Execute Lease. The parties executing this Lease hereby represent and warrant that they are duly authorized and acting representatives of Landlord and Tenant respectively and that by their execution of this Lease, it became the binding obligation of Landlord and Tenant respectively, subject to no contingencies or conditions except as specifically provided herein.

10.10 Termination of Lease. Landlord and Tenant shall have the right to terminate this Lease by providing each other with thirty (30) days prior written notice at any time after execution of this Lease.

10.11 Force Majeure. When a period of time is provided in this Lease for either party to do or perform any act or thing, the party shall not be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, wars, governmental regulation or control, and other causes beyond the reasonable control of the party, and in any such event the time period shall be extended for the amount of time the party is so delayed.

10.12 Tenant Default. Tenant must adhere to all provisions of this Lease. Failure of Tenant to adhere to all provisions of this Lease will result in default. In the event of such default, Landlord will notify Tenant in writing as to the circumstances giving rise to such default. Upon written receipt of such notice, Tenant must cure such default within thirty (30) days. If Tenant does not cure such default within thirty (30) days, Landlord may cancel this Lease with thirty (30) days written notice.

10.13 Amendments. From time to time, the parties hereto may administratively amend this Lease with respect to any provisions reasonably related to Tenant's use of the Premises and/or Landlord's administration of this Lease, including leasehold expansion or reduction. Provided, however, that such Amendment(s) shall not serve to extend the Lease term hereof nor serve to otherwise materially alter the essential provisions contained herein. Such Amendment(s) shall be in writing, shall establish the factual background necessitating such alteration, shall set forth the terms and conditions of such modification, and shall be duly executed by both Landlord and Tenant. Such Amendment(s) shall only take effect upon execution by both parties. Upon execution, such Amendment(s) shall become a part of this Lease and all other provisions of this Lease shall otherwise remain in full force and effect.

10.14 Prior Lease. Tenant acknowledges that prior to the date of this Lease, Tenant has occupied and been in possession of the Premises under the terms of that certain Lease between Tenant and Landlord dated September 27, 2007. Tenant acknowledges that Landlord has fully performed its obligations under such prior Lease and that Landlord has no obligations thereunder.

SECTION 11. ADDITIONAL RESPONSIBILITIES OF TENANT

11.1 Maintenance Services. Tenant shall provide all service needed for maintenance of any of equipment or materials placed on the Premises by Tenant or Tenant's members.

11.2 Custodial Services. Tenant shall keep the Premises clean and free of debris.

11.3 Condition at Lease Termination. Upon the termination of this Lease, Tenant shall surrender the Premises to the Landlord in the same or better condition to the condition of the Premises at the beginning of Tenant's occupancy of the subject Premises. At Landlord's option, Tenant shall remove all equipment and/or materials placed on the Premises by Tenant or anyone acting by or under Tenant. Said removal shall be without cost to Landlord. Provided, however, that at Lease termination Landlord may declare that any fencing that Tenant may have installed shall become the property of Landlord without further credit, payment, or reimbursement by Landlord to Tenant.

11.4 Licenses and Permits. Tenant shall obtain any license or permit for any activity which Tenant desires to conduct on the Premises in which said license or permit is required. The Department of Fleet and Facility Management must be notified of any such license or permit. Failure to obtain a required license or permit shall constitute a default under the terms of this Lease.

11.5 Hazardous Materials. Tenant shall keep out and off of Premises materials which cause a fire hazard or safety hazard and comply with reasonable requirements of Landlord's fire insurance carrier; not destroy, deface, damage, impair, nor remove any part of the Premises or facilities, equipment or appurtenances thereto.

11.6 No Alcohol or Drugs. Tenant shall ensure that no alcoholic beverages or drugs of any kind or nature shall be sold, given away, grown, or consumed on the Premises.

11.7 Security. Tenant shall assume full responsibility for securing the Premises and Tenant acknowledges that Landlord shall have no security responsibilities.

11.8 Full Liability. Tenant assumes full legal and financial responsibility and liability for any and all use of the Premises by Tenant, Tenant's staff, Tenant's agents, Tenant's invitees, and any other person, persons, or entities entering the Premises.

11.9 No Fee. Tenant shall not charge a fee to for use of the Premises and Tenant shall not derive any financial gain from use of the Premises.

11.10 Illegal Activity. Tenant shall not perform or permit any practice that may damage the reputation of, or otherwise be injurious to the Premises or neighborhood, be illegal, or increase the rate of insurance on the Premises.

11.11 Non-Introduction. Tenant shall not plant, or otherwise introduce, any plants, animals, or other fauna that could adversely affect the existing plants, animals, or other fauna currently existing at North Park Village in Landlord's sole and exclusive opinion.

11.12 Non-Discrimination. Tenant shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, immigration status, or source of income in the use of the Premises.

11.13 Non-Religious Use. Tenant shall not use the Premises for any religious activities, such as worship, religious instruction, or proselytization.

11.14 Inspection of Premises and As-Is Acceptance. Tenant agrees that Tenant has inspected the Premises and all related areas and grounds, that Tenant is satisfied with the physical condition thereof, and that Tenant assumes use of the Premises in as-is where-is condition.

11.15 No Landlord Obligations. Hereby affirms and acknowledges that Landlord has no maintenance or any other obligations with respect to the Premises or with respect to Tenant's use and/or enjoyment of the Premises.

11.16 Economic Disclosure Statement Affidavit ("EDS") Updates. Throughout the Lease Term, and during any holding over period, Tenant shall provide Landlord with any material updates to the information previously submitted in Tenant's Economic Disclosure Statement Affidavit ("EDS"). Landlord may also request such updates from time to time. Failure to provide such information on a timely basis shall constitute a default under this Lease.

SECTION 12. TENANT DISCLOSURES AND REPRESENTATIONS

12.1 Business Relationships. Tenant acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) notwithstanding anything to the contrary contained in this Lease, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Lease shall be grounds for termination of this Lease and the transactions contemplated hereby. Tenant hereby represents and warrants that no violation of

Section 2-156-030 (b) has occurred with respect to this Lease or the transactions contemplated hereby.

12.2 Patriot Act Certification. Tenant represents and warrants that neither Tenant nor any Affiliate thereof (as defined in the next paragraph) is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment, the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to Tenant that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Tenant, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

12.3 Prohibition on Certain Contributions-Mayoral Executive Order No. 2011-4. Tenant agrees that Tenant, any person or entity who directly or indirectly has an ownership or beneficial interest in Tenant of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Tenant's contractors (i.e., any person or entity in direct contractual privity with Tenant regarding the subject matter of this Lease) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Tenant and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Lease by Tenant, (ii) while this Lease or any Other Contract is executory, (iii) during the Term of this Lease or any Other Contract between Tenant and the City, or (iv) during any period while an extension of this Lease or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Tenant represents and warrants that from the date the City approached the Tenant or the date Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Tenant agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Tenant agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to

entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein, Tenant agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Lease, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Lease, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Tenant intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the execution of this Lease, the City may elect to decline to close the transaction contemplated by this Lease or to suspend the transaction after execution.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City of Chicago to which Tenant is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

(A) they are each other's sole domestic partner, responsible for each other's common welfare; and
(B) neither party is married; and
(C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
(D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
(E) two of the following four conditions exist for the partners:
    1. The partners have been residing together for at least 12 months.
    2. The partners have common or joint ownership of a residence.

3. The partners have at least two of the following arrangements:
   a. joint ownership of a motor vehicle;
   b. a joint credit account;
   c. a joint checking account;
   d. a lease for a residence identifying both domestic partners as tenants.
4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

12.4 Waste Ordinance Provisions. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Lease is executory, Tenant's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Lease, constitutes a breach of and an event of default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Lease, at law or in equity. This section does not limit Tenant's, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Lease, and may further affect the Tenant's eligibility for future contract awards.

12.5 Failure to Maintain Eligibility to do Business with City. Failure by Tenant or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Lease and the transactions contemplated thereby. Tenant shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

12.6 Cooperation with Inspector General and Legislative Inspector General. In accordance with Chapter 2-26-110 et seq. of the Municipal Code, the Tenant acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Office of the Inspector General and the Office of the Legislative Inspector General in connection with any activities undertaken by such office with respect to this Lease, including, without limitation, making available to the Office of the Inspector General and the Office of the Legislative Inspector General the department's premises, equipment, personnel, books, records and papers. The Tenant agrees to abide by the provisions of Chapter 2-26-110 et seq.

12.7 *Shakman* Prohibitions.

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Tenant is aware that City policy prohibits City employees from directing any individual to apply for a position with Tenant, either as an employee or as a subcontractor, and from directing Tenant to hire an individual as an employee or as a subcontractor. Accordingly, Tenant must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Tenant under this Lease are employees or subcontractors of Tenant, not employees of the City of Chicago. This Lease is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Tenant.

(iii) Tenant will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Lease, or offer employment to any individual to provide services under this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Lease, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Tenant by a City employee or City official in violation of Section 9.9(c)(ii) above, or advocating a violation of Section 9.9(c)(iii) above, Tenant will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Lease. Tenant will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD:

THE CITY OF CHICAGO,
an Illinois municipal corporation and home rule unit of government

DEPARTMENT OF FLEET AND FACILITY MANAGEMENT

By:_____
Commissioner

APPROVED AS TO FORM AND LEGALITY:

BY: DEPARTMENT OF LAW

By:_____
Deputy Corporation Counsel
Real Estate Division

TENANT:

NORTH PARK VILLAGE GARDEN CLUB,
an Illinois not-for-profit corporation

By:_____

Name: _____

Its: _____

5801 North Pulaski Road
North Park Village Garden Club
Lease No. 20175

SECTION 2: This Ordinance shall be effective from and after the date of its passage and approval.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

NORTH PARK VILLAGE GARDEN CLUB

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 5801 N Pulaski Rd
Chicago, IL

C. Telephone: 773-203-8954 Fax: _____ Email: RandyL@Lowrey.com

D. Name of contact person: Randall Loss

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Renewal of Lease No. 20175

G. Which City agency or department is requesting this EDS? DEPT. FLEET & FACILITY
Office of Real Estate Mahagement

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[x] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [x] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Betsy Elsaesser	President
Julie Olson	Vice-President
Dan Sutherland	Secretary
Randall Loss	Treasurer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
NONE		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

none

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

NORTH PARK VILLAGE GARDEN CLUB
(Print or type name of Disclosing Party)

By: Elizabeth Elsaesser
(Sign here)

Elizabeth (Betsy) Elsaesser
(Print or type name of person signing)

President
(Print or type title of person signing)

Signed and sworn to before me on (date) 5 Dec 2012,
at Cook County, IL (state).

Randall J Loss Notary Public.

Commission expires: 23 APR 2013.

OFFICIAL SEAL
RANDALL J. LOSS
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES APR. 23, 2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

MARGARET LAURINO
ALDERMAN, 39TH WARD

CITY HALL - ROOM 200
121 NORTH LA SALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE: (312) 744-7242
FAX: (312) 744-0717

PUBLIC SERVICE OFFICE
4404 WEST LAWRENCE AVENUE 60630-2511
TELEPHONE: (773) 736-5594
FAX: (773) 736-2333
E-MAIL: WARD39@CITYOFCHICAGO.ORG

CITY COUNCIL
COMMITTEE MEMBERSHIPS

PEDESTRIAN AND TRAFFIC SAFETY (CHAIRMAN)

BUDGET AND GOVERNMENT OPERATIONS

COMMITTEES, RULES AND ETHICS

EDUCATION AND CHILD DEVELOPMENT

FINANCE

WORKFORCE DEVELOPMENT AND AUDIT

ZONING, LANDMARKS AND BUILDING STANDARDS

December 12, 2012

Ald. Ray Suarez
Chairman
Committee on Housing and Real Estate
121 North LaSalle Street, Room 200
Chicago, Illinois 60602

RE: 5801 North Pulaski Road – North Park Village Garden Club
City as Landlord Lease Renewal

Dear Alderman Suarez,

The Department of Fleet and Facility Management has contacted our office regarding a proposed City as Landlord Lease renewal with the North Park Village Garden Club as tenant. The North Park Village Garden Club uses vacant land at North Park Village located at 5801 North Pulaski Road for gardening. Our office does not object to the proposed Lease renewal with the North Park Village Garden Club for their use of part of the vacant land located at North Park Village.

Please contact our office at (773) 736-5594 should you have any questions on this matter.

Sincerely,

Margaret Laurino

Margaret Laurino
Alderman, 39th Ward

GCC/IBT 208-L

Office of the City Clerk

O2013-845

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Loan agreement and associated provision of tax credits and conveyance to Halsted Limited Partnership
Committee(s) Assignment:	Committee on Finance

FIN.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing the execution of a loan agreement and associated provision of tax credits and conveyance to Halsted Limited Partnership.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available to persons of low and moderate income; and

WHEREAS, the City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, the City has certain funds available from a variety of funding sources ("Multi-Family Program Funds") to make loans and grants for the development of multi-family residential housing to increase the number of families served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing, and such Multi-Family Program Funds are administered by the City's Department of Housing and Economic Development ("HED"); and

WHEREAS, HED has preliminarily reviewed and approved the making of a loan to Halsted Limited Partnership, an Illinois limited partnership (the "Borrower"), with Halsted GP LLC, an Illinois limited liability company (of which Heartland Housing, Inc., an Illinois not-for-profit corporation and Center on Halsted, an Illinois not-for-profit corporation, are the sole members) is the sole general partner, in an amount not to exceed $5,000,000 (the "Loan"), to be funded from Multi-Family Program Funds pursuant to the terms and conditions set forth in Exhibit A attached hereto and made a part hereof;

WHEREAS, the City is the owner of a parcel of land (the "**City Parcel**") located at 3600 North Halsted Street, Chicago, upon which sits a building ("Building"), and the Public Building Commission of Chicago ("PBC") is the owner of a parcel of land (the "**PBC Parcel**") located at 3616 North Halsted Street, Chicago (the City Parcel, PBC Parcel and Building together are defined herein on **Exhibit A** as the "Property"), and the City Parcel and PBC Parcel are legally described (subject to final title and survey) on **Exhibit B** attached hereto and made a part hereof; and

WHEREAS, on July 30, 2008, the City Council approved an ordinance published in the Journal of Proceedings for such date at pages 34776 through 34803, inclusive, as amended by an ordinance adopted by City Council on December 12, 2012 and published in the Journal of Proceedings for such date at pages 43992 through 44012, inclusive, which authorized, the execution of an intergovernmental agreement ("IGA") with the Board of Education of the City of Chicago ("Board"), and the PBC that would allow the PBC to transfer the PBC Parcel to the City in exchange for other adjacent properties owned by the City.

WHEREAS, on January 16, 2002, the City Council enacted an ordinance published in the Journal of Proceedings for such date at pages 77362 through 77366, inclusive, as amended by an ordinance adopted by City Council on September 4, 2003 and published in

the Journal of Proceedings for such date at pages 6475 through 6626, inclusive, which authorized the establishment of a program (as supplemented, amended and restated from time to time, the "Donation Tax Credit Program") to be implemented by HED in connection with the use of certain tax credits authorized by the Illinois General Assembly pursuant to Public Act 92-0491 (as supplemented, amended and restated from time to time) for donations made in connection with affordable housing projects; and

WHEREAS, upon the acquisition of the PBC Parcel from the PBC, the City will convey the Property to Heartland Housing, Inc. ("Developer") or an affiliate thereof in connection with the Project;

WHEREAS, the City's conveyance of the Property to the Developer may qualify under the Donation Tax Credit Program as an eligible donation, and may generate certain additional proceeds for the Project;

WHEREAS, the Developer will cause the Property to be conveyed to the Borrower immediately following the City's conveyance of the Property to the Developer; and

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. Upon the approval and availability of the Additional Financing as shown in Exhibit A hereto, the Commissioner of HED (the "Commissioner") and a designee of the Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Loan. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Loan which do not substantially modify the terms described in Exhibit A hereto. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Loan to the Borrower.

SECTION 3. The Mayor or his proxy is authorized, upon the acquisition of the PBC Parcel from the PBC, to execute, and the City Clerk to attest, a quitclaim deed conveying the Property to the Developer and/or an affiliate of the Developer for the consideration described therein and otherwise in accordance with this Ordinance.

SECTION 4. The City hereby approves the conveyance of the Property as a donation to Developer from the City under the Donation Tax Credit Program in connection with the Project. The Authorized Officer is hereby authorized to transfer the tax credits allocated to the City under the Donation Tax Credit Program in connection with the conveyance of the Property to an entity satisfactory to the Authorized Officer on such terms and conditions as are satisfactory to the Authorized Officer (the "Transfer"). The proceeds,

if any, received by the City in connection with the Transfer are hereby appropriated, and the Authorized Officer is hereby authorized to use such proceeds, to make a grant to the Developer or to another entity affiliated with the Developer, in his or her sole discretion, for use in connection with the Project (the "Grant").

SECTION 5. The following provisions shall govern the City's conveyance of the Property to the Developer:

(i) Form of Quitclaim Deed. The City shall convey to the Developer title to the Property by quitclaim deed for the sum of One and 00/100 Dollar ($1.00) per parcel, which shall be paid by the Developer to the City on the date the City conveys the Property. The Developer acknowledges and agrees that the Property has an appraised fair market value price of approximately Three Million Twenty-Five Thousand and No/100 Dollars ($3,025,000.00). Without limiting the quitclaim nature of the deed, the conveyance of and title to the Property shall, in addition to the provisions of this Ordinance, be subject to:

(a) general real estate taxes and any special assessments or other taxes;
(b) all easements, encroachments, covenants and restrictions of record and not shown of record;
(c) standard exceptions in an ALTA title insurance policy;
(d) such other title defects as may exist; and
(e) any and all exceptions caused by the acts of the Developer or its agents.

The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate tax liens which accrued prior to the Closing Date with respect to the Property, the City shall file a petition to vacate the tax sale in the Circuit Court of Cook County if the tax liens have been sold and/or seek to abate the tax liens by filing a tax abatement letter with the appropriate Cook County authorities or filing a tax injunction proceeding in the Circuit Court of Cook County ("Circuit Court"), but shall have no further obligation with respect to any such taxes. If the City is unable to obtain the waiver or release of any such tax liens through the Circuit Court, the abatement process mentioned above, or the title company will not insure over such tax liens, or if the Property is encumbered with any other unpermitted exceptions, the Developer shall have the option to do one of the following: (a) accept title to the Property subject to the unpermitted exceptions, which shall then become permitted exceptions, or (b) terminate the agreement for the transfer of the Property by delivery of written notice to the City at least fourteen (14) days prior to the closing date.

(ii) Financing. The Developer shall not, without prior written consent of HED, which shall be in HED's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the Property. Following conveyance to the Property by Developer to Borrower, the Borrower shall not, without prior written consent of HED, which shall be in HED's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the Property (other than Financing described on Exhibit A).

(iii) The Property. The closings for the Property (both land conveyance and financing) shall take place simultaneously and sequentially (land conveyance to Developer, followed by Developer's land conveyance to Borrower and followed by Borrower's financing closing) and on such date and at such place as the parties may mutually agree to in writing, but in no event earlier than the satisfaction of all conditions precedent to closing as the City may require and not later than May 1, 2013 (the "Outside Closing Date"), unless HED in its sole discretion extends the Outside Closing Date by up to three (3) months, for good cause shown by issuing a written extension letter.

(iv) Recordation of Quitclaim Deed. The Developer shall promptly record the quitclaim deed for the Property in the Office of the Recorder of Deeds of Cook County, Illinois. The Developer shall pay all costs for so recording the quitclaim deed.

(v) Escrow. In the event that the Developer requires conveyance through an escrow, the Developer shall pay all escrow fees.

(vi) Environmental Condition of the Property. The City makes no covenant, representation or warranty as to the soil or environmental condition of the Property or the suitability of the Property for any purpose whatsoever, and the Developer agrees to accept the Property "as is". If after the closing of the City's conveyance of the Property to the Developer, the soil or environmental condition of the Developer is not in all respects entirely suitable for the use to which the Property is to be utilized, it shall be the sole responsibility and obligation of the Developer (and of the Borrower, following Developer's conveyance of the Property to Borrower) to take such action as is necessary to put the Property in a condition suitable for such intended use. The Developer agrees to release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the Property (including, without limitation, claims under CERCLA) and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the Property prior to the closing.

SECTION 7. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance. Section 2-45-110 of the Municipal Code of Chicago shall not apply to the Project or the Property (as defined on Exhibit A hereto).

SECTION 8. This ordinance shall be effective as of the date of its passage and approval.

EXHIBIT A

BORROWER:	Halsted Limited Partnership, an Illinois limited partnership with Halsted GP LLC, an Illinois limited liability company (of which Heartland Housing, Inc., an Illinois not-for-profit corporation ("Heartland") and Center on Halsted, an Illinois not-for-profit corporation, are the sole members), as the sole general partner (the "General Partner") and others to be hereafter selected as the limited partners		
PROJECT:	Acquisition and rehabilitation of an existing building and construction of a multi-story building addition located at 3600-16 N. Halsted Street in Chicago, Illinois (the "Property") and of approximately 79 dwelling units contained therein as studio and one-bedroom units for low- and moderate-income families, together with certain common space, offices, parking and commercial spaces.		
LOAN:	Source:		Multi-Family Program Funds
	Amount:		Not to exceed $5,000,000
	Term:		Not to exceed 32 years
	Interest:		Zero percent per annum
	Security:		Non-recourse loan; second mortgage on the Property (the "City Mortgage")
ADDITIONAL FINANCING:	1.	Amount:	Approximately $13,000,000 (the "Bridge Loan")
		Term:	Not to exceed 30 months, or another term acceptable to the Authorized Officer
		Source:	Citibank, N.A., or another entity acceptable to the Authorized Officer
		Interest:	A fixed rate not to exceed six percent per annum, or another interest rate acceptable to the Authorized Officer
		Security:	A mortgage on the Property senior to the lien of the City Mortgage and a pledge of capital contributions and general partner interests, or other security acceptable to the Authorized Officer
	2.	Amount:	Approximately $2,475,000
		Term:	Not to exceed 19 years after the Bridge Loan is retired, or another term acceptable to the Authorized Officer
		Source:	Citibank, N.A., or another entity acceptable to the Authorized Officer
		Interest:	A fixed rate not to exceed six and 75/100 percent per

annum, or another interest rate acceptable to the Authorized Officer

Security: A mortgage on the Property senior to the lien of the City Mortgage, or other security acceptable to the Authorized Officer

3. Low-Income Housing Tax Credit ("LIHTC")

Proceeds: Approximately $14,973,048, all or a portion of which may be paid in on a delayed basis and used to retire all or a portion of the Bridge Loan

Source: To be derived from the syndication of a LIHTC allocation of approximately $1,453,694 by the City

4. Amount: Approximately $1,368,813

Term: Not to exceed 32 years, or another term acceptable to the Authorized Officer

Source: Heartland or an affiliate thereof, derived from the proceeds of the transfer of Donation Tax Credits in connection with the Project, or another source acceptable to the Authorized Officer

Interest: A fixed interest rate of five percent compounding per annum, or another interest rate acceptable to the Authorized Officer

Security: Mortgage on the Property junior to the lien of the City Mortgage

5. Amount: Approximately $240,767

Term: Not to exceed 32 years, or another term acceptable to the Authorized Officer

Source: Heartland, derived from the proceeds of a grant from the Illinois Department of Commerce and Economic Opportunity, or another source acceptable to the Authorized Officer

Interest: A fixed interest rate of five percent compounding per annum, or another interest rate acceptable to the Authorized Officer

Security: Mortgage on the Property junior to the lien of the City Mortgage, or other security acceptable

to the Authorized Officer

6. Amount: Approximately $3,500,000
Term: Not to exceed 32 years, or another term acceptable to the Authorized Officer
Source: Heartland, or another source acceptable to the Authorized Officer
Interest: A fixed interest rate of five percent compounding per annum, or another interest rate acceptable to the Authorized Officer
Security: Mortgage on the Property junior to the lien of the City Mortgage, or other security acceptable to the Authorized Officer

7. Amount: $100
Source: General Partner

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY
(Subject to Final Title and Survey)

PBC PARCEL (PARCEL 1):

THE NORTH 140.0 FEET OF THE SOUTHEAST ¼ OF BLOCK 16 LYING EAST OF THE WEST 177.37 FEET THEREOF (EXCEPT THE NORTH 52.64 FEET THEREOF) IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST ¼ OF SECTION 20, IN TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

CITY PARCEL (PARCEL 2):

THAT PART OF THE EAST 150.0 FEET (EXCEPT THE NORTH 140.0 FEET THEREOF) OF THAT PART OF THE SOUTHEAST ¼ OF BLOCK 16 LYING EAST OF THE WEST 177.37 FEET OF SAID SOUTHEAST ¼ OF BLOCK 16, ALL LYING WEST OF THE WEST LINE OF HALSTED STREET, IN LAFLIN, SMITH AND DYER'S SUBDIVISION OF THE NORTHEAST ¼ OF SECTION 20, IN TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PINS: Parcel 1: 14-20-230-008 (affects this and other property)
Parcel 2: 14-20-230-010 (affects this and other property)

Commonly known as 3600-16 N. Halsted Street, Chicago, Illinois

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Halsted Limited Partnership

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 208 S. LaSalle #208
Chicago, IL 60604

C. Telephone: 312.660.1383 Fax: 312,669,1555 Email: mgoldberg@heartlandalliance.org

D. Name of contact person: Michael Goldberg

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Land disposition and City financing relating to 3600-16 N. Halsted

G. Which City agency or department is requesting this EDS? Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[X] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Halsted GP, LLC	General Partner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Halsted GP, LLC	208 S. LaSalle #1818, Chicago, IL	0.01%
Heartland Housing, Inc.*	208 S. LaSalle #1818, Chicago, IL	99.99%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

*It is anticipated that NEF Assignment Corporation as Nominee, located at 120 S. Riverside Plaza, 15th Floor, Chicago, IL, will acquire a 99.99% interest upon the Closing of the Matter.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Please see attached for parties currently retained or expected to be retained by Heartland Housing, Inc. that will be assigned to the Disclosing Party.			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [X] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [X] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [X] No

If you checked "No" to question 1. or 2. above, please provide an explanation:
The Applicant has no employees.

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Halsted Limited Partnership
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Michael Goldberg
(Print or type name of person signing)

Executive Director, Heartland Housing, manager of Halsted GP, LLC, general partner of Halsted Limited Partnership
(Print or type title of person signing)

Signed and sworn to before me on (date) 2/4/2013,
at Cook County, Illinois (state).

_____ Notary Public.

KRISTINA BUTLER
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
September 12, 2016

Commission expires: September 12, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

HEARTLAND HOUSING, INC. BOARD OF DIRECTORS

Chair:	Kevin A. Sterling, Esq.
Vice Chair:	Roberto Requejo
Secretary:	Robin Snyderman
Treasurer:	Adnan F. Assad

Directors:
Robert G. Byron
Jennifer L. Zellner Faron
Robert Griffiths
Kristine Jurmu
Tania J. Kadakia
Daniel V. Lezotte
Alison Miner
Kathy Schaack
Benjamin J. Weprin
Paul A. Zucker

HEARTLAND HOUSING, INC.

Michael Goldberg, Executive Director

Parties Expected to be Retained by Heartland Housing, Inc. (to be assigned to Halsted Limited Partnership)

Name	Address	Relationship	Amount of Contract
Applegate & Thorne-Thomsen	626 W. Jackson Boulevard, Suite 400 Chicago, Illinois 60661	Attorney	$120,000
Gensler	11 East Madison Street Suite 300 Chicago, IL 60602	Architect	~$900,000
Power Construction	118 East Erie Street Chicago, IL 60611	General Contractor	$16.83 million

Parties Retained by Heartland Housing, Inc. (to be assigned to Halsted Limited Partnership)

Name	Address	Relationship	Amount of Contract
American Marketing Services	527 S Wells St Ste 400, Chicago, IL	Market Research	$10,000
Appraisal Research Counselors	400 East Randolph Street Chicago, IL 60601	Appraiser	$10,000
Carnow Conibear	600 West Van Buren Street Chicago, IL 60607	Environmental Engineer / Testing	$5,000
GEI	115 Lake Street Unit 202 Libertyville, IL 60048	Geotechnical survey	$35,000
McGuire Igleski & Associates	1330 Sherman Avenue Evanston, IL 60201	Historic Preservation Consultant	$12,000
Gremley & Biedermann	4505 North Elston Avenue Chicago, IL 60630	Surveyor	$5,000
#9 Design, LLC	135 S. PALMER DRIVE, SUITE 200 ELMHURST, ILLINOIS 60126	Physical Needs Analysis	$3,500
Pioneer Environmental, LLC	700 North Sacramento Boulevard Chicago, IL 60612	Environmental Consultants / Remediation	~$250,000
Traffic Analysis & Design, Inc. (TADI)	233 South Wacker Drive Suite 8400 Chicago, IL 60606	Traffic Analysis	$3,600

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Halsted GP, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [x] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Halsted Limited Partnership
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 208 S. LaSalle #208
Chicago, IL 60604

C. Telephone: 312.660.1383 Fax: 312,669,1555 Email: mgoldberg@heartlandalliance.org

D. Name of contact person: Michael Goldberg

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Land disposition and City financing relating to 3600-16 N. Halsted

G. Which City agency or department is requesting this EDS? Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Heartland Housing, Inc.	Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Heartland Housing, Inc.	208 S. Lasalle #1818, Chicago, IL 60604	75%
Center on Halsted	3656 N. Halsted, Chicago, IL 60613	25%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
None.			

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Halsted GP, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Michael Goldberg
(Print or type name of person signing)

Executive Director, Heartland Housing, Inc.
Manager, Halsted GP, LLC
(Print or type title of person signing)

Signed and sworn to before me on (date) 2/6/2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: September 12, 2016.

KRISTINA BUTLER
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
September 12, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Heartland Housing, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Halsted Limited Partnership
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 208 S. LaSalle #208
Chicago, IL 60604

C. Telephone: 312.660.1383 Fax: 312,669,1555 Email: mgoldberg@heartlandalliance.org

D. Name of contact person: Michael Goldberg

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Land disposition and City financing relating to 3600-16 N. Halsted

G. Which City agency or department is requesting this EDS? Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[X] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Attached.	
No members.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
See attached.			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Heartland Housing, Inc.
(Print or type name of Disclosing Party)

By: Michael Goldberg
(Sign here)

Michael Goldberg
(Print or type name of person signing)

Executive Director
(Print or type title of person signing)

Signed and sworn to before me on (date) 2/6/2013,
at Cook County, Illinois (state).

Notary Public.

KRISTINA BUTLER
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
September 12, 2016

Commission expires: September 12, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

HEARTLAND HOUSING, INC. BOARD OF DIRECTORS

Chair:	Kevin A. Sterling, Esq.
Vice Chair:	Roberto Requejo
Secretary:	Robin Snyderman
Treasurer:	Adnan F. Assad

Directors:
Robert G. Byron
Jennifer L. Zellner Faron
Robert Griffiths
Kristine Jurmu
Tania J. Kadakia
Daniel V. Lezotte
Alison Miner
Kathy Schaack
Benjamin J. Weprin
Paul A. Zucker

HEARTLAND HOUSING, INC.

Michael Goldberg, Executive Director

Parties Expected to be Retained by Heartland Housing, Inc.

Name	Address	Relationship	Amount of Contract
Applegate & Thorne-Thomsen	626 W. Jackson Boulevard, Suite 400 Chicago, Illinois 60661	Attorney	$120,000
Gensler	11 East Madison Street Suite 300 Chicago, IL 60602	Architect	~$900,000
Power Construction	118 East Erie Street Chicago, IL 60611	General Contractor	$16.83 million

Parties Retained by Heartland Housing, Inc.

Name	Address	Relationship	Amount of Contract
American Marketing Services	527 S Wells St Ste 400, Chicago, IL	Market Research	$10,000
Appraisal Research Counselors	400 East Randolph Street Chicago, IL 60601	Appraiser	$10,000
Carnow Conibear	600 West Van Buren Street Chicago, IL 60607	Environmental Engineer / Testing	$5,000
GEI	115 Lake Street Unit 202 Libertyville, IL 60048	Geotechnical survey	$35,000
McGuire Igleski & Associates	1330 Sherman Avenue Evanston, IL 60201	Historic Preservation Consultant	$12,000
Gremley & Biedermann	4505 North Elston Avenue Chicago, IL 60630	Surveyor	$5,000
#9 Design, LLC	135 S. PALMER DRIVE, SUITE 200 ELMHURST, ILLINOIS 60126	Physical Needs Analysis	$3,500
Pioneer Environmental, LLC	700 North Sacramento Boulevard Chicago, IL 60612	Environmental Consultants / Remediation	~$250,000
Traffic Analysis & Design, Inc. (TADI)	233 South Wacker Drive Suite 8400 Chicago, IL 60606	Traffic Analysis	$3,600

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Center on Halsted

Check ONE of the following three boxes:

Indicate whether Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which Disclosing Party holds an interest: Halsted Limited Partnership
   OR
3. [ ] a specified legal entity with a right of control (see Section II.B.1.b.) State the legal name of the entity in which Disclosing Party holds a right of control: _____

B. Business address of Disclosing Party: 3656 N. Halsted
Chicago, IL 60613

C. Telephone: (773)472-6469 Fax: (773)661-0774 Email: mvalle@centeronhalsted.org

D. Name of contact person: Modesto Valle

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Land disposition and City financing relating to 3600-16 N. Halsted

G. Which City agency or department is requesting this EDS? Housing and Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[X] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Marcus Brady	Chair
Charles R. Middleton	Vice Chair
Brooke Wiseman	Secretary
Duane M. DesParte	Treasurer
Modesto Valle	Chief Executive Officer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Center on Halsted
(Print or type name of Disclosing Party)

By: Modesto Valle 2/6/13
(Sign here)

Modesto Valle
(Print or type name of person signing)

Chief Executive Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 2/6/13,
at Cook County, ILLINOIS (state).

Jan Yamashita Notary Public.

OFFICIAL SEAL
JASON T YAMASHITA
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:04/26/16

Commission expires: 4/26/16.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

NEF Assignment Corporation as Nominee

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Halsted Limited Partnership *
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 120 South Riverside Plaza, 15th Flr
Chicago, Illinois 60606

C. Telephone: 312-360-0400 Fax: 312-441-0484 Email: TFLANAGAN@NEFINC.ORG

D. Name of contact person: THOMAS FLANAGAN

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Land disposition and city financing relating to 3600-16 N. Halsted

G. Which City agency or department is requesting this EDS? Dept. of Housing and Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

* NEF Assignment Corporation as Nominee ("NEFAC") agreed to acquire a 99.99% limited partnership interest in the Applicant at closing. After the closing, NEFAC will assign its interest in the Applicant to a low-income housing tax credit investment fund managed by NEF Community Investments, Inc., an affiliate of National Equity Fund, Inc.

SECTION II – DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [X] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name Title Sole Voting Member

National Equity Fund, Inc.
120 S. Riverside Plaza, 15th Floor
Chicago, Illinois 60606

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V – CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

NEF Assignment Corporation as Nominee
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Peter G. Harrison
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at COOK County, Illinois (state).

Renee B. Murdock Notary Public.

Commission expires: 4/29/2015.

OFFICIAL SEAL
RENEE B MURDOCK
Notary Public - State of Illinois
My Commission Expires Apr 29, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

None

Exhibit A
NEF ASSIGNMENT CORPORATION
LIST OF OFFICERS, DIRECTORS AND MEMBERS
CHICAGO ECONOMIC DISCLOSURE STATEMENT

Names and Addresses	Title
Directors:	
Peter Harrison 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Director
Karen Przypyszny 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Director
Howard Sereda 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Director
Officers:	
Joseph S. Hagan 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	President and Chief Executive Officer
Kevin D. Boes 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President
Alex Denja 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President and Chief Financial Officer
Thomas Flanagan 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Vice President and Secretary
Peter Harrison 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President
Michael A. Jacobs 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President
Karen Przypyszny 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Judy Schneider 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Gregory Schuler 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President and Assistant Secretary
Howard Sereda 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Mark Siranovic 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Member:	
National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Sole Voting Member

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

National Equity Fund, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Halsted Limited Partnership *
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 120 South Riverside Plaza, 15th F
Chicago, Illinois 60606

C. Telephone: 312-360-0400 Fax: 312-441-0484 Email: TFLANAGAN@NEFINC.

D. Name of contact person: THOMAS FLANAGAN

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Land disposition and city financing relating to 3600-16 N. Halsted

G. Which City agency or department is requesting this EDS? Dept of Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

* National Equity Fund, Inc. ("NEF") is the sole voting member of NEF Assignment Corporation as Nominee ("NEFAC"). NEFAC has agreed to acquire at closing a 99.99% limited partnership interest in the Applicant. After the closing, NEFAC will assign its interest in the Applicant to a low-income housing tax credit investment fund managed by NEF Community Investments, Inc., an affiliate of National Equity Fund, Inc.

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [X] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
LISC 501 Seventh Avenue New York, NY 10018	Sole Voting Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the incligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

National Equity Fund, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Peter G. Harrison
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013
at Cook County, Illinois (state).

Renee B. Murdock Notary Public.

Commission expires: 4/29/2015.

OFFICIAL SEAL
RENEE B MURDOCK
Notary Public - State of Illinois
My Commission Expires Apr 29, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Not Applicable - indirect interest

Exhibit A
NATIONAL EQUITY FUND, INC.
LIST OF OFFICERS, DIRECTORS AND MEMBERS
CHICAGO ECONOMIC DISCLOSURE STATEMENT

Name	Title
Directors:	
Larry Dale Newman and Associates, Inc. 1801 California Street Denver, CO 80202	Chairman
Michael Rubinger Local Initiative Support Corporation 501 Seventh Avenue, 7th Floor New York, NY 10018	Vice Chairperson
Zachary M. Boyers US Bancorp Community Development Corp. 1307 Washington Avenue Suite 300 St. Louis, MO 63101	Director
Andrew Ditton Citibank Community Development Citibank NA One Court Square,45th Floor, Zone 11 New York, NY 10022	Director
Helen L. Dunlap Independent Housing Consultant 104 East 32nd Street Chicago, IL 60616	Director
Eldridge Edgecombe 1048 North East Avenue Oak Park, IL 60302	Director
Printice L. Gary Carleton Residential Properties 5485 Belt Line Road Dallas, TX 75254	Director
Joseph S. Hagan National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606	Director
Tobin Levy Local Initiatives Support Corporation 501 Seventh Avenue, 7th Floor New York, New York 10018	Director
John D. Lindell 30 West Oak Street, Unit 19B Chicago, Illinois 60610	Director

Mike Mantle 49 Red Cedar Court Danville, CA 94506	Director
Michael C. May Freddie Mac 8100 Jones Branch Drive, Mail Stop – B4M McLean, VA 22102	Director
John Mealey Coachella Valley Housing Coalition 45701 Monroe, Suite G Indio, CA 92201	Director
Herbert E. Morse 241 Perkins Street, Castle 1 Jamaica Plain, MA 02130	Director
Elizabeth Pugh Local Initiative Support Corporation 501 Seventh Avenue, 7th Floor New York, NY 10018	Director
Edward J. Sigler Chase Community Development Real Estate One Chase Square, NY3-T081 Rochester, New York 14643	Director
Sindy Spivak Bank of America, Merrill Lynch 333 South Hope Street, 11th Floor Los Angeles, California 90071	Director
Officers:	
Joseph S. Hagan National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	President and Chief Executive Officer
Kevin D. Boes National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President
Alex Denja National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President, Chief Financial Officer
Thomas Flanagan National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Vice President and Secretary
Peter Harrison National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President
Michael A. Jacobs National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President Acquisitions

Karen Przypyszny National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President Proprietary Transactions
Gregory Schuler National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President, General Counsel and Assistant Secretary
Judy Schneider National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President and Chief Underwriter
Howard Sereda National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Mark Siranovic National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, IL 60606-3908	Senior Vice President, Business Development Officer and Assistant Treasurer
Member:	
Local Initiatives Support Corporation 501 Seventh Avenue, 7th Floor New York, NY 10018	Sole Voting Member

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

NEF Community Investments, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Halsted Limited Partnership *
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 120 South Riverside Plaza, 15th Floor
Chicago, Illinois 60606

C. Telephone: 312-360-0400 Fax: 312-441-0484 Email: TFLANAGAN@NEFINC.org

D. Name of contact person: THOMAS FLANAGAN

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Land disposition and city financing relating to 3600-16 N. Halsted

G. Which City agency or department is requesting this EDS? Dept of Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

* At closing, NEF Assignment Corporation as Nominee ("NEFAC") will acquire a 99.99% limited partnership interest in the Applicant. After the closing, NEFAC will assign its interest in the Applicant to a low-income housing tax credit investment fund managed by NEF Community Investments, Inc., an affiliate of National Equity Fund, Inc.

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
Yes [X] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name Title

Sole Voting Member

National Equity Fund, Inc.
120 South Riverside Plaza, 15th Floor
Chicago, Illinois 60606

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

NEF Community Investments, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Peter G. Harrison
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Cook County, Illinois (state).

Renee B. Murdock Notary Public.

Commission expires: 4/29/2015.

OFFICIAL SEAL
RENEE B MURDOCK
Notary Public - State of Illinois
My Commission Expires Apr 29, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Not Applicable - indirect interest

Exhibit A
NEF Community Investments, Inc.
LIST OF OFFICERS, DIRECTORS AND MEMBERS
CHICAGO ECONOMIC DISCLOSURE STATEMENT

Names And Addresses	Title
Directors :	
Joseph S. Hagan 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Director
Mike Mantle 49 Red Cedar Court Danville, CA 94506	Director
Howard Sereda 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Director
Officers:	
Joseph S. Hagan 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	President and Chief Executive Officer
Kevin D. Boes 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Alex Denja 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President, Treasurer and Chief Financial Officer
Tom Flanagan 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Vice President and Secretary
Peter Harrison 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Michael A. Jacobs 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Karen Przypyszny 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Judy Schneider 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Gregory Schuler 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President and Assistant Secretary
Howard Sereda 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Mark Siranovic 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Senior Vice President
Member:	
National Equity Fund, Inc. 120 South Riverside Plaza, 15th Floor Chicago, Illinois 60606-3908	Sole Voting Member

Office of the City Clerk

O2013-843

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Redevelopment agreement with Pullman Park Development-Phase 1B and Chicago Neighborhood Initiatives, Inc., for construction of small shop and mid-box retail space
Committee(s) Assignment:	Committee on Finance

FIN.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing the execution of a redevelopment agreement with Pullman Park Development-Phase 1B.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

Draft 11 February 2013

AN ORDINANCE OF THE CITY OF CHICAGO, ILLINOIS DESIGNATING PULLMAN PARK DEVELOPMENT, LLC AND CHICAGO NEIGHBORHOOD INITIATIVES, INC., JOINTLY AND SEVERALLY, AS DEVELOPER AND AUTHORIZING A REDEVELOPMENT AGREEMENT AND ISSUANCE OF CITY NOTES

ORDINANCE

WHEREAS, pursuant to an ordinance adopted by the City Council ("**City Council**") of the City of Chicago (the "**City**") on June 20, 2009 a certain redevelopment plan and project (the "**Redevelopment Plan**") for the North Pullman TIF Redevelopment Project Area (the "**Redevelopment Area**"); was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "**Act**"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on June 30, 2009, the Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance (the "**TIF Ordinance**") adopted by the City Council on June 30, 2009 tax increment allocation financing was adopted pursuant to the Act as a means of financing certain redevelopment project costs (as defined in the Act) incurred pursuant to the Redevelopment Plan; and

WHEREAS, Pullman Park Development, LLC, an Illinois limited liability company presently owns certain property within the Redevelopment Area in the vicinity of 111th Street and Doty Avenue (the "**Property**"). Pullman Park Development, LLC, together with its managing member: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation, jointly and severally, plan to commence and complete construction of approximately 67,000 square feet of in-line, small shop and mid-box retail space, with the two entities being defined in this

ordinance, jointly and severally, as: **"Developer"**; and

WHEREAS, Developer has already completed substantial infrastructure improvements to serve the planned retail space as detailed in the proposed Redevelopment Agreement attached as an Exhibit to this ordinance. The completed improvements and proposed construction are defined in this ordinance as the **"Project"**; and

WHEREAS, the Developer has proposed to undertake the Project in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a proposed redevelopment agreement to be executed by the Developer and the City, to be financed in part by the issuance of Notes (as defined below); and

WHEREAS, pursuant to Resolution 12-CDC-44 adopted by the Community Development Commission of the City of Chicago (the "**Commission**") on November 13, 2012, the Commission recommended that Pullman Park Development, LLC be designated as the developer for the Project, and authorized the City's Department of Housing and Economic Development ("**HED**") to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; and

WHEREAS, in consideration of redevelopment project costs for the Project incurred or to be incurred by or on behalf of the Developer, the City agrees to issue, and the Developer agrees to acquire, according to certain terms and conditions, the Notes (as defined below) as tax increment revenue obligations; and

WHEREAS, the City will receive no cash proceeds in exchange for the Notes (as defined below) to be issued pursuant to this Ordinance; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. Developer is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 3. The Commissioner of HED (the "**Commissioner**") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between Developer and the City in substantially the form attached hereto as Exhibit A and made a part

hereof (the "**Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement**"), and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement and supporting documents.

SECTION 4. The City Council hereby finds that the City is authorized to issue its tax increment allocation revenue obligations in an aggregate amount not to exceed [$7,750,000] for the purpose of paying a portion of the eligible costs included within the Project.

SECTION 5. There shall be borrowed for and on behalf of the City an aggregate amount not to exceed [$7,750,000] for the payment of a portion of the eligible costs included within the Project and the notes of the City shall be issued up to said amount and shall be designated:

a. Tax Increment Allocation Revenue Note (Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Project), Tax-Exempt Series A, Registered No. R-1 for a principal amount not to exceed $6,750,000] (the "**City Note A**"), and

b. Tax Increment Allocation Revenue Note (Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Project) Taxable Series B, Registered No. R-1 for a principal amount not to exceed [$1,000,000] (the "**City Note B**").

City Note A and City Note B are also referred to herein each as a "**Note**", and collectively as the "**Notes**". The Notes shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein. The proceeds of the Notes are hereby appropriated for the purposes set forth in this Ordinance.

City Note A shall bear interest at the rate as calculated in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement but not to exceed 8.5% per annum computed on the basis of a 360 day year of twelve 30-day months, with the exact rate to be determined by an Authorized Officer (as hereinafter defined). Interest on the City Note A shall not be subject to federal income taxes.

Each Note shall mature as set forth in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc., Redevelopment Agreement.

City Note B shall bear interest at the rate as calculated in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement but not to exceed 8.5% per annum computed on the basis of a 360 day year of twelve 30-day months, with the exact rate to be determined by an Authorized Officer (as hereinafter defined). Interest on the City Note B

shall be subject to federal income taxes.

The Notes shall be subject to such further terms as are set forth in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement and this Ordinance, subject to such changes and additions as are set forth in Bond Orders of the City executed by the Comptroller and filed with the City Clerk at the time of issuance of each Note. The provisions of the respective Bond Orders shall be subject to the parameters set forth in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement and this Ordinance.

The principal of and interest on each Note shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the "**Registrar**") (or, at the City's sole election, by wire transfer of funds), payable in lawful money of the United States of America to the person in whose name such Note is registered at the close of business on the 15th day of the month immediately prior to the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of such Note shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City.

The seal of the City shall be affixed to or a facsimile thereof printed on each Note, and each Note shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on any such Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Each Note shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for such Note, and showing the date of authentication. No Note shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual signature, and such certificate of authentication upon the Note shall be conclusive evidence that the Note has been authenticated and delivered under this Ordinance.

SECTION 6. The City shall cause books (the "**Register**") for the registration of the Notes as provided in this Ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the registrar of the City for the Notes. The Registrar shall maintain a list of the names and addresses of the registered owner(s) from time to time of each Note, and upon transfer (to the extent such transfer is permitted under the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement) shall add the name and address of the new registered owner and eliminate the name and address of the transferor. The City is authorized to prepare, and the Registrar shall keep custody of, multiple Note blanks executed by the City for use in the transfer of the Notes.

Upon surrender for transfer of any Note authorized under this Ordinance at the principal office of the Registrar, duly endorsed by, or accompanied by: (i) a written instrument or instruments of transfer in form satisfactory to the Registrar; (ii) an investment representation in form satisfactory to the City and duly executed by the registered owner or his attorney duly authorized in writing, (iii) the written consent of the City evidenced by the signature of the Commissioner (or his or her designee) on the instrument of transfer, and (iv) any deliveries required under this Ordinance or the Pullman Park Development, LLC/Chicago Neighborhoods, Inc., Redevelopment Agreement, the City shall execute and the Registrar shall authenticate, date and deliver in the name of any such authorized transferee or transferees, a new fully registered Note of the same maturity, of authorized denomination, for a like aggregate principal amount. The execution by the City of a fully registered Note shall constitute full and due authorization of such Note and the Registrar shall thereby be authorized to authenticate, date and deliver the Note, provided, however, that the principal amount of the Note authenticated by the Registrar shall not exceed the authorized principal amount of the Note less previous retirements. The Registrar shall not be required to transfer or exchange any Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of the Note nor to transfer or exchange the Note after notice calling the Note for redemption has been made, nor during a period of five (5) days next preceding mailing of a notice for redemption of principal of the Notes. No beneficial interests in the Notes shall be assigned, except in accordance with the procedures for transferring the Notes described above.

The person or entity in whose name a Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the Notes shall be made only to the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Notes to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of the Notes, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the Notes.

SECTION 7. Subject to the limitations set forth herein, the principal of the Notes shall be subject to determination, redemption and prepayment as provided in the form of the Notes attached to the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement as Exhibit M-1 and Exhibit M-2, and as provided in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement, including without limitation, with respect to the City Note B, Sections 4.03 and 15.01, thereof. As directed by the Commissioner, the Registrar shall proceed with redemptions or prepayment without further notice or direction from the City.

SECTION 8. City Note A shall be prepared in substantially the form attached hereto as Exhibit B. and City Note B shall be prepared in substantially the form attached hereto as Exhibit C with such additions or modifications at the time of issuance as shall be determined to be

necessary by the person duly approved and serving as the Chief Financial Officer of the City, or if no such person has been appointed, the City Controller (the **"Authorized Officer"**).

SECTION 9. Pursuant to the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement, Developer has agreed to perform construction and redevelopment work on the Property necessary for the Project. The eligible Redevelopment Project costs of such construction and redevelopment up to the amount not to exceed [$7,750,000], shall be deemed to be a disbursement of the proceeds of the respective Notes, and the outstanding principal amount of a Note shall be increased by the amount of such advance. The principal amount outstanding of a Note shall be the amount of principal indicated in such Note on its date of issuance, or the sum of advances made pursuant to a form of certificate of expenditure (the "**Certificate of Expenditure**") executed by the Commissioner (or his or her designee) and authenticated by the Registrar, in accordance with the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement, minus any principal amount paid on such Note and other reductions in principal as provided in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement. A Certificate of Expenditure shall not be valid or obligatory under this Ordinance unless or until authenticated by the Registrar by manual signature. The City shall not execute Certificates of Expenditure that total in excess of [$7,750,000]. Upon execution of a Certificate of Expenditure, the Registrar shall promptly send the Certificate of Expenditure to the Registered Owner and retain a copy with the Register. The Certificate of Expenditure for City Note A shall be in substantially the form attached hereto as Exhibit D. The Certificate of Expenditure for the City Note B shall be substantially in the form attached hereto as Exhibit E.

SECTION 10. The Registrar shall note on the payment schedule attached to each Note the amount of any payment of principal or interest on such Note, including the amount of any redemption, and the amount of any reduction in principal pursuant to the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement.

SECTION 11. The Notes hereby authorized shall be executed as provided in this Ordinance and the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement and thereupon be deposited with the Commissioner, and by said Commissioner delivered to Developer.

SECTION 12. (a) Special Tax Allocation Fund. Pursuant to the TIF Ordinance, the City has created a special fund, designated as the North Pullman Redevelopment Project Area Special Tax Allocation Fund (the "**North Pullman TIF Fund**").

The Comptroller of the City is hereby directed to maintain the North Pullman TIF Fund as a segregated interest-bearing account, separate and apart from the General Fund or any other fund of the City, with a bank which is insured by the Federal Deposit Insurance Corporation or its successor. Pursuant to the TIF Ordinance, all incremental ad valorem taxes received by the City for the Redevelopment Area are to be deposited into the North Pullman TIF Fund.

(b) Debt Service Account. There is hereby created within the North Pullman TIF Fund a special account to be known as the "**Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account**." The City shall promptly designate and deposit into the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account the incremental taxes defined as the "**Available Incremental Taxes**" in the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement which have been deposited into the North Pullman TIF Fund after the execution and delivery of the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc., Redevelopment Agreement.

(c) Pledge of Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account. The City hereby assigns, pledges and dedicates the Pullman Park Development/ Chicago Neighborhood Initiatives Debt Service Account, together with all amounts on deposit in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account: (i) to the payment of the Notes, subject to the provisions and limitations of the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement. Any moneys on deposit in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account that are forfeited pursuant to the terms of the Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement shall be transferred and deposited in the North Pullman TIF Fund. Upon deposit, the moneys on deposit in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the North Pullman TIF Fund. All moneys on deposit in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account shall be used to pay the principal of and interest on the Notes, at maturity or upon payment or redemption prior to maturity, each in accordance with its respective terms, which payments from the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the Notes in accordance with their respective terms (or the termination of the City's obligation to make such payments), the amounts on deposit in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account shall be deposited in the North Pullman TIF Fund of the City and the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account shall be closed.

SECTION 13. The Notes are special limited obligations of the City, and are payable solely from amounts on deposit in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account (or such other funds in the North Pullman TIF Fund as the City, in its sole discretion, may determine), and shall be a valid claim of the registered owner thereof only against said sources. The Notes shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owners of the Notes shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the Notes.

SECTION 14. Moneys on deposit in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago (the "**Municipal Code**"). Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the Notes.

SECTION 15. City Note A is not a "private activity bond" as defined in Section 141(a) of the Internal Revenue Code of 1986, as amended (the "**Code**"). In support of such conclusion, the City certifies, represents and covenants as follows:

(a) No direct or indirect payments are to be made on City Note A with respect to any private business use by any person other than a state or local governmental unit.

(b) None of the proceeds of City Note A is to be used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

SECTION 16. As to City Note A only, the City certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of "excess arbitrage profits" (the "**Rebate Requirement**") to the United States:

(a) Unless an applicable exception to the Rebate Requirement is available to the City, the City will meet the Rebate Requirement.

(b) Relating to applicable exceptions, the Comptroller is hereby authorized to make such elections under the Code as such officer shall deem reasonable and in the best interests of the City. If such election may result in a "penalty in lieu of rebate" as provided in the Code, and such penalty is incurred (the "**Penalty**"), then the City shall pay such Penalty.

(c) The officers of the City shall cause to be established at such time and in such manner as they may deem necessary or appropriate hereunder, a rebate fund, and such officers shall further, not less frequently than annually, cause to be transferred to the rebate fund the amount determined to be the accrued liability under the Rebate Requirement or the Penalty. Said officers shall cause to be paid to the United States, from time to time as required, amounts sufficient to meet the Rebate Requirement or to pay the Penalty.

(d) Interest earnings in the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account are hereby authorized to be transferred, without further order or direction from the Comptroller, from time to time as required, to the rebate fund for the purposes herein provided; and other funds of the City are also hereby authorized to be used to meet the Rebate Requirement or to pay the Penalty, but only if necessary after application of investment earnings as aforesaid and only if appropriated by the City Council.

SECTION 17. The City covenants that it: (i) will take those actions which are necessary to be taken (and avoid those actions which it is necessary to avoid taking) so that interest on City Note A will not be or become included in gross income for federal income tax purposes under existing law including, without limitation, the Code; (ii) will take those actions reasonably within its power to take which are necessary to be taken (and avoid taking those actions which are reasonably within its power to avoid taking and which it is necessary to avoid) so that interest on City Note A will not be or become included in gross income for federal income tax purposes under the federal income tax laws as in effect from time to time; and (iii) will take no action in the investment of any fund or account of the City which would result in making interest on City Note A subject to federal income taxes by reason of causing City Note A to be an "arbitrage bond" within the meaning of Section 148 of the Code. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, certifications and representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by counsel approving City Note A; (c) to consult with such counsel and to comply with such advice as may be given; (d) to file such forms, statements and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the City in such compliance.

SECTION 18. The City recognizes that Section 149(a) of the Code requires City Note A to be issued and to remain in fully registered form in order that interest thereon is exempt from federal income taxation under laws in force at the time City Note A is delivered. In this connection, the City agrees that it will not take any action to permit City Note A to be issued in, or converted into, bearer or coupon form.

SECTION 19. The provisions of this Ordinance shall constitute a contract between the City and the registered owner(s) of a Note. All covenants relating to a Note are enforceable by the registered owner(s) of such Note.

SECTION 20. The Mayor, the Comptroller, the City Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this Ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this Ordinance.

SECTION 21. If any provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this Ordinance.

SECTION 22. All ordinances, resolutions, motions or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity

of this ordinance or the instruments authorized by this ordinance or to impair the security for or payment of the instruments authorized by this ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

SECTION 23. This Ordinance shall be in full force and effect immediately upon its passage.

Attachments:

Exhibit A: Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement

Exhibit B: Form of Series A, Note R-1 (the "City Note A")

Exhibit C: Form of Series B, Note R-1 (the "City Note B")

Exhibit D: Certificate of Expenditure form for City Note A

Exhibit E: Certificate of Expenditure form for City Note B

This agreement was prepared by
and after recording return to:
William A. Nyberg, Esq.
City of Chicago Law Department
121 North LaSalle Street,
Room 600
Chicago, IL 60602

(This space reserved for Recorder's use only)

WAN Working
Draft 11 Feb 2013

PULLMAN PARK DEVELOPMENT, LLC AND CHICAGO NEIGHBORHOOD INITIATIVES, INC. REDEVELOPMENT PROJECT

TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

NORTH PULLMAN REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC AND CHICAGO NEIGHBORHOOD INITIATIVES, INC. REDEVELOPMENT AGREEMENT

DATED AS OF _____ _____, 2013

BY AND BETWEEN

THE CITY OF CHICAGO

AND, JOINTLY AND SEVERALLY,

PULLMAN PARK DEVELOPMENT, LLC,
an Illinois limited liability company

AND

ITS MANAGING MEMBER: CHICAGO NEIGHBORHOOD INITIATIVES, INC., an Illinois not-for-profit company

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC AND
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT AGREEMENT
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NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC AND
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT AGREEMENT
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Schedule A	Definitions
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(An asterisk(*) indicates which exhibits are to be recorded.)

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Exhibit B-1	*Legal Description of the Property
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This agreement was prepared by and
after recording return to:
William A. Nyberg, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

This space reserved for Recorder's use only

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC AND
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT AGREEMENT

This Pullman Park Development, LLC and Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement (the **"Agreement"**) is made as of this ___ day of _____, 2013, by and between the City of Chicago, an Illinois municipal corporation (the **"City"**), through its Department of Housing and Economic Development (**"HED"**), and Pullman Park Development, LLC, an Illinois limited liability company (**"Pullman Park Development"**) and its managing member: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit company (**"Chicago Neighborhood Initiatives"**) jointly and severally as to all rights and liabilities under this Agreement. For purposes of this Agreement, Pullman Park Development and Chicago Neighborhood Initiatives are defined, jointly and severally, as **"Developer"**.

RECITALS:

A. **Constitutional Authority:** As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the **"State"**), the City has the power to regulate for the protection of the public health, safety, morals, and welfare of its inhabitants and, pursuant thereto, has the power to encourage private development in order to enhance the local tax base and create employment opportunities, and to enter into contractual agreements with private parties in order to achieve these goals.

B. **Statutory Authority:** The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time-

to-time (the **"Act"**), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects.

C. **City Council Authority:** To induce redevelopment under the provisions of the Act, the City Council of the City (the "**City Council**") adopted the following ordinances on June 30, 2009: (1) "An Ordinance of the City of Chicago, Illinois Approving a Tax Increment Redevelopment Plan for the North Pullman Redevelopment Project Area" (the **"Plan Adoption Ordinance**"); (2) "An Ordinance of the City of Chicago, Illinois Designating The North Pullman Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the North Pullman Redevelopment Project Area" (the "**TIF Adoption Ordinance**"). Collectively the three ordinances are defined as the "**TIF Ordinances**". The redevelopment project area (the "**Redevelopment Area**") is legally described in Exhibit A.

D. **The Project**: Pullman Park Development has purchased (the "**Acquisition**") certain property located within the Redevelopment Area in the vicinity of 111th Street and Doty Avenue, as legally described on Exhibit B-1 (the "**Property**"), and, within the time frames set forth in Section 3.01, shall commence and complete construction of approximately 67,000 square feet of in-line, small shop and mid-box retail space, including the following components (collectively, the "**Phase 1b New Work**"): (a) site preparation (demolition, utilities, dynamic compaction and grading), environmental remediation, parking lot improvements and landscaping; (b) vertical construction of approximately 67,000 square feet of in-line retail space; and (c) construction of a CTA bus stop and access that will allow for bus service to be provided to the new retail development, all in conformity with the Plans and Specifications. A site plan for the Phase 1b New Work is contained in Exhibit B-2. In connection therewith, Developer has already completed the following public infrastructure improvements (collectively, the "**Phase 1b Completed Work**"): (i) rebuilding Woodlawn/Doty Avenue from 103rd Street to 107th Street and (ii) constructing intersection improvements at 103rd and Woodlawn. The Phase 1b New Work and the Phase 1b Completed Work are defined in this Agreement as the "**Phase 1b Retail Project**". The Phase 1b Completed Work was funded by a State of Illinois grant administered by the Illinois Department of Commerce and Economic Opportunity (the "**DCEO Grant**"). As a precursor to the Phase 1b Completed Work, Developer has completed other infrastructure improvements – the construction and extension of Doty Avenue from 107th Street to 111th Street, intersection improvements at 111th Street and Doty Avenue, interchange ramp improvements at 111th Street and the Bishop Ford Freeway and the construction of two detention ponds to manage stormwater for the Phase 1b Retail Project (the "**Phase 1a Infrastructure Improvements**") – and incurred costs in connection therewith. The Acquisition and the construction of the Phase 1b Retail Project and the Phase 1a Infrastructure Improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit E) are collectively defined as the "**Project.**" The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. **Redevelopment Plan and Planned Development:** The Project will be carried out in accordance with: (i) this Agreement, (ii) the City of Chicago North Pullman Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project attached as Exhibit C, as in effect on the date of this Agreement (the "**Redevelopment Plan**"), and (iii) Planned Development No. 1167 approved by the City Council on June 30, 2010, a copy of which is attached as Exhibit B-3, as further amended or administratively adjusted by the City following the date hereof (**"PD 1167"**), unless and until PD 1167 is sunsetted by the City.

F. **City Financing and Assistance:** Subject to Developer fulfilling those obligations under this Agreement that are the applicable conditions precedent to obligate the City to do so, the City will: (i) make a total of $6.1 million in cash payments to Developer on the Closing Date, to reimburse Developer for a portion of the costs of the Phase 1a Infrastructure Improvements, which have already been incurred and paid, consisting of costs for public improvements under the Act; (ii) issue to Chicago Neighborhoods Initiatives, tax-exempt City Note A in an amount that will provide for City Note A Net Proceeds (after provisions for capitalized interest and debt service reserve fund.) of $4,903,525; and (iii) if necessary, issue taxable City Note B in principal amount equal to the difference, if any, between $4,903,525 and the City Note A Net Proceeds.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("**TIF Bonds**") secured by Incremental Taxes (as defined below) as provided in a TIF bond ordinance (the "**TIF Bond Ordinance**"), at a later date as described and conditioned in Section 4.09. The proceeds of the TIF Bonds (the "**TIF Bond Proceeds**") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes, or in order to reimburse the City for the costs of TIF-Funded Improvements.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT:

ARTICLE ONE: INCORPORATION OF RECITALS

The recitals stated above are an integral part of this Agreement and are hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE TWO: DEFINITIONS

The definitions stated in Schedule A and those definitions stated in the recitals and preamble are hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE THREE: THE PROJECT

3.01 **The Project.** (a) Developer has completed the Phase 1a Infrastructure Improvements and the Phase 1b Completed Work. (b) Developer will: (i) begin redevelopment construction of the Phase 1b New Work no later than June 1, 2013, and (ii) complete redevelopment construction of the Phase 1b New Work no later than October 31, 2014, subject to: (x) Section 18.17 (Force Majeure); (y) applicable Change Orders, if any, issued under Section 3.04; and (z) the receipt of all applicable permits and Project approvals.

3.02 **Scope Drawings and Plans and Specifications.** Developer has delivered the Scope Drawings and Plans and Specifications to HED, and HED has approved them. Subsequent proposed changes to the Scope Drawings or Plans and Specifications within the scope of Section 3.04 will be submitted to HED as a Change Order under Section 3.04. The Scope Drawings and Plans and Specifications will at all times conform to the Redevelopment Plan as in effect on the date of this Agreement, and to all applicable Federal, State and local laws, ordinances and regulations. Developer will submit all necessary documents to the City's Department of Buildings, Department of Transportation, and to such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.03 **Project Budget.** Developer has furnished to HED, and HED has approved, a Project Budget which is Exhibit D-1, showing total costs for the Project in an amount estimated to be $45,827,622 which includes anticipated costs for the Phase 1b New Work of ($19,003,525) (the "**Phase 1b New Work Budget**"). Developer hereby certifies to the City that: (a) it has Lender Financing and/or Equity in an aggregate amount which, together with the City Funds, is sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. Developer will promptly deliver to HED copies of any Change Orders with respect to the Project Budget as provided in Section 3.04.

3.04 **Change Orders.**

(a) Except as provided in subparagraph (b) below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to HED concurrently with the progress reports described in Section 3.07; provided, however, that any Change Orders relating to any of the following must be submitted by Developer to HED for HED's prior written approval: (i) a reduction by more than five percent (5%) in the square footage of the Project from the square footage approved by HED under Section 3.02, or (ii) a change in the primary use of the Phase 1b New Work, or (iii) a delay in the commencement date or the completion date of the Phase 1b New Work of more than six (6) months, provided Developer notifies HED in writing and the reason therefor, or (iv) change orders resulting in an aggregate increase to the Project Budget of 10% or more. Developer will not authorize or permit the performance of any work relating to any Change Order requiring HED's prior written approval or the furnishing of materials in connection therewith prior to the receipt by Developer of HED's written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor,

will contain a provision to this effect or for compliance with this Agreement generally. An approved Change Order will not be deemed to imply any obligation on the part of the City to increase the amount of City Funds or to provide any other additional assistance to Developer.

(b) Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those stated in subsection (a) above do not require HED's prior written approval as stated in this Section 3.04, but HED must be notified in writing of all such Change Orders within 10 Business Days after the execution of such change order, and Developer, in connection with such notice, must identify to HED the source of funding therefor in the progress reports described in Section 3.07.

3.05 **HED Approval.** Any approval granted by HED under this Agreement of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only, and any such approval does not affect or constitute any approval required by any other City department or under any City ordinance, code, regulation, or any other governmental approval, nor does any such approval by HED under this Agreement constitute approval of the utility, quality, structural soundness, safety, habitability, merchantability or investment quality of the Project. Developer will not make any verbal or written representation to anyone to the contrary. Developer shall not undertake construction of the Project unless Developer has obtained all necessary permits and approvals (including but not limited to HED's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required under this Agreement.

3.06 **Other Approvals.** Any HED approval under this Agreement will have no effect upon, nor will it operate as a waiver of, Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals).

3.07 **Progress Reports and Survey Updates.** After the Closing Date, on or before the 15th day of each reporting month, Developer will provide HED with written quarterly construction progress reports detailing the status of the Phase 1b New Work, including a revised completion date, if necessary (with any delay in the commencement or completion date of more than six (6) months being considered a Change Order, requiring HED's written approval under Section 3.04). Developer must also deliver to the City written monthly progress reports detailing compliance with the requirements of Section 8.08 (Prevailing Wage), Section 10.02 (City Resident Construction Worker Employment Requirement) and Section 10.03 (Developer's MBE/WBE Commitment) (collectively, the **"City Requirements"**). If the reports reflect a shortfall in compliance with the requirements of Sections 8.08, 10.02 and 10.03, then there must also be included a written plan from Developer acceptable to HED to address and cure such shortfall.

3.08 **Inspecting Agent or Architect.** An independent agent or architect, (other than Developer's architect), shall be selected by Developer and approved by HED to act as the inspecting agent or architect for HED for the Phase 1b New Work, and any fees and expenses connected with its work or incurred by such independent agent or architect will be solely for Developer's account and will be promptly paid by Developer. The inspecting agent or architect

shall perform periodic inspections with respect to the Phase 1b New Work providing recommendations with respect thereto to HED, prior to requests for disbursement for costs related to the Phase 1b New Work.

3.09 **Barricades.** Prior to commencing any construction requiring barricades, Developer will install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable Federal, State or City laws, ordinances, rules and regulations. HED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content, and design of all barricades (other than the name and logo of Developer or the Project).

3.10 **Signs and Public Relations.** If requested by HED, Developer will erect in a conspicuous location on the Property during construction of the Phase 1b New Work a sign of size and style approved by the City, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and any other pertinent information regarding Developer and the Project in the City's promotional literature and communications.

3.11 **Utility Connections.** Developer may connect all on-site water, sanitary, storm and sewer lines constructed as a part of the Project to City utility lines existing on or near the perimeter of the Property, provided Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.12 **Permit Fees.** In connection with the Project, Developer is obligated to pay only those building, permit, engineering, tap on, and inspection fees that are assessed on a uniform basis throughout the City of Chicago and are of general applicability to other property within the City of Chicago.

3.13 **Accessibility for Disabled Persons.** Developer acknowledges that it is in the public interest to design, construct and maintain the Project in a manner which promotes, enables, and maximizes universal access throughout the Project. Plans for all buildings on the Property and improvements on the Property will be reviewed and approved by the Mayor's Office for People with Disabilities ("**MOPD**") to ensure compliance with all applicable laws and regulations related to access for persons with disabilities and to promote the highest standard of accessibility.

3.14 **Additional Project Features**

(a) Landscaping. Developer will perform all landscaping work required by PD1167.

(b) Green Construction. All construction of the Project, including but not limited to building construction, green space and surface parking, if any, shall be built in accordance with the "green construction" standards of applicable HED policies as incorporated in and required by PD 1167. Developer will submit written evidence demonstrating compliance with such requirements.

ARTICLE FOUR: FINANCING

4.01 **Total Project Cost and Sources of Funds.**

(a) The cost of the Project is estimated to be $45,827,622 to be applied in the manner stated in the Project Budget. Such costs will be funded from the following sources when all anticipated Project financing has been completed:

A.	Lender Financing/Grant Financing	
	1. Existing New Markets Tax Credit Loans	$ 22,200,000
	2. DCEO Grant	4,624,097
	Total Lender/Grant Financing	$ 26,854,097
B.	Developer Equity (subject to Section 4.08)	$ 8,000,000
C.	City Funds (as defined below)	
	1. Cash Payment to Developer at Closing Date for deposit in the Construction Escrow	$ 6,100,000(2)
	2. City Notes	
	a. City Note A Net Proceeds to Construction Escrow	$ 4,903,525(1)(2)(3)
	b. City Note B at Note Sale Date for a shortfall in City Note A Proceeds	TBD(1).
Total City Funds		$ 11,003,525

NOTES:

(1) City Note A will be issued to Chicago Neighborhood Initiatives on the Closing Date. Chicago Neighborhood Initiatives anticipates selling City Note A to an investor group in a transaction contemporaneous with or immediately following the Closing Date for a targeted City Note A Net Proceeds of not less than $4,903,525. If there is a proceeds shortfall, then City Note B will be issued by the City in the shortfall amount, after City Note A has been sold. For informational purposes in this Agreement, City Note B has been assigned a "**bracketed**" nominal value of $1,000,000, to be adjusted if and when City Note B is issued. City Note A will be a tax-exempt note and will have payment priority over City Note B. City Note B will be a taxable note. If issued , City Note B will be subject to the following limits as applicable: $1,000,000; or the maximum amount that can be supported for City Note B as stated in the final underwriting of the increment as reported in the feasibility report issued for the sale of City Note

A; or the difference between $4,903,525 and the City Note A Net Proceeds. Further, the face amount of City Note A plus the fAce amount of City Note B can not exceed $8,016,029.

(2) Construction Escrow. At Closing, Developer will enter into an escrow agreement with the, HED and the Title Company as provided in Section 4.04, creating the **"Construction Escrow"**. The $6,100,000 cash payment to Developer on the Closing Date and the City Note A Net Proceeds will each be deposited into the Construction Escrow.

(3) Reserve Escrow. Upon the sale of City Note A, the City will deposit or cause to be deposited 10% of the par amount of City Note A into an escrow account (the "**Reserve Escrow**") held by a financial institution selected by the Developer and acceptable to the City (the "**Bank Trustee**"). The Reserve Escrow will be available to cure payment shortfalls in the event there are insufficient Available Incremental Taxes to make any scheduled payment for City Note A, as provided in Section 4.03(d).

(b) Completed Work. Developer has already incurred and paid for the costs of the Acquisition, the Phase 1a Infrastructure Improvements and the Phase 1b Completed Work using the Lender Financing sources scheduled above. The $6,100,000 cash payment to Developer on the Closing Date is intended to reimburse Developer for a portion of the costs of the Phase 1a Infrastructure Improvements, consisting of costs for public improvements eligible for reimbursement under the Act. The City is willing to reimburse Developer for a portion of the costs of the Phase 1a Infrastructure Improvements. Developer is undertaking the obligations under this Agreement to construct the Phase 1b New Work and agrees that the $6,100,000 cash payment will be used to pay for the costs of the Phase 1b New Work.

(c) New Work. The costs of the Phase 1b New Work are estimated to be $19,003,525 to be paid for from the Equity and City Funds scheduled above.

4.02 **Developer Funds.** Equity, Lender Financing, and City Funds will be used to pay all Project costs, including, but not limited to Redevelopment Project Costs and costs of TIF-Funded Improvements. The $6,100,000 cash payment to reimburse Developer for a portion of the costs of the Phase 1a Infrastructure Improvements may thereafter be used to pay for any costs of the Phase 1b New Work.

4.03 **City Funds.**

(a) Uses of City Funds.

(i) Any principal or interest paid under the City Notes, and any other funds expended by the City under this Agreement or otherwise related to the Project or to the TIF-Funded Improvements are defined as **"City Funds"**.

(ii) City Funds may be used to pay for or reimburse Developer only for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit E states, by line item, the TIF-Funded Improvements for the Project contingent upon receipt by the City of documentation satisfactory in form and substance to HED evidencing such costs and their respective eligibility as a Redevelopment Project Cost. With the exception of the $6,100,000 payment to be made as provided in Section 4/03(c) below, reimbursement to Developer of costs through City Funds will be in the form of cash payments to Developer from the Construction Escrow.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Article Five, the City hereby agrees to: (i) pay $6,100,000 in cash to Developer on the Closing Date; and (ii) issue City Note A to Chicago Neighborhood Initiatives on the Closing Date; and (iii) issue City Note B to Chicago Neighborhood Initiatives on the Note Sale Date; in such amount which will allow for an aggregate net proceeds (after deducting proceeds or deposits to any required debt service reserve fund and capitalized interest) to Chicago Neighborhood Initiatives of $4,903,525 on the Note Sale Date. Any payments under the City Notes are subject to the amount of Available Incremental Taxes and Incremental Taxes for the Redevelopment Area, as applicable, being sufficient for such payments.

(c) $6.1 Million Payment. The City hereby agrees to port funds from one or more of the adjacent redevelopment project areas which are contiguous to or only separated by the public way from the North Pullman Redevelopment Area in a total amount of $6,100,000. The City will pay such amount to Developer on the Closing Date. This payment shall be made as reimbursement to Developer for a portion of the costs of the Phase 1a Infrastructure Improvements already incurred by Developer. Developer may assign, transfer and quit-claim its right to receive all or a portion of such payment to Chicago Neighborhood Initiatives, and direct that the City pay such funds (or portion thereof) directly to Chicago Neighborhood Initiatives. Developer hereby agrees to deposit the $6,100,000 payment, whether paid to Developer or Chicago Neighborhood Initiatives, into the Construction Escrow or to instruct the City to directly deposit the payment into the Construction Escrow for Developer's account. Funds on deposit in the Construction Escrow will be used to pay for or reimburse Developer for the costs

of TIF-Funded Improvements as provided in the Escrow Agreement. The Escrow Agreement shall provide that the $6,100,000 payment shall be disbursed from the Construction Escrow to pay for costs of the Phase 1b New Work as such costs are incurred, subject only to Developer's certification of not less than $6,100,000 of Phase 1a Infrastructure Improvements costs to the City and the City's approval of such costs.

(d) Issuance of City Note A. On the Closing Date, the City will issue City Note A to Chicago Neighborhood Initiatives with the following terms and conditions:

(i) Principal. Chicago Neighborhood Initiatives intends to sell City Note A in a transaction contemporaneous with or immediately following the Closing Date at a purchase price equal to the principal amount of City Note A. Proceeds in the amount of $4,903,525 shall be deposited in the Construction Escrow, with any remaining proceeds to be deposited in the Reserve Escrow or used to fund capitalized interest. The gross amount of City Note A is presently estimated to be $6,750,000.

(ii) Interest. When issued, the interest rate for City Note A will be set as follows: On the date of issuance of City Note A, the interest rate will be equal to the 20 year BAA Uninsured G.O. Bond Index as published by Thompson-Reuters Municipal Market Data ("MMD") in effect on the date of issuance, plus a margin of 250 basis points (the "**City Note A Interest Rate**"), but in no event will such interest rate be greater than 8.5%. Interest on City Note A will compound annually.

(iii) Term. City Note A will be issued on the Note Sale Date and will have a maturity of March 1, _____.

(iv) Payments of Principal and Interest.

(A) Interest on City Note A will begin to accrue at the date of issuance. Amortization of principal will be over the term of City Note A as provided in the debt service schedule attached to City Note A. Payments will be made annually on March 1st of each year, beginning in 2014.

(B) Except as may be otherwise provided in this Agreement, Available Incremental Taxes only will be used to pay the principal of and interest on City Note A and on unpaid interest, if any. In the ordinance authorizing the issuance of City Note A the City will establish an account denominated the: "Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account" within the North Pullman Redevelopment Project Area

Special Tax Allocation Fund. All Available Incremental Taxes will be deposited into the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account.

(C) Payments of principal and interest on City Note A and City Note B (if issued) will be made from Available Incremental Taxes deposited into the Pullman Park Development / Chicago Neighborhood Initiatives Debt Service Account as follows:

(I) First to interest due under City Note A;

(II) Next to scheduled principal payments on City Note A;

(III) Next to interest due under City Note B (if issued);

(IV) Next to payment of principal on City Note B (if issued);

(D) After the principal and interest on City Note A and City Note B have been paid in full, and each City Note canceled according to its terms, then the Pullman Park Development/Chicago Neighborhood Initiatives Inc. Debt Service Account will be closed and all subsequent Available Incremental Taxes will be deposited by the City in the North Pullman Redevelopment Project Area Special Tax Allocation Fund.

(v) Insufficient Available Incremental Taxes. If the amount of Available Incremental Taxes pledged under this Agreement is insufficient to make any scheduled payment on City Note A, then: (1) the City will not be in default under this Agreement or City Note A, provided that, to the extent available, the City shall draw on the Reserve Escrow to make up any shortfall, and (2) due but unpaid scheduled payments (or portions thereof) on City Note A will be paid as provided in this Section 4.03 and, if necessary, the Reserve Escrow will be replenished, promptly as funds become available for their payment. Interest per annum at the rate set when the City Note A is issued will accrue on any principal or interest payments which are unpaid because of insufficient Available Incremental Taxes.

(vi) Prepayment of the City Note A by the City and Related Lock Out Period. The City may prepay the City Note A in whole or in part at any time without premium or penalty, subject to the following conditions:

(A) City Note A Lock-Out Period. The City will not prepay City Note A for a 5-year (60 month) period beginning with the first whole

month after the date of issuance of City Note A, (the "**City Note A Lock-Out Period**"), unless the City Note A Lock-Out Period restriction is formally waived by the City Note A registered holder(s).

(B) City May Prepay. Upon expiration or formal waiver of the City Note A Lock-Out Period, the City may prepay the then current balance of City Note A without any restrictions or conditions, together with any accrued interest.

(vii) Sale or Transfer of the City Note A. After the issuance of the City Note A to Chicago Neighborhood Initiatives, City Note A, may be sold or assigned in a Qualified Transfer of City Note A.

(viii) No Cessation of City Note A Payments. Notwithstanding anything to the contrary contained in this Agreement, after a Qualified Transfer of City Note A in compliance with Section 4.03(d)(vii) above, if an Event of Default occurs, the City will, notwithstanding such Event of Default, continue to make payments with respect to the City Note A.

(ix) Costs of Issuance of City Note A. Developer will be responsible for paying all legal and issuance costs in relation to City Note A, including all costs of bond counsel.

(e) Issuance of City Note B. In the event City Note A Net Proceeds to be deposited into the Construction Escrow are less than $4,903,525 in the contemporaneous sale or transfer transaction anticipated by Developer for City Note A, then the City will issue City Note B to Chicago Neighborhood Initiatives on the Note Sale Date. If the City issues City Note B, such issuance will be subject to the following terms and conditions:

(i) (i) Principal. The principal amount for City Note B will be the difference between the City Note A Net Proceeds to Developer and $4,903,525. For informational purposes in this Agreement, City Note B has been assigned a "**bracketed**", nominal value of $1,000,000, to be adjusted if and when City Note B is issued. If issued, City Note B will be subject to the following limits as applicable: (i) per value not to exceed $1,000,000; (ii) the maximum amount that can be support for city Note B as stated in the final underwriting of the increment as reported in the feasibility report issued for the sale of City Note A: (iii) the difference between $4,903,525 and the City Note A Net Proceeds; and (iv) the face amount of City Note A plus the face amount of City Note B can not exceed $8,016,029.

(ii) Interest. If and when issued, the interest rate for City Note B will be set as follows: On the date of issuance of City Note B, the interest rate will be equal to the 20-year BBB Corporate bond index as published by Bloomberg in effect on the date of issuance, plus a margin of 200 basis points (the "**City Note B Interest Rate**"), but in no event will such interest rate be greater than 8.5%. Interest on City Note B will compound annually.

(iii) Term. If issued, City Note B will be issued on or after the Note Sale Date and will have a term of up to 20 years.

(iv) Payments of Principal and Interest.

(A) Interest on the City Note B will begin to accrue at the date of issuance. Amortization of principal will be over the term of up to 20 years as excess Available Incremental Taxes are generated on an annual basis. Payments of debt service will be made annually on March 1st commencing 2014.

(B) Except as may be otherwise provided in this Agreement, Available Incremental Taxes only will be used to pay the principal of and interest on City Note B and on unpaid interest, if any. In the ordinance authorizing the issuance of the City Note B, the City will establish an account denominated the: "Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account" within the North Pullman Redevelopment Project Area Special Tax Allocation Fund. All Available Incremental Taxes will be deposited into the "Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account.

(C) Payments of principal and interest on City Note B and City Note A will be made from Available Incremental Taxes deposited into the Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account as follows:

(I) First to interest due under City Note A;

(II) Next to scheduled principal payments on City Note A

(III) Next to interest due under City Note B (if issued);

(IV) Next to payment of principal of City Note B (if issued).

(D) After the principal and interest on City Note A Note and City Note B have been paid in full and each Note canceled according to its terms, then the

Pullman Park Development/Chicago Neighborhood Initiatives Debt Service Account will be closed and all subsequent Available Incremental Taxes will be deposited by the City in the North Pullman Redevelopment Project Area Special Tax Allocation Fund.

(v) Insufficient Available Incremental Taxes. If the amount of Available Incremental Taxes pledged under this Agreement is insufficient to make any scheduled payment on City Note B, then: (1) the City will not be in default under this Agreement or City Note B, and (2) due but unpaid scheduled payments (or portions thereof) on City Note B will be paid as provided in this Section 4.03 as promptly as funds become available for their payment. Interest per annum at the rate set when City Note B is issued will accrue on any principal or interest payments which are unpaid because of insufficient Available Incremental Taxes.

(vi) Prepayment. City Note B may be prepaid at any time without premium or penalty.

(vii) Sale or Transfer of City Note B. After the issuance of the City Note B, City Note B may be sold or assigned in a Qualified Transfer of City Note B. Thereafter, City Note B may again be sold in a Qualified Transfer of City Note B.

(viii) Cessation of City Note B Payments. If an Event of Default occurs, the City will have no further obligations to make any payments with respect to City Note B and the City will have the remedies stated in Sections 7.03 and 15.02.

(ix) Costs of Issuance of City Note B Developer will be responsible for paying for all legal and issuance costs in relations to City Note B, including all costs of bond counsel, if any.

4.04 **Construction Escrow; City Funds Requisition Form; Reserve Escrow**.

(a) The City, Developer, and the Title Company shall enter into the Escrow Agreement, substantially in the form of Exhibit F creating the Construction Escrow. The Construction Escrow will include a "**Developer's Subaccount**" and a "**City Note Proceeds Subaccount**". Equity not expended as of the date of this Agreement shall be deposited into the Developer's Subaccount. Developer shall deposit the City Note A Net Proceeds into the City Note Proceeds Subaccount. Funds on deposit in the Developer's Subaccount may be disbursed to pay for the costs of the Phase 1b New Work. Funds on deposit in the City Note Proceeds Subaccount will be used to pay for or reimburse Developer for the costs of TIF-Funded Improvements associated with the Phase 1b New Work. Disbursements of funds from the City

Note Proceeds Subaccount shall be made through the funding of draw requests upon the approval of a City Funds Requisition Form (Exhibit N) submitted by Developer under the terms of the Escrow Agreement and this Agreement. In the event of any conflict between the terms of this Agreement and the terms of the Escrow Agreement concerning the Project (including the dispersal of funds for the Phase 1b New Work through the Escrow), the terms of this Agreement shall control.

(b) The City shall enter into a Reserve Escrow Agreement with a financial institution selected by Developer and acceptable to the City under which there shall be deposited proceeds from the sale of City Note A in an amount necessary to fund any required reserve for City Note A in an amount not in excess of 10% of the principal amount of City Note A. Amounts on deposit in the Reserve Escrow shall be available to pay debt service owed on City Note A in the event there are insufficient Available Incremental Taxes to pay such debt service and shall be replenished upon receipt of Available Incremental Taxes after payment of debt service owed on City Note A.

4.05 **Profit From Sale**. Chicago Neighborhood Initiatives agrees that it will re-invest its share of the profits, if any, from the sale of all or any part of the Project, into the Project or a future phase of the Project or PD 1167 within one year of the distribution of any such profits. For purposes of this Section 4.05, the term "profit" shall mean any proceeds paid to Chicago Neighborhood Initiatives from the sale of the Phase 1b Retail Project after payment of all o f the following: (i) all loans encumbering the Property, including without limitation, loans by MBS UI Sub CDE XVI, LLC, in the aggregate amount of $11,760,000, and RBC Community Development Sub 3, LLC, in the aggregate amount of $14,500,000; (ii) funding any reserves which Developer deems commercially reasonably necessary for any contingent or unforeseen liabilities or obligations of Developer; (iii) any "Operating Deficit Loans" and "Development Loans" advanced by either of Pullman Park Development's limited liability company memers; and (iv) the return of all private capital invested by Chicago Neighborhood Initiatives. For purposes of this Section 4.05 the term "sale" shall mean a transfer of real estate to an unaffiliated entity, and does not include a refinance of loans encumbering the Property or a sale or transfer of a member interest in Pullman park Development.

4.06 **Junior Mortgage**. If the City so requires, Developer shall deliver a Junior Mortgage to the City substantially in the form of Exhibit K, together with such financing statements as the City may require. At any time after the issuance of the Certificate of Completion, following a request by Developr, the City agrees to a release of the Junior Mortgage and consents to the recording of such release. The Junior Mortgage shall be subordinate to all Lender Financing.

4.07 **Treatment of Prior Expenditures.** Only those expenditures made by Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, will be considered previously contributed Equity or Lender Financing, if any, hereunder (the "**Prior Expenditure(s)**"). HED has the right, in its sole discretion, to disallow any such expenditure

(not listed on Exhibit H) as a Prior Expenditure as of the date of this Agreement. Exhibit H identifies the prior expenditures approved by HED as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements will not be reimbursed to Developer, but will reduce the amount of Equity and/or Lender Financing, if any, required to be contributed by Developer under Section 4.01.

4.08 **Cost Overruns.** If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available under Section 4.03, Developer will be solely responsible for such excess costs, and will hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and from any and all costs and expenses of completing the Project in excess of the Project Budget.

4.09 **TIF Bonds.** The Commissioner of HED may, in his or her sole discretion, recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the City Comptroller, is marketable under the then current market conditions. The proceeds of TIF Bonds may be used to pay City Funds due under this Agreement and for other purposes as the City may determine. The costs of issuance of the TIF Bonds would be borne solely by the City. Developer will cooperate with the City in the issuance of the TIF Bonds, as provided in Section 8.05.

4.10 **Preconditions of Disbursement.** Developer has submitted documentation satisfactory to HED regarding the expenditures made with respect to the Phase 1a Infrastructure Improvements. Prior to the disbursement of City Funds from the City Note Proceeds Subaccount, Developer shall submit documentation regarding the applicable expenditures to HED, which shall be satisfactory to HED in its sole discretion. Delivery by Developer to HED of any request for disbursement of City Funds from the City Note Proceeds Subaccount, hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

(a) the representations and warranties contained in this Agreement are true and correct and Developer is in compliance with all covenants contained herein;

(b) Developer has received no notice and has no knowledge of any lien or claim of lien either filed or threatened against the Property or the Phase 1b New Work except for the Permitted Liens;

(c) no Event of Default or condition or event which, with the giving of notice or passage time or both, would constitute an Event of Default exists or has occurred;

The City shall have the right, in its discretion, to require Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer. In addition, Developer shall have satisfied all other

preconditions of disbursement of City Funds for each disbursement, including not limited to the requirements set forth in the Bond Ordinance, if any; the TIF Bond Ordinance, if any; the Bonds, if any; the TIF Bonds, if any; the TIF Ordinances and this Agreement.

4.11 **Allocation Among Line Items**. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of HED, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed $25,000 or $100,000 in the aggregate, may be made without the prior written consent of HED.

ARTICLE FIVE: CONDITIONS PRECEDENT TO CLOSING

The following conditions precedent to closing must be complied with to the City's satisfaction within the time periods set forth below or, if no time period is specified, prior to the Closing Date:

5.01 **Project Budget.** Developer will have submitted to HED, and HED will have approved, the Project Budget stated in Exhibit D-1, in accordance with the provisions of Section 3.03. This condition precedent has been satisfied prior to the date hereof.

5.02 **Scope Drawings and Plans and Specifications.** Developer will have submitted to HED, and HED will have approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.02. This condition precedent has been satisfied prior to the date hereof.

5.03 **Other Governmental Approvals.** Not less than 5 Business Days prior to the Closing Date, Developer will have secured or applied for or provided HED with an application time schedule for all other necessary approvals and permits required by any Federal, State, or local statute, ordinance, rule or regulation to begin or continue construction of the Project, and will submit evidence thereof to HED.

5.04 **Financing.**

(a) Developer will have furnished evidence acceptable to the City that Developer has Equity and Lender Financing, if any, at least in the amounts stated in Section 4.01 to complete the Project and satisfy its obligations under this Agreement. If a portion of such financing consists of Lender Financing, Developer will have furnished evidence as of the Closing Date that the proceeds thereof are available to be drawn upon by Developer as needed and are sufficient (along with the Equity and other financing sources, if any, stated in Section 4.01) to complete the Project.

(b) Prior to the Closing Date, Developer will deliver to HED a copy of the construction escrow agreement, if any, entered into by Developer regarding Developer's Lender Financing, if any. Such construction escrow agreement must provide that the City will receive

copies of all construction draw request materials submitted by Developer after the date of this Agreement.

(c) Any financing liens against the Property or the Project in existence at the Closing Date will be subordinated to certain encumbrances of the City stated in this Agreement under a subordination agreement, in the form of Exhibit O, or such other form as may be acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of Developer, in the Office of the Recorder of Deeds of Cook County.

5.05 **Title.** On the Closing Date, Developer will furnish the City with a copy of the Title Policy for the Property, showing Pullman Park Development as the named insured. The Title Policy will be dated as of the Closing Date and will contain only those title exceptions listed as Permitted Liens on Exhibit I and will evidence the recording of this Agreement under the provisions of Section 8.15. The Title Policy will also contain the following endorsements as required by Corporation Counsel: an owner's comprehensive endorsement and satisfactory endorsements regarding location, access, and survey. On or prior to the Closing Date, Developer will provide to HED documentation related to the Property and copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Title Policy and any endorsements thereto.

5.06 **Evidence of Clear Title.** Not less than 5 Business Days prior to the Closing Date, Developer, at its own expense, will have provided the City with current searches under Developer's name as follows:

Secretary of State (IL)	UCC search
Secretary of State (IL)	Federal tax lien search
Cook County Recorder	UCC search
Cook County Recorder	Fixtures search
Cook County Recorder	Federal tax lien search
Cook County Recorder	State tax lien search
Cook County Recorder	Memoranda of judgments search
U.S. District Court (N.D. IL)	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

showing no liens against Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.07 **Surveys.** If requested by HED, not less than 5 Business Days prior to the Closing Date, Developer will have furnished the City with 3 copies of the Survey.

5.08 **Insurance.** Developer, at its own expense, will have insured the Property as required under Article Twelve. At least 5 Business Days prior to the Closing Date, certificates required under Article Twelve evidencing the required coverages will have been delivered to HED.

5.09 **Opinion of Developer's Counsel.** On the Closing Date, Developer will furnish the City with an opinion of counsel, substantially in the form of Exhibit J, with such changes as may be required by or acceptable to Corporation Counsel. If Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions stated in Exhibit J, such opinions shall be obtained by Developer from its general corporate counsel.

5.10 **Evidence of Prior Expenditures.** Prior to the Closing Date, Developer will have provided evidence satisfactory to HED of the Prior Expenditures as provided in Section 4.05. Such evidence of Prior Expenditures may be updated to the Closing Date by Developer.

5.11 **Financial Statements.** Prior to the Closing Date, Developer will have provided Financial Statements to HED for its 2009 and 2010 fiscal years, if available, and its most recently publicly available unaudited interim Financial Statements, in each case together with any opinions and management letters prepared by auditors.

5.12 **Additional Documentation.** Prior to the Closing Date, Developer will have provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment profile, if requested by HED, and copies of any ground leases or operating leases and other tenant leases executed by Developer for leaseholds on the Property, if any.

5.13 **Environmental Reports.** Prior to the Closing Date, Developer will provide HED with copies of all environmental reports or audits, if any, obtained by Developer with respect to the Property, together with any notices addressed to Developer from any agency regarding environmental issues at the Property. Prior to the Closing Date, Developer will have provided the City with a letter from the environmental engineer(s) who completed such report(s) or audit(s), authorizing the City to rely on such report(s) or audit(s).

5.14 **Entity Documents; Economic Disclosure Statement.**

(a) Entity Documents. Developer will provide a copy of its current Articles of Organization, with all amendments, containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of Illinois and all other states, if any, in which Developer is registered to do business; its limited liability company operating agreement; a roster of limited liability company members showing their respective membership interests; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other organizational documentation as the City may request.

(b) Economic Disclosure Statement. Developer will provide the City an EDS, in the City's then current form, dated as of the Closing Date, which is incorporated by reference and Developer further will provide any other affidavits or certifications as may be required by Federal, State or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this

Agreement voidable at the option of the City. Developer and any other parties required by this Section 5.14 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

5.15 **Litigation**. Each of Pullman Park Development and Chicago Neighborhood Initiatives has provided to Corporation Counsel and HED in writing, a description of all pending or threatened litigation or administrative proceedings: (a) involving their respective property located in the City, (b) that each is otherwise required to publicly disclose or that may affect the ability of each entity to perform its duties and obligations under this Agreement, or (c) involving the City or involving the payment of franchise, income, sales or other taxes by each entity to the State of Illinois or the City. In each case, the description shall specify the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith, and whether (and to what extent) such potential liability is covered by insurance.

ARTICLE SIX: AGREEMENTS WITH CONTRACTORS

6.01 **Bid Requirement for General Contractor and Subcontractors.**

(a) HED acknowledges that Developer has constructed the Phase 1a Infrastructure Improvements and the Phase 1b Completed Work under a construction contract entered into prior to the date of this Agreement. HED acknowledges that Developer has selected _____, as the general contractor (the "**General Contractor**") for the Phase 1b New Work. Developer must solicit, or must cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City.

(b) For the TIF-Funded Improvements, Developer must cause the General Contractor to select the subcontractor submitting the lowest responsible and responsive bid as determined by Developer who can complete the Project (or phase thereof) in a timely and good and workmanlike manner; provided, however, that Developer may consider a bidder's ability to meet the unique challenges of the Project in evaluating the "lowest responsible bid" rather than the lowest bid. If the General Contractor selects any subcontractor submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds.

(c) Developer must submit copies of the Construction Contract to HED as required under Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements must be provided to HED within 20 Business Days of the execution thereof. Developer must ensure that the General Contractor will not (and must cause the General Contractor to ensure that the subcontractors will not) begin work on the Project (or any phase thereof) until the applicable Plans and Specifications for that phase have been approved by HED and all requisite permits have been obtained.

6.02 **Construction Contract.** Prior to the execution thereof, Developer must deliver to HED a copy of the proposed Construction Contract with the General Contractor selected to work on the TIF-Funded Improvements under Section 6.01 above, for HED's prior written approval. Within 10 Business Days after execution of such contract by Developer, the General Contractor and any other parties thereto, Developer must deliver to HED and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 **Performance and Payment Bonds.** Prior to commencement of construction of any work in the public way, if any, Developer will require that the General Contractor and any applicable subcontractor(s) be bonded (as to such work in the public way) for their respective payment and performance by sureties having an AA rating or better using the form of payment and performance bond form attached as Exhibit L. The City will be named as obligee or co-obligee on such bond.

6.04 **Employment Opportunity.** Developer will contractually obligate and cause the General Contractor to agree and contractually obligate each subcontractor to agree to the provisions of Article Ten. The parties acknowledge that the contracting, hiring and testing requirements for the MBE/WBE and City Residency obligations in Article Ten are applied by the City's monitoring staff on an aggregate basis, and that it shall not be an event of default under this Agreement, nor shall the payment of the City resident hiring shortfall amount be required, if the General Contractor does not impose such obligations on each subcontractor, or if any one subcontractor does not satisfy such obligations, so long as such obligations are satisfied on an aggregate basis.

6.05 **Other Provisions.** In addition to the requirements of this Article Six, the Construction Contract and each contract with any subcontractor working on the Project must contain provisions required under Section 3.04 (Change Orders), Section 8.08 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Construction Worker Employment Requirement), Section 10.03 (Developer's MBE/WBE Commitment), Article Twelve (Insurance) and Section 14.01 (Books and Records).

ARTICLE SEVEN: COMPLETION OF CONSTRUCTION

7.01 **Certificate of Completion of Construction.** Upon completion of the construction of the Project in compliance with the terms and conditions of this Agreement, and upon Developer's written request, HED will issue to Developer a certificate of completion of construction in recordable form (the "**Certificate of Completion**") certifying that Developer has fulfilled its obligation to complete the Project in compliance with the terms and conditions of this Agreement, provided the following conditions have been met:

(a) issuance of a certificate of occupancy by the City, not to be unreasonably withheld, or other evidence acceptable to HED, that Developer has complied with building permit requirements for the 67,000 square feet of retail space constructed as part of the Phase 1b New Work; and

(b) evidence that at least 75% of the net rentable area of the Phase 1b Retail Project has been leased and is occupied for at least one Business Day.

HED will respond to Developer's written request for a Certificate of Completion within 30 days by issuing either a Certificate of Completion or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed and the measures which must be taken by Developer in order to obtain the Certificate of Completion. Developer may resubmit a written request for a Certificate of Completion upon completion of such measures, and the City will respond within 30 days in the same way as the procedure for the initial request. Such process may repeat until the City issues a Certificate of Completion.

7.02 **Effect of Issuance of Certificate of Completion; Continuing Obligations.**

(a) The Certificate of Completion relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate of Completion, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate of Completion must not be construed as a waiver by the City of any of its rights and remedies under such executory terms.

(b) Those covenants specifically described at Section 8.16 (Real Estate Taxes) as covenants that run with the land comprising the Property are the only covenants in this Agreement intended to be binding throughout the Term of the Agreement upon any transferee of the Developer holding title to the Property or any portion thereof, regardless of whether or to what extent that owner is also an assignee of Developer as described in this paragraph and regardless of whether or not a Certificate of Completion has been issued. Unless a Certificate of Completion has been issued, those covenants specifically described at Section 8.02 (Covenant to Redevelop) as covenants that run with the land comprising the Property are the only other covenants in this Agreement intended to be binding throughout the Term of the Agreement upon any transferee of the Developer holding title to the Property or any portion thereof, regardless of whether or to what extent that owner is also an assignee of Developer as described in this paragraph. The other executory terms of this Agreement that remain after the issuance of a Certificate of Completion will be binding only upon Developer or a permitted assignee of Developer who, as provided in Section 18.15 (Assignment) of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities hereunder.

7.03 **Failure to Complete.** If Developer fails to timely complete the Project in compliance with the terms of this Agreement, then the City will have, but will not be limited to, any of the following rights and remedies, in addition to those stated in Section 15.02.

(a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed under this Agreement, other than principal and interest due under City Note A; and

(b) the right to redeem City Note A from amounts on deposit in the City Note Proceeds Subaccount of the Construction Escrow; and

(c) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of such TIF-Funded Improvements (including interest costs) out of the payment and performance bond form attached as Exhibit L, and, if such funds are insufficient, then from City Funds or other City monies. If the aggregate costs incurred by the City to complete the TIF-Funded Improvements exceeds the amount of funds described in the preceding sentence, Developer will reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of those funds.

7.04 **Notice of Expiration or Termination.** Upon the expiration of the Term of the Agreement, HED will provide Developer, at Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired.

ARTICLE EIGHT: REPRESENTATIONS, WARRANTIES AND COVENANTS OF DEVELOPER.

8.01 **General.** Developer represents, warrants, and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

(a) Pullman Park Development is an Illinois limited liability company, duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(b) Pullman Park Development has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Pullman Park Development of this Agreement has been duly authorized by all necessary limited liability company action, and does not and will not violate its Articles of Organization as amended and supplemented, its operating agreement, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which Pullman Park Development is now a party or by which Pullman Park Development or any of its assets is now or may become bound;

(d) Pullman Park Development has acquired and, subject to the right to sell, transfer, convey, lease or otherwise dispose of the outlots and tenant spaces, as set forth in Section 8.01(n) below. will maintain good, indefeasible and merchantable fee simple title to the Property

(and improvements located thereon) free and clear of all liens (except for the Permitted Liens or Lender Financing, if any, as disclosed in the Project Budget, and those liens otherwise bonded or insured over in accordance with the terms of this Agreement).

(e) Pullman Park Development is now, and for the Term of the Agreement, will remain solvent and able to pay its debts as they mature;

(f) Chicago Neighborhood Initiatives is an Illinois not-for-profit corporation, duly organized, validly existing, qualified to do business in Illinois, and licensed in any other state where, due to the nature of its activities or properties, such qualification or license is required;

(g) Chicago Neighborhood Initiatives has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(h) the execution delivery and performance by Chicago Neighborhood Initiatives of this Agreement has been duly authorized by all necessary not-for-profit corporation action, and does not and will not violate its Articles of Incorporation as amended and supplemented, its by-laws, any applicable provision of law, or constitution a breach of, default under or require any consent under any agreement, instrument or document to which Chicago Neighborhood Initiatives or any of its assets is now or may become bound;

(i) Chicago Neighborhood Initiatives is now, and for the Term of the Agreement, will remain solvent and able to pay its debts as they mature;

(j) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending or, to Developer's actual knowledge threatened or affecting Developer which would impair its ability to perform under this Agreement;

(k) Developer has or, as and when required, will obtain and maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to construct and complete the Project;

(l) Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which Developer is a party or by which Developer or any of its assets is bound beyond applicable notice and cure periods;

(m) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all respects and accurately present the assets, liabilities, results of operations and financial condition of Developer; and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of Developer since the date of Developer's most recent Financial Statements;

(n) prior to the issuance of a Certificate of Completion, if it would adversely affect Developer's ability to perform its obligations under this Agreement, Developer will not do any of the following without the prior written consent of HED: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose (directly or indirectly) of all or substantially all of its assets or any portion of the Property or the Project (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business, including the sale, transfer, conveyance, lease or other disposition of retail outlots and tenant spaces; (3) enter into any transaction outside the ordinary course of Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity to the extent that such action would have an adverse effect on Developer's ability to perform its obligations under this Agreement; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition. Provided, however, that the foregoing shall not apply to the transfer of an ownership interest that is the result of a merger, consolidation or sale of all or substantially all of the assets of, or any other transaction by, U.S. Bank National Association, a national banking association ("**USB**"), and such merger, consolidation, sale or other transaction also results in the simultaneous transfer (directly or indirectly) of all of USB's (or its affiliates') ownership interests in North Pullman 111th, Inc., an Illinois corporation, to the same entity to which USB's ownership interest in Developer is being transferred. Notwithstanding the foregoing provisions set forth in this Section 8.01(n), prior to the issuance of a Certificate of Completion, Pullman Park Development or either of Pullman Park Development's members may assign their interests in Pullman Park Development, the Property or the Project to one or more entities that are at least fifty percent (50%) owned and controlled (directly or indirectly) by one of the two current Members of Pullman Park Development as of the date hereof or by a lender, so long as each of the following conditions are satisfied:

(i) no fewer than thirty (30) days prior to such assignment, the assigning entity provides the City with written notice of such assignment, together with an EDS, in the City's then current form, dated as of the date of such notice and any other affidavits or certifications as may be required by Federal, State or local law in the award of public contracts executed by each proposed assignee (plus such supplemental EDSs, affidavits and certifications as are required for entities that will own or control the assignee);

(ii) neither the assignee nor any entity or individual that owns or controls the assignee is then ineligible to do business with the City under Chapter 1-23 of the Municipal Code;

(iii) the assignee assumes the obligations and liabilities of the assigning entity under this Agreement in a written instrument; and

(iv) the assigning entity or assignee delivers written notice to the City with a correct and complete copy of the written instrument pursuant to which the assignment and assumption was accomplished;

(o) Developer has not incurred and, prior to the issuance of a Certificate of Completion, will not, without the prior written consent of the Commissioner of HED, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness secured or to be secured by the Property or the Project or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

(p) Developer has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or under City ordinance, for services to any City agency ("**City Contract**") as an inducement for the City to enter into the Agreement or any City Contract with Developer in violation of Chapter 2-156-120 of the Municipal Code of the City, as amended; and

(q) neither Developer nor any Affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons Lists, the Unverified List, the Entity List and the Debarred List.

8.02 **Covenant to Redevelop.** Upon HED's approval of the Scope Drawings and Plans and Specifications, and the Project Budget as provided in Sections 3.02 and 3.03, and Developer's receipt of all required building permits and governmental approvals, Developer will redevelop the Property and the Project in compliance with this Agreement and all exhibits attached hereto, the TIF Ordinances, the Scope Drawings, the Plans and Specifications, the Project Budget and all amendments thereto, and all Federal, State and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Property, the Project and/or Developer. The covenants set forth in this Section 8.02 will run with the land comprising the Property (as defined herein) and will be binding upon any transferee, until fulfilled as evidenced by the issuance of a Certificate of Completion.

8.03 **Redevelopment Plan.** Developer represents that the Project is and will be in compliance with all applicable terms of the Redevelopment Plan, as in effect on the date of this Agreement.

8.04 **Use of City Funds.** City Funds disbursed to Developer will be used by Developer solely to reimburse Developer for its payment for the TIF-Funded Improvements as provided in this Agreement. It is the understanding of the parties that, following the City's payment of $6,100,000 to Developer as provided in Section 4.03(b) as reimbursement for previously incurred Phase 1a Infrastructure Improvements, such funds may be used by Developer to pay for any costs of the Phase 1b New Work.

8.05 **Other Bonds.** At the request of the City, Developer will agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole and absolute discretion) any Bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with

or provided a source of funds for the payment for the TIF-Funded Improvements (the "**Bonds**"); provided, however, that any such amendments will not have a material adverse effect on Developer or the Project. Developer will, at Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition (but not including proprietary sales and operating information), and assisting the City in its preparation of an offering statement with respect thereto. Developer will not have any liability with respect to any disclosures made in connection with any such issuance that are actionable under applicable securities laws unless such disclosures are based on factual information provided by Developer that is determined to be false and misleading.

8.06 **Employment Opportunity.**

(a) Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and, as applicable, to cause the General Contractor to contractually obligate each subcontractor to abide by the terms set forth in Section 8.08 (Prevailing Wage) and Article Ten (Developer's Employment Obligations).Developer will submit a plan to HED describing its compliance program prior to the Closing Date.

(b) Developer will deliver to the City written monthly progress reports detailing compliance with the requirements of Sections 8.08, (Prevailing Wage) 10.02 (City Resident Construction Worker Employment Requirement) and 10.03 (Developer's MBE/WBE Commitment) of this Agreement. If any such reports indicate a shortfall in compliance, Developer will also deliver a plan to HED which will outline, to HED's satisfaction, the manner in which Developer will correct any shortfall.

8.07 **Employment Profile.** Developer will submit, and contractually obligate and cause the General Contractor to submit and contractually obligate any subcontractor to submit, to HED, from time to time, statements of its employment profile upon HED's request.

8.08 **Prevailing Wage.** Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor to pay and to contractually cause each subcontractor to pay, the prevailing wage rate as ascertained by the State Department of Labor (the **"Labor Department"**), to all of their respective employees working on constructing the Phase 1b New Work or otherwise completing the TIF-Funded Improvements. All such contracts will list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed under such contract, or alternatively Developer will provide applicable schedules evidencing wage rates paid. If the Labor Department revises such prevailing wage rates, the revised rates will apply to all such contracts. Upon the City's request, Developer will provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.08.

8.09 **Arms-Length Transactions.** Unless HED shall have given its prior written consent with respect thereto, no Affiliate of Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. Developer will provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to an Affiliate by Developer and reimbursement to Developer for such costs using City Funds, or otherwise), upon HED's request, prior to any such disbursement.

8.10 **Financial Statements.** Developer will obtain and provide to HED Financial Statements for 2011 and, if available, 2012, and each year thereafter for the Term of the Agreement.

8.11 **Insurance.** Solely at its own expense, Developer will comply with all applicable provisions of Article Twelve (Insurance) hereof.

8.12 **Non-Governmental Charges.**

(a) Payment of Non-Governmental Charges. Except for the Permitted Liens, and subject to subsection (b) below, Developer agrees to pay or cause to be paid when due any Non-Governmental Charges assessed or imposed upon the Property or the Project or the or any fixtures that are or may become attached thereto and which are owned by Developer, which creates, may create, or appears to create a lien upon all or any portion of the Property; provided however, that if such Non-Governmental Charges may be paid in installments, Developer may pay the same together with any accrued interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. Developer will furnish to HED, within thirty (30) days of HED's request, official receipts from the appropriate entity, or other evidence satisfactory to HED, evidencing payment of the Non-Governmental Charges in question.

(b) Right to Contest. Developer will have the right, before any delinquency occurs:

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charges by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charges, prevent the imposition of a lien or remove such lien, or prevent the transfer or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend Developer's covenants to pay any such Non-Governmental Charges at the time and in the manner provided in this Section 8.12); or

(ii) at HED's sole option, to furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED will require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such transfer or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully

any such contested Non-Governmental Charges and all interest and penalties upon the adverse determination of such contest.

8.13 **Developer's Liabilities.** Developer will not enter into any transaction that would materially and adversely affect its ability to: (i) perform its obligations under this Agreement or (ii) repay any material liabilities or perform any material obligations of Developer to any other person or entity. Developer will immediately notify HED of any and all events or actions which may materially affect Developer's ability to carry on its business operations or perform its obligations under this Agreement or under any other documents and agreements.

8.14 **Compliance with Laws.**

(a) Representation. To Developer's knowledge, after diligent inquiry, the Property and the Phase 1b Retail Project are in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property and the Phase 1b Retail Project. Upon the City's request, Developer will provide evidence reasonably satisfactory to the City of such current compliance.

(b) Covenant. Developer covenants that the Property and the Phase 1b Retail Project will be operated and managed in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property or the Phase 1b Retail Project, including the following Municipal Code Sections: 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550 or 11-4-1560, whether or not in performance of this Agreement. Upon the City's request, Developer will provide evidence to the City of its compliance with this covenant.

8.15 **Recording and Filing.** Developer will cause this Agreement, certain exhibits (as specified by Corporation Counsel) and all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of Cook County, Illinois against the Property. Developer will pay all fees and charges incurred in connection with any such recording. Upon recording, Developer will immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.16 **Real Estate Provisions.**

(a) Governmental Charges.

(i) Payment of Governmental Charges. Subject to subsection (ii) below, Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon Developer, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon Developer or all or any portion of the Property or the Project provided, however, that this section shall not impose on Developer any obligation to be personally liable on any tax that does not generally impose personal liability. "**Governmental Charge**" means all Federal, State, county, the City, or other governmental (or any

instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to Developer, the Property or the Project, including but not limited to real estate taxes.

(ii) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or transfer or forfeiture of the Property or the Project. No such contest or objection will be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to HED of Developer's intent to contest or object to a Governmental Charge and, unless, at HED's sole option:

(x) Developer will demonstrate to HED's satisfaction that legal proceedings instituted by Developer contesting or objecting to a Governmental Charge will conclusively operate to prevent or remove a lien against, or the sale or transfer or forfeiture of, all or any part of the Property or the Project to satisfy such Governmental Charge prior to final determination of such proceedings, and/or;

(y) Developer will furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED may require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or transfer or forfeiture of the Property or the Project during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

(b) Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay or contest any Governmental Charge or to obtain discharge of the same, Developer will advise HED thereof in writing, at which time HED may, but will not be obligated to, and without waiving or releasing any obligation or liability of Developer under this Agreement, in HED's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which HED deems advisable. All sums so paid by HED, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, will be promptly disbursed to HED by Developer. Notwithstanding anything contained herein to the contrary, this paragraph must not be construed to obligate the City to pay any such Governmental Charge. Additionally, if Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

8.17 **Annual Compliance Report.** Throughout the Term of the Agreement, Developer shall submit to HED the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

8.18 **Reserved.**

8.19 **Broker's Fees.** Developer has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to any of the transactions contemplated by this Agreement for which the City could become liable or obligated.

8.20 **No Conflict of Interest.** Under Section 5/11-74.4-4(n) of the Act, Developer represents, warrants and covenants that to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City, (a **"City Group Member"**) owns or controls, has owned or controlled or will own or control any interest, and no such City Group Member will represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer, the Property, the Property, the Project, or to Developer's actual knowledge, any other property in the Redevelopment Area.

8.21 **Disclosure of Interest.** Developer's counsel has no direct or indirect financial ownership interest in Developer, the Property or any other feature of the Project.

8.22 **No Business Relationship with City Elected Officials.** Developer acknowledges receipt of a copy of Section 2-156-030(b) of the Municipal Code and that Developer has read and understands such provision. Under Section 2-156-030(b) of the Municipal Code of Chicago, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a "Business Relationship" (as defined in Section 2-156-080(b)(2) of the Municipal Code), or to participate in any discussion of any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official, with respect to this Agreement, or in connection with the transactions contemplated thereby, will be grounds for termination of this Agreement and the transactions contemplated thereby. Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030(b) has occurred with respect to this Agreement or the transactions contemplated thereby.

8.23 **Inspector General**. It is the duty of Developer and the duty of any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all of Developer's officers, directors, agents, partners, and employees and any such bidder, proposer, contractor, subcontractor or such applicant: (a) to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code and (b) to cooperate with the Legislative Inspector General in any investigation

undertaken pursuant to Chapter 2-55 of the Municipal Code. Developer represents that it understands and will abide by all provisions of Chapters 2-56 and 2-55 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

8.24 **Prohibition on Certain Contributions – Mayoral Executive Order No. 2011-4**. Neither Developer or any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5% ("**Owners**"), spouses and domestic partners of such Owners, Developer's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% ("**Sub-owners**") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "**Identified Parties**"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "**Mayor**") or to his political fundraising committee during: (i) the bid or other solicitation process for this Agreement or Other Agreement, including while this Agreement or Other Agreement is executory, (ii) the term of this Agreement or any Other Agreement between City and Developer, and/or (iii) any period in which an extension of this Agreement or Other Agreement with the City is being sought or negotiated.

Developer represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Agreement for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Agreement, at law and in equity. This provision amends any Other Agreement and supersedes any inconsistent provision contained therein.

If applicable, if Developer violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, then HED may reject Developer's bid.

For purposes of this provision:

"**Other Agreement**" means any agreement entered into between the Developer and the City that is (i) formed under the authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"**Contribution**" means a "**political contribution**" as defined in MCC Ch. 2-156, as amended.

"**Political fundraising committee**" means a "**political fundraising committee**" as defined in MCC Ch. 2-156, as amended.

8.25 **Shakman Accord** .

(a) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "**Shakman Accord**") and the June 24, 2011 "City of Chicago Hiring Plan" (the "**City Hiring Plan**") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(b) Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with Developer, either as an employee or as a subcontractor, and from directing Developer to hire an individual as an employee or as a subcontractor. Accordingly, Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Developer under this Agreement are employees or subcontractors of Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Developer.

(c) Developer will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose

the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(d) In the event of any communication to Developer by a City employee or City official in violation of paragraph (b) above, or advocating a violation of paragraph (c) above, Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("**IGO Hiring Oversight**"), and also to the Commissioner of HED. Developer will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to this Agreement.

8.26 **FOIA and Local Records Act Compliance**.

(a) FOIA. Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("**FOIA**"). The FOIA requires the City to produce records (very broadly defined in the FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If Developer receives a request from the City to produce records within the scope of FOIA, that would be otherwise required under this Agreement then Developer covenants to comply with such request within two (2) Business Days of the date of such request. Failure by Developer to timely comply with such request will be a breach of this Agreement.

(b) Exempt Information. Documents that Developer submits to the City under Section 8.20, (Annual Compliance Report) or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If Developer marks a document as "proprietary, privileged and confidential", then HED will evaluate whether such document may be withheld under the FOIA. HED, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "**Local Records Act**"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with this Agreement and the transactions contemplated in the Agreement.

8.27 **Survival of Covenants.** All warranties, representations, covenants and agreements of Developer contained in this Article Eight and elsewhere in this Agreement are

true, accurate and complete at the time of Developer's execution of this Agreement, and will survive the execution, delivery and acceptance by the parties and (except as provided in Article Seven upon the issuance of a Certificate of Completion) will be in effect throughout the Term of the Agreement.

ARTICLE NINE: REPRESENTATIONS, WARRANTIES AND COVENANTS OF CITY

9.01 **General Covenants.** The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.

9.02 **Survival of Covenants.** All warranties, representations, and covenants of the City contained in this Article Nine or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

ARTICLE TEN: DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 **Employment Opportunity.** Developer, on behalf of itself and its successors and assigns, hereby agrees, and will contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer on the Phase 1b New Work (collectively, with Developer, such parties are defined herein as the **"Employers"**, and individually defined herein as an **"Employer"**) to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Phase 1b New Work:

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time-to-time (the **"Human Rights Ordinance"**). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or

ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the construction of the Phase 1b New Work be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

(c) Each Employer will comply with all applicable Federal, State and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the State Human Rights Act, 775 ILCS 5/1-101 et.seq. (2006 State Bar Edition), as amended, and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, will cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of Federal, State and municipal agencies.

(e) Each Employer will include the foregoing provisions of subparagraphs (a) through (d) in every construction contract entered into in connection with the Phase 1b New Work, after the Closing Date, and will require inclusion of these provisions in every subcontract entered into by any subcontractors, after the Closing Date, and every agreement with any Affiliate operating on the Property or at the Phase 1b New Work, after the Closing Date, so that each such provision will be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 10.01 will be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof, subject to the cure rights under Section 15.03.

10.02 **City Resident Construction Worker Employment Requirement.**

(a) Developer agrees for itself and its successors and assigns, and will contractually obligate its General Contractor and will cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Phase 1b New Work they will comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Phase 1b New Work will be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, Developer, its General Contractor and each subcontractor will be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions. Developer, the General Contractor and each subcontractor will use

their respective best efforts to exceed the minimum percentage of hours stated above, and to employ neighborhood residents in connection with the Phase 1b New Work.

(b) Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

(c) **"Actual residents of the City"** means persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

(d) Developer, the General Contractor and each subcontractor will provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Phase 1b New Work. Each Employer will maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

(e) Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) will be submitted to the Commissioner of HED in triplicate, which will identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

(f) Upon 2 Business Days prior written notice, Developer, the General Contractor and each subcontractor will provide full access to their employment records related to the construction of the Phase 1b New Work to the Chief Procurement Officer, the Commissioner of HED, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. Developer, the General Contractor and each subcontractor will maintain all relevant personnel data and records related to the construction of the Phase 1b New Work for a period of at least 3 years after final acceptance of the work constituting the Phase 1b New Work.

(g) At the direction of HED, affidavits and other supporting documentation will be required of Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

(h) Good faith efforts on the part of Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) will not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

(i) When work at the Phase 1b New Work is completed, in the event that the City has determined that Developer has failed to ensure the fulfillment of the requirement of this Article concerning the worker hours performed by actual residents of the City or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the

benefit of demonstrable employment to Chicagoans to the degree stipulated in this Article. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs allocated to the Phase 1b New Work set forth in the Project Budget (the product of .0005 x such aggregate hard construction costs) (as the same will be evidenced by approved contract value for the actual contracts) will be surrendered by Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly will result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether Developer must surrender damages as provided in this paragraph.

(j) Nothing herein provided will be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

(k) Developer will cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Phase 1b New Work, entered into after the Closing Date.

10.03 **Developer's MBE/WBE Commitment.** Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements stated in this section, will contractually obligate the General Contractor to agree that during the construction of the Phase 1b New Work:

(a) Consistent with the findings which support, as applicable: (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the **"Procurement Program"**), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the **"Construction Program"**, and collectively with the Procurement Program, the **"MBE/WBE Program"**), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Phase 1b New Work, at least the following percentages of the MBE/WBE Budget (as stated in Exhibit D-2) must be expended for contract participation by Minority-Owned Businesses (**"MBEs"**) and by Women-Owned Businesses (**"WBEs"**):

(1) At least 24 percent by MBEs.
(2) At least four percent by WBEs.

(b) For purposes of this Section 10.03 only:

(i) Developer (and any party to whom a contract is let by Developer in connection with the Phase 1b New Work) is deemed a **"contractor"** and this Agreement (and any contract let by Developer in connection with the Phase 1b New Work) is deemed a **"contract"** or a **"construction contract"** as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(ii) The term **"minority-owned business"** or **"MBE"** shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(iii) The term **"women-owned business"** or **"WBE"** shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, Developer's MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Phase 1b New Work by Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of: (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Phase 1b New Work by the MBE or WBE), by Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Phase 1b New Work by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Phase 1b New Work to one or more MBEs or WBEs, or by the purchase of materials or services used in the Phase 1b New Work from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to Developer's MBE/WBE commitment as described in this Section 10.03. In compliance with Section 2-92-730, Municipal Code of Chicago, Developer will not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of HED.

(d) Developer must deliver quarterly reports to the City's monitoring staff during the Phase 1b New Work describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports will include, inter alia: the name and business address of each MBE and WBE solicited by Developer or the General Contractor to work on the Phase 1b New Work, and the responses received from such solicitation; the name and business address of each MBE or WBE actually involved in the Phase 1b New Work; a description of the work performed or products or services supplied; the date and amount of such work, product or service; and such other information as may assist the City's monitoring staff in determining Developer's compliance with this MBE/WBE commitment. Developer will maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Phase 1b New

Work for at least 5 years after completion of the Phase 1b New Work, and the City's monitoring staff will have access to all such records maintained by Developer, on 5 Business Days' notice, to allow the City to review Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Phase 1b New Work.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, Developer is obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Phase 1b New Work, Developer shall be required to meet with the City's monitoring staff with regard to Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors are required to attend this pre-construction meeting. During said meeting, Developer will demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which will be approved by the City's monitoring staff. During the Phase 1b New Work, Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Phase 1b New Work via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Developer is not complying with its obligations under this Section 10.03, will, upon the delivery of written notice to Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Developer to halt the Phase 1b New Work, (2) withhold any further payment of any City Funds to Developer or the General Contractor, or (3) seek any other remedies against Developer available at law or in equity.

ARTICLE ELEVEN: ENVIRONMENTAL MATTERS

11.01 **Environmental Matters.** Developer hereby represents and warrants to the City that Developer has conducted environmental studies sufficient to conclude that the Phase 1b New Work may be constructed, completed and operated in accordance with all Environmental Laws.

Without limiting any other provisions hereof, Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of Developer: (i) the presence of any Hazardous Materials on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Materials from: (A) all or any portion of the Property, or (B) any other real property in which Developer, or any person directly or indirectly controlling, controlled by or under common control with Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property.

ARTICLE TWELVE: INSURANCE

12.01 **Insurance Requirements.** Developer's insurance requirements are stated in Schedule B which is hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE THIRTEEN: INDEMNIFICATION

13.01 **General Indemnity.** Developer agrees to indemnify, pay and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an **"Indemnitee,"** and collectively the **"Indemnitees"**) harmless from and against, any and all liabilities, obligations, losses, damages (arising out of a third party action against the City), penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever, (and including, without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnitees shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees by a third party in any manner relating to or arising out of:

(i) Any cost overruns as described in Section 4.08; or

(ii) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

(iii) Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

(iv) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or its agents, employees, contractors or persons acting under the control or at the request of Developer or any affiliate of Developer; or

(v) Developer's failure to cure any misrepresentation in this Agreement or any other document or agreement relating hereto; or

(vi) any act or omission by Developer or any Affiliate of Developer;

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer will contribute the maximum portion that it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 will survive the termination of this Agreement.

ARTICLE FOURTEEN: MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 **Books and Records.** Developer will keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual costs of the Phase 1b New Work and the disposition of all funds from whatever source allocated thereto, and to monitor the Phase 1b New Work. All such books, records and other documents related to the Project, including but not limited to Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, will be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer will not pay for salaries or fringe benefits of auditors or examiners. Developer must incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Phase 1b New Work. The City shall provide three (3) Business Days' prior written notice to Developer in accordance with Section 17. The notice shall indicate the date and time of the inspection. All inspections shall be conducted between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday.

14.02 **Inspection Rights.** Upon three (3) Business Days' notice, any authorized representative of the City shall have access to all portions of the Property or the Phase 1b New Work during normal business hours for the Term of the Agreement. The City shall provide three (3) Business Days' prior written notice to Developer in accordance with Section 17. The notice shall indicate the date and time of the inspection. All inspections shall be conducted between the hours 9:00 a.m. and 5:00 p.m., Monday through Friday.

ARTICLE FIFTEEN: DEFAULT AND REMEDIES

15.01 **Events of Default.** The occurrence of any one or more of the following events, subject to the provisions of Section 15.03, will constitute an "**Event of Default**" by Developer hereunder:

(a) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under this Agreement or any related agreement;

(b) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under any other agreement with any person or entity if such failure may have a material adverse effect on Developer's business, property (including the Property or the Phase 1b Retail Project), assets (including the Property or the Phase 1b Retail Project), operations or condition, financial or otherwise;

(c) the making or furnishing by Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt by Developer to create, any lien or other encumbrance upon the Property or the Phase 1b Retail Project, including any fixtures now or hereafter attached thereto, other than the Permitted Liens or any Permitted Mortgage, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against Developer or for the liquidation or reorganization of Developer or alleging that Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's debts, whether under the United States Bankruptcy Code or under any other state or Federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving Developer, provided, however, that if such commencement of proceedings is involuntary, such action will not constitute an Event of Default unless such proceedings are not dismissed within 60 days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for Developer for any substantial part of Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of Developer, provided, however, that if such appointment or commencement of proceedings is involuntary, such action will not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within 60 days after the commencement thereof;

(g) the entry of any judgment or order against Developer, not covered by insurance for an amount in excess of $1.0 million which remains unsatisfied or undischarged and in effect for 60 days after such entry without a stay of enforcement or execution;

(h) the occurrence of an event of default under the Lender Financing, if any, which default is not cured within any applicable cure period; or

(i) the dissolution of Developer; or

(j) the institution in any court of a criminal proceeding (other than a misdemeanor) against Developer or any natural person who owns a material interest in Developer, which is not dismissed within 30 days, or the indictment of Developer or any natural person who owns a material interest in Developer, for any crime (other than a misdemeanor); or

(k) prior to the expiration of the Term of the Agreement except as otherwise provided herein, the sale or transfer of all of the ownership interests of Developer without the prior written consent of the City; or

(l) The failure of Developer, or the failure by any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer, to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code; such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer.

For purposes of Section 15.01(j), hereof, a natural person with a material interest in Developer is one owning in excess of seven and a half percent (7.5%) of Developer's issued and outstanding ownership shares or interests.

15.02 **Remedies.** Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds, provided, however, that, notwithstanding any conflicting provision herein, upon issuance of City Note A, the City's obligation to make payments on City Note A shall be vested without defense to payment (other than insufficiency of Available Incremental Taxes), including as a result of an Event of Default hereunder, and the City's obligation to make payments on City Note A shall survive any termination of this Agreement. Subject to the foregoing, the City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein. To the extent permitted by law, the City may also lien the Property.

15.03 **Curative Period.**

(a) In the event Developer fails to perform a monetary covenant which Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default will not be deemed to have occurred unless

Developer has failed to perform such monetary covenant within 10 days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant.

(b) In the event Developer fails to perform a non-monetary covenant which Developer is required to perform under this Agreement, an Event of Default will not be deemed to have occurred unless Developer has failed to cure such default within 30 days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such 30 day period, Developer will not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such 30 day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

15.04 **Joint and Several Liability.**

(a) By entering into this Agreement, Pullman Park Development and Chicago Neighborhood Initiatives each specifically agree that the respective undertakings, liabilities and obligations for "**Developer**" stated in this Agreement are for each entity joint and several with the other entity. Such joint and several undertakings means that each entity is individually satisfactory performance of each and every obligation, covenant, condition, requirement, undertaking or payment of the "Developer" as stated in this Agreement, and each entity is individually bound by and obligated to each and every term and condition in this Agreement.

(b) The joint and severally undertaking of the entities stated in subsection (a) above is intended to be continuing throughout the Term of the Agreement. Such joint and several undertaking will not be changed, modified, reduce or released in any way by:

(i) any change, amendment, modification or correction to this Agreement, the City Notes or any other agreement or undertaking contemplated or reference in this Agreement; or,

(ii) the existence of any claim, setoff, defense, counter-claim or other right which either Pullman Park Development or Chicago Neighborhood Initiatives may have or assert against each other or against the City or against any third party.

(c) From time-to-time, and at any time during the Term of the Agreement, the City may assert and pursue one or more of its remedies under this Agreement against either Pullman Park Development or Chicago Neighborhood Initiatives as the case may be under this Agreement.

ARTICLE SIXTEEN: MORTGAGING OF THE PROJECT

16.01 **Mortgaging of the Project.** Any and all mortgages or deeds of trust in place as of the date hereof with respect to the Property or Project or any portion thereof are listed on

Exhibit I hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing, if any) and are referred to herein as the "**Existing Mortgages**." Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the Property or Project or any portion thereof without obtaining the prior written consent of the City is referred to herein as a "**New Mortgage**." Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the Property or Project or any portion thereof with the prior written consent of the City is referred to herein as a **"Permitted Mortgage."** It is hereby agreed by and between the City and Developer as follows:

(a) If a mortgagee or any other party shall succeed to Developer's interest in the Property or any portion thereof by the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage) whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but will not be obligated to, attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party will be entitled to no rights or benefits under this Agreement, but such party will be bound by those provisions of this Agreement that are covenants expressly running with the land comprising the Property (as defined herein).

(b) Notwithstanding any provision of this Agreement to the contrary, the exercise of the remedies of foreclosure of a mortgage or any sale of Developer's interest in the Property in connection with a foreclosure, whether by judicial proceedings or by virtue of any power of sale contained in the mortgage, or any conveyance of Developer's interest in the Property to the mortgagee or its nominee or designee by virtue of or in lieu of foreclosure or other appropriate proceedings, or any conveyance of Developer's interest in the Property by the mortgagee or its nominee or designee, or any other exercise of remedies under the documents evidencing Lender Financing shall not require the consent or approval of the City or constitute a breach of any provision of or a default under this Agreement.

(c) If any mortgagee or any other party shall succeed to Developer's interest in the Property or any portion thereof by the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.15 hereof, then the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the executory obligations and liabilities of "Developer" hereunder. Notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of Developer's interest under this Agreement, such party will have no liability under this Agreement for any Event of Default of Developer which occurred prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer will be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of

Developer's interest hereunder, such party will be entitled to no rights and benefits under this Agreement, and such party will be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(d) Prior to the issuance by the City to Developer of a Certificate of Completion under Article Seven hereof, no New Mortgage will be executed with respect to the Property or the Project or any portion thereof without the prior written consent of the Commissioner of HED. A feature of such consent will be that any New Mortgage will subordinate its mortgage lien to the covenants in favor of the City that run with the land. After the issuance of a Certificate of Completion, consent of the Commissioner of HED is not required for any such New Mortgage.

ARTICLE SEVENTEEN: NOTICES

17.01 **Notices.** All notices and any other communications under this Agreement will: (A) be in writing; (B) be sent by: (i) telecopier/fax machine, (ii) delivered by hand, (iii) delivered by an overnight courier service which maintains records confirming the receipt of documents by the receiving party, or (iv) registered or certified U.S. Mail, return receipt requested; (c) be given at the following respective addresses:

If to the City:
City of Chicago
Department of Housing and Economic Development
Attn: Commissioner
121 North LaSalle Street, Room 1000
Chicago, IL 60602
312/744-4190 (Main No.)
312/744-2271 (Fax)

With Copies To:
City of Chicago
Corporation Counsel
Attn: Finance and Economic Development Division
121 North LaSalle Street, Room 600
Chicago, IL 60602
312/744-0200 (Main No.)
312/742-0277 (Fax)

If to Developer:
Pullman Park Development, LLC
c/o Chicago Neighborhood Initiatives, Inc.
1000 E. 111th Street – 10th Floor
Chicago, IL 60628
Attn: David Doig

Pullman Park Development, LLC
c/o Chicago Neighborhood Initiatives, Inc.
1000 E. 111th Street – 10th Floor
Chicago, IL 60628

Attn: Angie Marks

With Copies To: DLA Piper LLP (US)
203 North LaSalle Street
19th Floor
Chicago, IL 60601
Attn: David L. Reifman, Esq.
Mariah F. DiGrino, Esq.

or at such other address or telecopier/fax or telephone number or to the attention of such other person as the party to whom such information pertains may hereafter specify for the purpose in a notice to the other specifically captioned "Notice of Change of Address" and, (D) be effective or deemed delivered or furnished: (i) if given by telecopier/fax, when such communication is confirmed to have been transmitted to the appropriate telecopier/fax number specified in this section, and confirmation is deposited into the U.S. Mail, postage prepaid to the recipient's address shown herein; (ii) if given by hand delivery or overnight courier service, when left at the address of the addressee, properly addressed as provided above.

17.02 **Developer Requests for City or HED Approval.** Any request under this Agreement for City or HED approval submitted by Developer will comply with the following requirements:

(a) be in writing and otherwise comply with the requirements of Section 17.01 (Notices);

(b) expressly state the particular document and section thereof relied on by Developer to request City or HED approval;

(c) if applicable, note in bold type that failure to respond to Developer's request for approval by a certain date will result in the requested approval being deemed to have been given by the City or HED;

(d) if applicable, state the outside date for the City's or HED's response; and

(e) be supplemented by a delivery receipt or time/date stamped notice or other documentary evidence showing the date of delivery of Developer's request.

ARTICLE EIGHTEEN: ADDITIONAL PROVISIONS

18.01 **Amendments.** This Agreement and the Schedules and Exhibits attached hereto may not be modified or amended except by an agreement in writing signed by the parties; provided, however, that the City in its sole discretion, may amend, modify or supplement the Redevelopment Plan, which is Exhibit C hereto. For purposes of this Agreement, Developer is only obligated to comply with the Redevelopment Plan as in effect on the date of this

Agreement. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "**material**" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than 180 days.

18.02 **Complete Agreement, Construction, Modification.** This Agreement, including any exhibits and the other agreements, documents and instruments referred to herein or contemplated hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, commitments and writings with respect to such subject matter. This Agreement and the Schedules and Exhibits attached hereto may not be contradicted by evidence of prior, contemporaneous, or subsequent verbal agreements of the parties. There are no unwritten verbal agreements between the parties.

18.03 **Limitation of Liability.** No member, elected or appointed official or employee or agent of the City shall be individually, collectively or personally liable to Developer or any successor in interest to Developer in the event of any default or breach by the City or for any amount which may become due to Developer or any successor in interest, from the City or on any obligation under the terms of this Agreement.

18.04 **Further Assurances.** Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement, and to accomplish the transactions contemplated in this Agreement.

18.05 **Waivers.** No party hereto will be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by such party. No delay or omission on the part of a party in exercising any right will operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement will not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, will constitute a waiver of any of such parties' rights or of any obligations of any other party hereto as to any future transactions.

18.06 **Remedies Cumulative.** The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein must not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

18.07 **Parties in Interest/No Third Party Beneficiaries.** The terms and provisions of this Agreement are binding upon and inure to the benefit of, and are enforceable by, the

respective successors and permitted assigns of the parties hereto. This Agreement will not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the City or Developer, will be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or Developer.

18.08 **Titles and Headings.** The Article, section and paragraph headings contained herein are for convenience of reference only and are not intended to limit, vary, define or expand the content thereof.

18.09 **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, must be construed together and will constitute one and the same instrument.

18.10 **Counterpart Facsimile Execution.** For purposes of executing this Agreement, a document signed and transmitted by facsimile machine will be treated as an original document. The signature of any party thereon will be considered as an original signature, and the document transmitted will be considered to have the same binding legal effect as an original signature on an original document. At the request of either party, any facsimile document will be re-executed by other parties in original form. No party hereto may raise the use of a facsimile machine as a defense to the enforcement of this Agreement or any amendment executed in compliance with this section. This section does not supersede the requirements of Article Seventeen: Notices.

18.11 **Severability.** If any provision of this Agreement, or the application thereof, to any person, place or circumstance, is be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances will remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms will provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein. In such event, the parties will negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly affects the parties' intent in entering into this Agreement.

18.12 **Conflict.** In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances in effect as of the date of this Agreement, such ordinance(s) will prevail and control.

18.13 **Governing Law.** This Agreement is governed by and construed in accordance with the internal laws of the State, without regard to its conflicts of law principles.

18.14 **Form of Documents.** All documents required by this Agreement to be submitted, delivered or furnished to the City will be in form and content satisfactory to the City.

18.15 **Assignment.** Prior to the issuance by the City to Developer of a Certificate of Completion, Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City; provided, however, that Developer may assign, on a collateral basis, the right to receive City Funds to a lender providing Lender Financing, if any, which has been identified to the City as of the Closing Date. Any successor in interest to Developer under this Agreement (excluding any Lender that has been assigned only the right to received City Funds on a collateral basis) will certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement for the Term of the Agreement. Developer hereby consents to the City's assignment or other transfer of this Agreement at any time in whole or in part.

18.16 **Binding Effect.** This Agreement is binding upon Developer, the City and their respective successors and permitted assigns (as provided herein) and will inure to the benefit of Developer, the City and their respective successors and permitted assigns (as provided herein).

18.17 **Force Majeure.** Neither the City nor Developer nor any successor in interest to either of them will be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, war, acts of terrorism, imposition of martial law, plague or other illness, bank holidays or stock or commodity exchange closures or wire transfer interruptions, capital controls, civil disorders, rebellions or revolutions, strike, shortage of material, power interruptions or blackouts, cyber attacks, electro magnetic pulse ("EMP") attacks, fuel shortages or rationing, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder, except to the extent that, the non-performing party is at fault in failing to prevent or causing such default or delay; and provided that such default or delay can not reasonably be circumvented by the non-performing party through the use of alternative sources, work around plans or other means. The individual or entity relying on this section with respect to any such delay will, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay affected by any such events described above.

18.18 **Exhibits and Schedules.** All of the exhibits and schedules to this Agreement are incorporated herein by reference. Any exhibits and schedules to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same has been set forth verbatim herein.

18.19 **Business Economic Support Act.** Under the Business Economic Support Act (30 ILCS 760/1 et seq. (2006 State Bar Edition), as amended), if Developer is required to

provide notice under the WARN Act, Developer will, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and Minority Leader of the Senate of State, and the Mayor of each municipality where Developer has locations in the State. Failure by Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

18.20 **Approval.** Wherever this Agreement provides for the approval or consent of the City, HED or the Commissioner, or any matter is to be to the City's, HED's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, HED or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or HED in making all approvals, consents and determinations of satisfaction, granting the Certificate of Completion or otherwise administering this Agreement for the City.

18.21 **Construction of Words.** The use of the singular form of any word herein includes the plural, and vice versa. Masculine, feminine and neuter pronouns are fully interchangeable, where the context so requires. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision. The term "include" (in all its forms) means "include, without limitation" unless the context clearly states otherwise. The word "shall" means "has a duty to."

18.22 **Date of Performance.** If any date for performance under this Agreement falls on a Saturday, Sunday or other day which is a holiday under Federal law or under State Law, the date for such performance will be the next succeeding Business Day.

18.23 **Survival of Agreements.** All covenants and agreements of the parties contained in this Agreement will survive the Closing Date in accordance with the provisions of this Agreement.

18.24 **Equitable Relief.** In addition to any other available remedy provided for hereunder, at law or in equity, to the extent that a party fails to comply with the terms of this Agreement, any of the other parties hereto shall be entitled to injunctive relief with respect thereto, without the necessity of posting a bond or other security, the damages for such breach hereby being acknowledged as unascertainable.

18.25 **Venue and Consent to Jurisdiction.** If there is a lawsuit under this Agreement, each party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

18.26 **Costs and Expenses.** In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses,

including attorneys' fees, incurred in connection with the enforcement of the provisions of this Agreement but only if the City is determined to be the prevailing party in an action for enforcement. This includes, subject to any limits under applicable law, reasonable attorneys' fees and legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

[The remainder of this page is intentionally left blank and the signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be signed on or as of the day and year first above written.

PULLMAN PARK DEVELOPMENT, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY

By its managing member: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation:

By: _____

Printed
Name: _____

Title: _____

CHICAGO NEIGHBORHOOD INITIATIVES, INC., an Illinois not-for-profit corporation

By: _____

Printed
Name: _____

Title: _____

CITY OF CHICAGO

By: _____

_____ Commissioner,
Department of Housing and Economic Development

STATE OF _____)
) SS
COUNTY OF _____)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____ _____, personally known to me to be the _____ _____ of Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation, which is the managing member OF PULLMAN PARK DEVELOPMENT, LLC, an Illinois limited liability company (the "Developer") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by Developer, as his/her free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2013.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF _____)
) SS
COUNTY OF _____)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____ _____, personally known to me to be the _____ _____ of Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation, (the "Developer") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by Developer, as his/her free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2013.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, William A. Nyberg, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the _____ Commissioner of the Department of Housing and Economic Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as him/her free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2013.

_____
Notary Public

My Commission Expires_____

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC,
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____, 2013

SCHEDULE A

DEFINITIONS

For purposes of this Agreement the following terms shall have the meanings stated forth below:

"**Acquisition**" has the meaning defined in Recital D.

"**Act**" has the meaning defined in Recital B.

"**Actual Residents of the City**" has the meaning defined for such phrase in Section 10.02(c).

"**Affiliate(s)**" when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any person or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

"**Agreement**" has the meaning defined in the Agreement preamble.

"**Annual Compliance Report**" shall mean a signed report from Developer to the City: (a) itemizing each of Developer's obligations under the Agreement during the preceding calendar year; (b) certifying Developer's compliance or noncompliance with such obligations; (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance; and (d) certifying that Developer is not in default beyond applicable notice and cure periods with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) delivery of Financial Statements and unaudited financial statements (Section 8.13); (2) delivery of updated insurance certificates, if applicable (Section 8.11); (3) delivery of evidence of payment of Non-

Governmental Charges, if applicable (Section 8.12); (4) delivery of evidence of Developer's compliance with the green construction requirements of Section 3.15(c); and (5) compliance with all other executory provisions of the RDA.

"**Available Incremental Taxes**" means all Incremental Taxes (as defined below) deposited in the North Pullman Redevelopment Project Area Special Tax Allocation Fund attributed to the taxes levied on the former Ryerson Steel site, with a roster of applicable PINS scheduled in Exhibit B-4.

"**Bank Trustee**" has the meaning defined in Section 4.01, Note 3.

"**Bonds**" has the meaning defined in Section 8.05.

"**Bond Ordinance**" means the City Ordinance authorizing the issuance of Bonds.

"**Business Day**" means any day other than Saturday, Sunday or a legal holiday in the State.

"**Certificate of Completion**" has the meaning defined in Section 7.01.

"**Change Order**" means any amendment or modification to the Scope Drawings, the Plans and Specifications, or the Project Budget (all as defined below) within the scope of Section 3.03, 3.04 and 3.05.

"**Chicago Neighborhood Initiatives**" has the meaning defined in the Agreement Preamble.

"**City**" has the meaning defined in the Agreement preamble.

"**City Contract**" has the meaning defined in Section 8.01(l).

"**City Council**" means the City Council of the City of Chicago as defined in Recital C.

"**City Funds**" means the funds described in Section 4.03(a).

"**City Funds Requisition Form**" means the Requisition Form substantially in the form of Exhibit N.

"**City Group Member**" has the meaning defined in Section 8.20.

"**City Hiring Plan**" has the meaning defined in Section 8.25.

"**City Note A**" shall mean the Tax Increment Allocation Revenue Note (Pullman Park Redevelopment Project), Tax Exempt Series A, to be in the form attached hereto as **Exhibit M-1**, in an initial principal amount equal to the amount that will result in City Note A Net Proceeds (after reductions for any required capitalized interest and debt service reserve fund), of Four

Million Nine Hundred and Three Thousand Five Hundred and Twenty-Five Dollars ($4,903,525), with a maximum principal amount of [$6,750,000]. The determination of the initial principal amount of City Note A shall also be subject to an investor letter provided by a qualified investment banker that City Note A can be supported to such initial principal amount given market conditions as of the date of the investor letter. Interest on City Note A shall accrue upon issuance at a rate equal to the 20-year BAA Uninsured G.O. Bond Index as published by Thompson-Reuters Municipal Market Data ("MMD") plus 250 basis points and shall compound annually. City Note A shall be tax exempt and shall have a first lien on the Available Incremental Taxes. Upon issuance, the City will issue an amortization schedule for City Note A. City Note A shall be issued on the Closing Date.

"**City Note A Interest Rate**" has the meaning defined in Section 4.03(d)(ii).

"**City Note A Lock-Out Period**" has the meaning defined in Section 4.03(d)(vi)(A).

"**City Note A Net Proceeds**" shall mean the amount of proceeds of City Note A deposited in the Construction Escrow after reductions for any required capitalized interest and debt service reserve fund.

"**City Note B**" shall mean the Tax Increment Allocation Revenue Note (Pullman Park Redevelopment Project), Taxable Series B, to be in the form attached hereto as **Exhibit M-2**, in an initial principal amount equal to the. amount calculated as principal as stated in Section 4.03(e). Interest on City Note B shall accrue upon issuance at a rate equal the 20-year BBB Corporate bond index as published by Bloomberg plus 200 basis points and shall compound annually. City Note B shall be taxable and shall have a second lien on Available Incremental Taxes. City Note B shall be issued on the Note Sale Date if City Note A Net Proceeds (after reductions for any required capitalized interest and debt service reserve fund, is less than Four Million Nine Hundred and Three Thousand Five Hundred and Twenty-Five Dollars ($4,903,525). City Note B shall be paid with excess Available Incremental Taxes after payment in full of all City Note A required funding.

"**City Note B Interest Rate**" has the meaning defined in Section 4.03(e)(ii).

"**City Notes**" shall mean, collectively, City Note A and City Note B.

"**City Requirements**" has the meaning defined in Section 3.07.

"**Closing Date**" means the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

"**Commissioner**" or "**Commissioner of HED**" means that individual holding the office and exercising the responsibilities of the Commissioner or Acting Commissioner of the City's Department of Housing and Economic Development and any successor City Department.

"**Contribution**" and "**political contribution**" each has the meaning defined in Section 8.24.

"**Construction Contract**" means that certain contract substantially in the form of Exhibit G, to be entered into between Developer and the General Contractor (as defined below) providing for construction of, among other things, the TIF-Funded Improvements. The parties to this Agreement may agree that the Construction Contract may be provided after Closing Date.

"**Construction Escrow**" shall mean the construction escrow established under the terms of the Escrow Agreement.

"**Construction Program**" has the meaning defined in Section 10.03(a).

"**Corporation Counsel**" means the City's Department of Law.

"**DCEO Grant**" has the meaning defined in Recital D.

"**Developer**" has the meaning defined in the Agreement preamble.

"**EDS**" means the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted in paper or via the City's online submission process.

"**Employer(s)**" has the meaning defined in Section 10.01.

"**Environmental Laws**" means any and all Federal, State or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago (as defined below), and including the following Municipal Code Sections: 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550 or 11-4-1560.

"**Equity**" means funds of Developer (other than funds derived from Lender Financing (as defined below)) irrevocably available for the Project, in the amount stated in Section 4.01 hereof, which amount may be increased under Section 4.08 (Cost Overruns).

"**Escrow Agreement**" shall mean the Escrow Agreement substantially in the form of Exhibit F-1 establishing a construction escrow for the Project, to be entered into as of even date

with this Agreement by and among the Title Company (or an affiliate of the Title Company), Developer, the General Contractor and the City. The Escrow Agreement shall provide among other things, that all draw requests from the Escrow must be accompanied by invoices, cancelled checks, lien waivers, owner's sworn statements, MBE/WBE subcontractor , contract amounts, and certification letters a prerequisite to disbursements.

"**Event of Default**" has the meaning defined in Section 15.01.

"**Existing Mortgages**" has the meaning defined in Section 16.01.

"**Financial Statements**" means the financial statements regularly prepared by Developer, if any, and including, but not limited to, a balance sheet, income statement and cash-flow statement, in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods, for business enterprises operating for profit in the United States of America, and also includes financial statements (both audited and unaudited) prepared by a certified public accountant, together with any audit opinion and management letter issued by Developer's auditor.

"**FOIA**" has the meaning defined in Section 8.26(a).

"**General Contractor**" means the general contractor(s) hired by Developer under Section 6.01.

"**Governmental Charge**" has the meaning defined in Section 8.16(a)(i).

"**Hazardous Materials**" means any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

"**HED**" has the meaning defined in the Agreement preamble.

"**Human Rights Ordinance**" has the meaning defined in Section 10.01(a).

"**IGO Hiring Oversight**" has the meaning defined in Section 8.25.

"**Incremental Taxes**" means such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to, and when collected are paid to, the Treasurer of the City for deposit by the Treasurer into a special tax allocation fund established to pay Redevelopment Project Costs (as defined below) and obligations incurred in the payment thereof, such fund for the purposes of this Agreement being the North Pullman Redevelopment Project Area Special Tax Allocation Fund.

"**Indemnitee**" and "**Indemnitees**" have the respective meanings defined in Section 13.01.

"**Junior Mortgage**" means a junior mortgage that the City may require to be entered into on the Closing Date, to secure an amount of up to $4,903,525, in a form reasonably acceptable to Developer, the City and Corporation Counsel, executed by Developer as mortgagor, in favor of the City as mortgagee, securing Developer's completion of the Phase 1b New Work.

"**Labor Department**" has the meaning defined in Section 8.08.

"**Lender**" has the meaning defined in Section 3.08.

"**Lender Financing**" means funds borrowed by Developer from lenders, if any, and available to pay for costs of the Project.

"**Local Records Act**" has the meaning defined in Section 8.26(c).

"**MBE(s)**" has the meaning defined in Section 10.03(b).

"**MBE/WBE Program**" has the meaning defined in Section 10.03(a).

"**Minimum Assessed Value**" has the meaning defined in Section 8.16(c)(i).

"**Minority-Owned Business**" has the meaning defined in Section 10.03(b).

"**MOPD**" has the meaning defined in Section 3.13.

"**Municipal Code**" means the Municipal Code of the City of Chicago as presently in effect and as hereafter amended from time to time.

"**New Mortgage**" has the meaning defined in Section 16.01.

"**Note Sale Date**" means the date on which City Note A is sold by Chicago Neighborhood Initiatives, as contemplated in Section 4.03(d).

"**Non-Governmental Charges**" means all non-governmental charges, liens, claims, or encumbrances relating to Developer, the Property or the Project.

"**North Pullman Redevelopment Project Area Special Tax Allocation Fund**" means the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes (as defined above) will be initially deposited and then re-deposited, together with any ported funds, to the Pullman Park Development, LLC/Chicago Neighborhood Initiatives Debt Service Account.

"**Other Agreement**" has the meaning defined in Section 8.24.

"**PD 1167**" has the meaning defined in Recital E.

"**Permitted Liens**" means those liens and encumbrances against the Property and/or the Project stated in Exhibit I.

"**Permitted Mortgage**" has the meaning defined in Section 16.01.

"**Phase 1a Infrastructure Improvements**" has the meaning defined in Recital D.

"**Phase 1b Completed Work**" has the meaning defined in Recital D.

"**Phase 1b New Work**" has the meaning defined in Recital D.

"**Phase 1b New Work Budget**" has the meaning defined in Section 3.03.

"**Phase 1b Retail Project**" has the meaning defined in Recital D.

"**Plan Adoption Ordinance**" has the meaning defined in Recital C.

"**Plans and Specifications**" means final construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

"**Political fundraising committee**" has the meaning defined in Section 8.24.

"**Prior Expenditure(s)**" has the meaning defined in Section 4.04.

"**Procurement Program**" has the meaning defined in Section 10.03(a).

"**Project**" has the meaning defined in Recital D.

"**Project Budget**" means the budget stated in Exhibit D-1, showing the total cost of the Project by line item, as furnished by Developer to HED, in accordance with Section 3.03.

"**Property**" has the meaning defined in Recital D.

"**Pullman Park Development**" has the meaning defined in the Agreement Preamble.

"**Qualified Transfer of City Note A**" means the sale or assignment of the City Note A or pledge of City Note A to a lender providing Lender Financing as long as:

(a) any sale or assignment is to a "qualified investor" with no view to resale or reassignment; and

(b) any sale or assignment is subject to the terms and procedures of an investment letter acceptable to the City; and

(c) any such pledge or assignment or sale transaction is of a kind, nature and purchase price that is reasonably acceptable to the City (which acceptance may, in the Commissioner's reasonable discretion, include a modification of the requirements stated in the proceeding clauses (a) through (b)).

"**Qualified Transfer of City Note B**" means the sale or assignment of the City Note B or pledge of City Note B to a lender providing Lender Financing as long as:

(a) any sale or assigned is to a "qualified investor" with no view to resale or reassignment; and

(b) any sale or assignment is subject to the terms and procedures of an acceptable investment letter; and

(c) any such pledge or assignment or sale transaction is of a kind , nature and purchase price and nature that is reasonably acceptable to the City (which acceptance may, in the Commissioner's reasonable discretion, include a modification of the requirements stated in the proceeding clauses (a) through (c)).

(d) Any holder(s) of City Note B acquired in a Qualified Transfer of City Note B transaction must certify to the City that such holder(s) understand the terms and conditions associated with receiving payments of interest and principal on City Note B.

"**Redevelopment Area**" means the North Pullman Redevelopment Project Area as legally described in Exhibit A, and defined in Recital C.

"**Redevelopment Plan**" has the meaning defined in Recital E.

"**Redevelopment Project Costs**" means redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget stated in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"**Requisition Form**" has the meaning defined in Section 4.03(a).

"**Reserve Escrow**" shall mean an escrow to cure payment shortfalls if there are insufficient Available Incremental Taxes to make payments on City Note A.

"**Reserve Escrow Agreement**" shall mean the agreement substantially in the form of Exhibit F-2 establishing the Reserve Escrow.

"**Scope Drawings**" means preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

"**Shakman Accord**" has the meaning defined in Section 8.25.

"**State**" means the State of Illinois as defined in Recital A.

"**Survey**" means a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property meeting the 2011 minimum standard detail requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and any updates thereof to reflect improvements to the Property as required by the City or the lender(s) providing Lender Financing, if any).

"**Term of the Agreement**" means the period of time commencing on the Closing Date and ending on December 31, 2033 (such date being the last date of the calendar year in which taxes levied in the year that is 23 years after the creation of the Redevelopment Area are paid) or such later date as the Redevelopment Area expires in accordance with the TIF Ordinances.

"**TIF Adoption Ordinance**" has the meaning stated in Recital C.

"**TIF Bonds**" has the meaning defined for such term in Recital F.

"**TIF Bond Ordinance**" has the meaning stated in Recital F.

"**TIF Bond Proceeds**" has the meaning stated in Recital F.

"**TIF-Funded Improvements**" means those improvements of the Project listed in Exhibit E, all of which have been determined by the City prior to the date hereof to be qualified Redevelopment Project Costs and costs that are eligible under the Redevelopment Plan for reimbursement by the City out of the City Funds, subject to the terms of this Agreement.

"**TIF Ordinances**" has the meaning stated in Recital C.

"**Title Company**" means that Chicago Title Insurance Company or such other title insurance company agreed to by Developer and the City.

"**Title Policy**" means a title insurance policy in the most recently revised ALTA or equivalent form, showing Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

"**Under Assessment Complaint**" has the meaning set forth in Section 8.16(c)(iii).

"**WARN Act**" means the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

"**WBE(s)**" has the meaning defined in Section 10.03(b).

"**Women-Owned Business**" has the meaning defined in Section 10.03(b).

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____, 2013

SCHEDULE B

ARTICLE TWELVE: INSURANCE REQUIREMENTS

12.01 **Insurance**. Developer will provide and maintain, or cause to be provided and maintained, at Developer's own expense, during the Term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers' Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement in statutorily prescribed limits and Employers Liability coverage with limits of not less than $100,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(b) Construction. Prior to the construction of any portion of the Project, Developer will cause its architects, contractors, sub-contractors, project managers and other parties constructing the Project to procure and maintain the following kinds and amounts of insurance:

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement in statutorily prescribed limits and Employers Liability coverage with limits of not less than $500,000 each accident or illness.

(ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than $2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of 2 years following Project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, Developer must cause each contractor to provide Automobile Liability Insurance with limits of not less than $2,000,000 per occurrence for bodily injury and property damage. The City is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or rail transit property or within 50 feet of railroad or rail transit property, contractor must provide, or cause to be provided with respect to the operations that the contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than $2,000,000 per occurrence and $6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk Builders Risk Insurance

When the contractor undertakes any construction, including improvements, betterments, and/or repairs, Developer must cause each contractor to provide, or cause to be provided All Risk Blanket Builders

Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Project. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable, flood including surface water backup. The City will be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Developer must cause such parties to maintain Professional Liability Insurance covering acts, errors, or omissions which shall be maintained with limits of not less than $1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work performed in connection with this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years.

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement by Developer's architects, contractors, sub-contractors, project managers and other parties constructing the Project, Developer will cause such parties to maintain Valuable Papers Insurance which must be maintained in an amount to insure against any loss whatsoever, and which must have limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

When any environmental remediation work is performed which may cause a pollution exposure, Developer will cause the party performing such work to maintain contractor's Pollution Liability insurance with limits of not less than $1,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 1 year. The City is to be named as an additional insured on a primary, non-contributory basis.

(ix) Blanket Crime

Developer must provide Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, destruction or disappearance, computer fraud, credit card forgery,

and other related crime risks. The policy limit must be written to cover losses in the amount of the maximum monies collected or received and in the possession of Developer at any given time.

(c) Other Insurance Required.

(i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Project. The City is to be named as an additional insured.

(ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Project. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City is to be named as an additional insured.

(d) Other Requirements

(i) Developer will furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Agreement. Developer will submit evidence of insurance on the City Insurance Certificate Form or commercial equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer must not be deemed to be a waiver by the City. Developer will advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance will not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

(ii) The insurance will provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

(iii) Any and all deductibles or self insured retentions on referenced insurance coverages are borne by Developer.

(iv) Developer agrees that insurers must waive rights of subrogation against the City, its employees, elected officials, agents, or representatives.

(v) Developer expressly understands and agrees that any coverages and limits furnished by Developer will in no way limit Developer's liabilities and responsibilities specified within the Agreement documents or by law.

(vi) Developer expressly understands and agrees that Developer's insurance is primary and any insurance or self insurance programs maintained by the City will not contribute with insurance provided by Developer under the Agreement.

(vii) The required insurance will not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

(viii) Developer will require its general contractor and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the contractor or subcontractors. All contractors and subcontractors will be subject to the same requirements of Developer unless otherwise specified herein.

(ix) If Developer, contractor or subcontractor desires additional coverages, Developer, contractor and each subcontractor will be responsible for the acquisition and cost of such additional protection.

(x) The City Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as such action does not, without Developer's written consent, increase such requirements.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT A

REDEVELOPMENT AREA LEGAL DESCRIPTION

A legal description of the Redevelopment Area is attached to this exhibit cover sheet.

Exhibits "A" and "B" referred to in this ordinance read as follows:

Exhibit "A".

North Pullman T.I.F.
Legal Description.

All that part of Sections 10, 11 and 15 in Township 37 North, Range 14 East of the Third Principal Meridian and that part of Section 14 north of the Indian Boundary Line in Township 37 North, Range 14 East of the Third Principal Meridian described as follows:

beginning at the point of intersection of the south line of the southwest quarter of said Section 10 and the southerly extension of the east line of South Indiana Avenue; thence north along said southerly extension and along the east line of South Indiana Avenue to the north line of the 16 foot public alley lying north of East 103rd Street; thence east along said north line of the 16 foot public alley lying north of East 103rd Street and along the easterly extensions thereof to the westerly line of South Dauphin Avenue; thence northerly along said westerly line of South Dauphin Avenue and the northerly extensions thereof to the north line of East 100th Street; thence east along said north line of East 100th Street to the westerly line of the Illinois Central Railroad right-of-way; thence northerly along said westerly line of the Illinois Central Railroad right-of-way to the north line of the southeast quarter of said Section 10; thence east along the north line of the southeast quarter of said Section 10 to the easterly line of the Michigan Central Railroad right-of-way; thence southerly along said easterly line of the Michigan Central Railroad right-of-way to the north line of the parcel of property bearing Permanent Index Number 25-10-419-013 extended west; thence east along said westerly extension of the north line of the parcel of property bearing Permanent Index Number 25-10-419-013 to the easterly line of South Cottage Grove Avenue; thence southerly along said easterly line of South Cottage Grove Avenue to the north line of the parcel of property bearing Permanent Index Number 25-10-419-004, being the north line of Gately Park; thence east along said north line of the southeast quarter of said Section 10 to the northerly extension of the easterly line of South Cottage Grove Avenue; thence southerly along said northerly extension of South Cottage Grove Avenue and along the easterly line thereof to the north line of the parcel of property bearing Permanent Index Number 25-10-419-004, being the north line of Gately Park; thence east along said north line of Gately Park to a point on the west line of said Section 11, being 1,064.05 north of the south line thereof; thence continuing east along the north line of Gately Park to the east line of Gately Park, being a line 616.95 feet east of the west line of said Section 11; thence south along said east line of Gately Park to a point on the north line of the south 1,025.46 feet of the southwest quarter of said Section 11; thence east along said north line of the south 1,025.46 feet of the southwest quarter of said Section 11, being a line 100 feet north of and parallel with the north line of the tract of land conveyed to the Defense Plant Corporation by deed dated June 16, 1941 and recorded June 17, 1941 as Document Number 12704008 in book 3674, page 248 thereof, to a point 961.95 feet east of the west line of said

southwest quarter of Section 11; thence south 00 degrees, 09 minutes, 10 seconds east, 85 feet; to the north line of the south 940.47 feet of said southwest quarter of Section 11; thence east, 165 feet, along said north line of the south 940.47 feet of the southwest quarter of Section 11; thence south 00 degrees, 09 minutes, 10 seconds east, 15 feet, to a line 925.47 feet north of and parallel with the south line of said Section 11; thence east on said line 925.47 feet north of and parallel with the south line of said Section 11, 1,392.62 feet; thence north 44 degrees, 02 minutes, 25 seconds east, 50.88 feet to the south line of the Dan Ryan Expressway; thence southeasterly along said south line of the Dan Ryan Expressway to the westerly line of the Pullman Railroad Company's right-of-way bearing the Permanent Index Number 25-11-501-003; thence southerly along said westerly line of the Pullman Railroad Company's right-of-way bearing Permanent Index Number 25-11-501-003 to the north line of East 103rd Street; thence east along said north line of East 103rd Street to the easterly line of the Pullman Railroad Company's right-of-way bearing Permanent Index Number 25-11-501-003; thence northerly along said easterly line of the Pullman Railroad Company's right-of-way bearing Permanent Index Number 25-11-501-003 to the north line of the south 517 feet of said Section 11; thence east along said north line of the south 517 feet of said Section 11 to a line 50 feet west of and parallel with the southeast quarter of said Section 11; thence north along said parallel line to a point 678 feet north of (as measured along said parallel line) of the south line of said Section 11, being the most northwestly corner of the parcel of property bearing the Permanent Index Number 25-11-300-035; thence northeasterly along the northwesterly line of said parcel of property bearing the Permanent Index Number 25-11-300-035 to the most northerly corner thereof, being a point on the east line of the west 20 feet of the southeast quarter of said Section 11; thence south along said east line of the west 20 feet of the southeast quarter of said Section 11 to a point 441.07 feet north of and 20 feet east of the southwest corner of said southeast quarter of Section 11 (as measured on the west line, thereof, on a line at right angles, thereto); thence southerly to a point on the west line of said southeast quarter of Section 11, 40 feet north of the north line of the south 57 feet thereof; thence southwesterly to a point on said north line of the south 57 feet of Section 11, 40 feet west of the west line of the southeast quarter thereof; thence west along said north line of the south 57 feet of Section 11 to the east line of the west 29.5 feet of the east 79.5 feet of the southwest quarter of said Section 11; thence south along said east line of the west 29.5 feet of the east 79.5 feet of the southwest quarter of said Section 11 to the north line of East 103rd Street (47 feet north of the south line of said Section 11); thence east along said north line of East 103rd Street to the east line of the southwest quarter of said Section 11; thence south along said east line of the southwest quarter of Section 11, being also a west line of said parcel of property bearing the Permanent Index Number 25-11-400-006, to the intersection with the southeasterly line of said parcel; thence northeasterly along said southeasterly line of property bearing the Permanent Index Number 25-11-400-006 to the north line of East 103rd Street, being 47 feet north of the south line of the southeast quarter of said Section 11; thence east along said north line of East 103rd Street to the east line of the northeast quarter of said Section 14; thence south along said east line of the northeast quarter of Section 14 to the southeasterly line of South Doty Avenue; thence southwesterly along said southeasterly line of South Doty Avenue to the easterly extension of the northerly line of the parcel of property bearing Permanent Index Number 25-14-300-010; thence westerly along said easterly extension and along the

northerly line, thereof, to the westerly line of said parcel of property bearing Permanent Index Number 25-14-300-010; thence southerly along the westerly line of said parcel of property bearing Permanent Index Number 25-14-300-010, forming an angle 90 degrees, 03 minutes, 28 seconds from the east to south from the northerly line of said parcel, 1,040.43 feet to the north line of East 111th Street; being a line drawn parallel with and 50 feet north of the south line of said Section 14; thence west along said north line of East 111th Street, 435.68 feet to the west line of the southwest quarter of said Section 14; thence north along said west line of the southwest quarter of Section 14 to a point on the easterly line the Rock Island right-of-way, said point being 814.55 feet north of the north line of said East 111th Street; thence northerly along said easterly line of the Rock Island Railroad right-of-way to the north line of the southwest quarter of said Section 14; thence west along said north line of the southwest quarter of said Section 14 to the westerly line of the Rock Island Railroad right-of-way, being also the easterly line of Lot 2 in Enjay Construction Company's Pullman Industrial District, being a subdivision of parts of the west half of Section 14 and the east half of Section 15 aforesaid, extended southerly; thence northerly along said easterly line of Lot 2 in Enjay Construction Company's Pullman Industrial District aforesaid, to the northeasterly line of said Lot 2; thence northwesterly and west along said northeasterly line of Lot 2 in Enjay Construction Company's Pullman Industrial District aforesaid, to the east line of said Lot 2; thence north along said east line of Lot 2 in Enjay Construction Company's Pullman Industrial District aforesaid, to the south line of East 106th Street; thence east along said south line of East 106th Street to the east line of South Maryland Avenue; thence north along the east line of South Maryland Avenue to the north line of East 106th Street extended east; thence west along said north line of East 106th Street extended east and along the north line thereof to the west line of South Langley Avenue; thence south along said west line of South Langley Avenue extended south to the north line of East 108th Street; thence west along said north line of East 108th Street to the northerly extension of the east line of Lot 1 in Lyn Hughes North Pullman Subdivision of part of the southeast quarter of Section 15 aforesaid; thence south along said northerly extension and along the east line of Lot 1 in Lyn Hughes North Pullman Subdivision to the south line of said Lot 1; thence west along said south line of Lot 1 in Lyn Hughes North Pullman Subdivision and along the westerly extension, thereof, to the west line of South Cottage Grove Avenue; thence southerly along said west line of South Cottage Grove Avenue and said east line extended south to the south line of the southeast quarter of said Section 15; thence west along said south line of the southeast quarter of said Section 15 to the westerly line of the Illinois Central Railroad Parcel bearing Permanent Index Number 25-15-501-002; thence northerly along said westerly line of Illinois Central Railroad Parcel bearing Permanent Index Number 25-15-501-002 to the north line of the southeast quarter of said Section 15; thence west along said north line of the southeast quarter of Section 15 to the southerly extension of the westerly line of South Dauphin Avenue; thence northerly along said southerly extension of the westerly line of South Dauphin Avenue, the westerly line, thereof and the northerly extensions, thereof, to the south line of the 16 foot public alley lying south of East 103rd Street; thence west along said south line of the 16 foot public alley lying south of East 103rd Street and the westerly extensions, thereof, to the east line of South Indiana Avenue; thence north along said east line of South Indiana Avenue and the north extension, thereof, to the point of beginning on the south line of the southwest quarter of said Section 10, all in the City of Chicago, Cook County, Illinois.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT B-1

LEGAL DESCRIPTION OF THE PROPERTY

A legal description of the Property is attached to this exhibit cover sheet.

SCHEDULE A

First American Title Insurance Company

Name and Address of the issuing Title Insurance Company:
First American Title Insurance Company
30 North LaSalle Street, Suite 2700
Chicago, IL 60602

File No.: **NCS-490846-CHI2** Policy No.: **490846**

Amount of Insurance: $8,900,000.00
Date of Policy: July 19, 2011

1. Name of Insured:

   Pullman Park Development, LLC, an Illinois limited liability company

2. The estate or interest in the Land that is insured by this policy is:

   Fee Simple

3. Title is vested in:

   Pullman Park Development, LLC, an Illinois limited liability company

4. The Land referred to in this policy is described as follows:

   Real property in the City of Chicago, County of Cook, State of Illinois, described as follows:

   LOT 1, LOT 2 AND LOT 4 IN PULLMAN PARK - PHASE 1, BEING A SUBDIVISION OF PART OF THE WEST HALF OF SECTION 14, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED JULY 19, 2011 AS DOCUMENT 1120029049.

   AND

   PARCEL 1 (THE USB POND PARCEL):

   A PART OF THE WEST HALF OF SECTION 14, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

   COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF EAST 111TH STREET, AS DEDICATED AUGUST 11, 1925 PER DOCUMENT 9002353, BEING A LINE 50.00 FEET NORTH OF AND PARALLEL WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 15 OF SAID TOWNSHIP, AND THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14; THENCE NORTH 88 DEGREES 36 MINUTES 34 SECONDS EAST, ALONG SAID NORTH LINE, 753.18 FEET TO A POINT ON THE WESTERLY LINE OF LAND CONVEYED TO THE DEPARTMENT OF PUBLIC WORKS AND BUILDING OF THE STATE OF ILLINOIS RECORDED OCTOBER 02, 1957, AS DOCUMENT 17027772; THENCE NORTHEASTERLY 220.49 FEET, ALONG SAID WESTERLY LINE BEING THE ARC OF A NON-TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 128.59 FEET AND WHOSE CHORD BEARS NORTH 48 DEGREES 22 MINUTES 20 SECONDS EAST, 194.46 FEET TO A POINT OF TANGENCY; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID LAND SOUTH 82 DEGREES 30 MINUTES 19 SECONDS EAST, 76.80 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 12 DEGREES 29 MINUTES 41 SECONDS EAST, 114.11 FEET TO A POINT OF CURVATURE; THENCE EASTERLY 10.08 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 5.00 FEET AND WHOSE CHORD BEARS NORTH 70 DEGREES 15 MINUTES 32 SECONDS EAST, 8.46 FEET TO A POINT OF REVERSE CURVATURE; THENCE SOUTHEASTERLY 39.96 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 125.00 FEET AND WHOSE CHORD BEARS SOUTH 61 DEGREES 08 MINUTES 05 SECONDS EAST, 39.79 FEET TO A POINT OF TANGENCY; THENCE SOUTH 70 DEGREES 17 MINUTES 33 SECONDS EAST, 79.90 FEET TO A POINT OF CURVATURE; THENCE EASTERLY 82.26 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 92.50 FEET AND WHOSE CHORD BEARS NORTH 84 DEGREES 13 MINUTES 54 SECONDS EAST, 79.57 FEET TO A POINT OF COMPOUND CURVATURE; THENCE NORTHEASTERLY 89.11 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 115.00 FEET AND WHOSE CHORD BEARS NORTH 36 DEGREES 33 MINUTES 26 SECONDS EAST, 86.90 FEET TO A POINT OF TANGENCY; THENCE NORTH 14 DEGREES 21 MINUTES 30 SECONDS EAST, 86.00 FEET; THENCE NORTH 21 DEGREES 07 MINUTES 36 SECONDS EAST, 84.95 FEET TO A POINT OF CURVATURE; THENCE NORTHEASTERLY 31.93 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 70.00 FEET AND WHOSE CHORD BEARS NORTH 34 DEGREES 11 MINUTES 37 SECONDS EAST, 31.65 FEET TO A POINT OF REVERSE CURVATURE; THENCE NORTHEASTERLY 11.29 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 25.00 FEET AND WHOSE CHORD BEARS NORTH 34 DEGREES 19 MINUTES 14 SECONDS EAST, 11.20 FEET TO A POINT OF TANGENCY; THENCE NORTH 21 DEGREES 22 MINUTES 49 SECONDS EAST, 100.75 FEET; THENCE NORTH 06 DEGREES 13 MINUTES 04 SECONDS EAST, 25.94 FEET TO A POINT OF CURVATURE; THENCE NORTHERLY 12.07 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 45.00 FEET AND WHOSE CHORD BEARS NORTH 13 DEGREES 54 MINUTES 03 SECONDS EAST, 12.03 FEET TO A POINT OF TANGENCY; THENCE NORTH 21 DEGREES 35 MINUTES 01 SECONDS EAST, 113.44 FEET; THENCE NORTH 20 DEGREES 06 MINUTES 26 SECONDS WEST, 25.21 FEET; THENCE NORTH 01 DEGREES 23 MINUTES 26 SECONDS WEST, 5.31 FEET TO ITS INTERSECTION WITH A LINE DRAWN AT RIGHT ANGLES TO THE WESTERLY LINE OF SOUTH DOTY AVENUE, AS DEDICATED BY DOCUMENT NUMBER 9002353 IN BOOK 212, PAGES 12 AND 13, A DISTANCE OF 640 FEET NORTHEASTERLY MEASURED ALONG SAID WESTERLY LINE FROM ITS INTERSECTION WITH THE AFORESAID NORTH LINE OF EAST 111TH STREET; THENCE SOUTH 68 DEGREES 24 MINUTES 59 SECONDS EAST, ALONG SAID LINE 247.69 FEET TO A POINT ON THE WESTERLY LINE WESTERLY LINE OF LAND CONVEYED TO THE DEPARTMENT OF PUBLIC WORKS AND BUILDING OF THE STATE OF ILLINOIS RECORDED OCTOBER 02, 1957, AS DOCUMENT 17027772; THENCE SOUTHWESTERLY AND WESTERLY ALONG THE RIGHT OF WAY OF THE LAST DESCRIBED CONVEYED LAND FOR THE NEXT THREE COURSES; (1) THENCE SOUTH 35 DEGREES 29 MINUTES 31 SECONDS WEST, 558.88 FEET TO A POINT OF CURVATURE; (2) THENCE SOUTHWESTERLY 216.43 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 200.00 FEET AND WHOSE CHORD BEARS SOUTH 66 DEGREES 29 MINUTES 36 SECONDS WEST, 206.02 FEET TO A POINT OF TANGENCY; (3) THENCE NORTH 82 DEGREES 30 MINUTES 19 SECONDS WEST, 143.19 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 2 (NP111TH POND PARCEL):

A PART OF THE WEST HALF OF SECTION 14, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF EAST 111TH STREET, AS DEDICATED AUGUST 11, 1925 PER DOCUMENT 9002353, BEING A LINE 50.00 FEET NORTH OF AND PARALLEL WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 15 OF SAID TOWNSHIP, AND THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14; THENCE NORTH 88 DEGREES 36 MINUTES 34 SECONDS EAST, ALONG SAID NORTH LINE, 753.18 FEET TO A POINT ON THE WESTERLY LINE OF LAND CONVEYED TO THE DEPARTMENT OF PUBLIC WORKS AND BUILDING OF THE STATE OF ILLINOIS RECORDED OCTOBER 02, 1957, AS DOCUMENT 17027772; THENCE NORTHEASTERLY 220.49 FEET, ALONG SAID WESTERLY LINE BEING THE ARC OF A NON-TANGENT CIRCLE TO

THE RIGHT, HAVING A RADIUS OF 128.59 FEET AND WHOSE CHORD BEARS NORTH 48 DEGREES 22 MINUTES 20 SECONDS EAST, 194.46 FEET TO A POINT OF TANGENCY; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID LAND SOUTH 82 DEGREES 30 MINUTES 19 SECONDS EAST, 76.80 FEET; THENCE NORTH 12 DEGREES 29 MINUTES 41 SECONDS EAST, 114.11 FEET TO A POINT OF CURVATURE; THENCE EASTERLY 10.08 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 5.00 FEET AND WHOSE CHORD BEARS NORTH 70 DEGREES 15 MINUTES 32 SECONDS EAST, 8.46 FEET TO A POINT OF REVERSE CURVATURE; THENCE SOUTHEASTERLY 39.96 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 125.00 FEET AND WHOSE CHORD BEARS SOUTH 61 DEGREES 08 MINUTES 05 SECONDS EAST, 39.79 FEET TO A POINT OF TANGENCY; THENCE SOUTH 70 DEGREES 17 MINUTES 33 SECONDS EAST, 79.90 FEET TO A POINT OF CURVATURE; THENCE EASTERLY 82.26 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 92.50 FEET AND WHOSE CHORD BEARS NORTH 84 DEGREES 13 MINUTES 54 SECONDS EAST, 79.57 FEET TO A POINT OF COMPOUND CURVATURE; THENCE NORTHEASTERLY 89.11 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 115.00 FEET AND WHOSE CHORD BEARS NORTH 36 DEGREES 33 MINUTES 26 SECONDS EAST, 86.90 FEET TO A POINT OF TANGENCY; THENCE NORTH 14 DEGREES 21 MINUTES 30 SECONDS EAST, 86.00 FEET; THENCE NORTH 21 DEGREES 07 MINUTES 36 SECONDS EAST, 84.95 FEET TO A POINT OF CURVATURE; THENCE NORTHEASTERLY 31.93 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 70.00 FEET AND WHOSE CHORD BEARS NORTH 34 DEGREES 11 MINUTES 37 SECONDS EAST, 31.65 FEET TO A POINT OF REVERSE CURVATURE; THENCE NORTHEASTERLY 11.29 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 25.00 FEET AND WHOSE CHORD BEARS NORTH 34 DEGREES 19 MINUTES 14 SECONDS EAST, 11.20 FEET TO A POINT OF TANGENCY; THENCE NORTH 21 DEGREES 22 MINUTES 49 SECONDS EAST, 100.75 FEET; THENCE NORTH 06 DEGREES 13 MINUTES 04 SECONDS EAST, 25.94 FEET TO A POINT OF CURVATURE; THENCE NORTHERLY 12.07 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 45.00 FEET AND WHOSE CHORD BEARS NORTH 13 DEGREES 54 MINUTES 03 SECONDS EAST, 12.03 FEET TO A POINT OF TANGENCY; THENCE NORTH 21 DEGREES 35 MINUTES 01 SECONDS EAST, 113.44 FEET; THENCE NORTH 20 DEGREES 06 MINUTES 26 SECONDS WEST, 25.21 FEET; THENCE NORTH 01 DEGREES 23 MINUTES 26 SECONDS WEST, 5.31 FEET TO ITS INTERSECTION WITH A LINE DRAWN AT RIGHT ANGLES TO THE WESTERLY LINE OF SOUTH DOTY AVENUE, AS DEDICATED BY DOCUMENT NUMBER 9002353 IN BOOK 212, PAGES 12 AND 13, A DISTANCE OF 640 FEET NORTHEASTERLY MEASURED ALONG SAID WESTERLY LINE FROM ITS INTERSECTION WITH THE AFORESAID NORTH LINE OF EAST 111TH STREET, ALSO BEING THE POINT OF BEGINNING;

THENCE CONTINUING NORTH 01 DEGREES 23 MINUTES 26 SECONDS WEST, 14.60 FEET TO A POINT ON THE SOUTH LINE OF SOUTH DOTY AVENUE AS DEDICATED BY THE AFOREMENTIONED PULLMAN PARK - PHASE 1 SUBDIVISION; THENCE NORTH 88 DEGREES 36 MINUTES 34 SECONDS EAST, ALONG THE SOUTH LINE OF SAID SOUTH DOTY AVENUE, 197.38 FEET TO A POINT OF CURVATURE; THENCE EASTERLY 120.51 FEET, ALONG THE SOUTH LINE OF SAID SOUTH DOTY AVENUE BEING THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 267.00 FEET AND WHOSE CHORD BEARS NORTH 75 DEGREES 40 MINUTES 46 SECONDS EAST, 119.49 FEET TO A POINT ON THE WESTERLY LINE WESTERLY LINE OF LAND CONVEYED TO THE DEPARTMENT OF PUBLIC WORKS AND BUILDING OF THE STATE OF ILLINOIS RECORDED OCTOBER 02, 1957, AS DOCUMENT 17027772; THENCE SOUTHWESTERLY AND WESTERLY ALONG THE RIGHT OF WAY OF THE LAST DESCRIBED CONVEYED LAND FOR THE NEXT THREE COURSES; (1) THENCE SOUTH 21 DEGREES 35 MINUTES 01 SECONDS WEST, 22.50 FEET TO A POINT OF CURVATURE; (2) THENCE SOUTHWESTERLY 72.82 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 300.00 FEET AND WHOSE CHORD BEARS SOUTH 28 DEGREES 32 MINUTES 16 SECONDS WEST, 72.64 FEET TO A POINT OF TANGENCY; (3) THENCE SOUTH 35 DEGREES 29 MINUTES 31 SECONDS WEST, 67.93 FEET TO ITS INTERSECTION WITH A LINE DRAWN AT RIGHT ANGLES TO THE WESTERLY LINE OF SOUTH DOTY AVENUE, AS DEDICATED BY DOCUMENT NUMBER 9002353 IN BOOK 212, PAGES 12 AND 13, A DISTANCE OF 640 FEET NORTHEASTERLY MEASURED ALONG SAID WESTERLY LINE FROM ITS INTERSECTION WITH THE AFORESAID NORTH LINE OF EAST 111TH STREET; THENCE NORTH 68 DEGREES 24 MINUTES 59 SECONDS WEST, ALONG SAID LINE, 247.69 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL A (NP111TH ACCESS PARCEL):

A PART OF THE WEST HALF OF SECTION 14, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF EAST 111TH STREET, AS DEDICATED AUGUST 11, 1925 PER DOCUMENT 9002353, BEING A LINE 50.00 FEET NORTH OF AND PARALLEL WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 15 OF SAID TOWNSHIP, AND THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14; THENCE NORTH 88 DEGREES 36 MINUTES 34 SECONDS EAST, ALONG SAID NORTH LINE, 753.18 FEET TO A POINT ON THE WESTERLY LINE OF LAND CONVEYED TO THE DEPARTMENT OF PUBLIC WORKS AND BUILDING OF THE STATE OF ILLINOIS RECORDED OCTOBER 02, 1957, AS DOCUMENT 17027772; THENCE NORTHEASTERLY 220.49 FEET, ALONG SAID WESTERLY LINE BEING THE ARC OF A NON-TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 128.59 FEET AND WHOSE CHORD BEARS NORTH 48 DEGREES 22 MINUTES 20 SECONDS EAST, 194.46 FEET TO A POINT OF TANGENCY; THENCE CONTINUING ALONG THE NORTHERLY LINE OF SAID LAND SOUTH 82 DEGREES 30 MINUTES 19 SECONDS EAST ,76.80 FEET; THENCE NORTH 12 DEGREES 29 MINUTES 41 SECONDS EAST, 114.11 FEET TO A POINT OF CURVATURE; THENCE EASTERLY 10.08 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 5.00 FEET AND WHOSE CHORD BEARS NORTH 70 DEGREES 15 MINUTES 32 SECONDS EAST, 8.46 FEET TO A POINT OF REVERSE CURVATURE; THENCE SOUTHEASTERLY 39.96 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 125.00 FEET AND WHOSE CHORD BEARS SOUTH 61 DEGREES 08 MINUTES 05 SECONDS EAST, 39.79 FEET TO A POINT OF TANGENCY; THENCE SOUTH 70 DEGREES 17 MINUTES 33 SECONDS EAST, 79.90 FEET TO A POINT OF CURVATURE; THENCE EASTERLY 82.26 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 92.50 FEET AND WHOSE CHORD BEARS NORTH 84 DEGREES 13 MINUTES 54 SECONDS EAST, 79.57 FEET TO A POINT OF COMPOUND CURVATURE; THENCE NORTHEASTERLY 89.11 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 115.00 FEET AND WHOSE CHORD BEARS NORTH 36 DEGREES 33 MINUTES 26 SECONDS EAST, 86.90 FEET TO A POINT OF TANGENCY; THENCE NORTH 14 DEGREES 21 MINUTES 30 SECONDS EAST, 86.00 FEET; THENCE NORTH 21 DEGREES 07 MINUTES 36 SECONDS EAST, 84.95 FEET TO A POINT OF CURVATURE; THENCE NORTHEASTERLY 31.93 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 70.00 FEET AND WHOSE CHORD BEARS NORTH 34 DEGREES 11 MINUTES 37 SECONDS EAST, 31.65 FEET TO A POINT OF REVERSE CURVATURE; THENCE NORTHEASTERLY 11.29 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE LEFT, HAVING A RADIUS OF 25.00 FEET AND WHOSE CHORD BEARS NORTH 34 DEGREES 19 MINUTES 14 SECONDS EAST, 11.20 FEET TO A POINT OF TANGENCY; THENCE NORTH 21 DEGREES 22 MINUTES 49 SECONDS EAST, 100.75 FEET; THENCE NORTH 06 DEGREES 13 MINUTES 04 SECONDS EAST, 25.94 FEET TO A POINT OF CURVATURE; THENCE NORTHERLY 12.07 FEET, ALONG THE ARC OF A TANGENT CIRCLE TO THE RIGHT, HAVING A RADIUS OF 45.00 FEET AND WHOSE CHORD BEARS NORTH 13 DEGREES 54 MINUTES 03 SECONDS EAST, 12.03 FEET TO A POINT OF TANGENCY; THENCE NORTH 21 DEGREES 35 MINUTES 01 SECONDS EAST, 113.44 FEET; THENCE NORTH 20 DEGREES 06 MINUTES 26 SECONDS WEST, 25.21 FEET; THENCE NORTH 01 DEGREES 23 MINUTES 26 SECONDS WEST, 5.31 FEET TO ITS INTERSECTION WITH A LINE DRAWN AT RIGHT ANGLES TO THE WESTERLY LINE OF SOUTH DOTY AVENUE, AS DEDICATED BY DOCUMENT NUMBER 9002353 IN BOOK 212, PAGES 12 AND 13, A DISTANCE OF 640 FEET NORTHEASTERLY MEASURED ALONG SAID WESTERLY LINE FROM ITS INTERSECTION WITH THE AFORESAID NORTH LINE OF EAST 111TH STREET, ALSO BEING THE POINT OF BEGINNING;

THENCE NORTH 68 DEGREES 24 MINUTES 59 SECONDS WEST, ALONG SAID LINE, 37.39 FEET TO A POINT ON THE SOUTH LINE OF SOUTH DOTY AVENUE AS DEDICATED BY PULLMAN PARK - PHASE 1 SUBDIVISION; THENCE NORTH 88 DEGREES 36 MINUTES 34 SECONDS EAST, ALONG SAID SOUTH LINE, 34.43 FEET; THENCE SOUTH 01 DEGREES 23 MINUTES 26 SECONDS EAST,

14.60 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT B-2

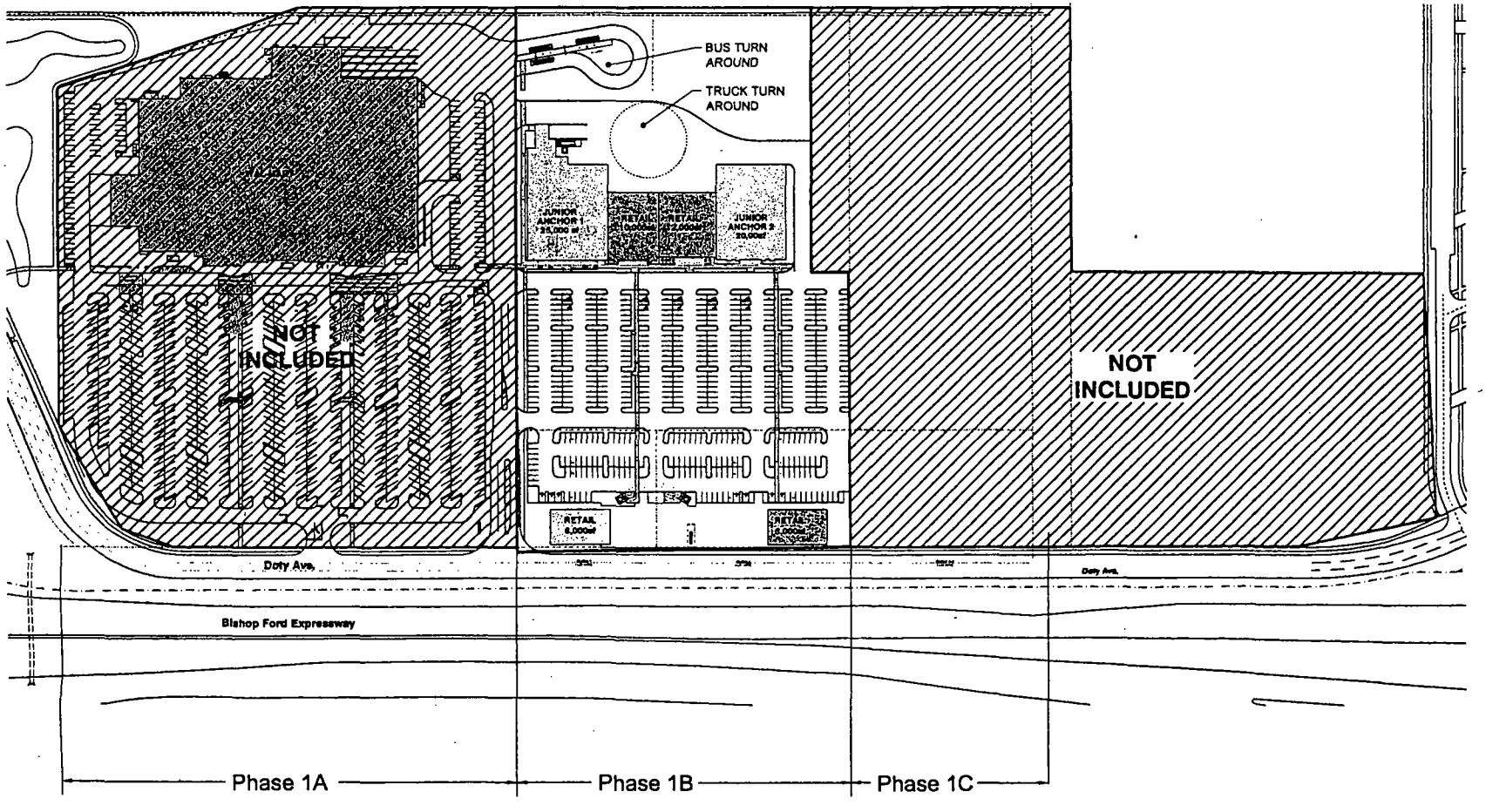
SITE PLAN FOR THE PROJECT

A site plan for the Project is attached to this exhibit cover sheet

Pullman Park Retail
Chicago, IL

Scale 1" =300'

Pullman Park
Phase 1B
Subarea A



PULLMAN PARK

zpd.a
www.zpdarch.com

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT B-3

PLANNED DEVELOPMENT 1167

A copy of Planned Development 1167 is attached to this exhibit cover sheet.

PD 1167

FINAL FOR PUBLICATION

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. That the Chicago Zoning Ordinance be amended by changing all of the M3-3 Heavy Industry District symbols and indications as shown on Map Number 26-D in the area bounded by:

the center line of East 111th Street; the east line of the 30-foot wide Chicago, Rock Island and Pacific Railroad right of way; a line that is 666.93 feet southerly of the center line of East 103rd Street; the center line of South Woodlawn Avenue; the center line of the 100-foot wide South Doty Avenue right of way (as occupied); a line that is parallel to and 777.50 feet northerly of the center line of East 111th Street; an arc with a length of 282.74 feet and a radius of 180 feet; a line that is perpendicular to the center line of East 111th Street and approximately 1388.35 feet east of the center line of South Langley Avenue as measured along the center line of East 111th Street

to those of C2-3 Motor Vehicle-Related Commercial District.

SECTION 2. That the Chicago Zoning Ordinance be amended by changing all of the C2-3 Motor Vehicle-Related Commercial District symbols and indications as shown on Map Number 26-D in the area bounded by:

the center line of East 111th Street; the east line of the 30-foot wide Chicago, Rock Island and Pacific Railroad right of way; a line that is 666.93 feet southerly of the center line of East 103rd Street; the center line of South Woodlawn Avenue; the center line of the 100-foot wide South Doty Avenue right of way (as occupied); a line that is parallel to and 777.50 feet northerly of the center line of East 111th Street; an arc with a length of 282.74 feet and a radius of 180 feet; a line that is perpendicular to the center line of East 111th Street and approximately 1388.35 feet east of the center line of South Langley Avenue as measured along the center line of East 111th Street

to those of Business-Residential-Institutional Planned Development.

SECTION 3. This ordinance shall be in force and effect from and after its passage and due publication.

[Exhibit(s) attached to this ordinance on file and available for public inspection in the Office of the City Clerk]

Document No. S02010-3048

PASSED by the City Council of the City of Chicago and deposited in the office of the City Clerk of said City.

JUN 30 2010

City Clerk

~~FINAL FOR PUBLICATION~~

CITY OF CHICAGO

APPLICATION FOR AN AMENDMENT TO THE CHICAGO ZONING ORDINANCE

1. ADDRESS of the property Applicant is seeking to rezone:
The area generally bounded by 104th Street, South Doty Avenue / Bishop Ford Freeway, 111th Street and the Chicago, Rock Island and Pacific Railroad right-of-way. 710 E. 111th St

2. APPLICANT North Pullman 111th Inc.

ADDRESS 1000 East 111th Street

CITY Chicago STATE IL ZIP CODE 60628

PHONE 773-602-8200 CONTACT PERSON David Doig

3. Is the applicant the owner of the property? YES X and NO X
If the applicant is not the owner of the property, please provide the following information regarding the owner and attach written authorization from the owner allowing the application to proceed.

OWNER Park National Bank

ADDRESS 1000 East 111th Street

CITY Chicago STATE IL ZIP CODE 60628

PHONE 773-602-8200 CONTACT PERSON David Doig

4. On what date did the owner acquire legal title to the subject property?

Approximately May, 2008

5. Has the present owner previously rezoned this property? If yes, when?

No

6. Present Zoning District M3-3 and C2-3 Proposed Zoning District C2-3, then Planned Development

7. Lot size in square feet (or dimensions?) 7,917,548 square feet (gross site area)

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8. Current Use of the Property Vacant

9. Reason for rezoning the property To permit development of the Property with residential, retail, commercial, park, school and open space uses.

10. Describe the proposed use of the property after the rezoning. Indicate the number of dwelling units; number of parking spaces; approximate square footage of any commercial space; and height of the proposed building. (BE SPECIFIC)

See enclosed Plan of Development Statements.

11. On May 14th, 2007, the Chicago City Council passed the Affordable Requirements Ordinance (ARO) that requires on-site affordable housing units or a financial contribution if residential housing projects receive a zoning change under certain circumstances. Based on the lot size of the project in question and the proposed zoning classification, is this project subject to the Affordable Requirements Ordinance? (See Fact Sheet for more information)

YES X NO

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SUMMARY

Site Area

Gross	7,917,497 sf *(181.76acres)*
Rights of Way	1,908,735 sf *(43.82 acres)*
Net Site Area	6,008,762 sf *(137.94 acres)*
Detention/ Buffer Zone	701,774 sf *(16.11 acres)*
percent of net	11.7%
Public Open Space	614,537 sf *(14.11 acres)*
percent of net	10.2%

Building Area *(other than Residential)*

Retail	670,000 sf
Lodging	100,000 sf
Elderly Housing	100,000 sf
Brite Line *(Community Center)*	125,000 sf
Educational	45,000 sf
Net Building Area	1,040,000 sf

Residential

1150 Dwelling Units

Key Plan

F.A.R.	Per Sub Area	
Maximum Building Height	100 ft	
Parking	Group A *e.g. s.f. housing*	1 space per unit, provided that off-street parking is not required for detached houses or two-flats on lots of records that are 33 feet or less in width if the subject lot does not have access to an improved alley; 1 space per unit for government-subsidized detached houses and two-flats
	Group C *e.g. multi unit*	1 space per unit
	Group D *e.g. elderly*	0.33 spaces per unit
	Group E *e.g. school*	1 per 3 employees + additional parking and drop-off spaces as determined by DZLUP
	Group M *e.g. retail*	None for first 10,000 sf then 2.5 spaces per 1,000 sf
	Group S *e.g. lodging*	1 space per 3 lodging rooms
Bicycle Parking	No use is required to provide more than 50 bicycle parking spaces.	
	Group C *e.g. multi unit*	1 per 2 auto spaces
	Group D *e.g. elderly*	1 per 4 auto
	Group E *e.g. school*	1 per 10 auto spaces; Min. 4 spaces
	Group M *e.g. retail*	1 per 5 auto spaces
	Group S *e.g. lodging*	1 per 10 auto spaces
Off Street Loading	Retail	10,000-25,000 = 1 berths (10 x 25) 25,000-49,999 = 2 berths (10 x 50) 50,000-99,999 = 3 berths (10 x 50) 100,000-249,999 sf = 4 berths (10 x 50) +250,000 = 1 additional berth (10 x 50) per 200,000 sf above 250,000 sf
	Multi-Unit	25,000-199,999 = 1 berth (10 x 25)
	Lodging	25,000-199,999 = 1 berth (10 x 50)

N

Plan of Development - Bulk Regulations and Data Table Summary

Applicant North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

pappageorgehaymes partners
www.pappageorgehaymes.com

640 north lasalle suite 400
chicago illinois 60654

P/H # 081901

Uses

The following C2-3 Motor Vehicle-Related Commercial District uses shall be allowed: day care; postal service; public safety services; utilities and services, minor; Chicago Transit Authority bus turnaround; all animal services excluding stables; artist work or sales space; body art services; building maintenance services; business equipment sales and service; business support services excluding day labor employment agencies; employment agencies; communication service establishments; all construction sales and service; drive-through facilities; all eating and drinking establishments including outdoor patio located on a rooftop; all entertainment and spectator sports excluding inter-track wagering facilities; all financial services excluding payday loan stores and pawn shops; all food and beverage retail sales; liquor stores; liquor sales; gas stations; medical service; office; high technology office; electronic data storage center; parking, non-accessory; personal service; hair salon, nail salon, massage establishment or barbershop; repair or laundry service, consumer; dry cleaning drop-off or pick-up; coin-operated laundromat; residential storage warehouse; retail sales, general; all sports and recreation, participant excluding entertainment cabaret; all vehicle sales and service excluding vehicle storage and towing with outdoor storage; wireless communication facilities excluding freestanding towers.

No adult uses are allowed.

Site Area

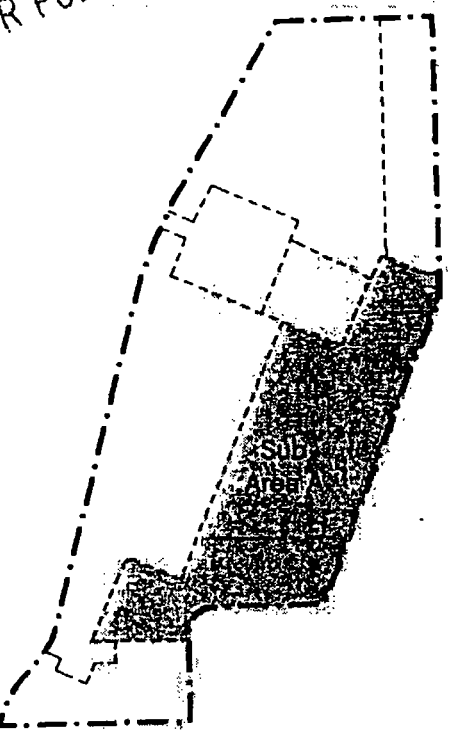
Gross	2,402,287 sf *(55.15 acres)*
Rights of Way	268,118 sf *(6.16 acres)*
Net Site Area	2,134,169 sf *(48.99 acres)*
Detention/ Buffer Zone	399,896 sf *(9.18 acres)*
percent of net	18.7%

Building Area

Retail	405,000 sf
Net Building Area	405,000 sf

FINAL FOR PUBLICATION

SUB AREA A



Key Plan

Maximum F.A.R.		0.75
Building Height		50 ft
Setbacks	Front	0 ft
	Side	0 ft
	Rear	0 ft
Parking		None for first 10,000 square feet then 2.5 spaces per 1,000 square feet
Bicycle Parking		No use is required to provide more than 50 bicycle parking spaces.
		1 per 5 auto spaces
Off Street Loading		100,000-249,999 sf = 4 berths (10 x 50) +250,000 = 1 additional berth (10 x 50) per 200,000 sf above 250,000 sf

N

Plan of Development - Bulk Regulations and Date Table
Sub Area A

Applicant: North Pullman 111th Inc.
Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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PIN # 081801

Uses

The following C2-3 Motor Vehicle-Related Commercial District uses shall be allowed: cultural exhibits and libraries; day care; postal service; public safety services; utilities and services, minor; all animal services excluding stables; artist work or sales space; body art services; building maintenance services; business equipment sales and service; business support services excluding day labor employment agencies; employment agencies; communication service establishments; all construction sales and service; drive-through facilities; all eating and drinking establishments including outdoor patio located on a rooftop; all entertainment and spectator sports excluding inter-track wagering facilities; all financial services excluding payday loan stores and pawn shops; all food and beverage retail sales; liquor stores; liquor sales; gas stations; all lodging including hotel/motel; medical service; office; high technology office; parking, non-accessory; personal service; hair salon, nail salon, massage establishment or barbershop; repair or laundry service, consumer; dry cleaning drop-off or pick-up; coin-operated laundromat; residential storage warehouse; retail sales, general; all sports and recreation, participant excluding entertainment cabaret; all vehicle sales and service excluding vehicle storage and towing with outdoor storage; wireless communication facilities excluding freestanding towers.

No adult uses are allowed.

Site Area

Gross	561,457 sf *(12.89 acres)*
Rights of Way	164,746 sf *(3.78 acres)*
Net Site Area	396,711 sf *(9.11 acres)*
Public Open Space	23,783 sf *(0.55 acres)*
percent of net	6.0%

Building Area/ Coverage

Retail	50,000 sf
Lodging	100,000 sf
Elderly Housing	100,000 sf
Net Building Area	250,000 sf
Building Zone	175,000 sf
Building Coverage	140,000 sf
Percent Coverage/ Building Zone	80.0%

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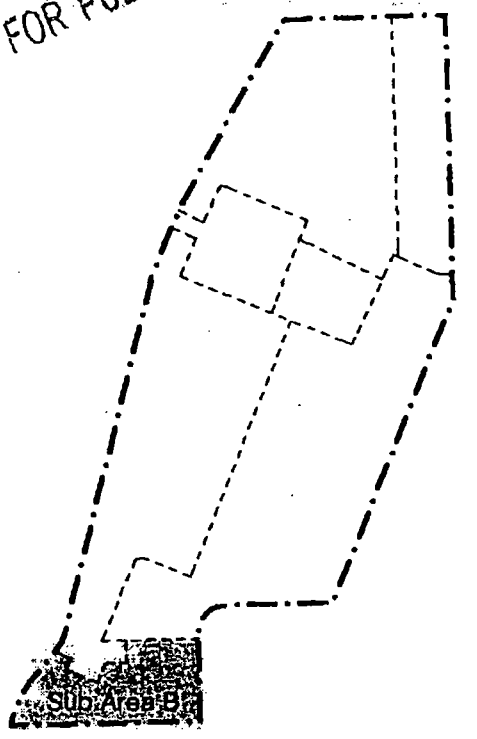
SUB AREA B



Key Plan

Maximum F.A.R.		1.0	
Building Height		100 ft	
Setbacks	Front	0 ft	
	Side	0 ft	
	Rear	0 ft	
Parking		Group M *e.g. retail*	None for first 10,000 sf then 2.5 spaces per 1,000 sf
		Group D *e.g. elderly housing*	0.33 spaces per unit
		Group S *e.g. lodging*	1 space per 3 lodging rooms
Bicycle Parking		No use is required to provide more than 50 bicycle parking spaces.	
		Group M *e.g. retail*	1 per 5 auto spaces
		Group D *e.g. elderly housing*	1 per 4 auto
		Group S *e.g. lodging*	1 per 10 auto spaces
Off Street Loading		Retail	25,000-49,999 = 2 berths (10 x 50)
		Lodging	25,000-199,999 = 1 berth (10 x 50)
		Multi-Unit	25,000-199,999 = 1 berth (10 x 25)

N

Plan of Development - Bulk Regulations and Data Table
Sub Area B

Applicant: North Pullman 111th Inc.
Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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Design Guidelines for Sub Area B

(111th Street Neighborhood Retail District)

The Design Guidelines are development standards for buildings and public spaces to guide the design and development of any project within the 111th Street Neighborhood Retail District of Pullman Park. The goal of the guidelines is to provide a framework to achieve a balance between individual expression of each structure and a harmonious connection to not only the community but to the history of Pullman as well.

Orientation:

- All buildings will have their front entry facing 111th Street. Buildings located on corners or parking entrances should have their front entries facing both 111th Street and the adjacent street or entrance drive.

Massing:

- Buildings should be composed of simple volumes, primarily 1 to 2 stories in height with sloped roofs.

Height:

- Buildings will be a minimum of 16' and a maximum of 30' tall measured from sidewalk grade to the midpoint of sloped roofs and excluding towers, cupolas and other decorative elements.

Roof Massing:

- Sloped roofs with a minimum slope of 6:12
- Roofs will be designed to screen and conceal all rooftop mounted mechanical equipment.

Lighting:

- Lighting will be designed to enhance the building design and storefront, compliment the architecture, and be sufficient for visibility and safety.
- Lighting should be stationary and non-animated.

Masonry Openings:

- Window and door headers in masonry walls should be defined and articulated with stone, cast stone or special brick coursing such as soldier or double rowlock header bonds. Jack, segmental, semi-circular and multicentered arches are encouraged. Window sills within walls should incorporate stone or precast sills.

Signage:

- All signage will be attached to the building or canopy. Types of permitted signs include:
  - Freestanding pin-mounted letterform
  - Projecting signs
  - Blade signs
  - Storefront signs
  - Window Signs

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- Canopy signs
- Two sided or three-dimensional contextual signs.
- Backlit letter metal sign box signs.
- Neon signs are permitted only when inset into a metal channel or open-face form with or without an acrylic cover.

Awnings & Canopies:

- Awnings and canopies will be compatible in material and construction to the style and character of the building. The color of the awning or canopy should be compatible with the overall color scheme of the façade.
- Where feasible, awnings and canopies should be generally aligned with others nearby in order to maintain a sense of visual continuity.
- Awnings and canopies should be tailored to the opening of the building and positioned so that distinctive architectural features remain visible.

Material Transitions:

- Where possible, all transitions between dissimilar wall materials should occur at inside corners.

Storefronts:

- Storefronts will be designed using a rhythm created by pilasters, columns, and or piers with trim to frame display windows. Glazing will comprise 40-65% of the storefront wall area.
- Aluminum, steel, clad or aluminum clad wood framed entrances with factory applied finishes in one of the accent colors listed elsewhere in this document. A minimum 12" durable storefront base should be incorporated as part of the design to withstand contact with maintenance and snow removal equipment. Base must be composed of stone, masonry, prefinished aluminum or other highly durable material.

Accent Colors:

- The colors that are recommended for awnings, aluminum storefronts, brackets, exposed structural elements are listed per the Pantone Matching System® and are as listed:
  - PMS Cool Grey 11
  - PMS 626
  - PMS Process Black C

Materials:

- Brick – Red brick in an extruded wirecut or velour texture, handmade and /or molded finish. Brick will be modular size; 3 5/8" x 2 ¼" x 7 5/8". Coursing will be a standard common or header bond. All mortar should be colored mortar to match the brick.
- Stone – Buff colored limestone in rock-face, smooth and other textured surfaces.
- Precast stone – Fabricated to simulate natural limestone in rock-face, smooth and other textured surfaces
- Roofing – Slate, manufactured slate, metal standing seam
- Glass – Clear glass
- Trim – Decorative trim will be cellular PVC, prefinished aluminum and prefinished extruded aluminum panning in traditional brickmold and casing profiles.

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SUB AREA C

Uses

The following C2-3 Motor Vehicle-Related Commercial District uses shall be allowed: dwelling units located on and above the ground floor as follows: Detached houses; elderly housing; multi-unit (3+ units) residential; townhouses.

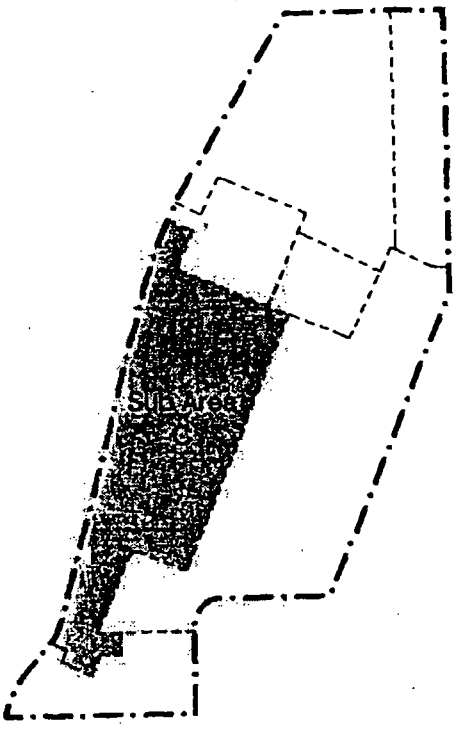
No other uses shall be allowed.

Site Area

Gross	1,985,691 sf *(45.58 acres)*
Rights of Way	724,140 sf *(16.62 acres)*
Net Site Area	1,261,551 sf *(28.96 acres)*
Public Open Space	196,769 sf *(4.52 acres)*
percent of net	15.6%
Detention/ Buffer Zone	17,155 sf *(0.39acres)*
percent of net	1.4%

Dwelling Units

Minimum Lot Area	1000 sf/ dwelling unit
Total Units	max. 450 dwelling units



Key Plan

Maximum F.A.R.		1.2
Building Height		38 ft
Setbacks	Front	15 ft or 12% of lot depth
	Side	Combined equals 20% of lot width, neigher less than 2 feet or 8% of lot width; no side setback is required to exceed 5 feet in width
* Required setbacks for single family detached houses	Rear	50 ft or 28% of lot depth*
Parking		1 space per unit, provided that off-street parking is not required for detached houses or two-flats on lots of records that are 33 feet or less in width if the subject lot does not have access to an improved alley; 1 space per unit for government-subsidized detached houses and two-flats
Bicycle Parking		N/A
Off Street Loading		N/A

N

Plan of Development - Bulk Regulations and Data Table
Sub Area C

Applicant: North Pullman 111th Inc.
Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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SUB AREA D

Uses

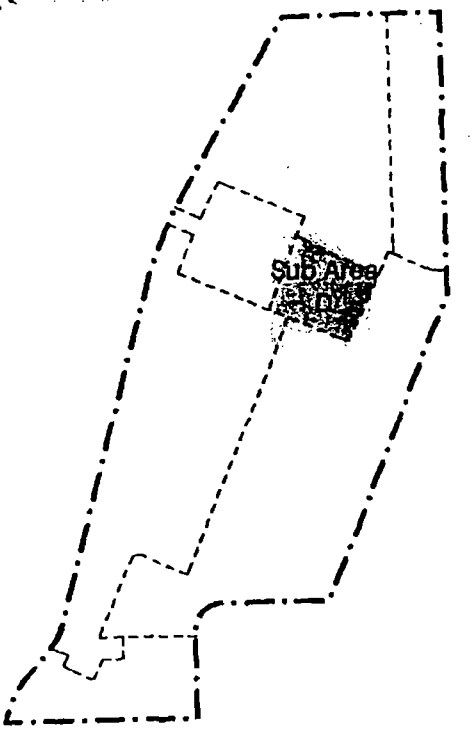
The following C2-3 Motor Vehicle-Related Commercial District uses shall be allowed: day care; parks and recreation; community centers, recreation buildings and similar assembly use; school; all sports and recreation, participant excluding entertainment cabaret. In addition, the following uses shall be allowed to the extent they are incidental to the foregoing allowed uses: retail sales (general), eating and drinking establishments (including outdoor patio located on a rooftop), and automated teller machine facility.

Site Area

Gross	318,211 sf *(7.08 acres)*
Rights of Way	16,840 sf *(0.39 acres)*
Net Site Area	301,371 sf *(6.92 acres)*

Building Area/ Coverage

Briteline	125,000 sf
Educational	45,000 sf *(on 2 stories)*
Retail	15,000 sf
Net Building Area	185,000 sf
Not Including Briteline	
Building Zone	95,000 sf
Building Coverage (max.)	52,250 sf
Percent Coverage/ Building Zone	55.0%



Key Plan

Maximum F.A.R.		1.2	
Building Height		50 ft	
Setbacks	Front	0 ft	
	Side	0 ft	
	Rear	0 ft	
Parking		Group E *e.g. school*	1 per 3 employees + additional parking and drop-off spaces as determined by DZLUP
		Group M *e.g. retail*	Participant Sports and Recreation: 1 per 10 persons capacity All other: None for first 4,000 square feet then 2.5 spaces per 1,000 square feet
Bicycle Parking		No use is required to provide more than 50 bicycle parking spaces.	
		Group E *e.g. school*	1 per 10 auto spaces; Min. 4 spaces
		Group M *e.g. retail*	1 per 5 auto spaces
Off Street Loading		Retail	10,000-25,000 = 1 berths (10 x 25)

N

Plan of Development - Bulk Regulations and Data Table
Sub Area D

Applicant: North Pullman 111th Inc.
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Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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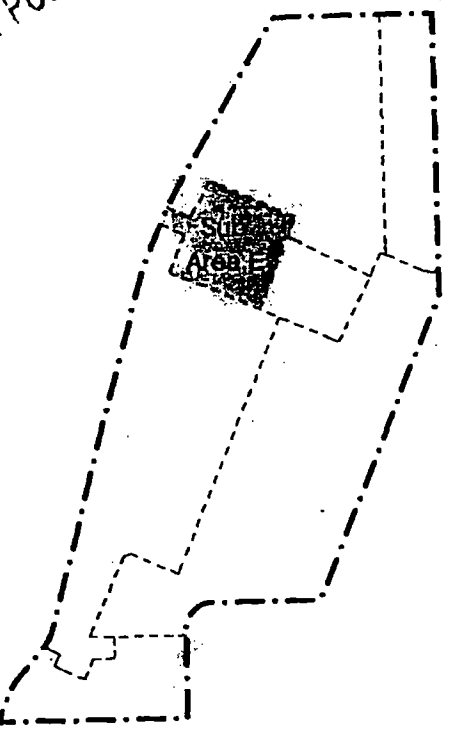
SUB AREA E

Uses

The following C2-3 Motor Vehicle-Related Commercial District uses shall be allowed: parks and recreation; day care.

Site Area

Gross	460,379 sf *(10.57 acres)*
Rights of Way	66,394 sf *(1.52 acres)*
Net Site Area	393,985 sf *(9.04acres)*
Public Open Space	393,985 sf *(9.04 acres)*
percent of net	100.0%



Key Plan

Maximum F.A.R.		0
Building Height		N/A
Setbacks	Front	N/A
	Side	N/A
	Rear	N/A
Parking		N/A
Bicycle Parking		N/A
Off Street Loading		N/A

N

Plan of Development - Bulk Regulations and Data Table
Sub Area E

Applicant: North Pullman 111th Inc.
Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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SUB AREA F

Uses

The following C2-3 Motor Vehicle-Related Commercial District uses shall be allowed: dwelling units located on and above the ground floor as follows: Detached houses; elderly housing; multi-unit (3+ units) residential; townhouses.

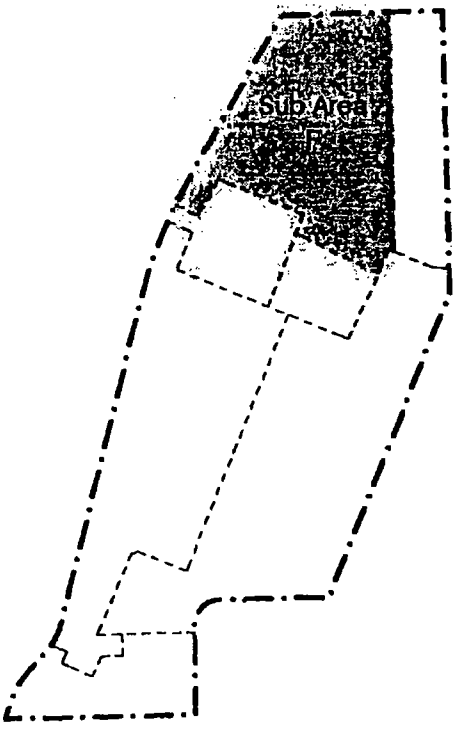
No other uses shall be allowed.

Site Area

Gross	1,591,972 sf *(36.55 acres)*
Rights of Way	479,766 sf *(11.01 acres)*
Net	1,112,206 sf *(25.53 acres)*
Buffer/ Detention Zone	273,977 sf *(6.92 acres)*
percent of net	24.6%

Dwelling Units

Minimum Lot Area	1000 sf/ dwelling unit
Total Units	400 dwelling units



Key Plan

Maximum F.A.R.		1.2
Building Height		38 ft
Setbacks	Front	15 ft or 12% of lot depth
	Side	Combined equals 20% of lot width, neigher less than 2 feet or 8% of lot width; no side setback is required to exceed 5 feet in width
* Required setbacks for single family detached houses	Rear	50 ft or 28% of lot depth*
Parking		1 space per unit, provided that off-street parking is not required for detached houses or two-flats on lots of records that are 33 feet or less in width if the subject lot does not have access to an improved alley; 1 space per unit for government-subsidized detached houses and two-flats
Bicycle Parking		N/A
Off Street Loading		N/A

N

Plan of Development - Bulk Regulations and Data Table
Sub Area F

Applicant: North Pullman 111th Inc.
Address: 111th Street and Dolty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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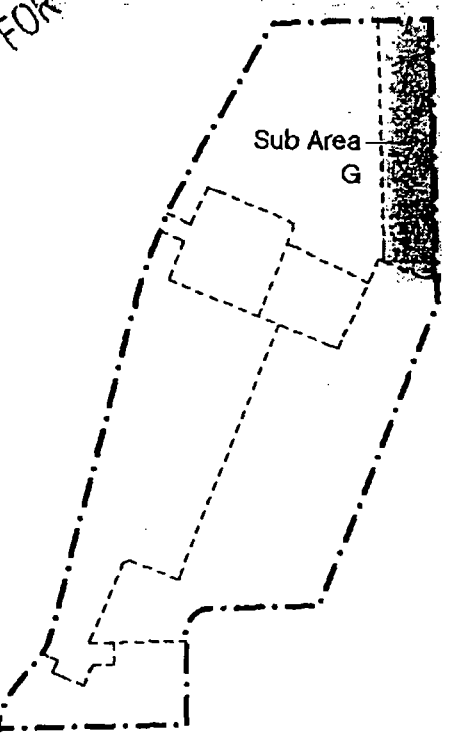
SUB AREA G



Key Plan

Uses

The following C2-3 Motor Vehicle-Related Commercial District uses shall be allowed: colleges and universities; cultural exhibits and libraries; day care; hospitals; parks and recreation; community centers, recreation buildings and similar assembly use; postal service; public safety services; religious assembly; utilities and services, minor; all animal services excluding stables; artist work or sales space; body art services; building maintenance services; business equipment sales and service; business support services excluding day labor employment agencies; employment agencies; communication service establishments; all construction sales and service; drive-through facilities; all eating and drinking establishments including outdoor patio located on a rooftop; all entertainment and spectator sports excluding inter-track wagering facilities; all financial services excluding payday loan stores and pawn shops; all food and beverage retail sales; liquor stores; liquor sales; gas stations; all lodging including hotel/motel; medical service; office; high technology office; parking, non-accessory; personal service; hair salon, nail salon, massage establishment or barbershop; repair or laundry service, consumer; dry cleaning drop-off or pick-up; coin-operated laundromat; residential storage warehouse; retail sales, general; all sports and recreation, participant excluding entertainment cabaret; all vehicle sales and service excluding vehicle storage and towing with outdoor storage; wireless communication facilities excluding freestanding towers.

No adult uses are allowed.

Site Area	
Gross	607,500 sf *(13.95 acres)*
Rights of Way	188,730 sf *(4.33 acres)*
Net Site Area	418,770 sf *(9.61 acres)*
Buffer/ Detention Zone	10,746 sf *(0.25 acres)*
percent of net	2.6%
Building Area/ Coverage	
Retail	100,000 sf *(includes ground floor retail in mixed use buildings)*
Multi Family Residential	150,000 sf
Single Family Residential	50,000 sf
Net Building Area	300,000 sf
Building Zone	175,000 sf
Building Coverage	131,250 sf
Percent Coverage/ Building Zone	70.0%
Dwelling Units	
Minimum Lot Area	400 sf/ dwelling unit
Total Units	max. 300 dwelling units

Maximum F.A.R.		1.0	
Building Height		100 ft	
Setbacks	Front	0 ft	
	Side	0 ft	
	Rear	0 ft	
Parking		Group A *e.g. s.f. housing*	1 space per unit, provided that off-street parking is not required for detached houses or two-flats on lots of records that are 33 feet or less in width if the subject lot does not have access to an improved alley; 1 space per unit for government-subsidized detached houses and two-flats
		Group C *e.g. multi unit*	1 space per unit
		Group M *e.g. retail*	None for first 10,000 sf then 2.5 spaces per 1,000 sf
Bicycle Parking		No use is required to provide more than 50 bicycle parking spaces.	
		Group C *e.g. multi unit*	1 per 2 auto spaces
		Group M *e.g. retail*	1 per 5 auto spaces
Off Street Loading		Retail	50,000-99,999 = 3 berths (10 x 50)
		Multi-Unit	25,000-199,999 = 1 berth (10 x 25)

N

Plan of Development - Bulk Regulations and Data Table
Sub Area G

Applicant: North Pullman 111th Inc.
Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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Design Guidelines for Sub Area G

(South Woodlawn Ave. Neighborhood Retail District)

The Design Guidelines are development standards for buildings and public spaces to guide the design and development of any project within the South Woodlawn Ave. Neighborhood Retail District of Pullman Park. The goal of the guidelines is to provide a framework to achieve a balance between individual expression of each structure and a harmonious connection to not only the community but to the architectural context of the neighborhood as well. Contemporary interpretations of Pullman's historic vernacular will be encouraged.

Orientation:

- All buildings will have their front entry facing Woodlawn Ave. Buildings located on corners or parking entrances should have their front entries facing both 111th Street and the adjacent street or entrance drive.

Massing:

- Buildings should be composed of simple volumes, primarily 1 to 2 stories in height with sloped or flat roofs.

Height:

- Buildings will be a minimum of 16' and a maximum of 30' tall measured from sidewalk grade to the midpoint of sloped roofs and excluding towers, cupolas and other decorative elements.

Roof Massing:

- Sloped roofs with a minimum slope of 6:12
- Flat roofs with surrounding masonry parapets.
- Parapet heights may vary to create visual interest to the façade.
- Roofs will be designed to screen and conceal all rooftop mounted mechanical equipment.

Lighting:

- Lighting will be designed to enhance the building design and storefront, compliment the architecture, and be sufficient for visibility and safety.
- Lighting should be stationary and non-animated.

Masonry Openings:

- Window and door headers in masonry walls should be defined and articulated with stone, cast stone or special brick coursing such as soldier or double rowlock header bonds. Window sills within walls should incorporate stone or precast sills.

Signage:

- All signage will be attached to the building or canopy. Types of permitted signs include:
  - Freestanding pin-mounted letterform
  - Projecting signs
  - Blade signs

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- Storefront signs
- Window Signs
- Canopy signs
- Two sided or three-dimensional contextual signs.
- Backlit letter metal sign box signs.
- Neon signs are permitted only when inset into a metal channel or open-face form with or without an acrylic cover.

Awnings & Canopies:

- Awnings and canopies will be compatible in material and construction to the style and character of the building. The color of the awning or canopy should be compatible with the overall color scheme of the façade.
- Where feasible, awnings and canopies should be generally aligned with others nearby in order to maintain a sense of visual continuity.
- Awnings and canopies should be tailored to the opening of the building and positioned so that distinctive architectural features remain visible.

Material Transitions:

- Where possible, all transitions between dissimilar wall materials should occur at inside corners.

Storefronts:

- Storefronts will be designed using a rhythm created by pilasters, columns, and or piers with trim to frame display windows. Glazing will comprise 40-65% of the storefront wall area.
- Aluminum, steel, clad or aluminum clad wood framed entrances with factory applied finishes in one of the accent colors listed elsewhere in this document. A minimum 12" durable storefront base should be incorporated as part of the design to withstand contact with maintenance and snow removal equipment. Base must be composed of stone, masonry, prefinished aluminum or other highly durable material.

Accent Colors:

- The colors that are recommended for awnings, aluminum storefronts, brackets, exposed structural elements are listed per the Pantone Matching System® and are as listed:
  - PMS Cool Grey 11
  - PMS 626
  - PMS Process Black C

Materials:

- Brick – Red brick in an extruded wirecut or velour texture, handmade and /or molded finish. Brick will be modular size; 3 5/8" x 2 ¼" x 7 5/8". Coursing will be a standard common or header bond. All mortar should be colored mortar to match the brick.
- Stone – Buff colored limestone in rock-face, smooth and other textured surfaces.
- Precast stone – Fabricated to simulate natural limestone in rock-face, smooth and other textured surfaces
- Roofing – Slate, manufactured slate, metal standing seam
- Glass – Clear glass
- Trim – Decorative trim will be cellular PVC, prefinished aluminum and prefinished extruded aluminum panning in traditional brickmold and casing profiles.

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BUSINESS-RESIDENTIAL-INSTITUTIONAL PLANNED DEVELOPMENT NO. _____

PLAN OF DEVELOPMENT STATEMENTS

1. The area delineated herein as a Business-Residential-Institutional Planned Development Number ___ (the "Planned Development") consists of approximately 6,017,640 square feet of net site area (approximately 138 acres) of property (the "Property"), together with certain portions of existing adjacent rights of way, as depicted on the attached Planned Development Boundary and Property Line Map. The Property is owned or controlled by the applicant, North Pullman 111th, Inc. (the "Applicant"). The Planned Development is divided into Subareas (each, a "Subarea," and collectively, the "Subareas") as indicated on the attached Subarea Map.

2. All applicable official reviews, approvals or permits are required to be obtained by the Applicant or its successors, assignees or grantees. These Planned Development Statements do not obligate the City of Chicago ("City") to establish any public rights-of-way, accept or maintain any open space, detention or site buffer areas, construct any public improvements, or finance the construction of any improvements. Any dedication, opening or vacation of streets, alleys or easements or adjustments of rights-of-way or consolidation or re-subdivision of parcels shall require a separate submittal on behalf of the Applicant or its successors, assignees or grantees and approval by the Commissioner of the Department of Transportation ("CDOT") and the City Council of the City of Chicago (the "City Council"). Any required City Council approvals must be obtained prior to issuance of any Part II approval. Applicant shall have the right to seek approval in phases for any or all of the foregoing approvals. In connection with planning for any Subarea, adjustments in the location, width and configuration of the rights-of-way illustrated on the Rights-of-Way Adjustment Map may be approved by the Commissioner (the "Commissioner") of the Department of Zoning and Land Use Planning (the "Department") as a minor change to this Planned Development, provided such adjustments (a) do not result in a change in the character of this Planned Development in accordance with the requirements of Section 17-13-0611 of the Chicago Zoning Ordinance, (b) are set forth in a plat of subdivision, dedication, opening or vacation, or comparable plat or instrument, as applicable, that has been submitted by Applicant (or its successors, assigns or grantors) for approval by CDOT, the Department and by the City Council at the time of request for such adjustments (and approved by CDOT and the City Council prior to the issuance of any Part II approval), and (c) shall not be deemed to confer any additional bulk, density or other development rights.

3. The requirements, obligations and conditions contained within this Planned Development shall be binding upon the Applicant, its successors and assigns. All rights granted hereunder to the Applicant shall inure to the benefit of the Applicant's successors and assigns (including any condominium or homeowners' association which may be formed). The requirements of Section 17-8-0400 of the Chicago Zoning Ordinance shall apply to the Property. The Subareas (and, if subsequently designated on any Final Subarea Plan, any subparcels designated thereon), shall be deemed specifically delineated subareas and subparcels for purposes of Section 17-8-0400 of the Chicago Zoning Ordinance, provided,

however, that for so long as North Pullman 111th, Inc. or any affiliate thereof owns or controls any part of the Property, any application to the City for any such changes or modifications (administrative, legislative or otherwise) must in all cases be authorized by the Applicant (or Applicant's successor, assignee or grantee to such master developer ownership interest) or such affiliate. Where portions of the improvements located on the Property have been submitted to the Illinois Condominium Property Act, the term "owner" shall be deemed to refer solely to the condominium association of the owners of such portions of the improvements and not to the individual unit owners therein. Nothing herein shall prohibit or in any way restrict the alienation, sale or any other transfer of all or any portion of the Property or any rights, interests or obligations therein. The developer making application shall have the burden of establishing to the reasonable satisfaction of the Department that the Applicant's consent has been obtained or irrevocably waived. Upon any alienation, sale or any other transfer of all or any portion of the Property or the rights therein (other than a mortgage lien or security interest) and solely with respect to the portion of the Property so transferred, the term "Applicant" shall be deemed amended to apply solely to the transferee thereof (and its beneficiaries if such transferee is a land trust) and the seller or transferor thereof; provided, however, that North Pullman 111th Inc.'s right to authorize changes or modifications to this Planned Development for so long as it owns or controls all or any portion of the Property shall not be deemed amended or transferred to apply to a transferee (or its beneficiaries as aforesaid) unless expressly assigned in a written instrument executed by the original Applicant hereunder. An agreement among different owners of the Property or a covenant binding upon owners of the Property may designate the parties authorized to apply for future amendments, modifications or other changes to this Planned Development and irrevocably waive the Applicant's consent right.

4. This Planned Development consists of: sixteen (16) statements, and the following exhibits prepared by PappageorgeHaymes Partners and Hitchcock Design Group dated April 15, 2010 and attached hereto (collectively, the "Design Exhibits"): an Existing Zoning Map; an Existing Land Use Map; a Planned Development Boundary and Property Line Map (three pages); a Sub Area Map; a Rights-of-Way Adjustment Map (four pages); a Public Open Space Plan (three pages); a Site Buffer/Detention Plan (four pages); a Site Plan; a Site Plan – Sub Area A (two pages); a Site Plan – Sub Area B; a Site Plan – Sub Area C (two pages); a Site Plan – Sub Area D; a Site Plan – Sub Area E; a Site Plan – Sub Area F; a Site Plan – Sub Area G; Bulk Elevations – 111th Street (Sub Area B); Bulk Elevations – North Woodlawn/Doty Avenues (Sub Area G); Bulk Axonometrics (Sub Areas A, B, G); Sub Area A North Parcel Retail – East Elevation; Sub Area A North Parcel Retail – West Elevation; Sub Area A North Parcel Retail – North and South Elevations; Sub Area A North Parcel Retail – Outlot Elevations; Sub Area A South Parcel Retail – Elevations; Sub Area A South Parcel Retail - Front Elevation Detail; Sub Area A South Parcel Retail - Rear Elevation Detail; Sub Area A South Parcel Retail - Side Elevation Details; Sub Area A Green Roof Plans; Phasing Plan - Sub Area A; Sub Area A Landscape Master Plan; Overall Sub Area A Phase 1 Landscape Plan; Landscape Ordinance Analysis Calculations; Sub Area A Phase 1 Landscape Plan (two pages); Sub Area A Future Phase Landscape Plan (two pages); Landscape Details; and Plan of Development Bulk Regulation and Data Tables (including

permitted uses) for each of Sub Areas A through G (seven pages); Sub Area B and Sub Area G Design Guidelines (two pages each); Bulk Regulations and Data Table Summary; Chicago Builds Green Form (five pages). Full size copies of the Design Exhibits are on file with the Department. References in these Statements to the "Planned Development" shall be deemed to include the aforementioned Design Exhibits. This Planned Development conforms to the intent and purpose of the Chicago Zoning Ordinance and satisfies the established criteria for approval as a Planned Development. In the case of any express conflict between the terms of this Planned Development, and the Chicago Zoning Ordinance, this Planned Development shall apply. Absent an express conflict, the terms of the Chicago Zoning Ordinance shall apply to reviews, determinations and approvals under these Statements and to improvements to the Property. In any instance where a provision of the Planned Development conflicts with the Chicago Building Code, the Building Code shall control.

5. The permitted uses, floor area ratio, building height, setback, parking, bicycle parking and off street loading requirements for each Subarea are set forth in the applicable Plan of Development Bulk Regulations and Data Tables included in the Design Exhibits (seven pages). For the purposes of calculations or measurements pertaining to the foregoing, the applicable definitions in the Chicago Zoning Ordinance shall apply.

6. Changes in the boundaries of Subareas shall require an amendment to these Statements in accordance with the review and approval procedures in Section 17-13-0602 through Section 17-13-0610 of the Chicago Zoning Ordinance.

7. On-premise signs and temporary signs such as construction and marketing signs shall be permitted within the Planned Development subject to the review and approval of the Department. Off-premise signs are prohibited within the boundary of the Planned Development.

8. For purposes of height measurement, the definitions in the Chicago Zoning Ordinance shall apply. The height of any building or improvement shall also be subject to height limitations established by the Federal Aviation Administration.

9. All ingress and egress shall be subject to the review and approval of CDOT and the Department. Closure of all or any public street or alley during demolition or construction shall be subject to the review and approval of CDOT. All work proposed in the public way must be designed and constructed in accordance with the CDOT Construction Standards for Work in the Public Way and in compliance with the Municipal Code of the City of Chicago, and must be designed in accordance with the CDOT Street and Site Plan Design Standards and follow the principles and practices of a Complete Streets design approach. Any dedication, opening, or vacation of public streets, alleys or easements or any adjustment of the public rights-of-way contained within a particular Part II submittal shall be approved by City Council prior to the issuance of any final Part II approval. In connection with the Applicant's (or any developer's) submittal of any plats, Final Subarea Plans and Site Plans in accordance with Statement 10 below, CDOT shall finally determine what means of ingress and egress are required, what public rights-of-way are required, and what public way

improvements must be constructed as part of any project in any given Subarea (including any improvements required outside of such Subarea, but impacted or integrally related to such Subarea's project and the public improvements associated therewith). Applicant and its successors, assigns and grantees, at such parties' expense, agree to provide traffic impact studies, pay for the services of professional engineering services, and pay for the cost of third party construction inspection services to assist CDOT in its review and approval of any plats, Final Subarea Plans, and Site Plan submissions (which approvals shall be a condition precedent to the Department's issuance of any applicable Part II approval). CDOT must approve the applicable consultant, which shall report to CDOT. Recommended traffic and engineering measures shall be included in the design review process and implemented. A minimum of two percent (2%) of all parking spaces provided pursuant to this Planned Development shall be designated and designed for parking for the handicapped.

10 This Statement 10 describes the procedures and approvals that shall govern the review and approval by the Department and, when applicable, the review and approval of the Chicago Plan Commission or the City Council, or both the Chicago Plan Commission and the City Council, whenever the Applicant, or any developer that is a successor, assignee or grantee with respect to any portion of the Property, undertakes any development project on the Property.

a. Final Subarea Plan. At the time the first development project in one or more Subareas is undertaken, the Applicant, or the applicable developer, shall file with the Department a preliminary plat of subdivision for the subject Subarea (and such additional Subarea(s) as the Applicant or developer may elect to include in such plat) and a Final Subarea Plan (the "Final Subarea Plan") along with an application for Site Plan Review pursuant to Section 17-13-0800 of the Chicago Zoning Ordinance. Such filing requirement shall not apply to Subarea A, which is being approved as part of this Planned Development, provided, however, that no Part II approval shall be issued with respect to any project in Subarea A until CDOT has determined that the issues relating to access to Subarea A from E. 111th Street, such as spacing between the southbound Bishop Ford Expressway exit ramp and South Doty Avenue, have been satisfactorily resolved. The Final Subarea Plan shall govern such first development project and (unless amended pursuant to this Statement 10.a) all subsequent development projects thereafter constructed in such Subarea. The preliminary plat of subdivision shall include, without limitation, proposed lot dimensions. After incorporating any City comments received during the review process described in these Statements, and

prior to any Part II approvals, the Applicant or applicable developer shall thereafter submit to the City Council for approval a final plat of subdivision for the subject Subarea (and such additional Subarea(s) as the Applicant or developer may elect to include in such plat) which conforms with the Final Subarea Plan for the Subarea so subdivided. The City Council's approval of such plat of subdivision, and the recording of such plat, shall be a condition precedent to the Applicant's (or any developer's) conveyance of any property within such Subarea. Upon such recording, the Applicant (or applicable developer) shall promptly deliver a copy of the recorded plat to the Department for filing with this Planned Development. The Applicant's failure to comply with such approval and recording requirements shall be the basis for the Department to withhold any further Part II approvals until such requirements are satisfied.The Final Subarea Plan filing shall include the following:

(1) A dimensioned Subarea Plan including the following with respect to such Subarea (and any subparcels designated therein, if any):

(i) All public rights of way that are proposed to be dedicated or opened, and all private rights of way,

(ii) Dimensioned setback lines,

(iii) All off-street parking and service areas, both accessory and non-accessory;

(iv) All open space, site buffer, detention and recreational facilities; and

(v) Sites for any schools, libraries, police stations or other public facilities, if any; and

(vi) dimensioned green roof plans, as set forth in Statement 14;

(2) A detailed, dimensioned Subarea site plan including:

(i) All sidewalks (including the width of paved surfaces);

(ii) All roads, streets, alleys (all identified as public or private), including the right of way width, the width of paved surfaces, street intersection details, and all curb cuts;

(iii) Dimensioned building sites, dimensioned setback lines, the proposed use of each building site, and indication of the maximum building height, F.A.R. and residential unit count for each building site;

(iv) All off-street parking and service areas, both accessory and non-accessory; and

(v) Fully dimensioned parking plans, loading areas, and landscape plans (which landscaping may be planned and constructed in phases).

(3) Preliminary engineering plans including the following:

(i) Sanitary and storm sewer lines and systems (identified as public or private);

(ii) Water lines and water supply systems (identified as public or private);

(iii) Street lighting (identified as public or private) and lighting systems;

(4) Illustrative Subarea building elevations and locations for all of the buildings to be constructed in such Subarea including the following:

(i) Illustrative elevations for all buildings to be located within the applicable Subarea (including axonometric or 3-D exhibits), consistent with the maximum floor area ratio, building height, dwelling unit, setback and parking space requirements permitted or required in the applicable Subarea;

(ii) Although final elevations for the buildings to be constructed shall not be required at the Final Subarea Plan approval stage except for the building requesting site plan approval, the massing, the entrances, and maximum building heights and window design should be addressed, and depictions and explanations provided describing how the buildings to be constructed incorporate the

pedestrian-orientation, urban design, building design and green design standards and guidelines set forth in Sections 17-8-0905, 17-8-0906, 17-8-0907 and 17-8-0908 of the Chicago Zoning Ordinance, respectively.

(iii) If the Final Subarea Plan submitted is for Sub Area B or Sub Area G, depictions and explanations describing how buildings to be constructed incorporate the Subarea B and Subarea G Design Guidelines included in the Design Exhibits.

The Final Subarea Plan shall be submitted and processed as an amendment to the Planned Development pursuant to Section 17-13-0602 through Section 17-13-0610 of the Chicago Zoning Ordinance. As such, the Final Subarea Plan shall be subject to the review and approval of the Department and such other bureaus, departments or agencies as the Commissioner deems appropriate;(which may include, but are not limited to, CDOT, the Department of Water Management ("DWM"), the Fire Department and the Mayor's Office on Persons With Disabilities ("MOPD) (as applicable, the "Affected City Departments"), the Chicago Plan Commission, the Zoning Committee and the City Council, as described in such Section 17-13-0602 through Section 17-13-0610. A Final Subarea Plan must be approved prior to, or concurrently with, the approval of any Site Plans submitted and processed pursuant to Statement 10.b below.

b. Site Plans. Site Plan Review shall be required for all projects undertaken in furtherance of the Planned Development and the Final Subarea Plan in accordance with Section 17-13-0800 of the Chicago Zoning Ordinance, excluding Site Plan review for the project depicted in the Sub Area A South Parcel Retail – Elevations and the Sub Area A Phase I Landscape Plan, which are being approved as part of this Planned Development. If not evidenced on the preliminary plat of subdivision submitted as part of the Final Subarea Plan for the project's subarea, the Applicant or developer of the subject project shall provide an exhibit showing

lot sizes and boundaries for such project. In addition to the submittal requirements of Section 17-13-0802-B, the Applicant or developer shall also provide a Site Data Table for such project containing, for each Subarea and subparcel, if any, included in such project:

(1) the Gross Site Area;

(2) the Net Site Area;

(3) the square feet of floor area of each proposed building;

(4) the amount of F.A.R. utilized out of the maximum F.A.R. permitted in such Subarea;

(5) the height of each building to be constructed and the maximum allowable height permitted under the Design Exhibits applicable to such Subarea;

(6) the number of dwelling units to be constructed and the maximum number of dwelling units permitted under the Design Exhibits applicable to such Subarea;

(7) the front, rear and side setbacks for each building and the setbacks required under the Design Exhibits applicable to such Subarea;

(8) All Residential Open Space, if applicable;

(9) The number of parking spaces to be provided and the minimum and maximum number of parking spaces required under the Bulk Regulation Data Table Summary and Design Exhibits, as applicable; and

(10) final elevations.

The Site Data Table shall also incorporate a Chicago Builds Green Form/Sustainable Features table showing the "green" features to be included in the proposed buildings. The Site Plan shall be subject to review and approval of the Department and such Affected City Departments as the Commissioner deems appropriate before issuance of any Part II approval for the subject project. The Site Plan must be in substantial compliance with both the Planned Development and the applicable Final Subarea Plan. If, after City departmental review, the Commissioner determines that the Site Plan is in substantial compliance with both the Planned Development and the applicable Final Subarea Plan, and if any improvements contemplated by the Site Plan exceed any of the

mandatory Planned Development thresholds set forth in Section 17-8-0500 of the Chicago Zoning Ordinance (as applicable to improvements in a C2-3 district, e.g., the Site Plans include 60 dwelling units or more, or buildings 75 feet or more in height), then the Site Plan must then be reviewed by the Chicago Plan Commission, during a public meeting (for which placement on a Chicago Plan Commission Agenda, publication in accordance with Section 17-13-0107-B of the Chicago Zoning Ordinance, and posting in accordance with Section 17-13-0107-C of the Chicago Zoning Ordinance shall be required, but for which written notice pursuant to Section 17-13-0107-A of the Chicago Zoning Ordinance shall not be required) but shall not require review and approval by the City Council. If such mandatory thresholds are not met or exceeded, then no Chicago Plan Commission review shall be required, and if, after City departmental review, the Commissioner determines that the Site Plan is otherwise in substantial compliance with both the Planned Development and the applicable Final Subarea Plan, the Site Plan shall then be approved by the Commissioner. If, after City departmental review, the Commissioner shall determine that the Site Plan is not in substantial compliance with both the Planned Development and the applicable Final Subarea Plan, the Commissioner shall advise the Applicant or developer in writing of why the Site Plan does not substantially comply with the Planned Development and/or the Final Subarea Plan. In such case, the Applicant or developer shall be given an opportunity to submit revised Site Plans. If the Commissioner finally determines that the Site Plans, as the same may be revised, are not in substantial compliance with the Planned Development and/or the Final Subarea Plan, the Applicant or developer then shall be required to amend the Final Subarea Plan in accordance with the review and approval procedures in Section 17-13-0602 through Section 17-13-0610 of the Chicago Zoning Ordinance in order to obtain approval of such Site Plans. After approval of a Final Subarea Plan and/or Site Plan, such Final Subarea Plans and Site Plans may be changed or modified pursuant to the requirements of Section 12 hereof, if applicable.

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11. The improvements on the Property shall be designed, constructed and maintained in substantial compliance with the Design Exhibits attached hereto.

(a) Parkway and parking lot landscaping shall comply with the landscaping provisions of the Chicago Zoning Ordinance and Chicago Landscape Ordinance, unless specified otherwise in an approved Final Subarea Plan.

(b) The Property shall be designed and constructed in accordance with the City of Chicago Regulations for Sewer Construction and Stormwater Management and Stormwater Management Ordinance Manual, latest editions. Any amendment to the City's storm water management requirements which the City adopts thereafter shall apply to the Property or the development thereof.

(c) It is the Applicant's intention to adaptively reuse the Brite Line building identified as "Existing Building" in Subarea D on the Site Plan; however, the Applicant reserves the right to demolish such building and to otherwise redevelop Subarea D in conformance with the applicable terms of this Planned Development in the event the Applicant determines that such adaptive reuse is not feasible or desirable.

(d) Within Subarea A, there shall be a Chicago Transit Authority bus turnaround in a location and of such size and configuration as mutually agreed upon by the Applicant, the Chicago Transit Authority and CDOT.

(e) Porches shall be features which are allowed to encroach into any required front yard setback in Subarea C and in Subarea F, subject to Site Plan approval.

(f) Applicant acknowledges that the City will not maintain or bear the cost of maintaining any landscape or streetscape improvements on any medians to be constructed within the Planned Development. Prior to CDOT approval of engineering drawings for any median street to be constructed by the Applicant within the Planned Development, the Applicant must demonstrate to the satisfaction of CDOT that sufficient sustainable resources have been committed, and written agreements exist (which provide reasonable protection to the City and, among other things, shall name the City as intended beneficiary, shall grant the City enforcement rights, and shall include or extend indemnification and insurance provisions for the benefit of the City) to provide for the satisfactory maintenance of such medians, which agreements may provide for maintenance costs to be funded through a special service area or special service district, the establishment of which is subject to separate City Council approval.

(g) Prior to the issuance of a certificate of occupancy for any improvements constructed in Subarea A, the Applicant shall, at the Applicant's expense, reconstruct S. Woodlawn Avenue from approximately E. 107th Street to E. 111th Street in accordance with the requirements of Statement 9.

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(h) The Applicant and each developer of any portion of the Property at the time of a project shall comply with Rules and Regulations for the Maintenance of Stockpiles promulgated by the Commissioner of the Department of Streets and Sanitation, the Commissioner of the Environment and the Commissioner of Buildings under Section 13-32-125 of the Municipal Code of the City of Chicago or any other provision of that Code.

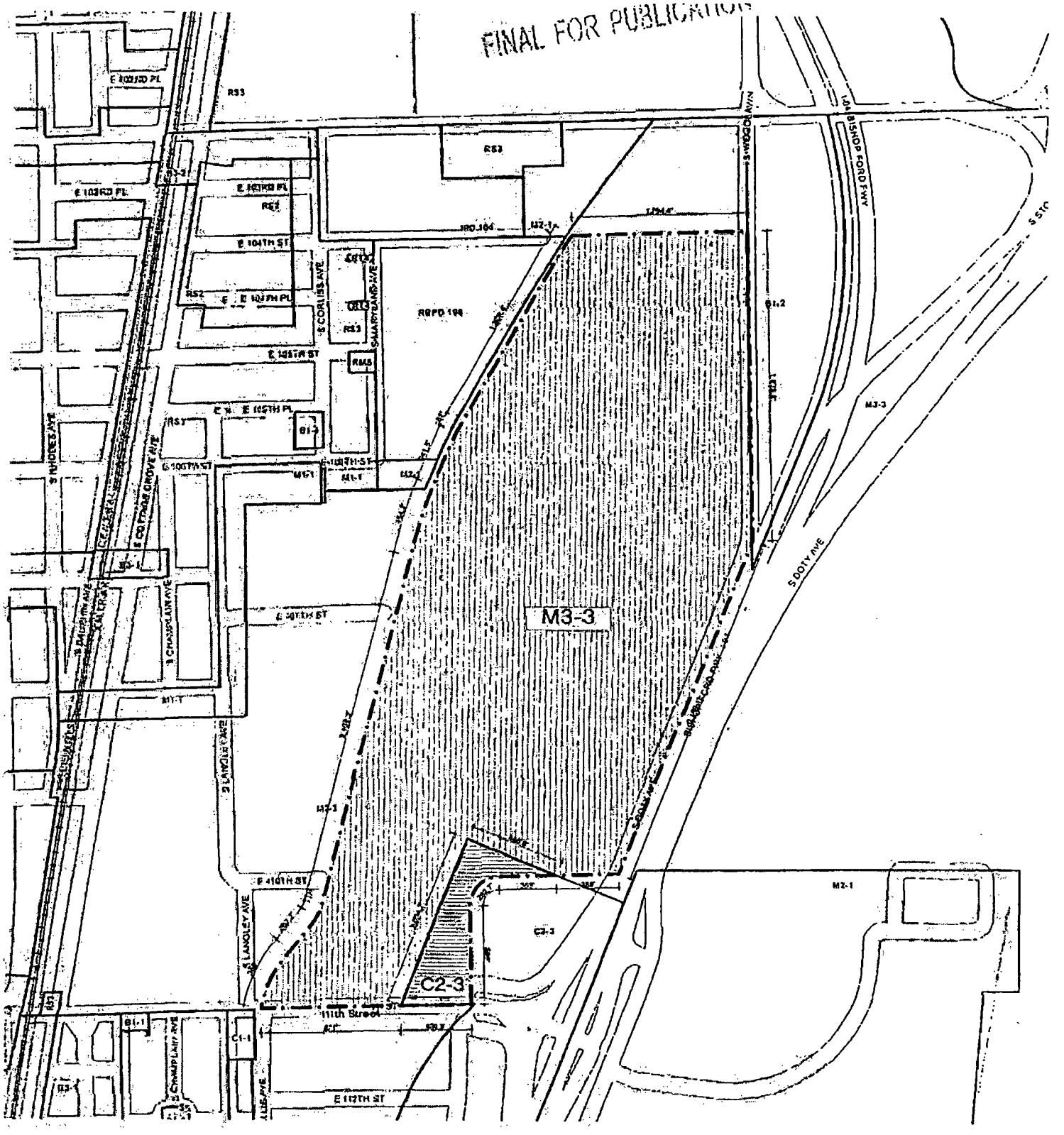
12. The Part II review fee for permits and licenses to be issued for projects in the Planned Development shall be the greater of $0.25 per square foot for the total buildable floor area (i.e., the current rate under Section 17-13-0610 of the Chicago Zoning Ordinance) or the then applicable per square foot charge (or other then applicable charge) at the time of such Part II review. Such fee shall be determined and assessed by the Department at the time of each and every Part II review, shall be applicable to all projects, whether undertaken by the Applicant or another developer, shall be final and binding and must be paid to the Department prior to issuance of any Part II approval. Following Part II review and approval by the Commissioner, the Department shall keep such approved plans and elevations on permanent file and they shall be deemed to be an integral part of this Planned Development. The Applicant acknowledges that it is in the public interest to design, construct and maintain the project in a manner which promotes, enables and maximizes universal access throughout the Property. Plans for all buildings and improvements on the Property shall be reviewed and approved by the Mayor's Office for People with Disabilities to ensure compliance with all applicable laws and regulations related to access for persons with disabilities and to promote the highest standard of accessibility. Any interim reviews associated with Site Plan review or Part II reviews, are conditional until final Part II approval.

13. Subject to the other terms and conditions of these Statements, including specifically, but without limitation, Statement 10's filing, review and approval requirements, the terms, conditions and exhibits of this Planned Development may be modified administratively by the Commissioner upon application and a determination by the Commissioner in accordance with the minor change provisions and standards of Section 17-13-0611 of the Chicago Zoning Ordinance (provided, however, that Section 17-13-0611-A.2 and A.3 shall be separately tested on a Subarea basis, without taking into account the net site area of or dwelling units permitted in other Subareas or the Planned Development as a whole) and that such modification, and the improvements contemplated thereby, are consistent with the Planned Development and the applicable Final Subarea Plan. Any such modification shall be reviewed and approved through the minor change provisions of Section 17-13-0611 of the Chicago Zoning Ordinance.

14. The Applicant acknowledges that it is in the public interest to design, construct and renovate all buildings in a manner which provides healthier environments, reduces operating costs and conserves energy and resources. All development in any Subarea shall conform to the City of Chicago's "Sustainable Development Policy Matrix" in effect on the submittal of Site Plans pursuant to this Planned Development.

15. Unless substantial construction of any new building, as proven by the issuance of building permits and the diligent completion of construction pursuit to such permits, has commenced within six (6) years of the effective date of this Planned Development as to Subarea A, and within nine (9) years of the effective date of this Planned Development as to any other given Subarea, this Planned Development shall, as to such Sub Area, expire upon such sixth or ninth anniversary date of the effective date hereof, as applicable. If this Planned Development expires pursuant to the foregoing provision, the zoning of the Property shall automatically revert to the C2-3 classification. Such reversion shall not render any building existing at the time to be non-conforming. The six year and nine year periods described above may be extended for up to one additional year if, before expiration, the Commissioner determines that good cause for an extension is shown.

16. Any open space to be dedicated to the Chicago Park District ("CPD") must meet CPD standards and, where applicable, the park must be designed and constructed to those standards. Any conveyance of open space to the CPD shall be subject to the approval of the CPD and a resolution or ordinance issued by the CPD Board of Commissioners must be provided to the Department to evidence such dedication, conveyance and acceptance.



Zone	Area(sf)	Area (acres)
C2-3	291,634 sf	6.70 acres
M3-3	7,626,143 sf	175.07 acres
Total	7,917,777 sf	181.77 acres

N

Existing Zoning Map

Scale 1" = 800'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

pappageorgehaymes partners
www.pappageorgehaymes.com

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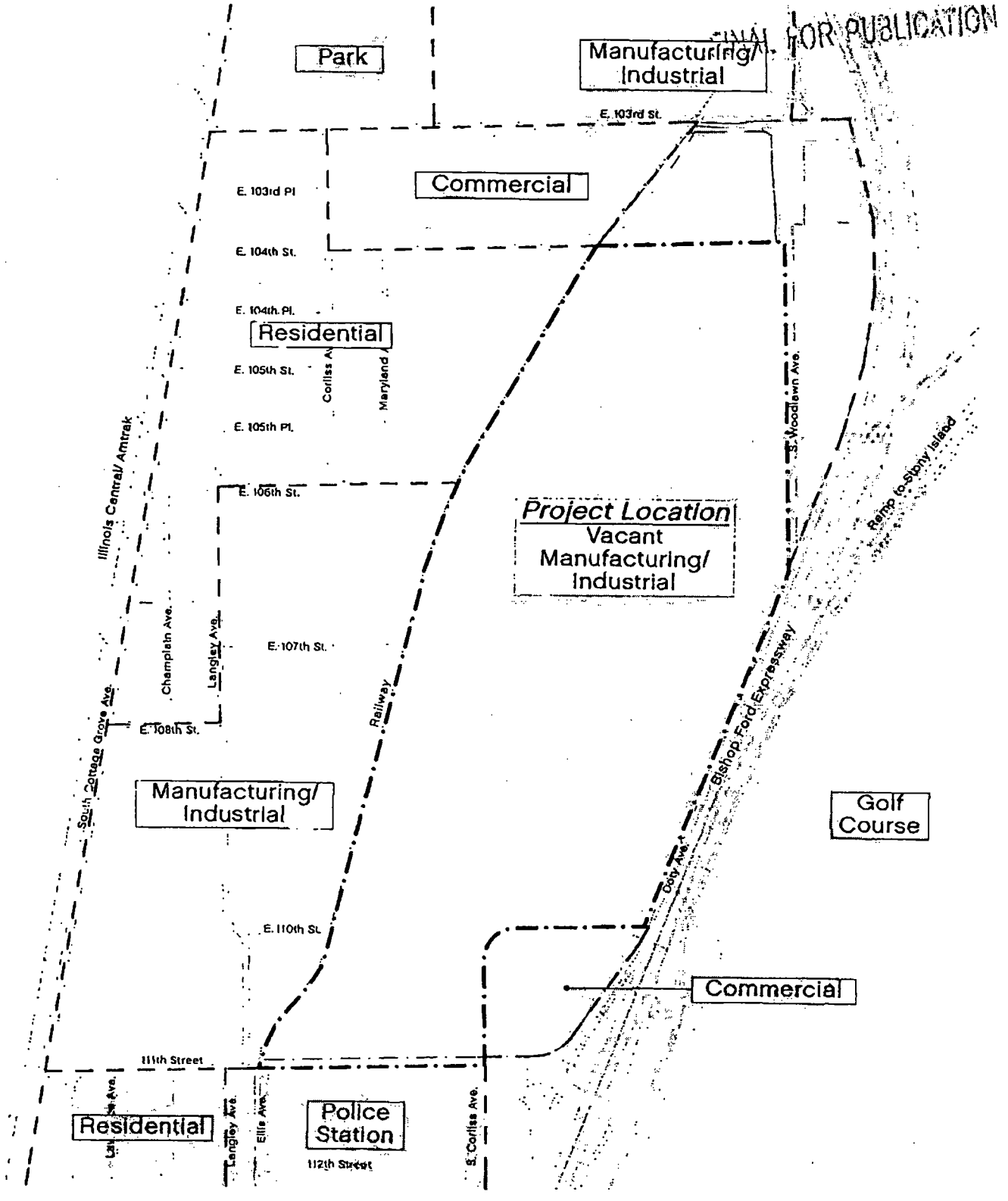
chicago illinois 60654

P/H # 081901



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Existing Land Use Map

Scale: 1" = 600'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Cozy Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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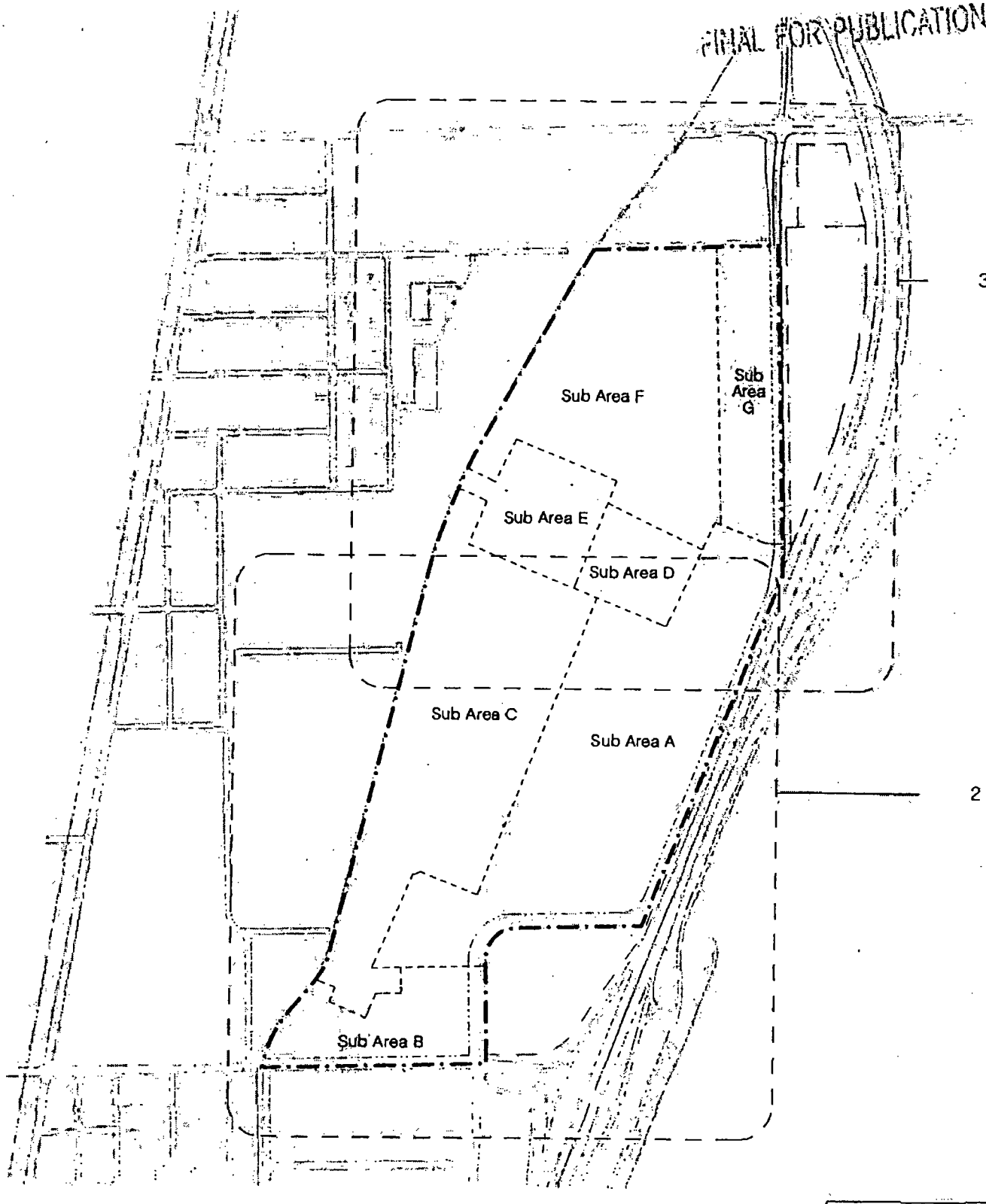

Note: Refer to following detail plans for all boundary and property line dimensions.

N

Planned Development Boundary and Property Line Map - 1 of 3

Scale: 1" = 600'-0" Note: Refer to Detail Plans to Follow

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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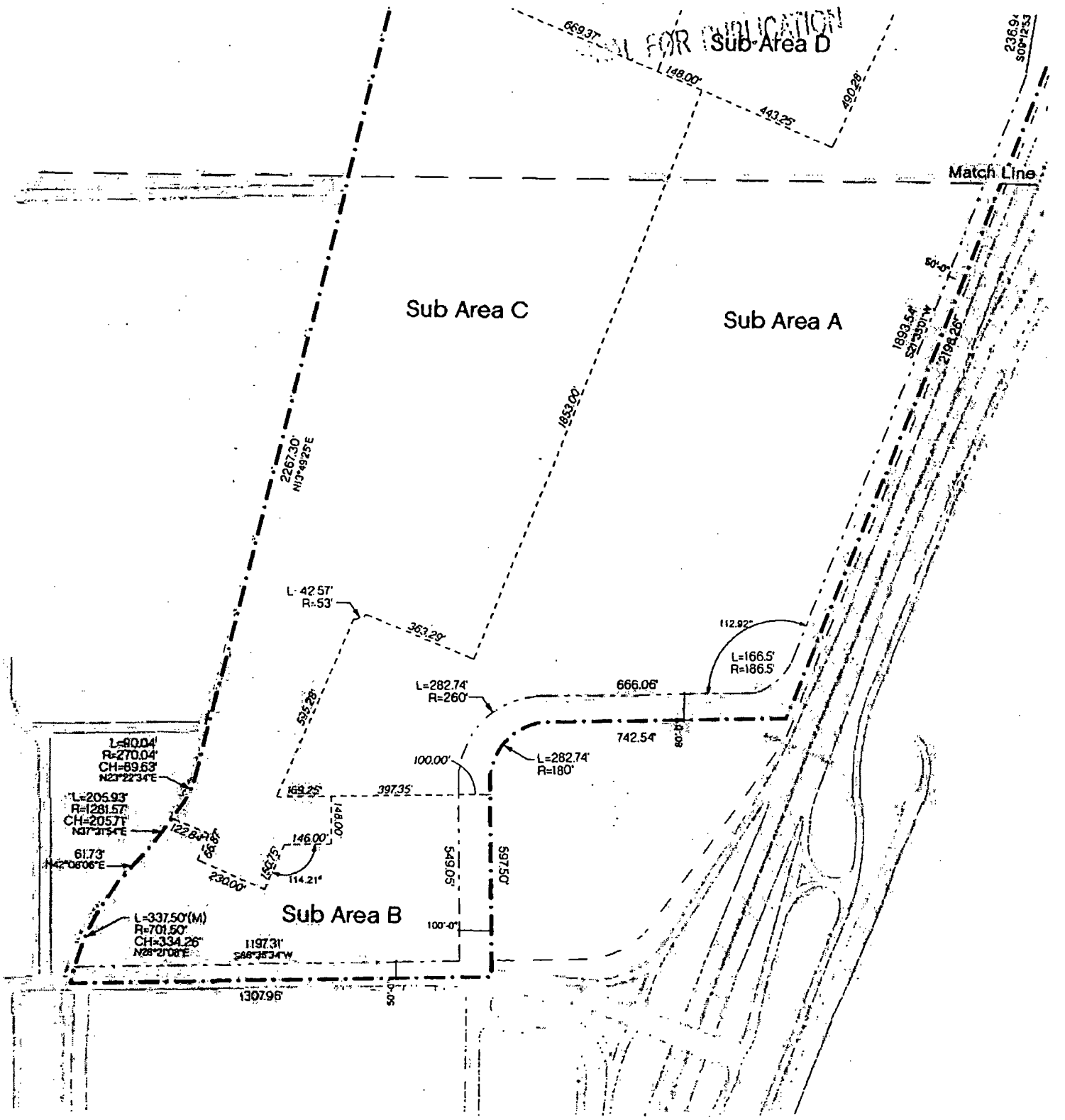

Planned Development Boundary and Property Line Map - Detail - 2 of 3

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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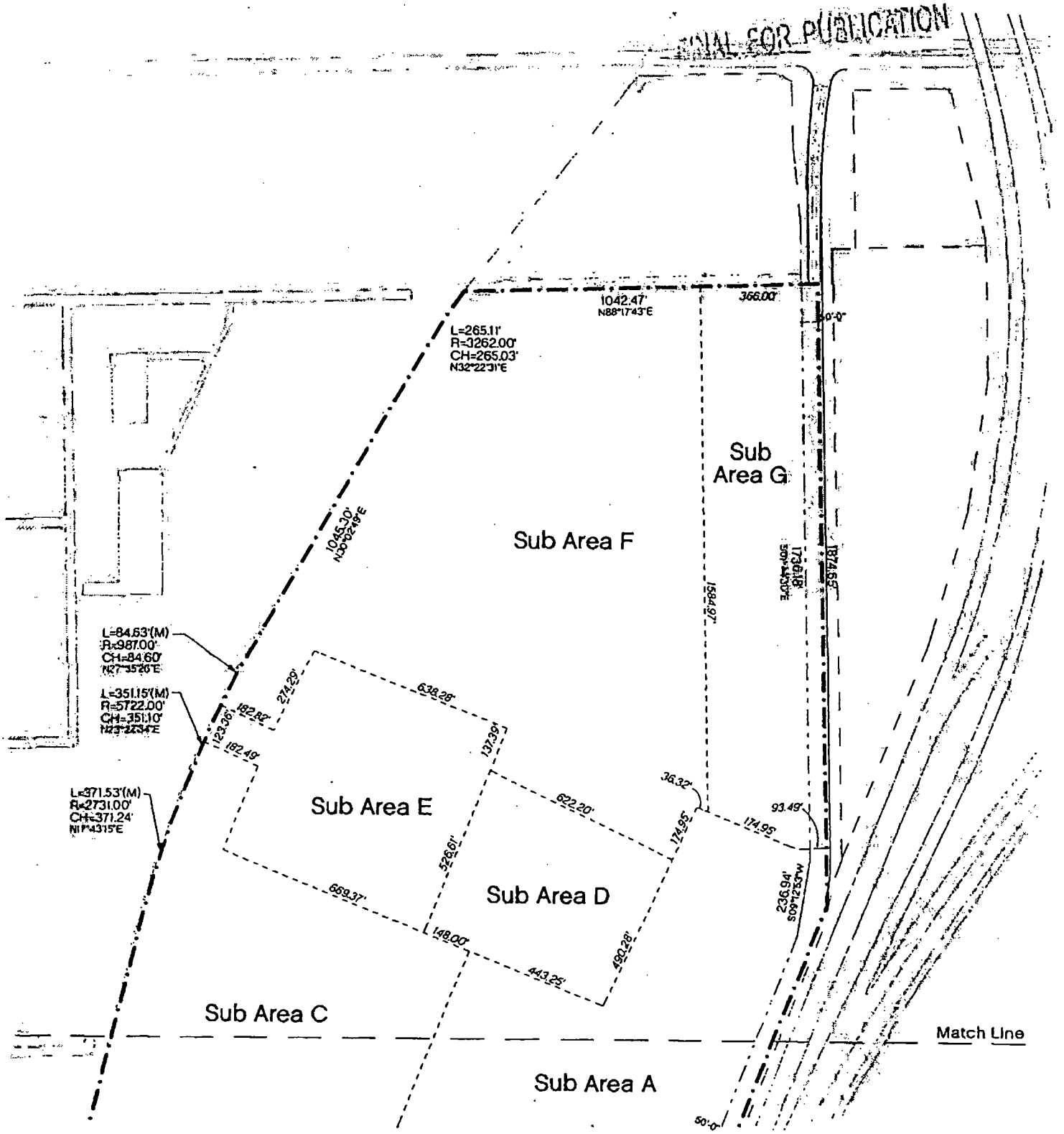

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Planned Development Boundary and Property Line Map - Detail - 3 of 3

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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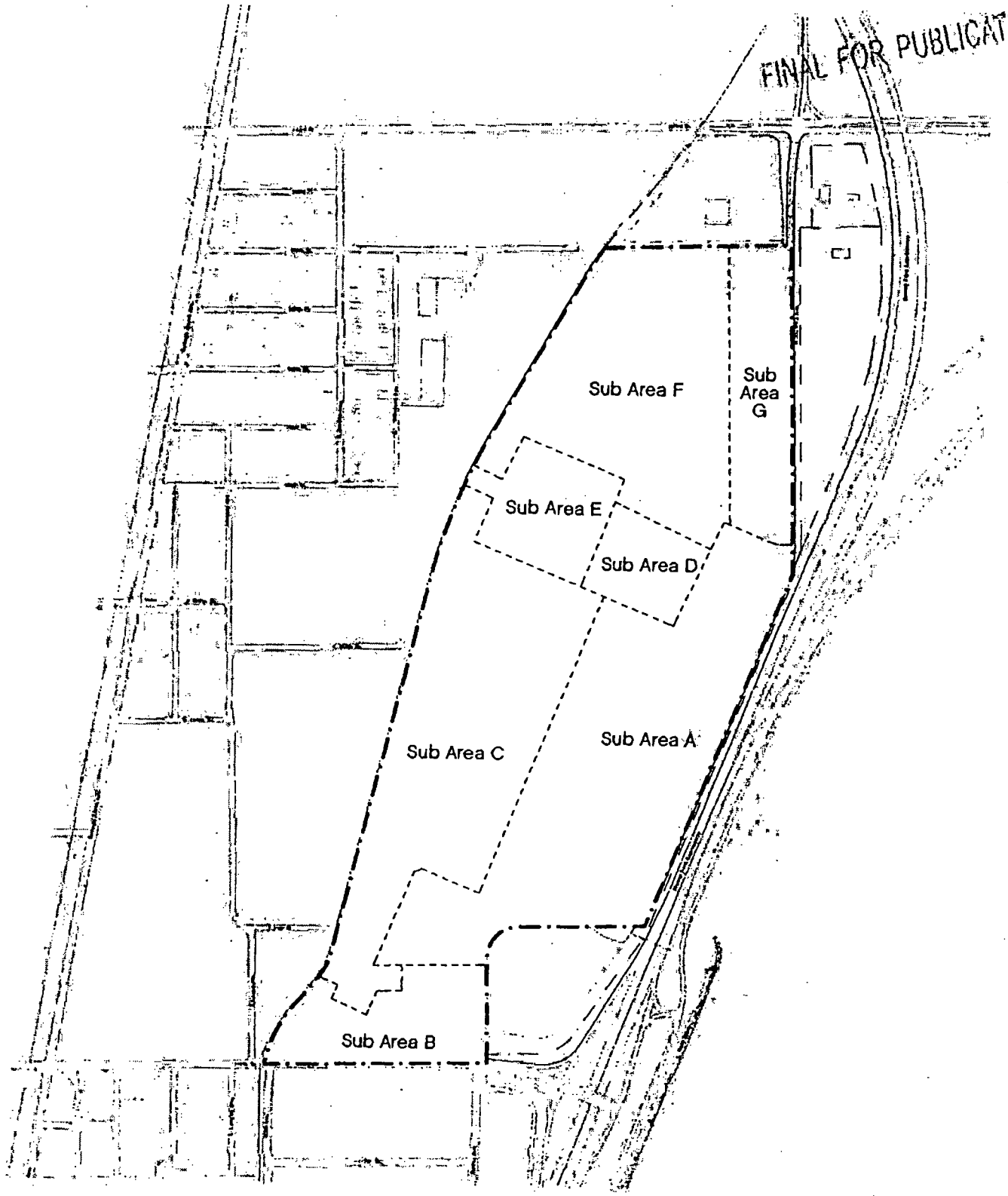

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Sub Area Map
Scale: 1" = 800'-0"

Applicant: North Pullman 111th Inc.
Address: 111th Street and Dorr Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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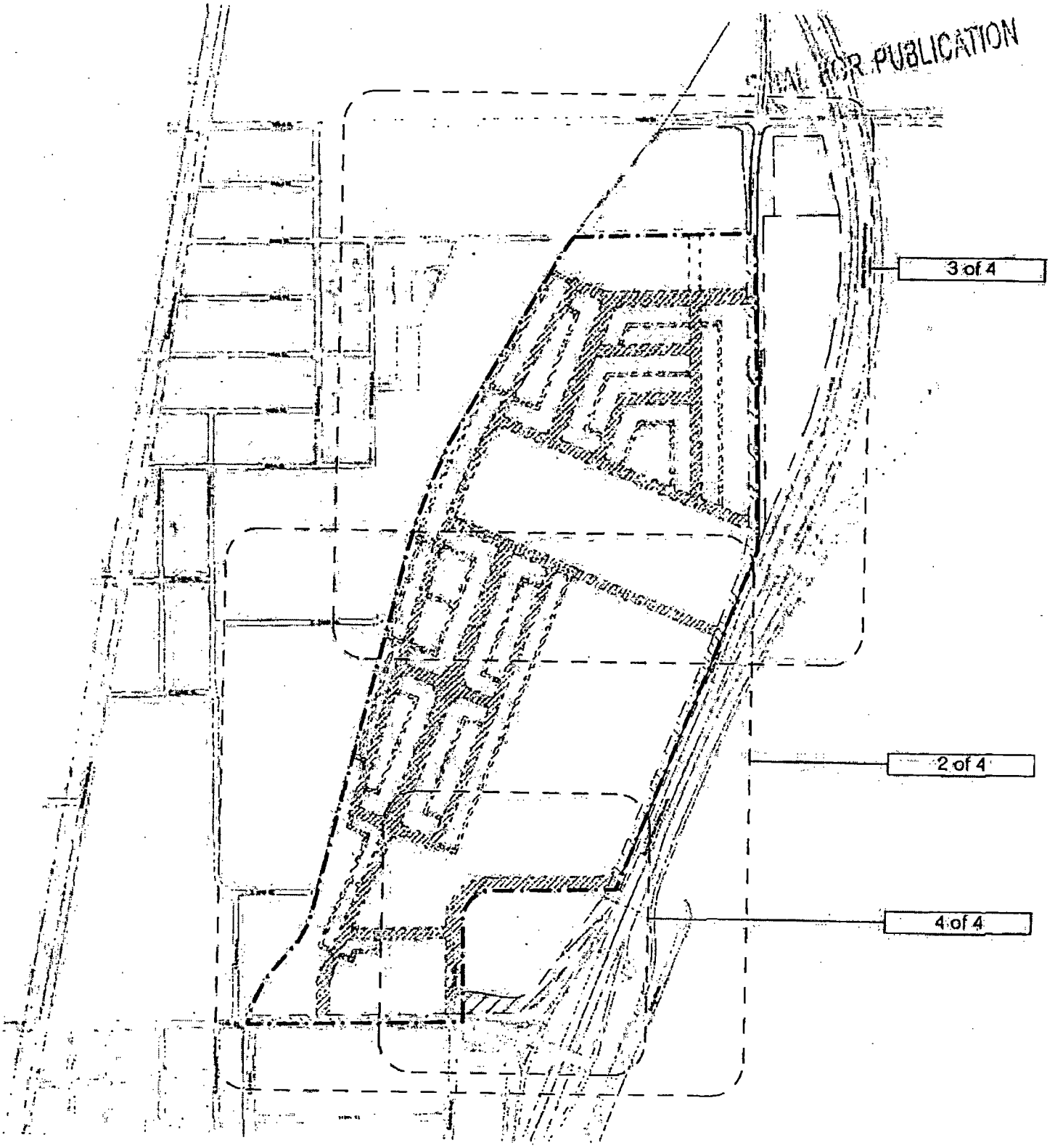

Legend

- Off Premise R.O.W. to be Vacated
- Existing R.O.W. to Remain
- Proposed Dedicated R.O.W.

N

Rights-of-Way Adjustment Map - 1 of 4

Scale: 1" = 800'-0" Note: Refer to Detail Plans to Follow

Applicant: North Pullman 111th Inc.

I.C. Area: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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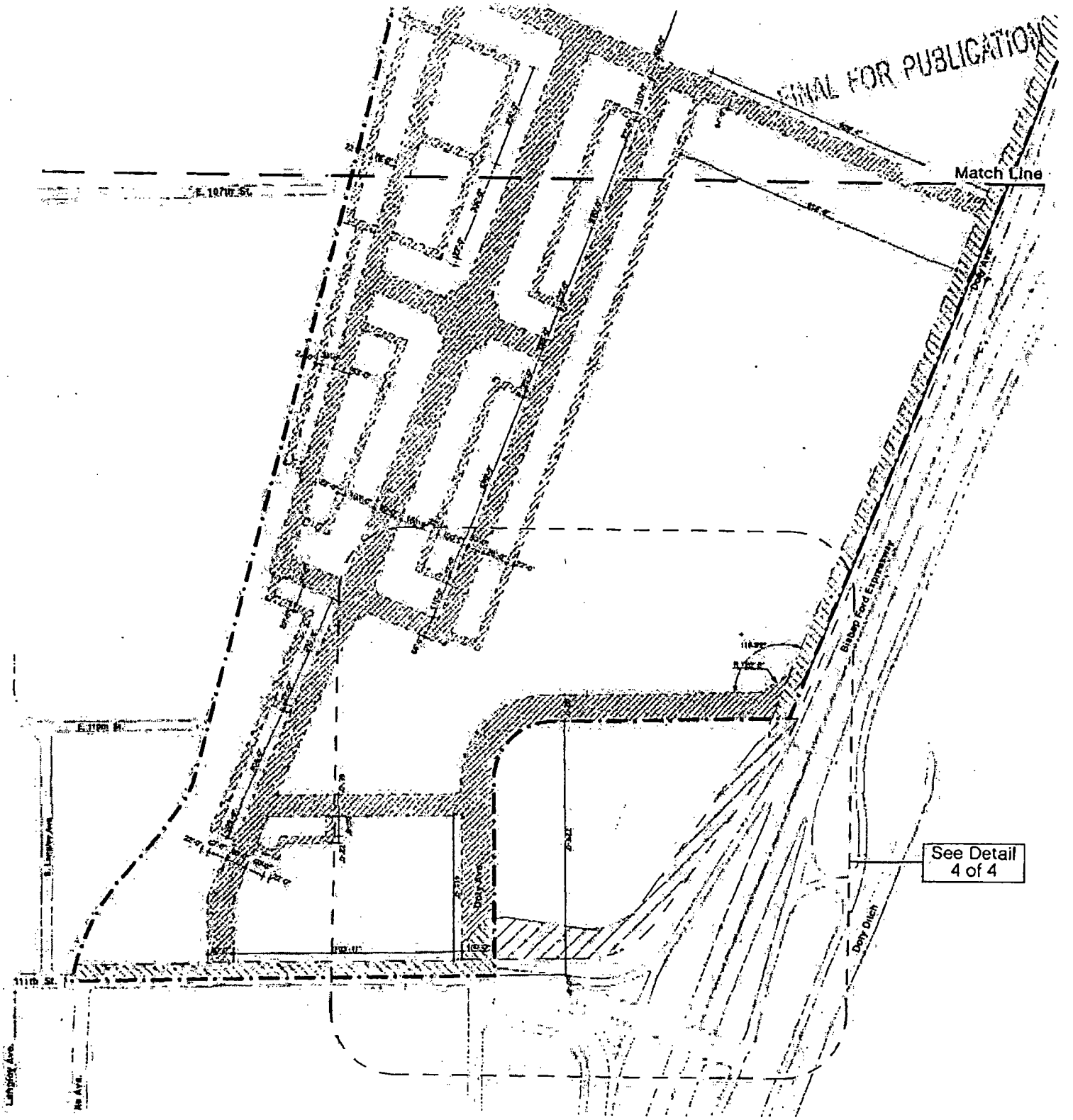

Legend

- Off Premise R.O.W. to be Vacated
- Existing R.O.W. to Remain
- Proposed Dedicated R.O.W.

N

Rights-of-Way Adjustment Map - Detail - 2 of 4

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 1, 2009

Chicago Plan Commission Date: April 15, 2010

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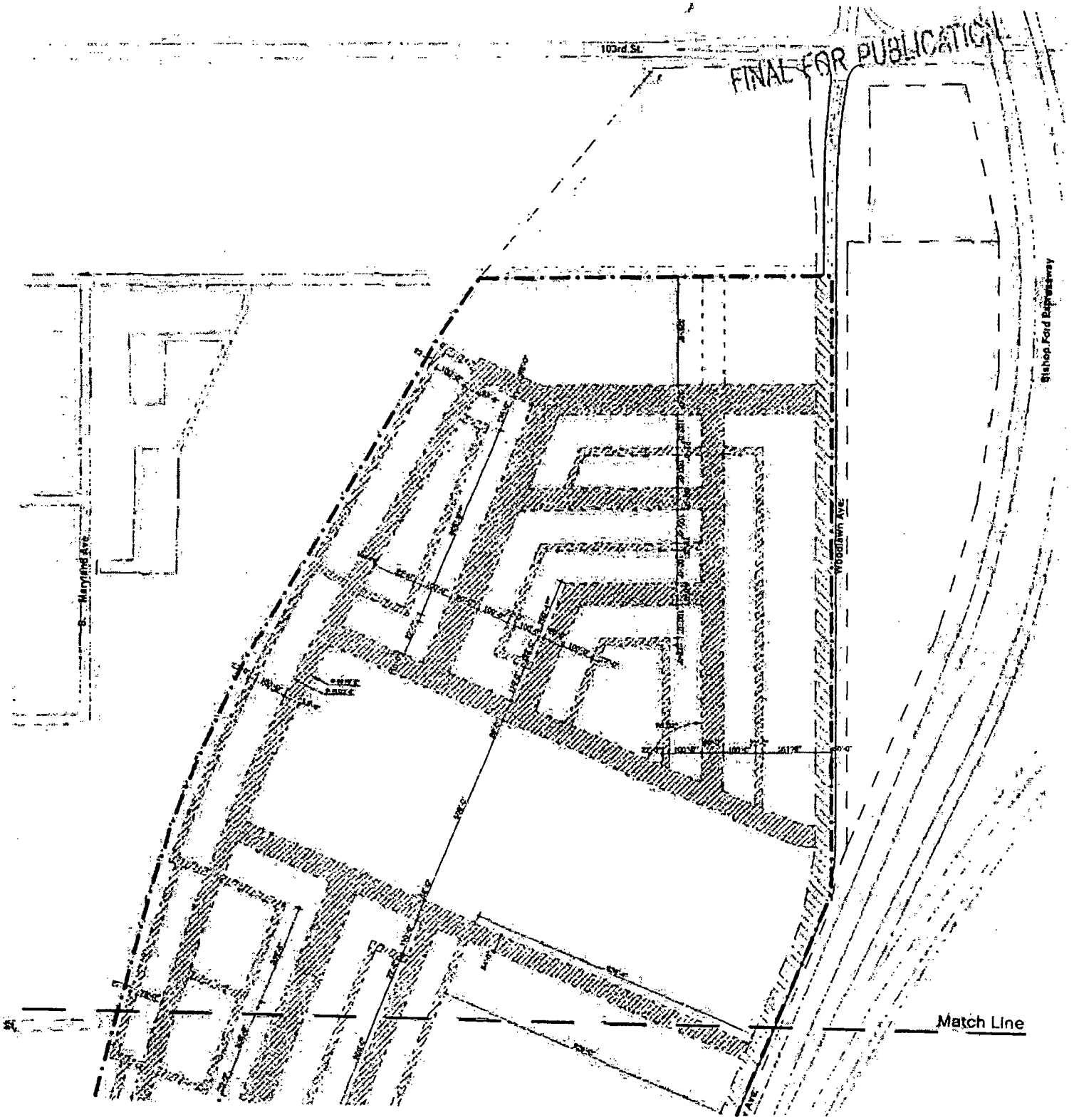
P/H # 081901



Rights-of-Way Adjustment Map - Detail - 3 of 4

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Dory Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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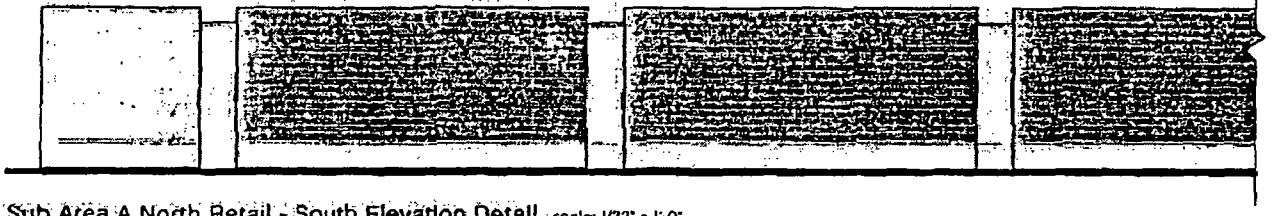
www.pappageorgehaymes.com
640 North Lasalle suite 400
chicago Illinois 60654

P/H # 081901

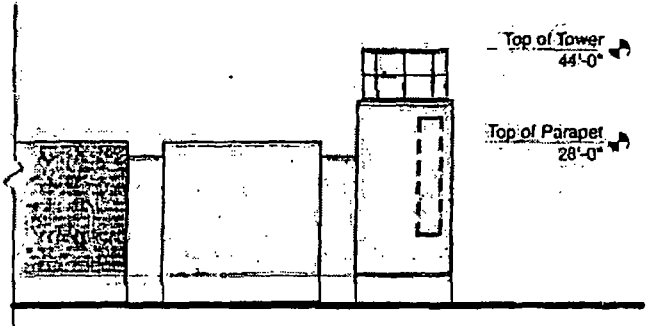
Sub Area A North Retail - South Elevation
scale: not to scale

Sub Area A North Retail - North Elevation
scale: not to scale

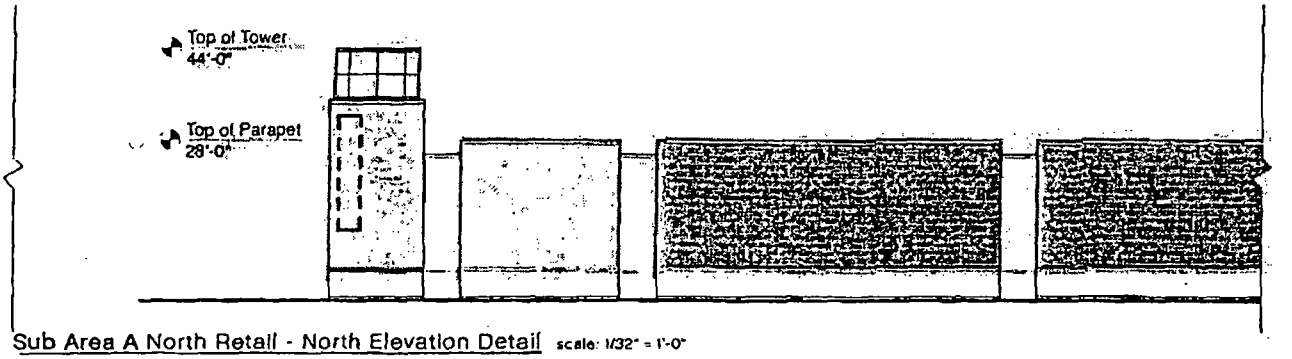
FOR PUBLICATION



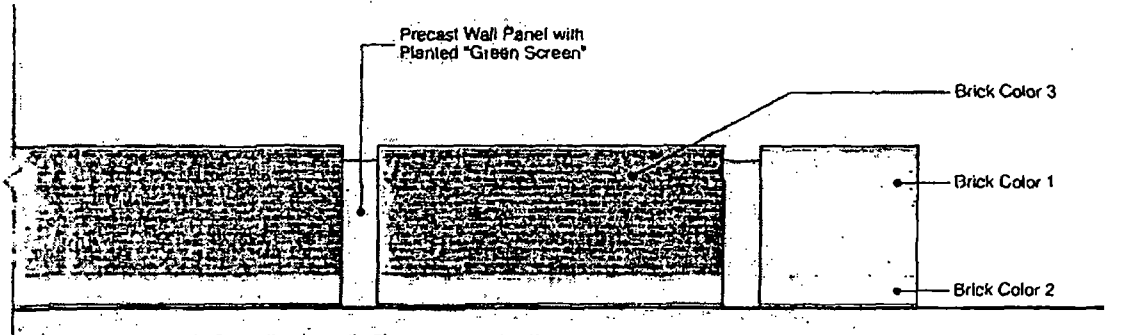
Sub Area A North Retail - South Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - South Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - North Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - North Elevation Detail scale: 1/32" = 1'-0"

NOTE: Dashed lines represent potential signage locations.

Sub Area A North Parcel Retail - North and South Elevations
Scale: As Noted

Applicant: North Pullman 111th Inc.
Address: 111th Street and Cotty Avenue
Introduction Date: October 2, 2002
Chicago Plan Commission Date: April 15, 2010

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chicago illinois 60654

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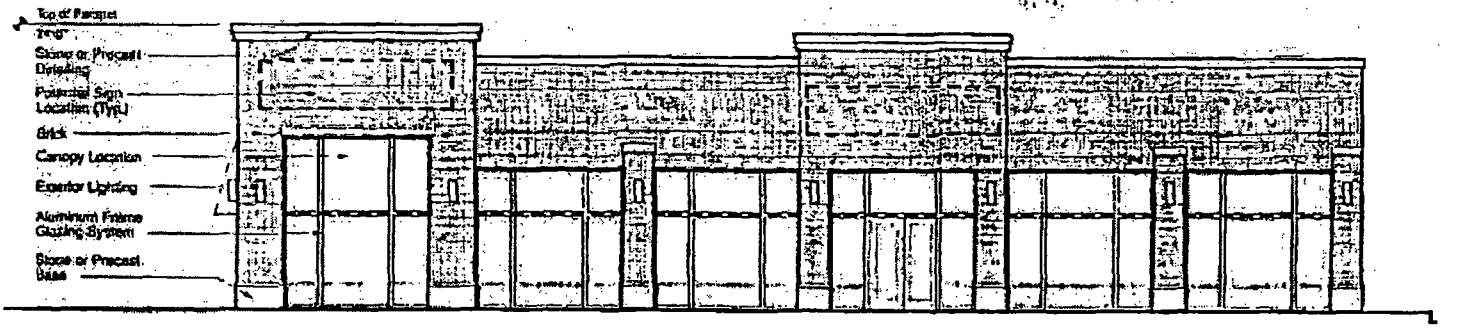
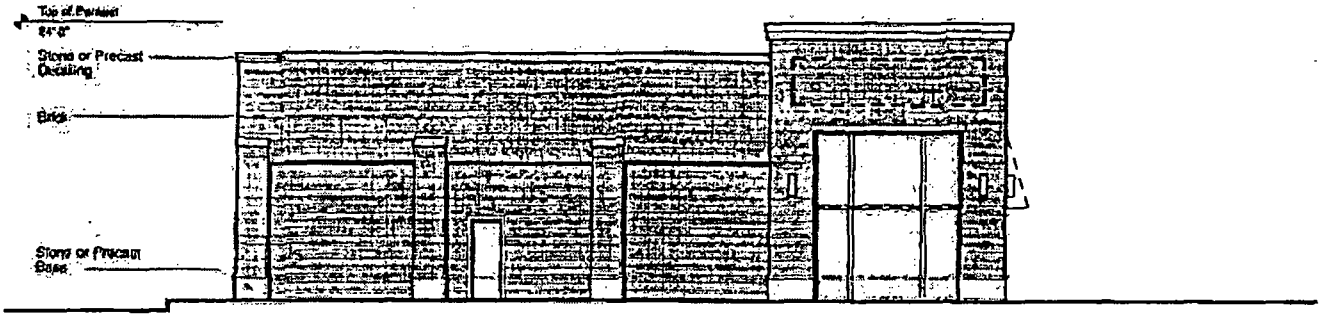
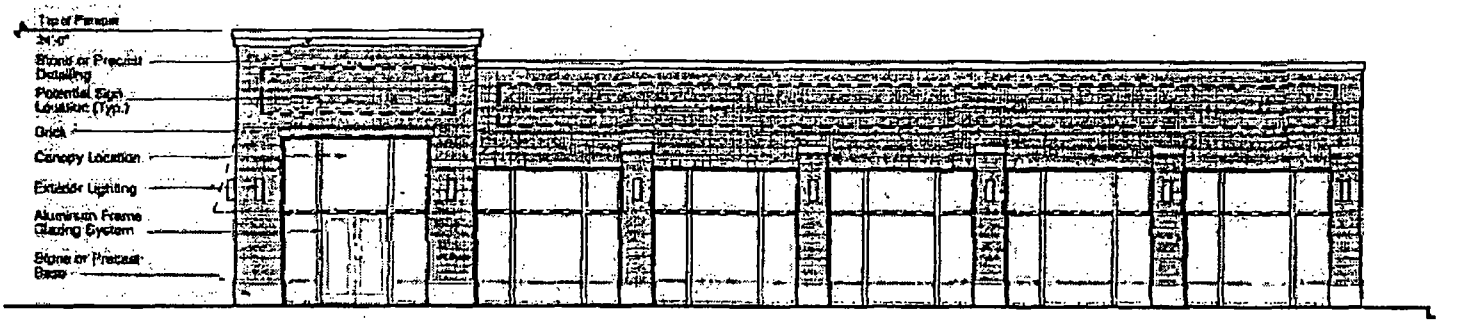


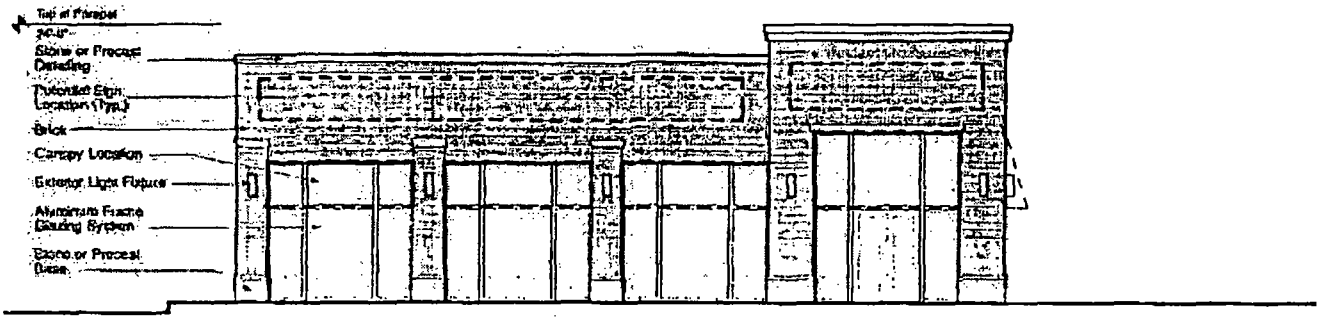
Sub Area A - Outlot - East Elevation scale: 1/16" = 1'-0"



Sub Area A - Outlot - North Elevation scale: 1/16" = 1'-0"



Sub Area A - Outlot - East Elevation scale: 1/16" = 1'-0"



Sub Area A - Outlot - South Elevation scale: 1/16" = 1'-0"

Sub Area A North Parcel Retail - Outlot Elevations

Scale: As Noted

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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P/H # 081801

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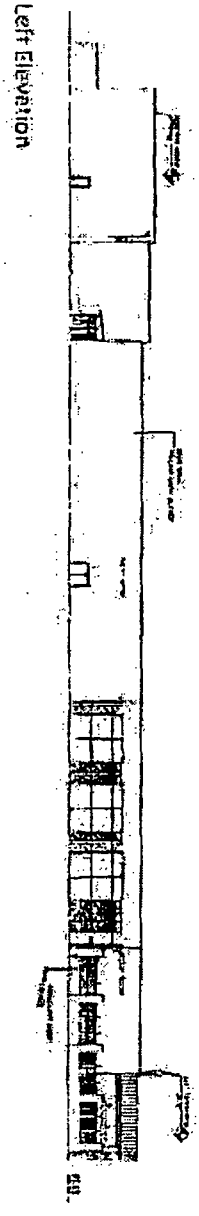

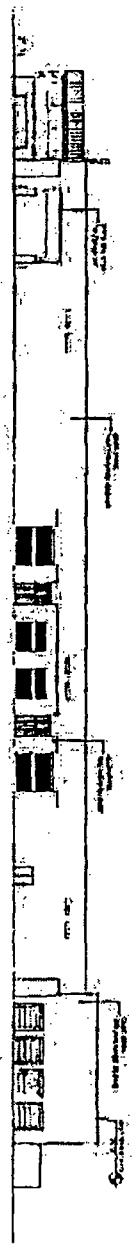

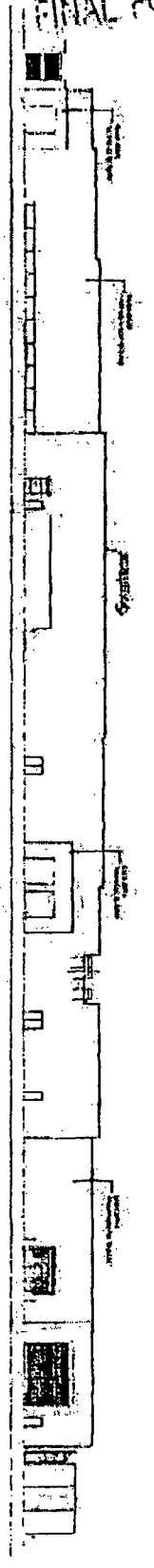

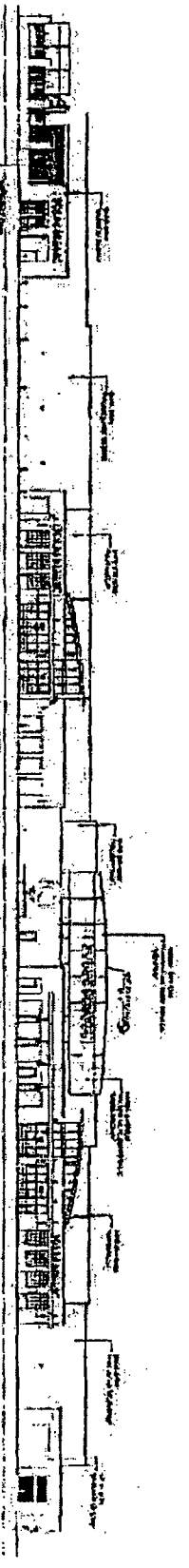

Sub Area A South Parcel Retail - Elevations

Scale: Not to Scale

Applicant: North Pullman 111th Inc.

Address: 111th Street and Cozy Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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chicago illinois 60654

P/H # 081901

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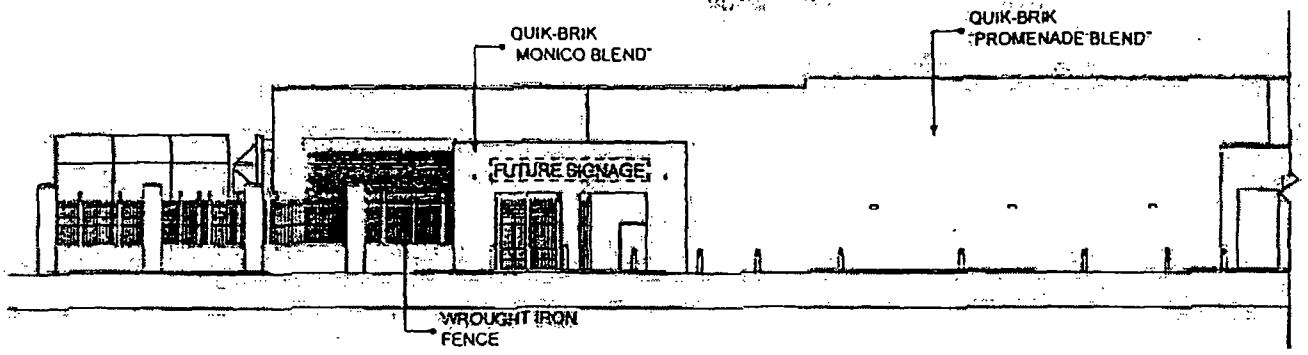

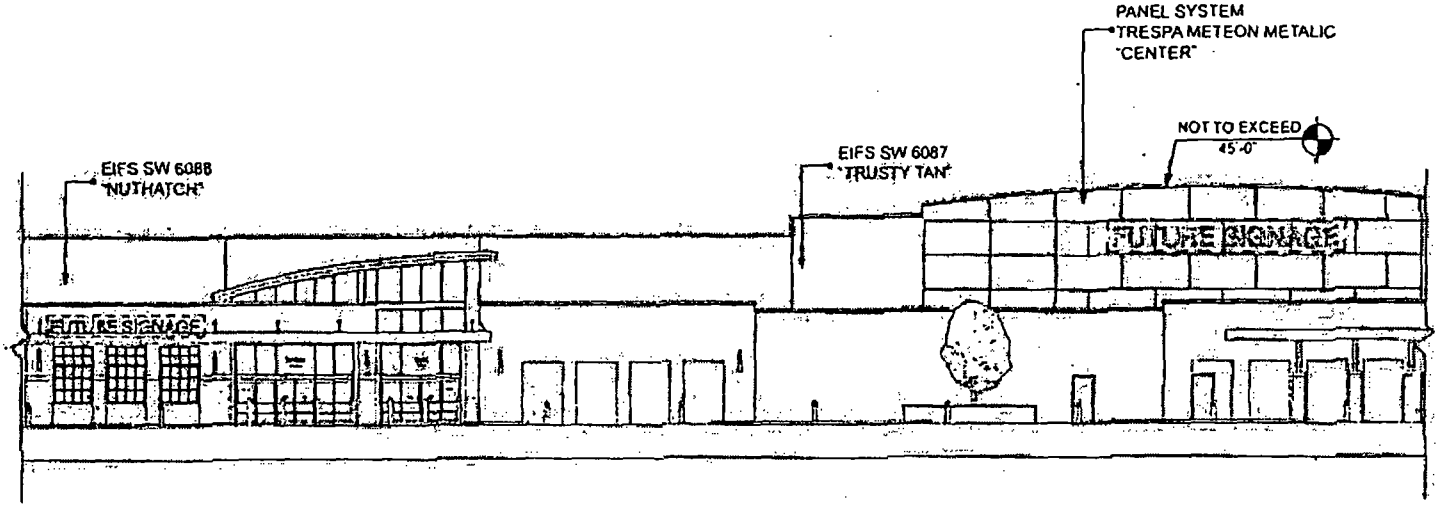

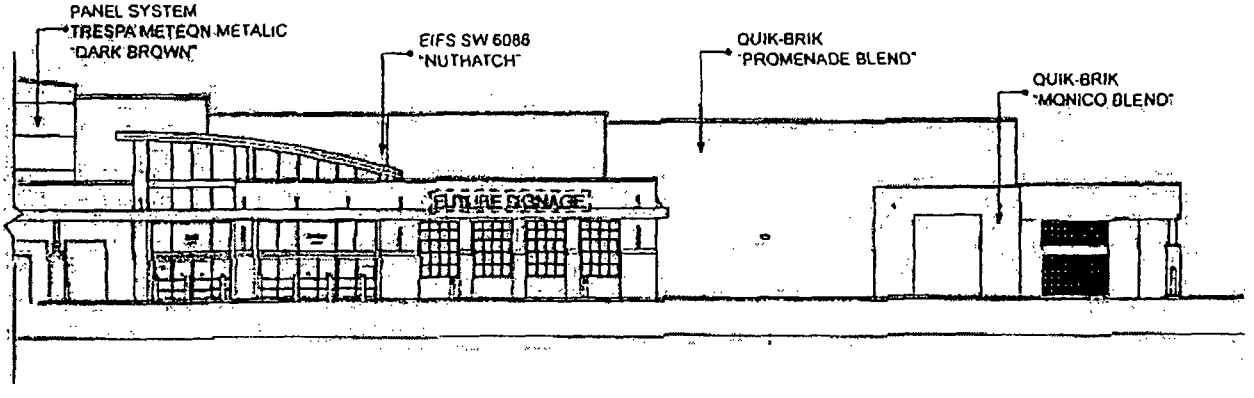

Sub Area A South Parcel Retail - Front Elevation Detail

Scale: Not to Scale

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 1 2009

Chicago Plan Commission Date: April 15, 2010

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chicago illinois 60654

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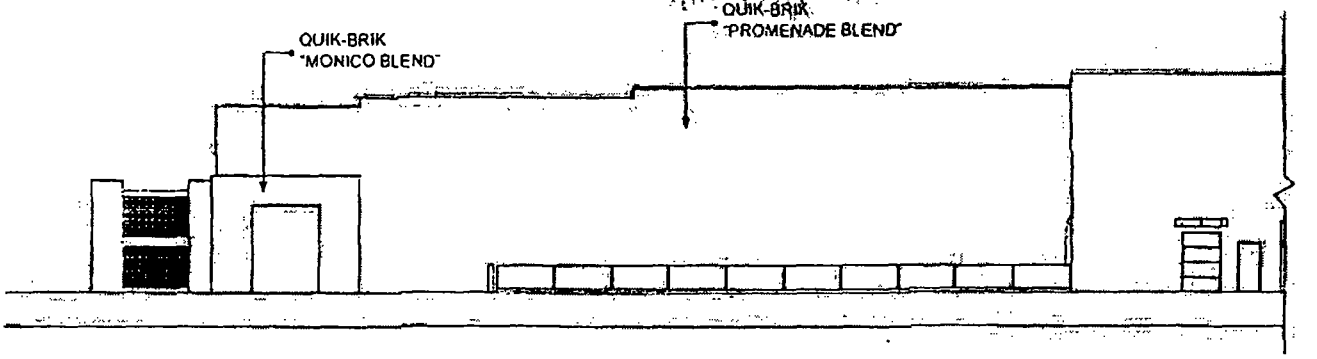
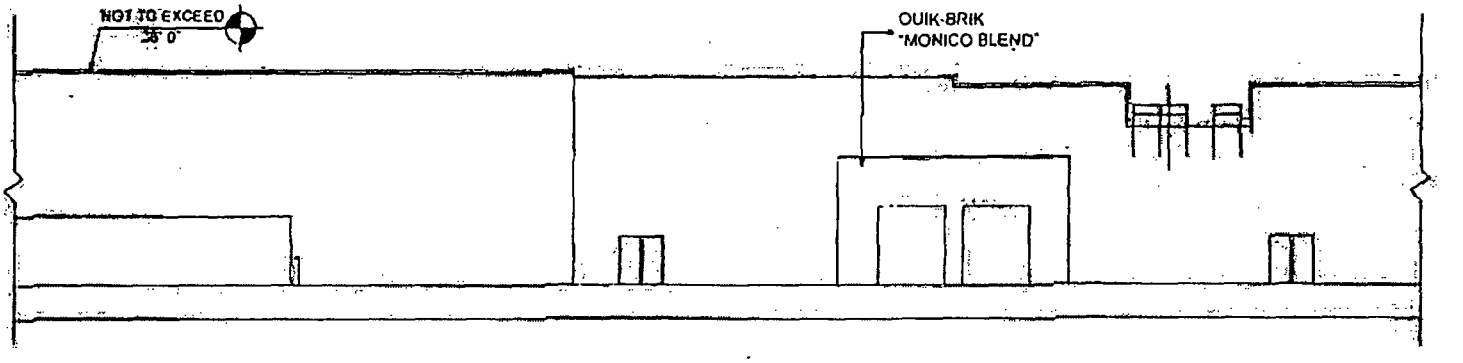
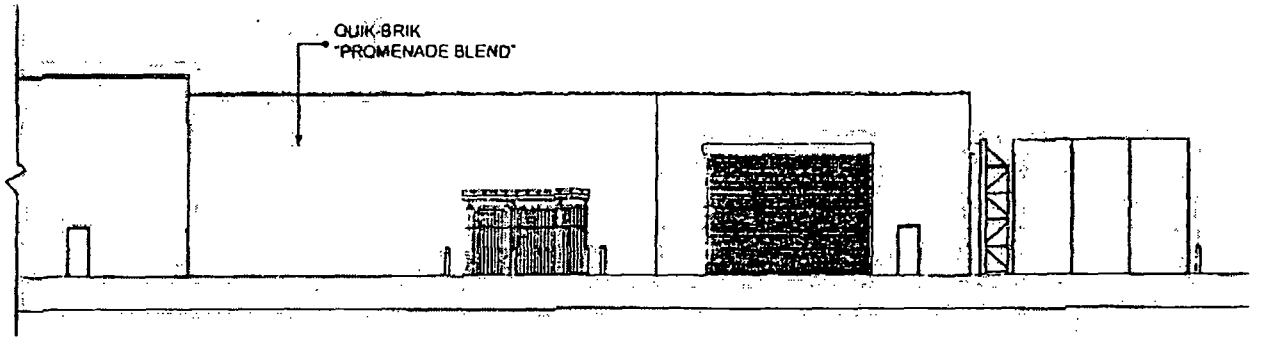
NOT FOR PUBLICATION







Sub Area A South Parcel Retail - Rear Elevation Detail

Scale: Not to Scale

Applicant: North Pullman 111th Inc.

Address: 111th Street and Cottage Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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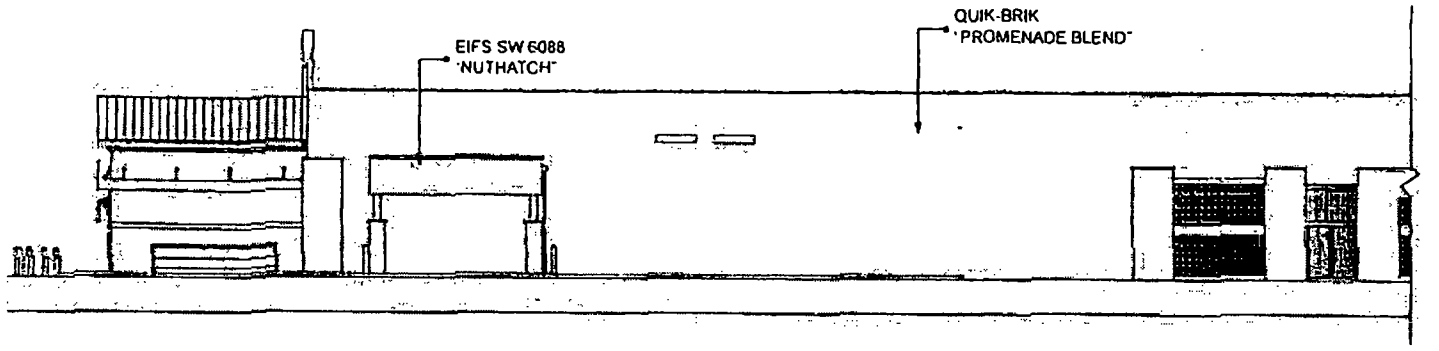
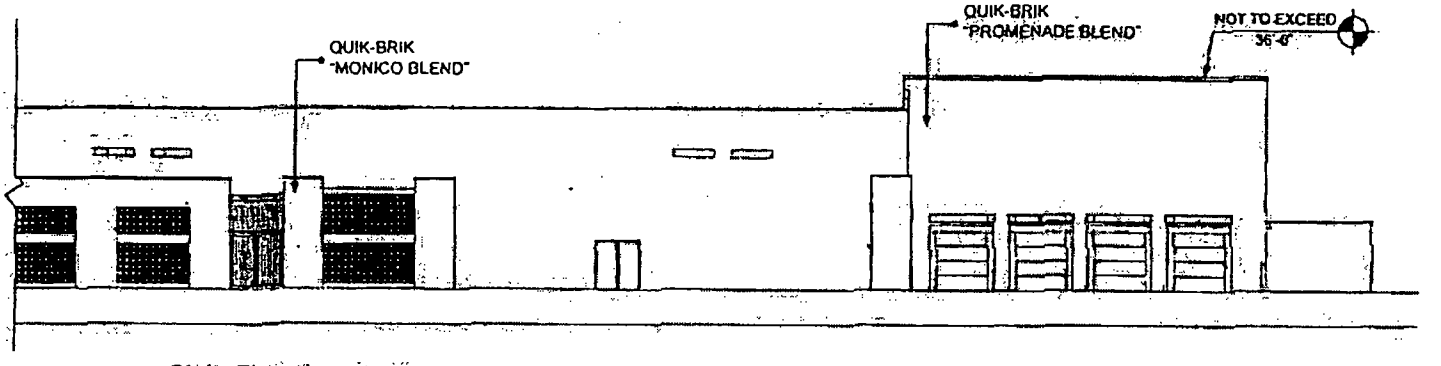
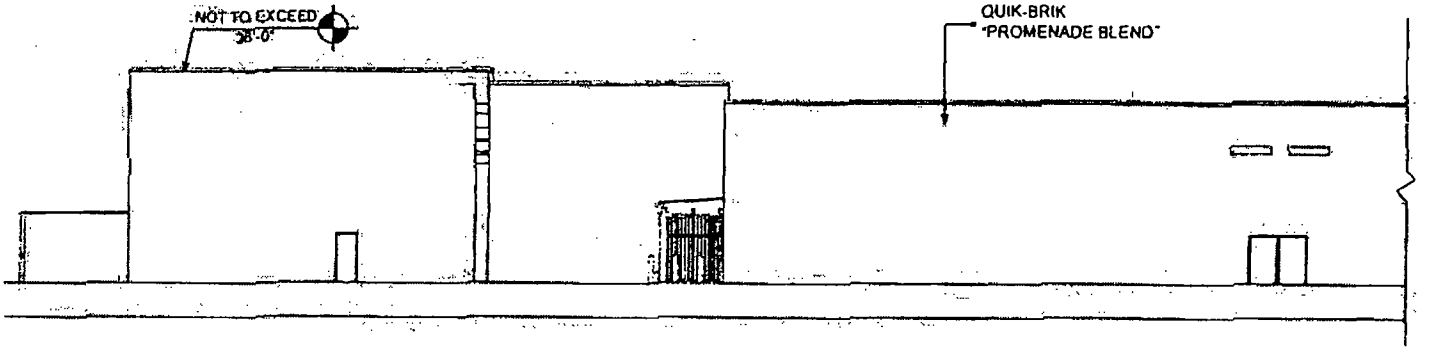
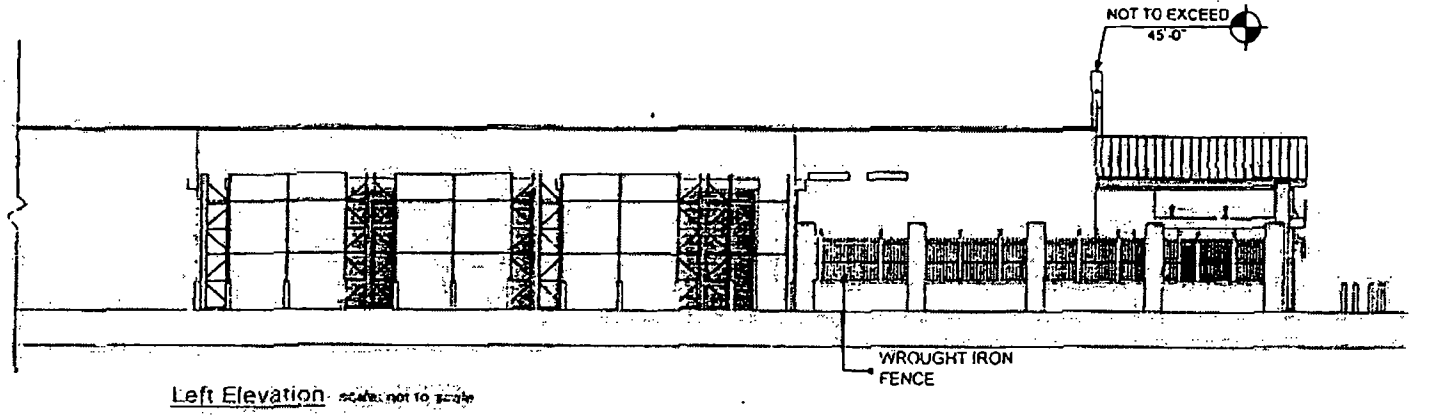




Right Elevation scale: not to scale





Left Elevation scale: not to scale

Sub Area A South Parcel Retail - Side Elevation Details

Scale: Not to Scale

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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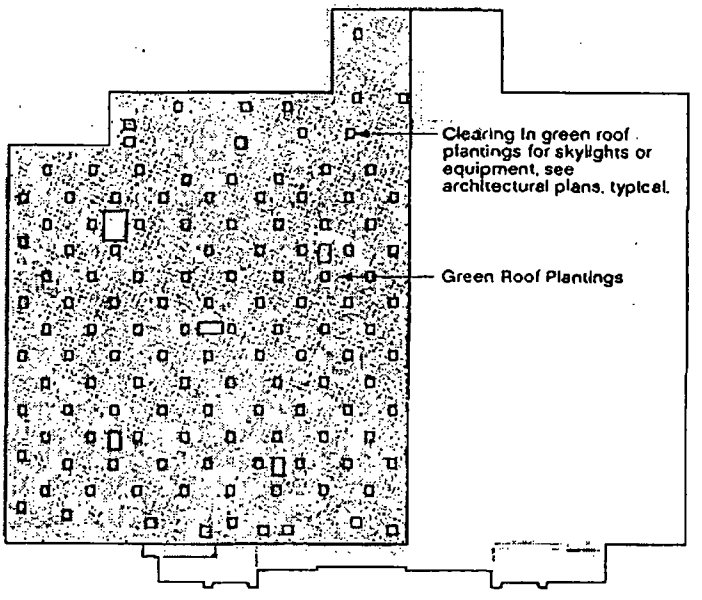
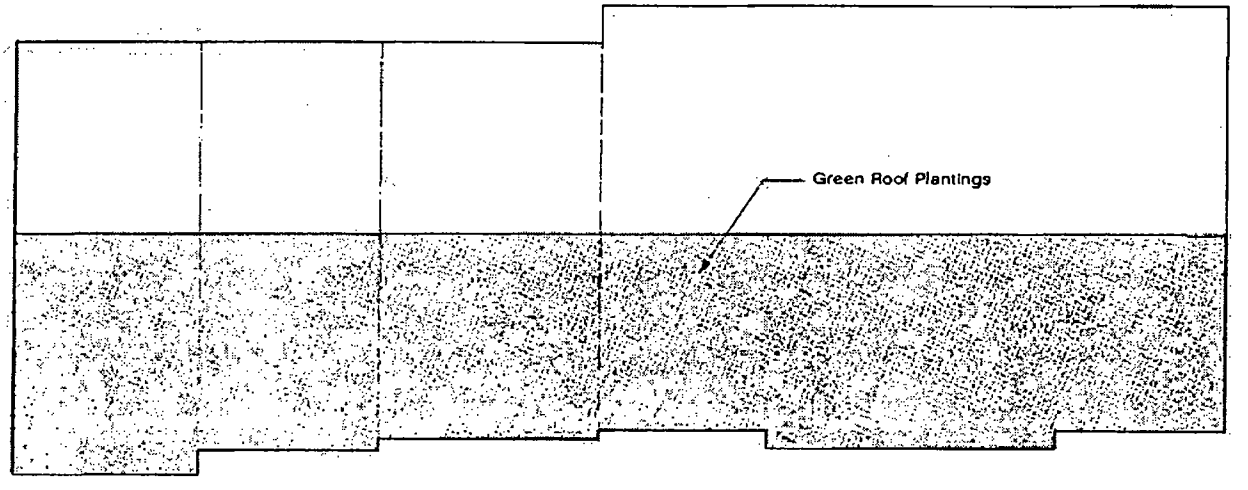


Green Roof Plan - Sub Area A - South Retail Parcel scale: not to scale



Green Roof Plan - Sub Area A - North Retail Parcel scale: not to scale

Sub Area A Green Roof Plans
Scale: Not to Scale

Applicant: North Pullman 111th Inc.
Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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chicago illinois 60654

PIH #.081901

Owner's Sworn Statement

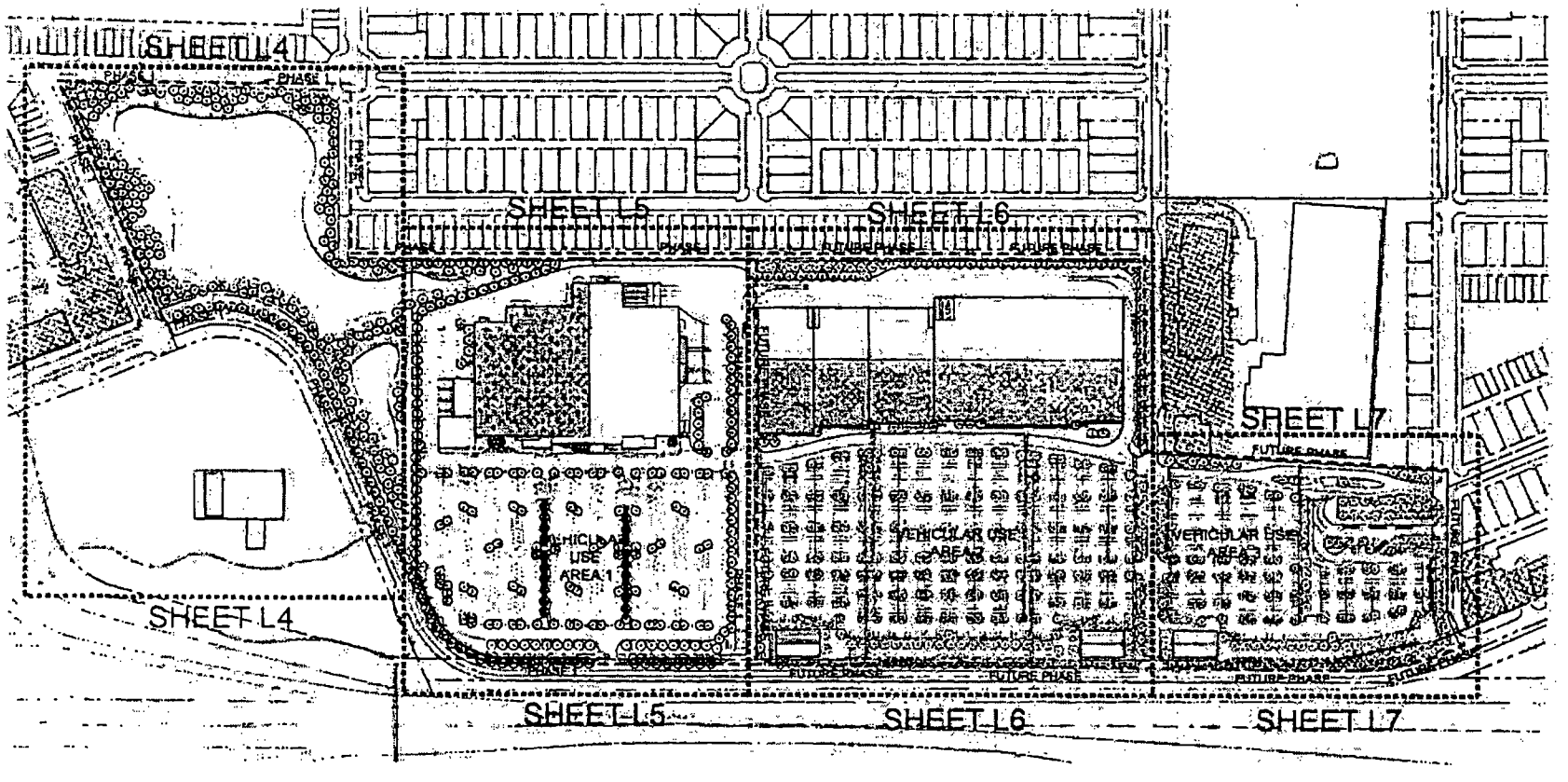
Landscape Architect's Sworn Statement

Hitchcock Design Group

Pappageorge Haymes Partners

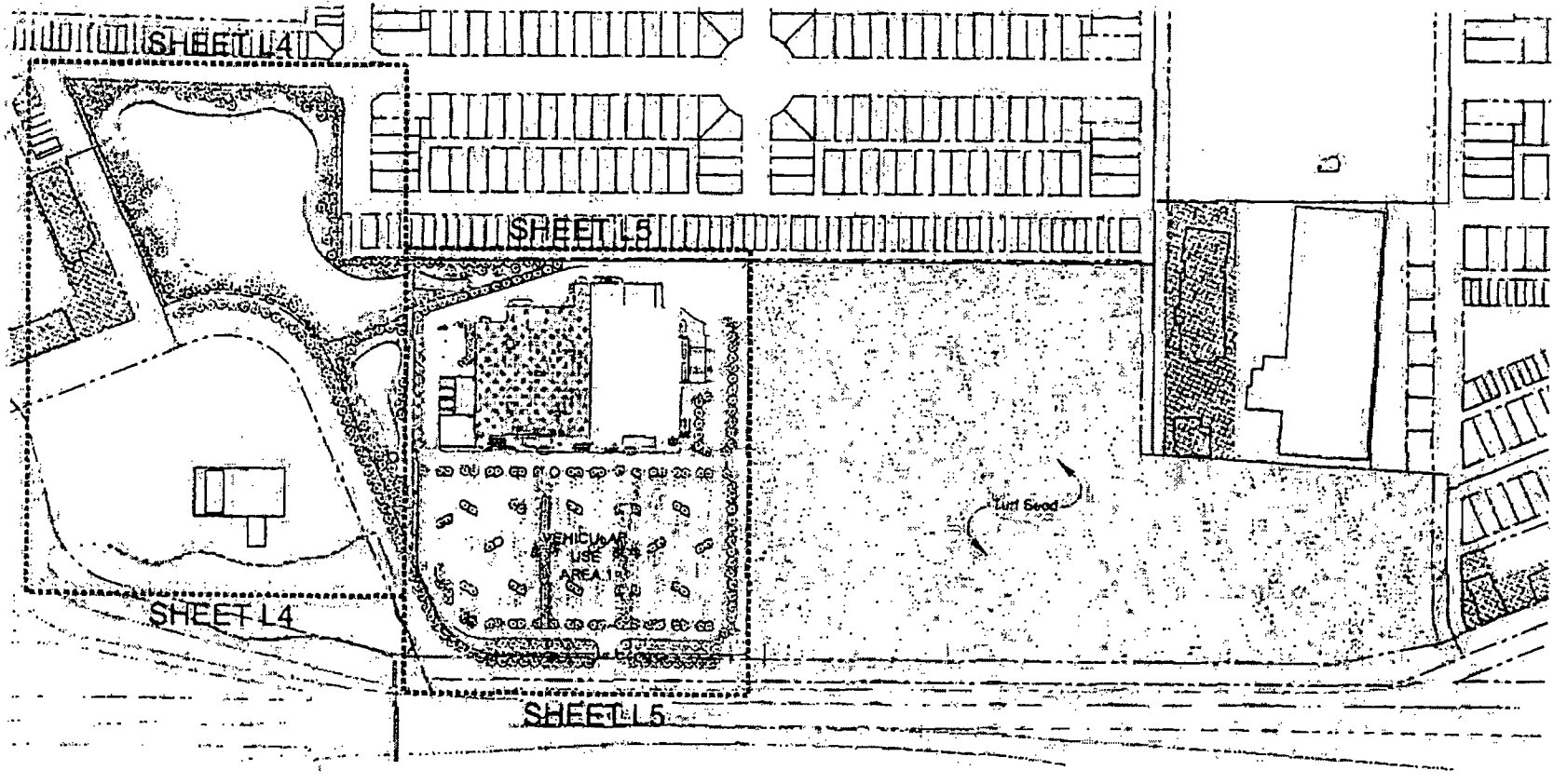
Pullman Development

Chicago, IL



Sub Area A Landscape Master Plan

L1



Lutchoock Design Group

Pappageorge Haymes Partners

Pullman Development

Chicago, IL

Overall Sub Area A Phase 1 Landscape Plan

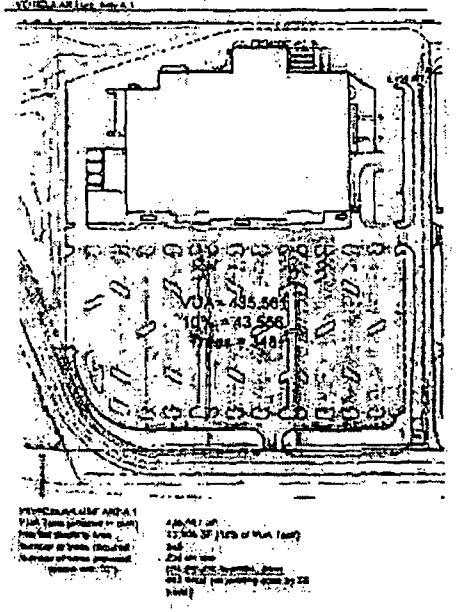
L2

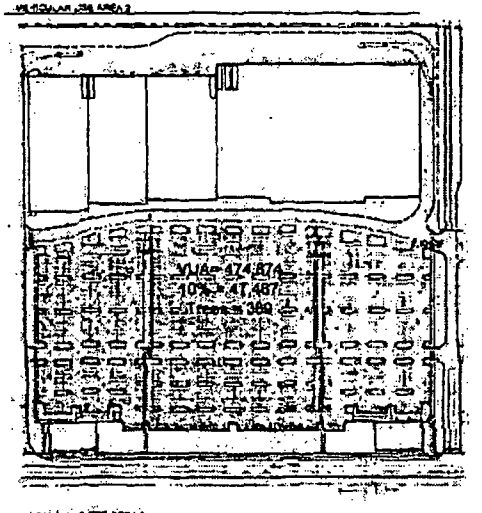
Landscape Ordinance Analysis

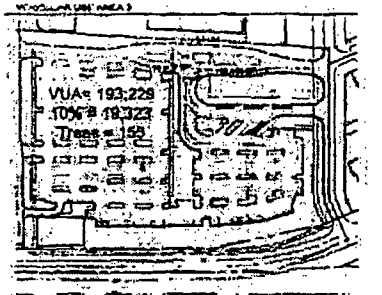
Parkway Planting

Vehicular Use Area Screening

Vehicular Use Area Internal Planting







Hitchcock Design Group

Peppegeorge Haymes Partners

Pullman Development

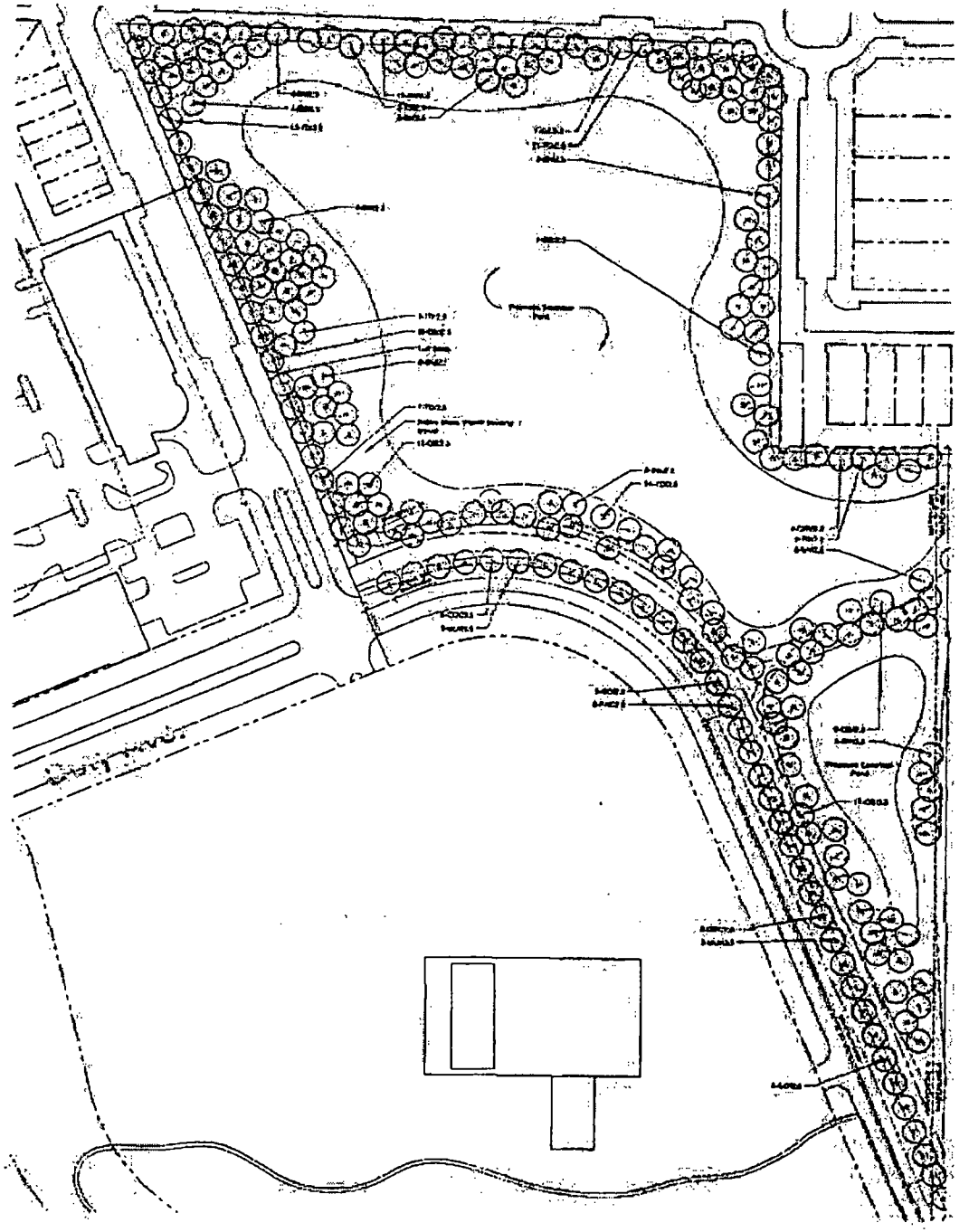
Ontario, IL

Landscape Ordinance Analysis Calculations

L3

Planting Legend

Phase 1 Plant Materials List



Hitchcock Design Group

Pappageorge Haymes Partners

Pullman Development

Chicago, IL

Sub Area A Phase 1 Landscape Plan

L4

Planting Legend

Shade Tree (and caliper size)

Ornamental Tree

Evergreen Shrub

Turf Sod

Native Mixed Prairie Seeding

Green Roof Planting

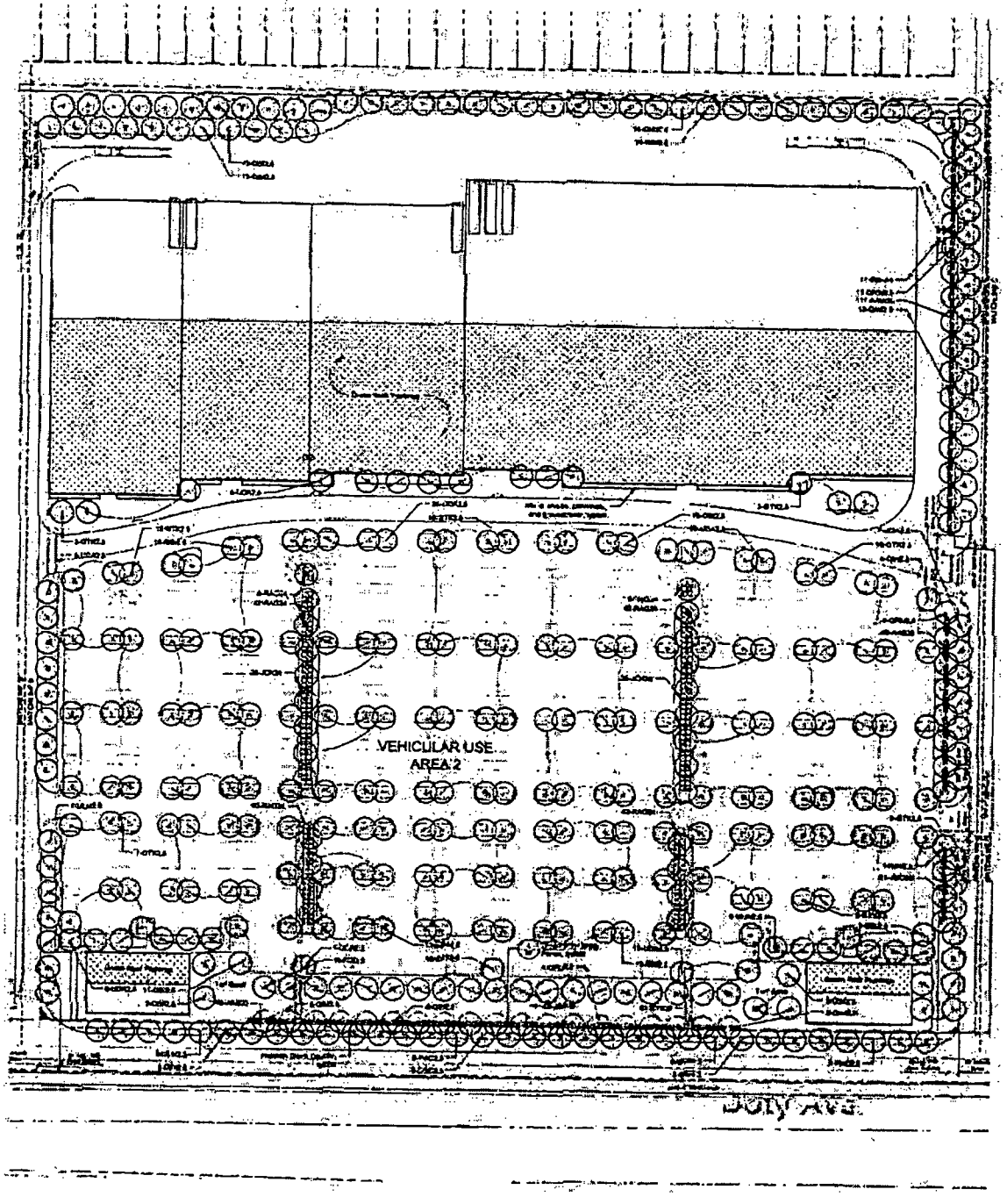
Irrigation Quick Coupler

Phase 1 Plant Materials List

Qty	Symbol	Botanical Name	Common Name	Size
Shade Trees				
Deciduous Shrubs				
Evergreen Shrubs				

Planting Legend

Future Phase Plant Materials List



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Pullman Development

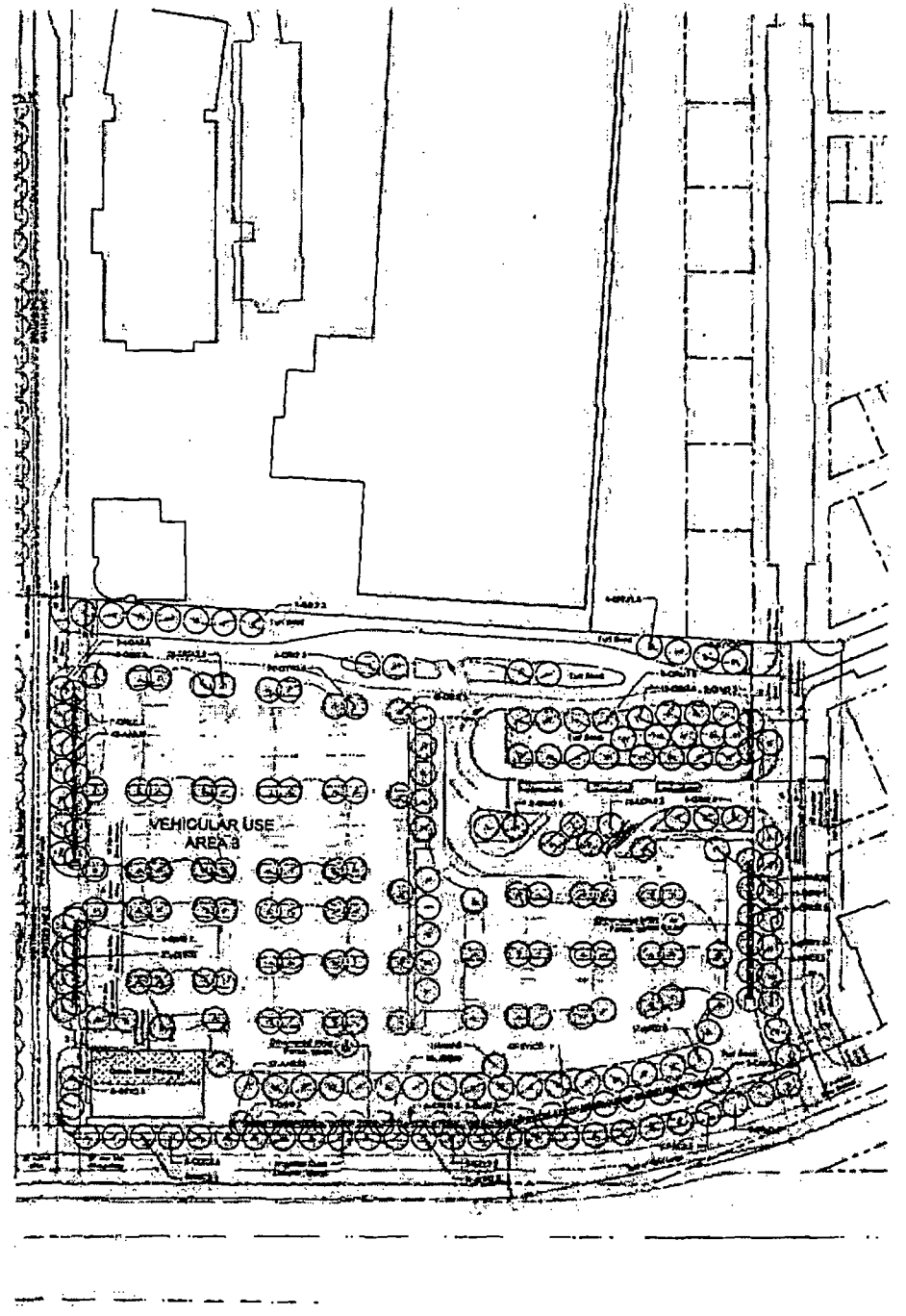
Chicago, IL

Sub Area A Future Phase Landscape Plan

L6

Planting Legend

Future Phase Plant Materials List



Hitchcock Design Group

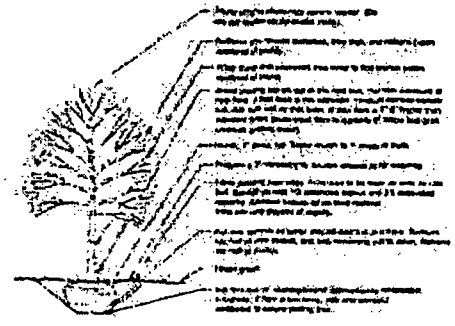
Pappageorge Haymes Partners

Pullman Development

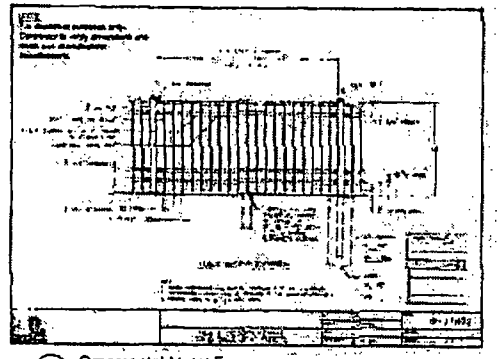
Chicago, IL

Sub Area A
Future Phase
Landscape Plan

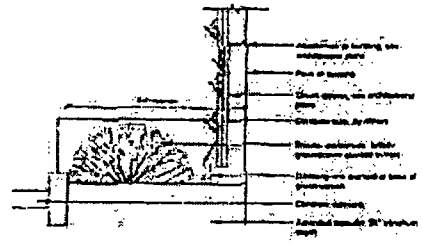
L7



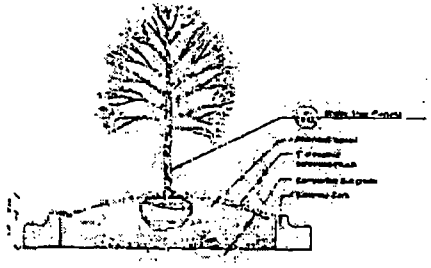
1 Deciduous Tree Planting



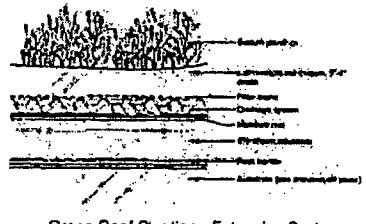
4 Ornamental Metal Fence



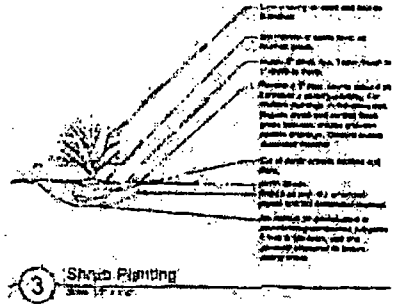
7 Green Screen Planting - Section



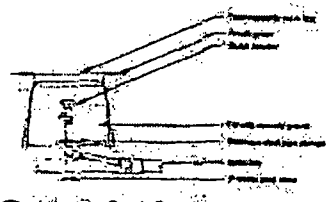
2 Shade Tree Island Planting



5 Green Roof Planting - Extensive System Section



3 Shrub Planting



6 Irrigation Quick Coupler

Hutchcock Design Group

Pappageorge Haymes Partners

Pullman Development

Chicago, IL

Landscape Details

L8

WALMART

THIS REVISION GIVEN TO COMM. 6/24/10

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with *See below statement [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

North Pullman 111th Inc. Date: 6-22-2010

(Print or type legal name of Disclosing Party)

By:

(sign here)

Print or type name of signatory:

David Doig

Title of signatory:

President

Signed and sworn to before me on [date] [illegible] by David Doig, at Cook County, Illinois [state].

[illegible] Notary Public.

Commission expires: [illegible]

OFFICIAL SEAL
BETH HARRINGTON
Notary Public, State of Illinois
My Commission Expires 07/29/2013

Ver. 11-01-05

- Re-zoning of 180-acre parcel to a Planned Development, which parcel is generally bounded by 124th Street & Doty Ave./Bishop Ford Freeway, 111th Street and the Wisconsin, Rock Island and Pacific Railroad right-of-way

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

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Park National Bank Trustee, Inc. Date: 6-22-2010
(Print or type legal name of Disclosing Party)

By:
(sign here)

Print or type name of signatory:
David Dorsey

Title of signatory:
President

Signed and sworn to before me on [date] June 22, 2010, by
David Dorsey at Cook County, Illinois [state].
Seth Harrington Notary Public.

Commission expires 7/9/2013.

"OFFICIAL SEAL"
SETH HARRINGTON
Notary Public, State of Illinois
My Commission Expires 07/09/2013

Ver. 11-01-05

*Re-zoning of 180-acre parcel to a Planned Development, which parcel is generally bounded by 104th Street & Dorsey Ave./Gaylord Ford Freeway, 111th Street and the Calumet River, Rock Island and Pacific Railroad Right-of-way

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with *See below statement [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

U.S. Bank N.A. Date: 6/23/10
(Print or type legal name of Disclosing Party)

By: Gerald M Klug
(sign here)

Print or type name of signatory:
Gerald M. Klug

Title of signatory:
Sr. V/P

Signed and sworn to before me on [date] 6/23/10, by
Gerald M Klug [individual] St Louis ~~County~~ City, MO [state]
Michael L Garland
Notary Public.

Commission expires: 7-18-2011

MICHAEL L. GARLAND
Notary Public – Notary Seal
STATE OF MISSOURI
St. Louis City
My Commission Expires July 18, 2011
My Commission No. 07133366

Rev. 11-01-05

* Re-zoning of 150-acre parcel to a Planned Development, which parcel is generally bounded by 104th Street St. Dept. Rte./Bishop Ford Freeway, 111th Street and the Chicago, Rock Island and Pacific Railroad right-of-way

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with * See below statement [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

U.S. Bancorp
(Print or type legal name of Disclosing Party)

Date: 6-23-2010

By: [signature]
(sign here)

Print or type name of signatory:

Terrance Robert Dolan

Title of signatory:

EVP & Controller

Signed and sworn to before me on [date] 6-23-2010, by Terrance Dolan, at Hennepin County, Minnesota [state].

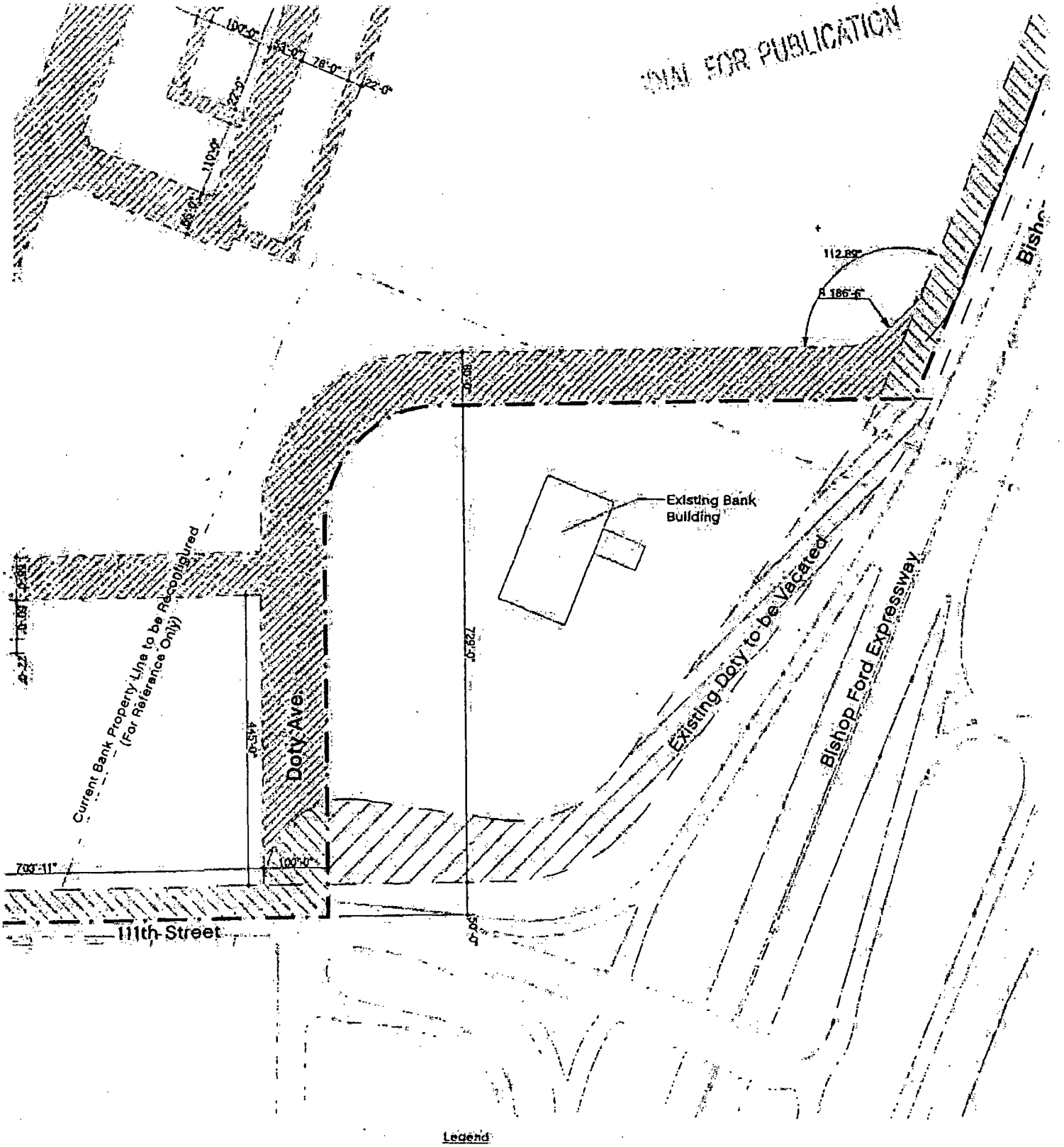
Sherrie L. Hartin-King Notary Public.

Commission expires: 1-31-2015.

SHERRIE L HARTIN-KING
Notary Public
State of Minnesota
My Commission Expires
January 31, 2015

Ver. 11-01-05

* Re-zoning of 180-acre parcel to a Planned Development, which parcel is generally bounded by 104th Street & DeAgro/Bishop Ford Freeway, 111th Street and the Chicago, Rock Island and Pacific Railroad right-of-way



Legend

- Off Premise R.O.W. to be Vacated
- Existing R.O.W. to Remain
- Proposed Dedicated R.O.W.

N

Rights-of-Way Adjustment Map - Detail - 4 of 4

Scale: 1" = 200'-0" *Vacated Off Premises R.O.W.*

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue
Introduction Date: October 7, 2009
Chicago Plan Commission Date: April 15, 2010

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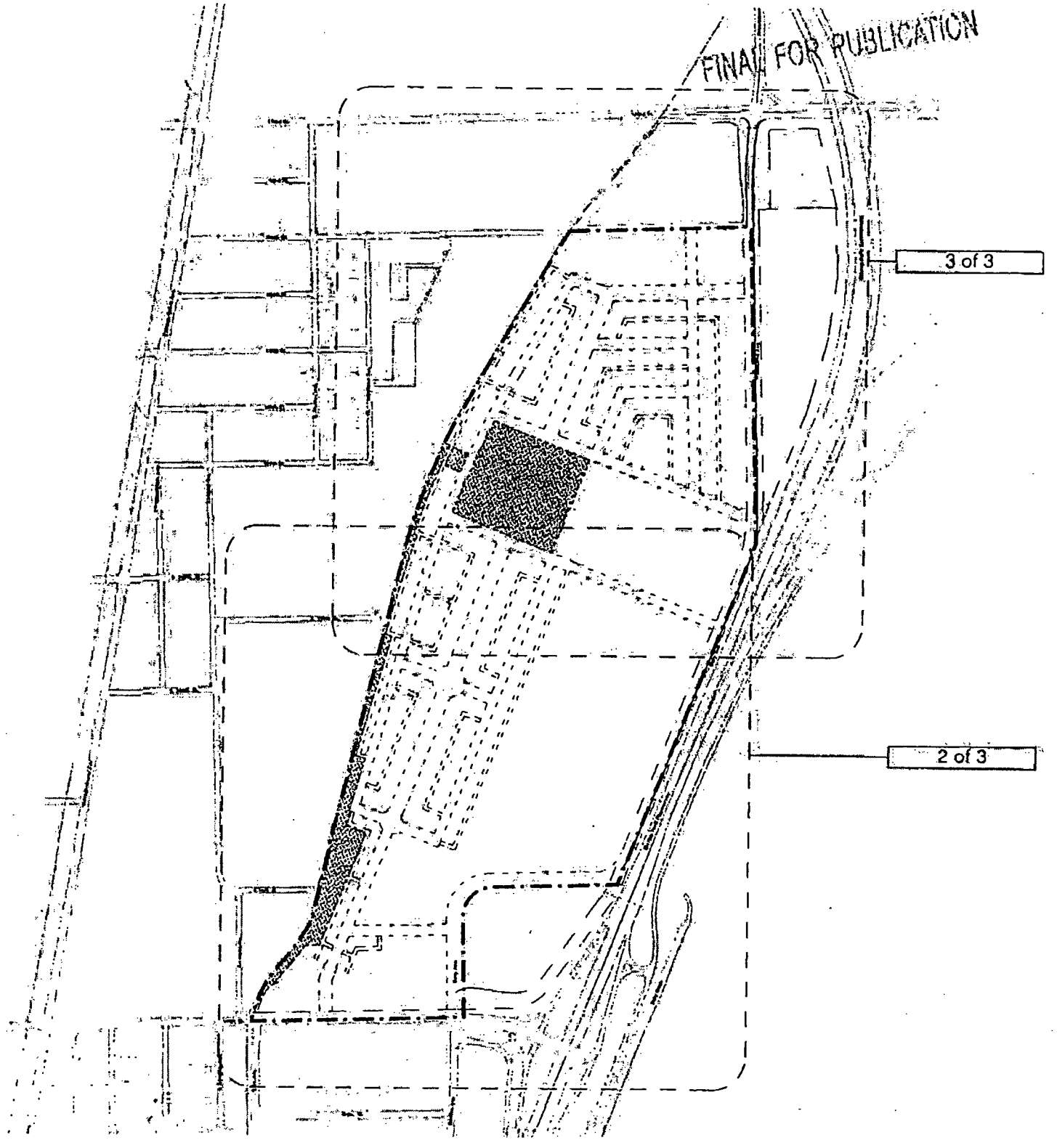
P/H # 081901



Legend

Public Open Space

N

Public Open Space Plan - 1 of 3

Scale: 1" = 800'-0" Note: Refer to Detail Plans to Follow

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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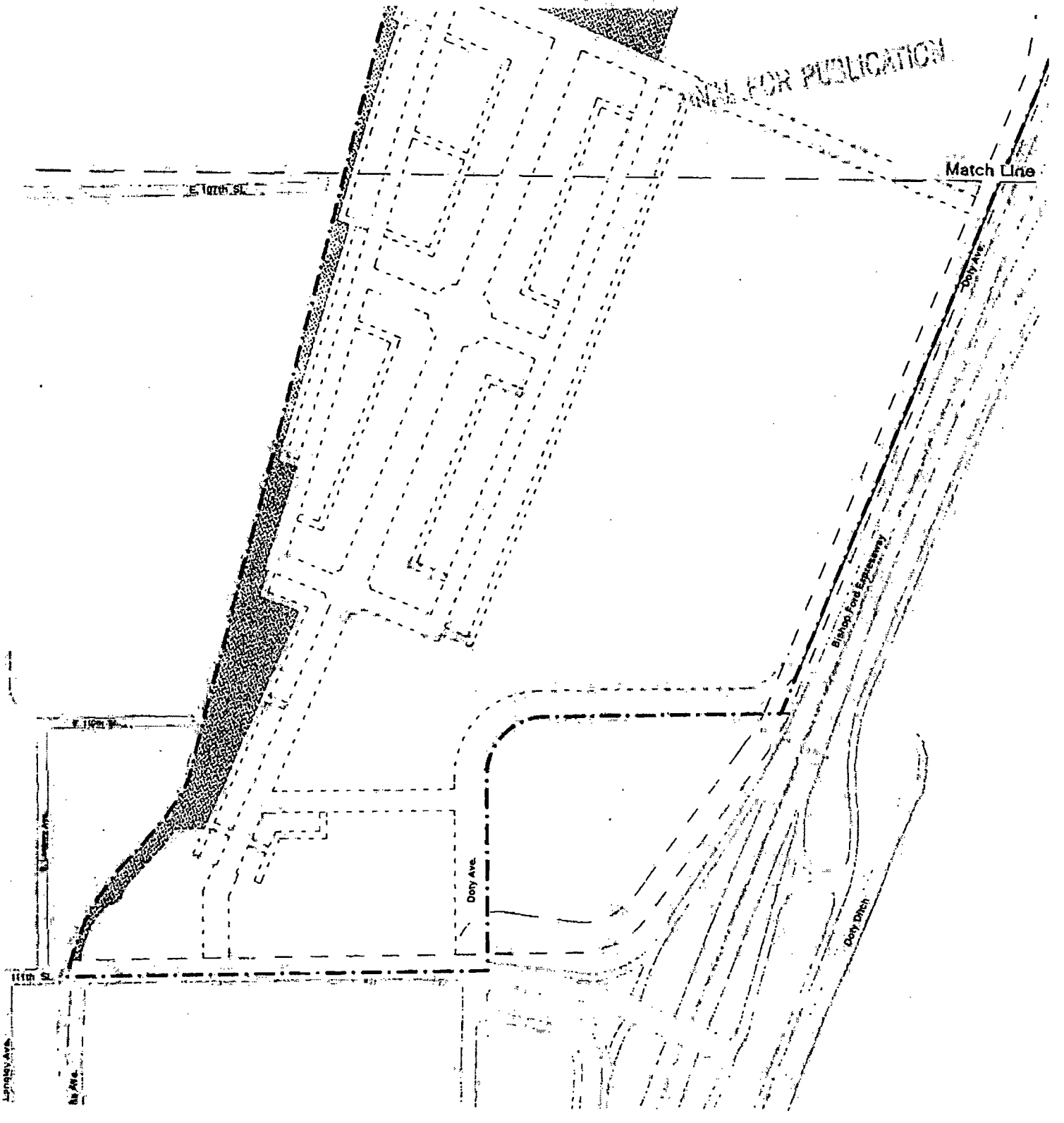

Public Open Space Plan - Detail - 2 of 3

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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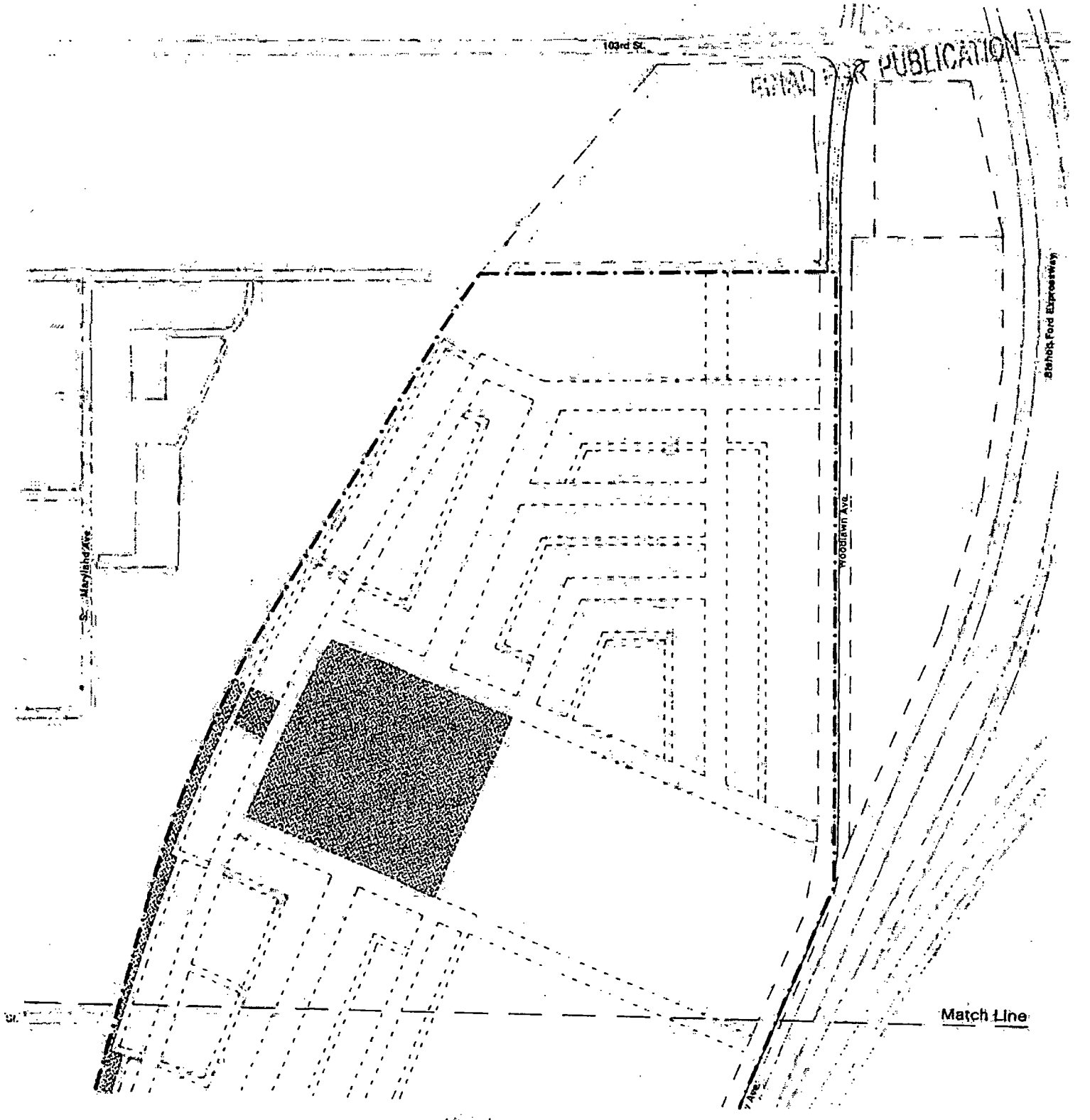

Public Open Space Plan - Detail - 3 of 3

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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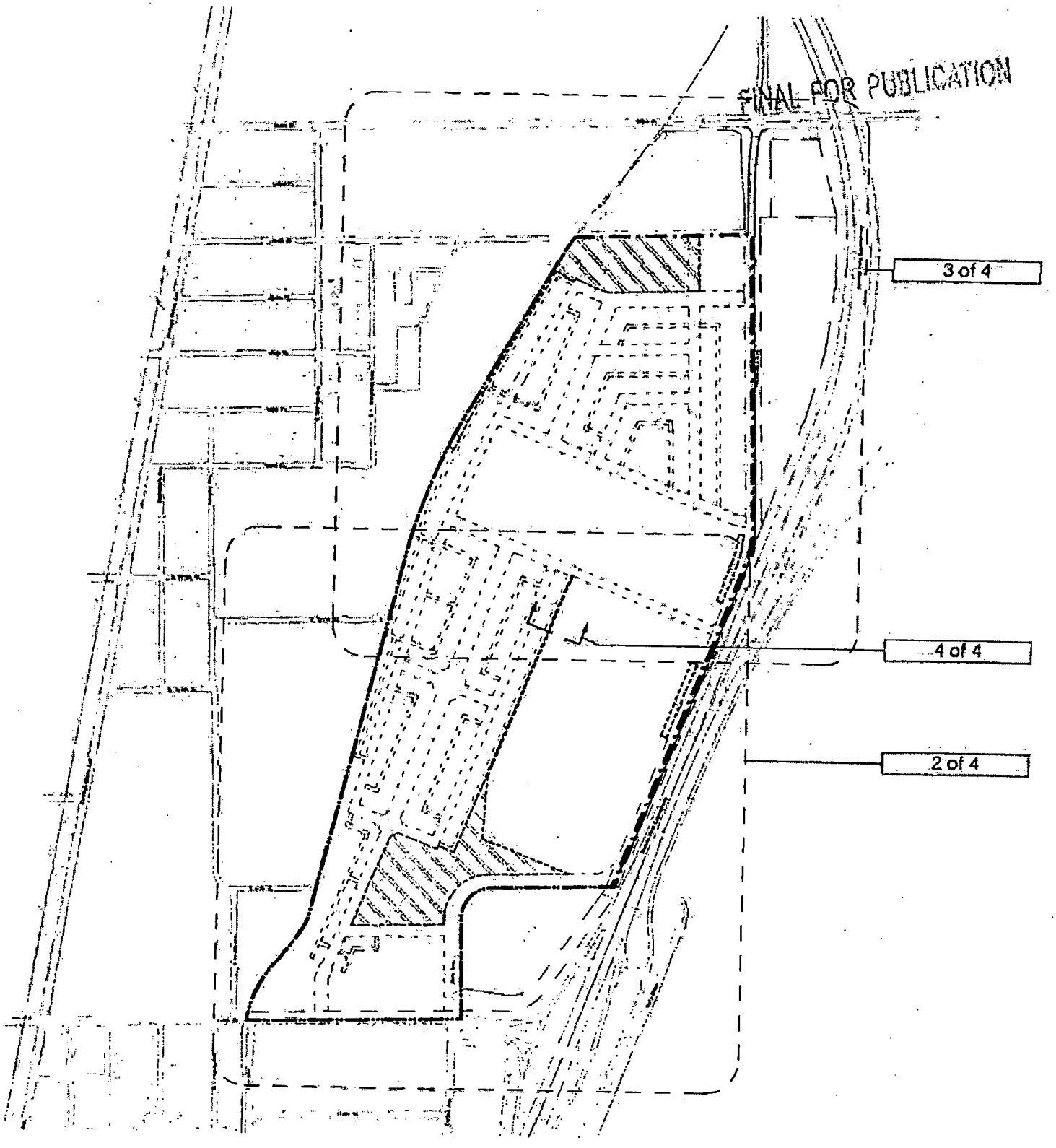

Site Buffer/ Detention Plan - 1 of 4

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Dorr Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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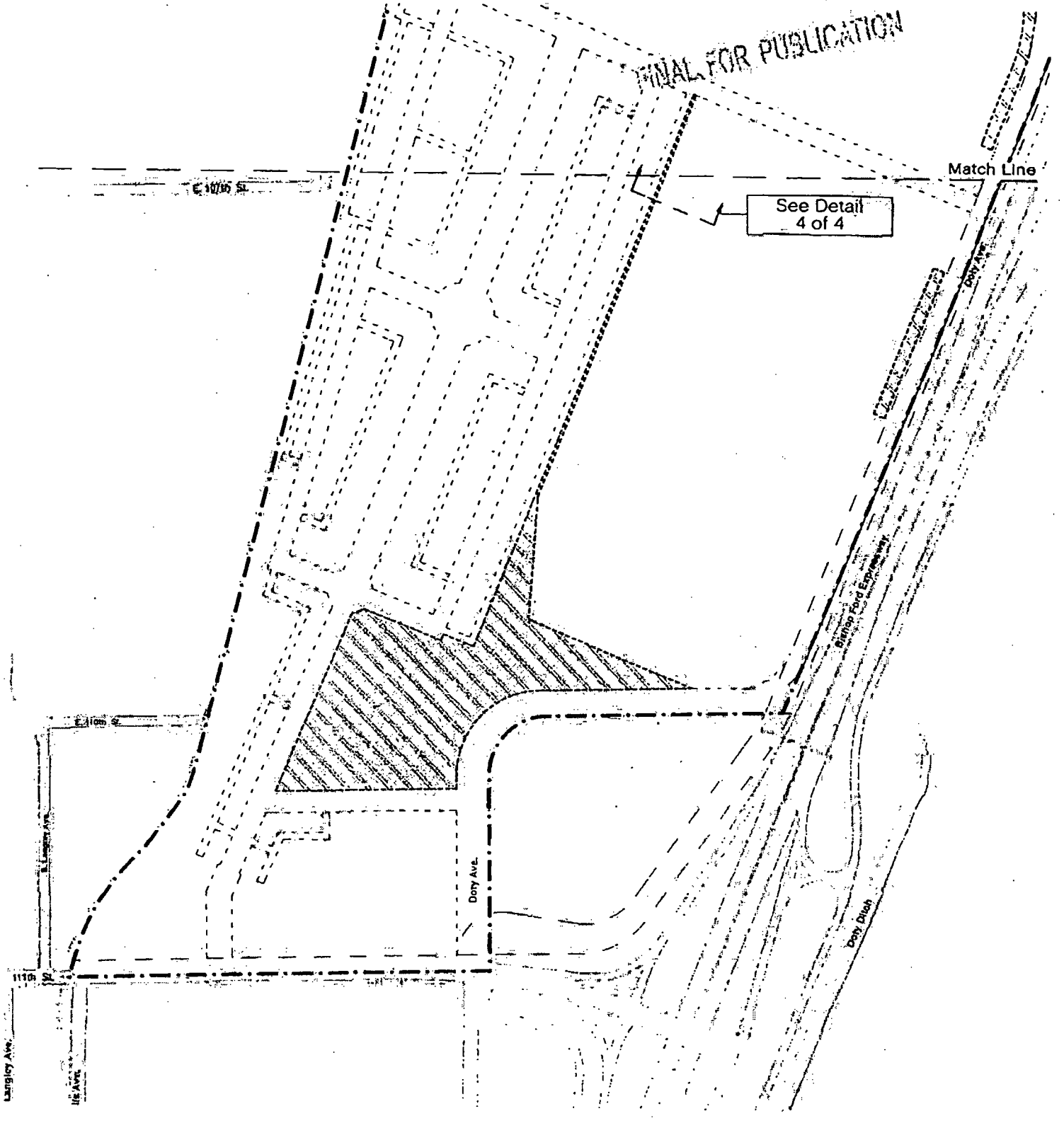

Site Buffer/ Detention Plan - Detail - 2 of 4

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Dorty Avenue

Introduction Date: October 2, 2009

Chicago Plan Commission Date: April 15, 2010

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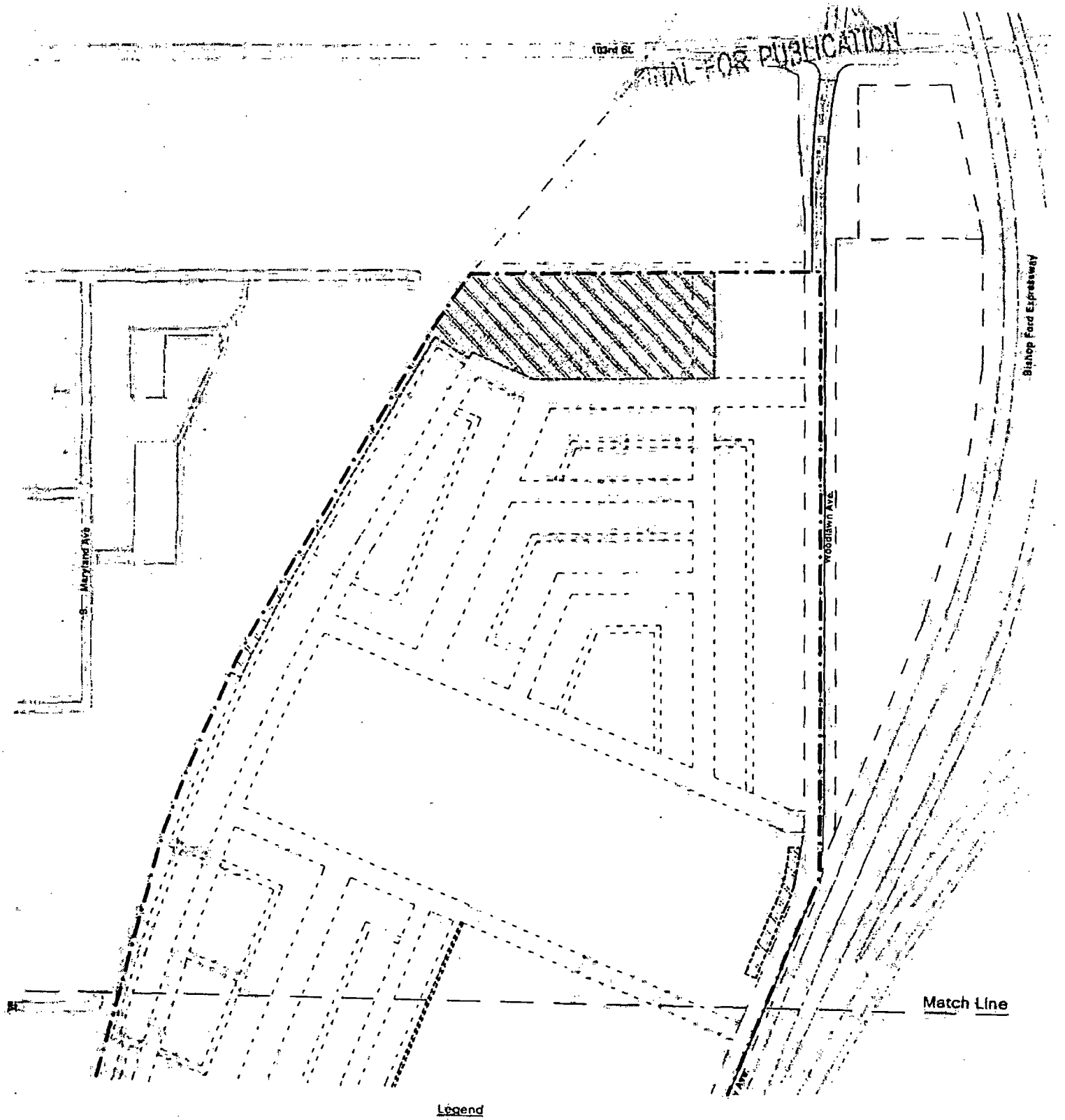

N

Site Buffer/ Detention Plan - Detail - 3 of 4

Scale: 1" = 400'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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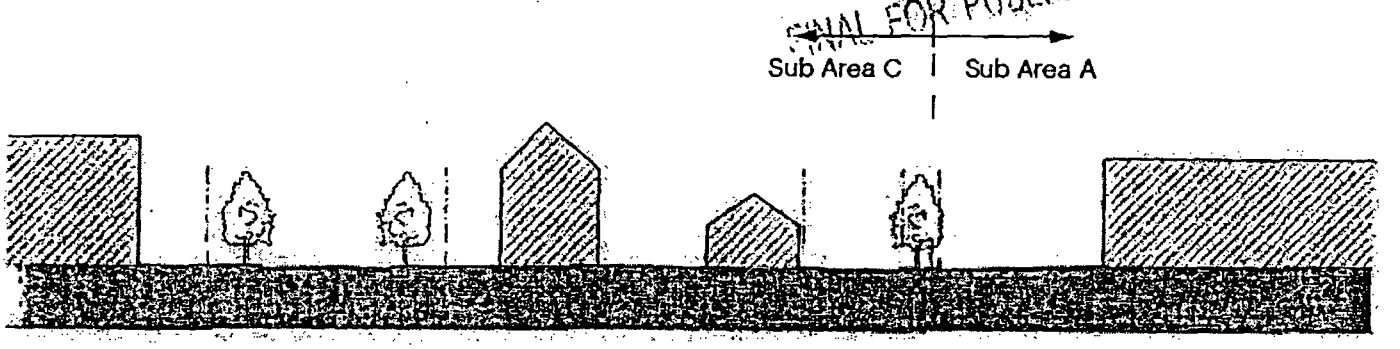
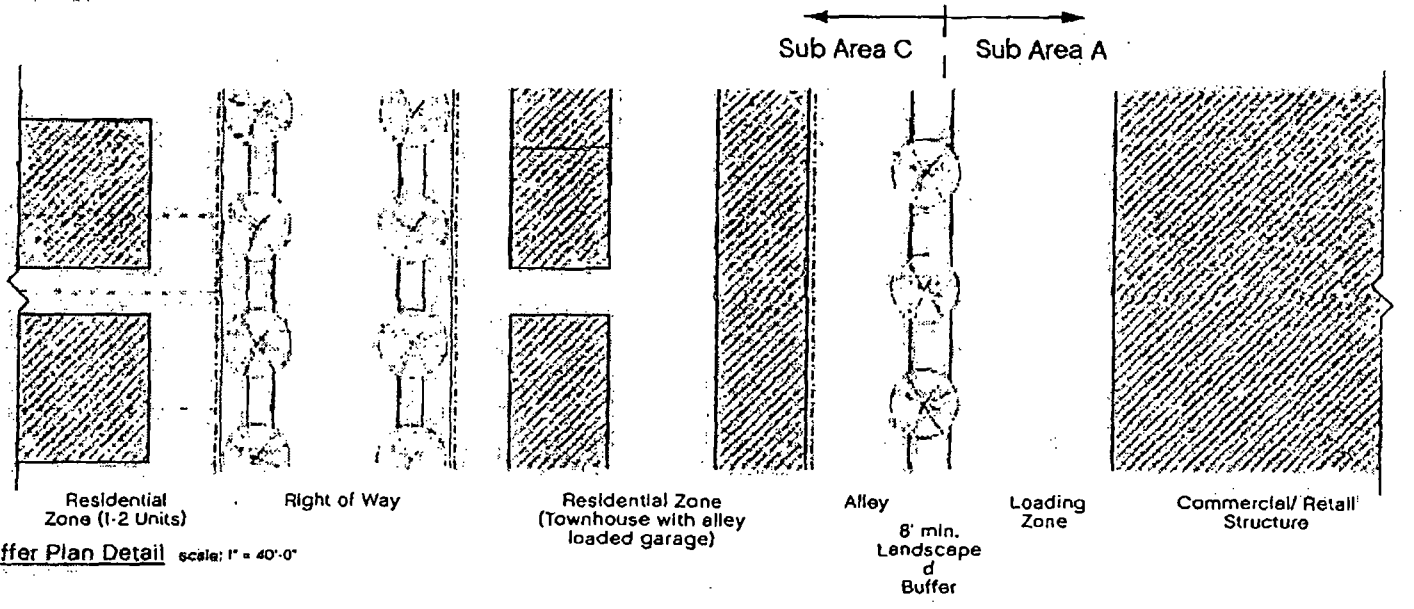
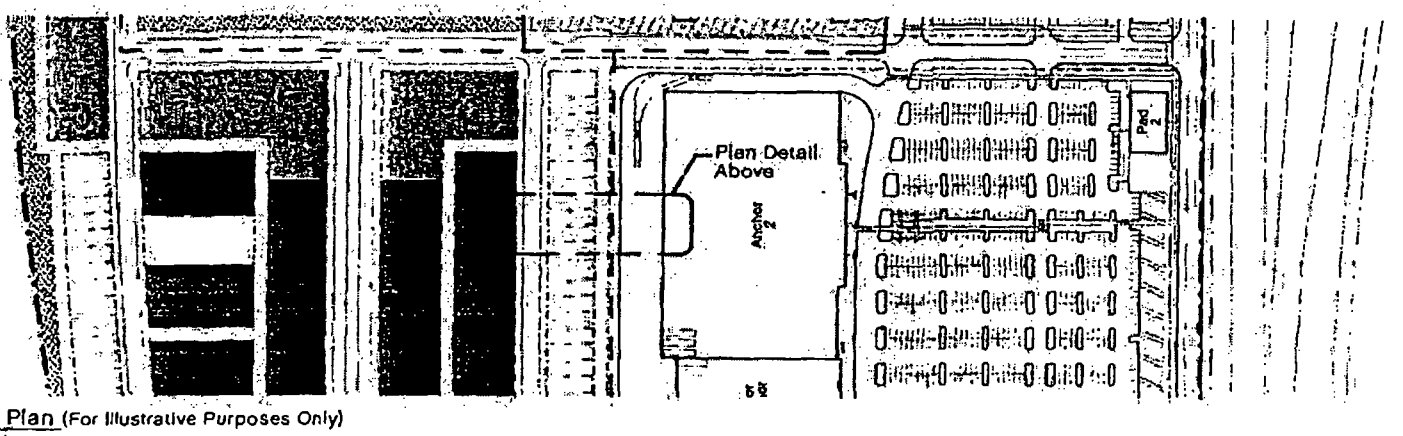


Buffer Section scale: 1" = 40'-0"



Buffer Plan Detail scale: 1" = 40'-0"



Key Plan (For Illustrative Purposes Only)

N

Site Buffer/ Detention Plan - Buffer Detail - 4 of 4

Scale: 1" = 40'-0"

Applicant: North Pullman IIIth Inc.

Address: 11th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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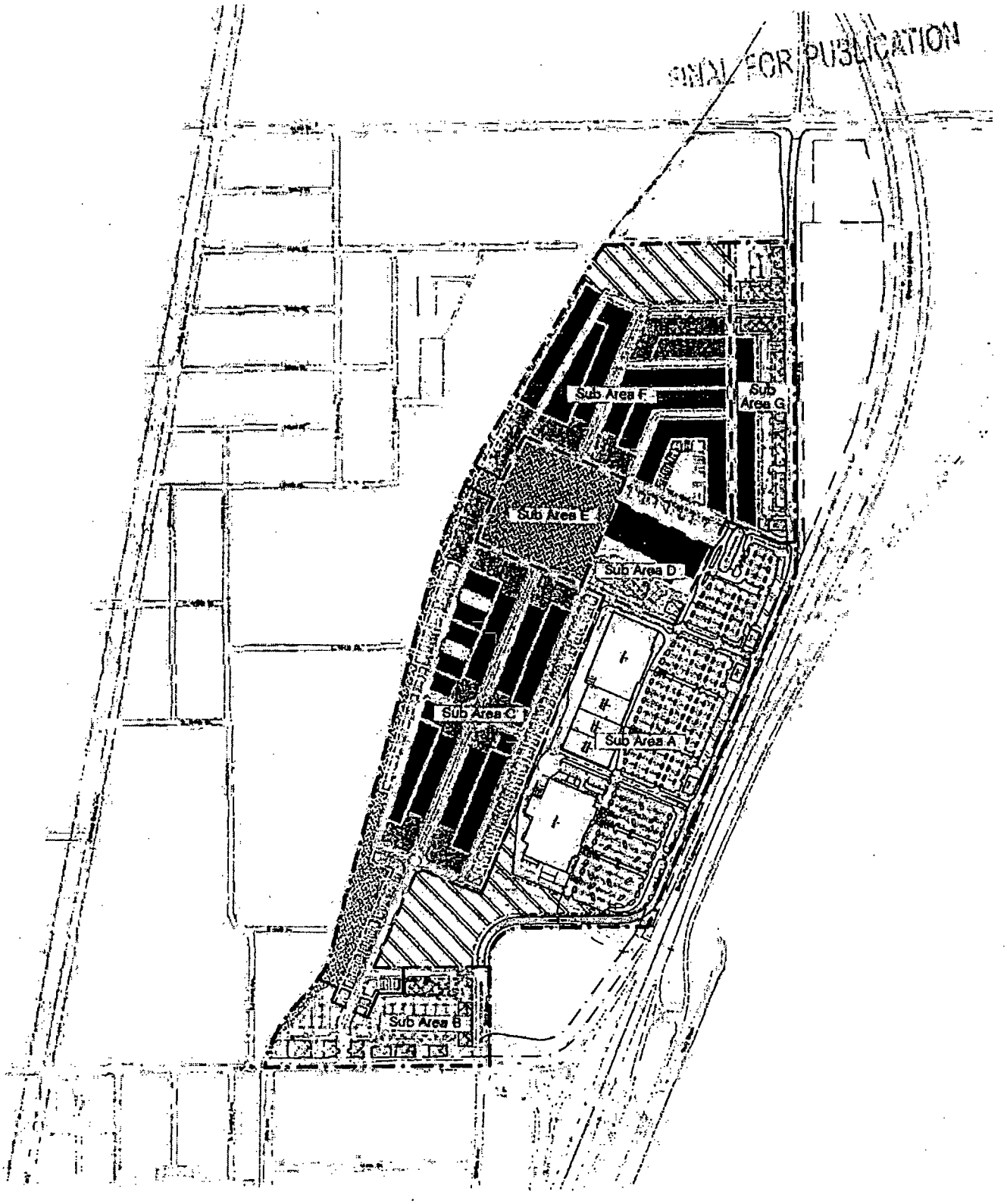

N

Site Plan

Scale: 1" = 800'-0" Note: Refer to Sub Area Detail Plans to Follow

Applicant: North Pullman 111th Inc.

Address:	111th Street and Doty Avenue
Introduction Date:	October 7, 2009
Chicago Plan Commission Date:	April 15, 2010

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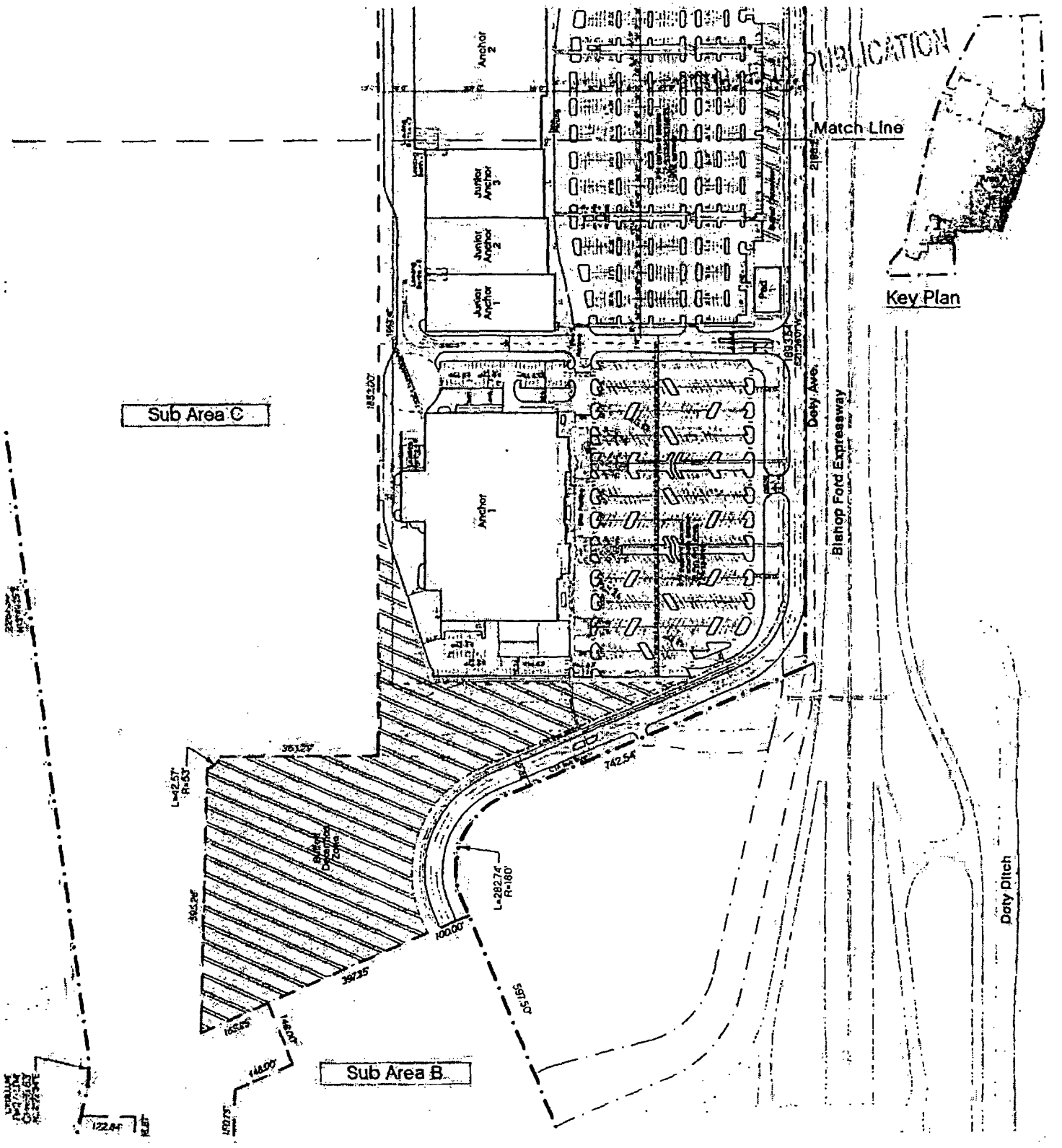

Site Plan - Sub Area A - 1 of 2

Scale: 1" = 300'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Dixie Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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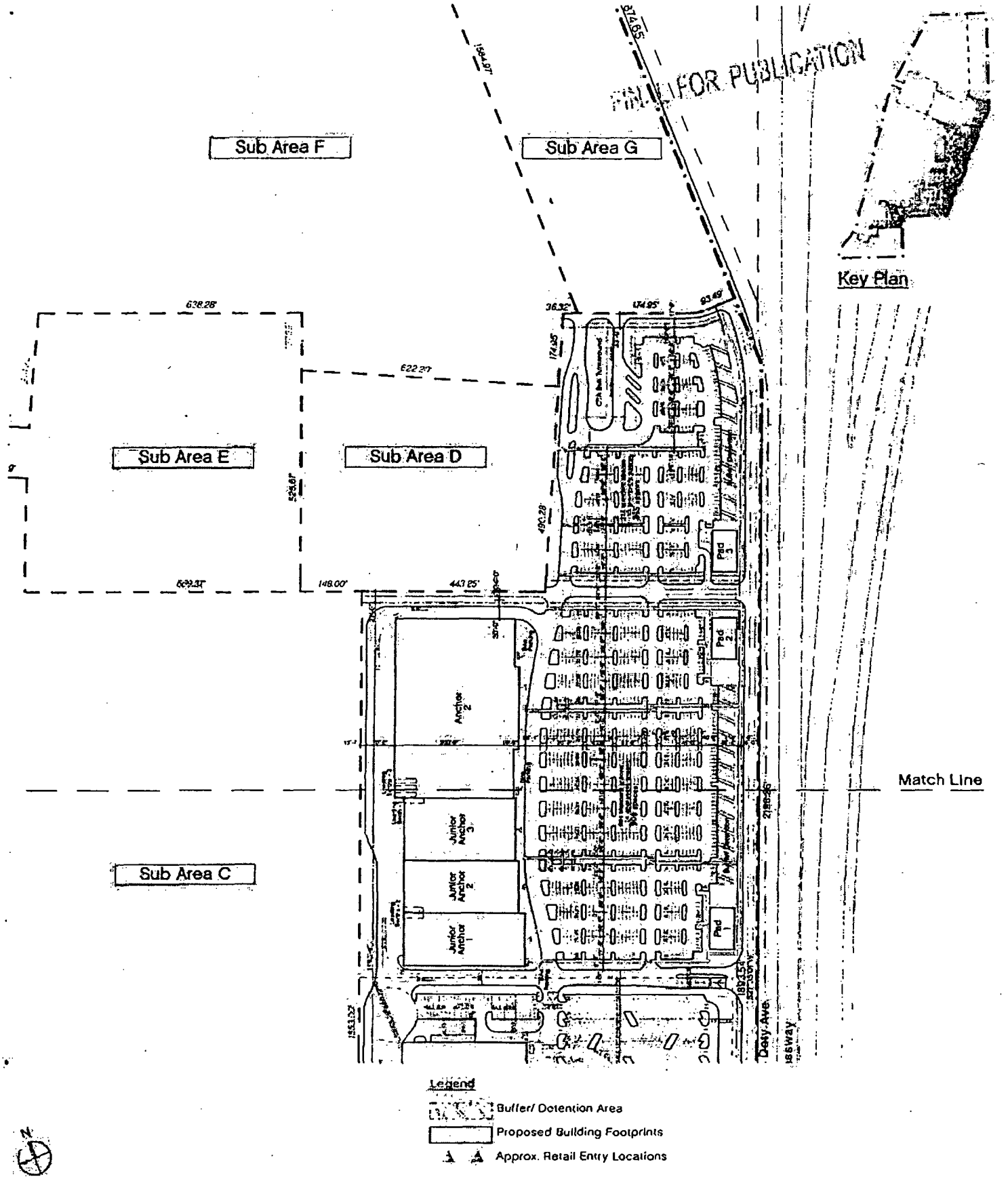

Site Plan - Sub Area A - 2 of 2

Scale: F = 200'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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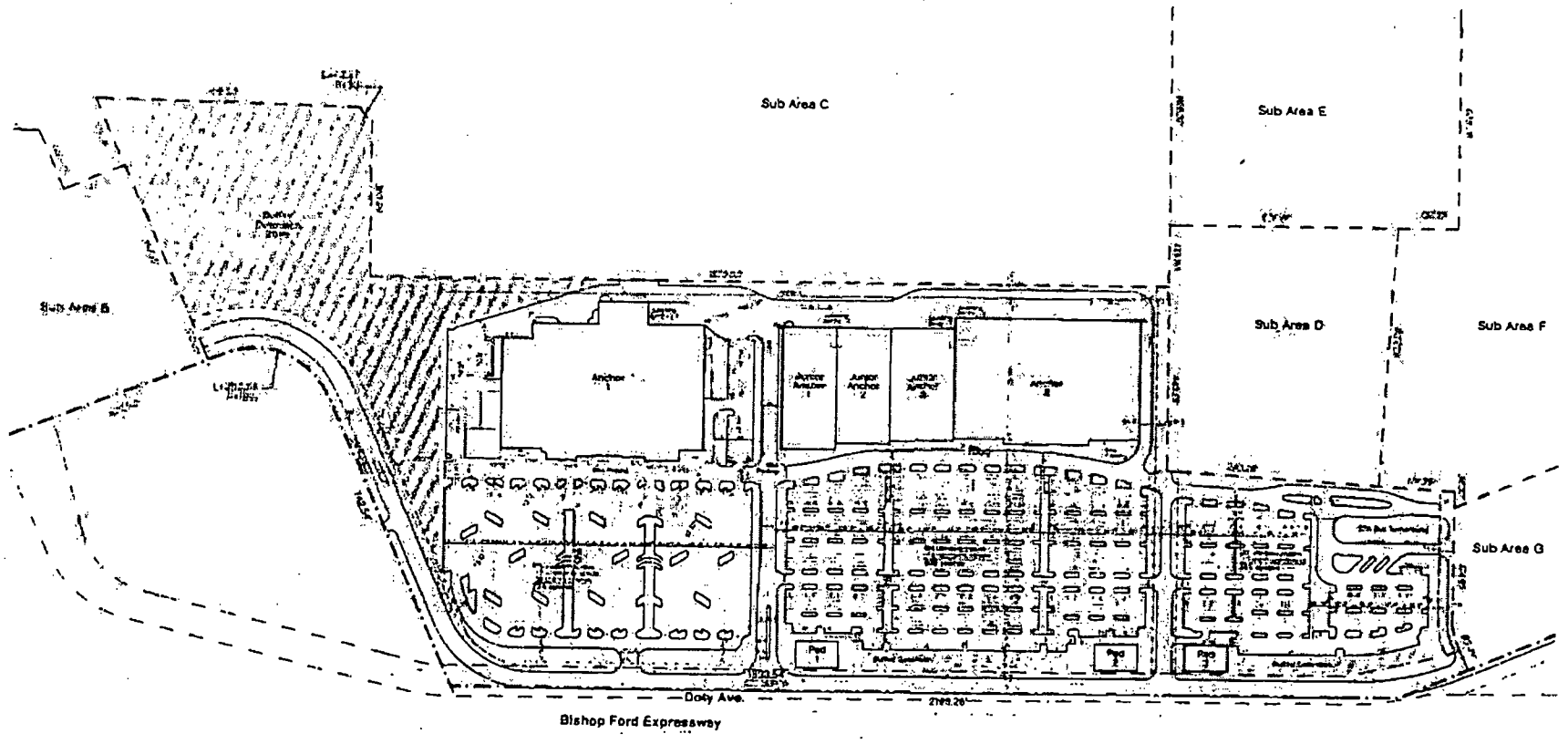
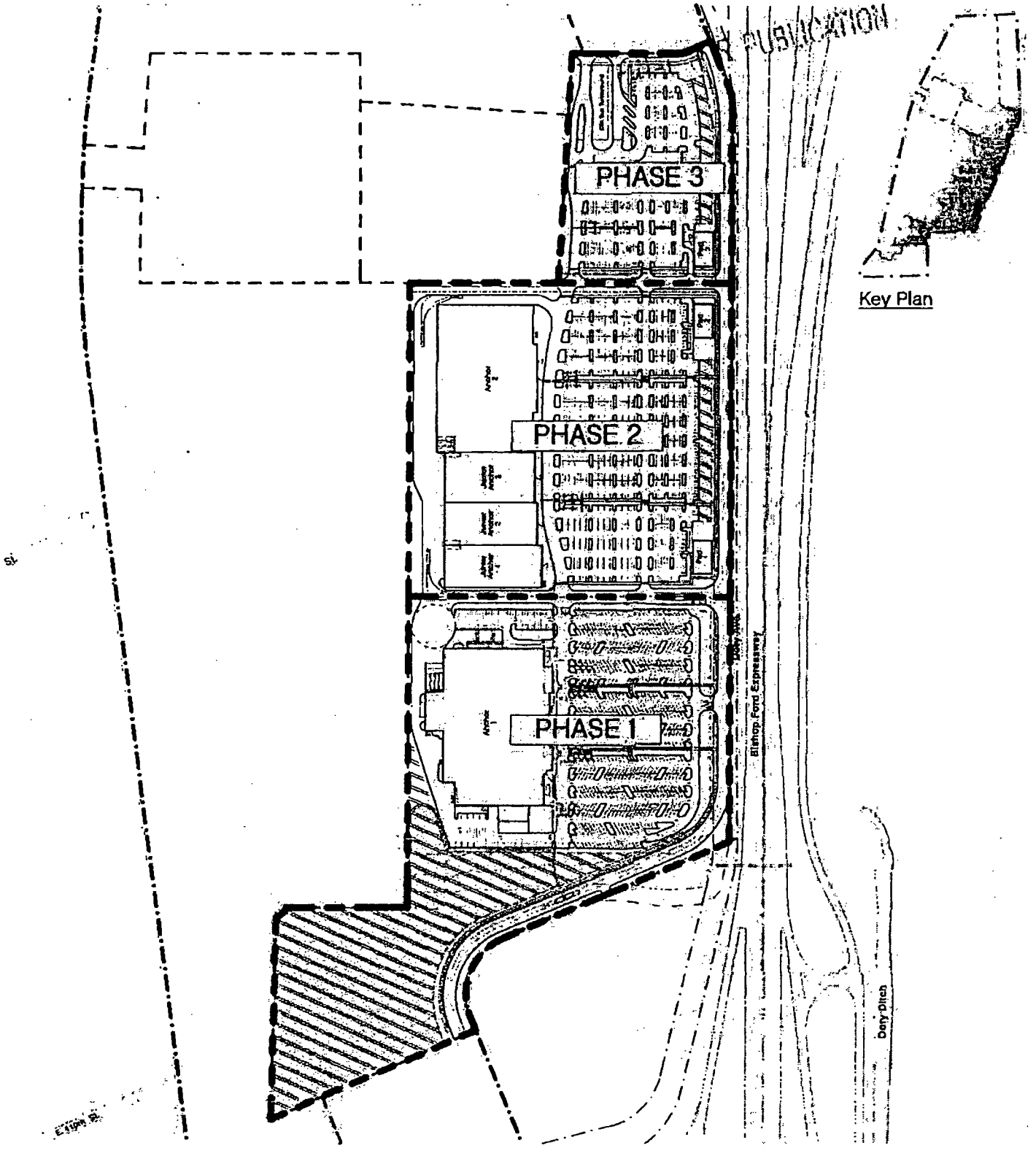
Pullman Redevelopment

Chicago, IL

Subarea A Site Plan



North Pullman LLC Inc.



Phasing Plan - Sub Area A

Scale 1" = 300'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 1, 2009

Chicago Plan Commission Date: April 15, 2010

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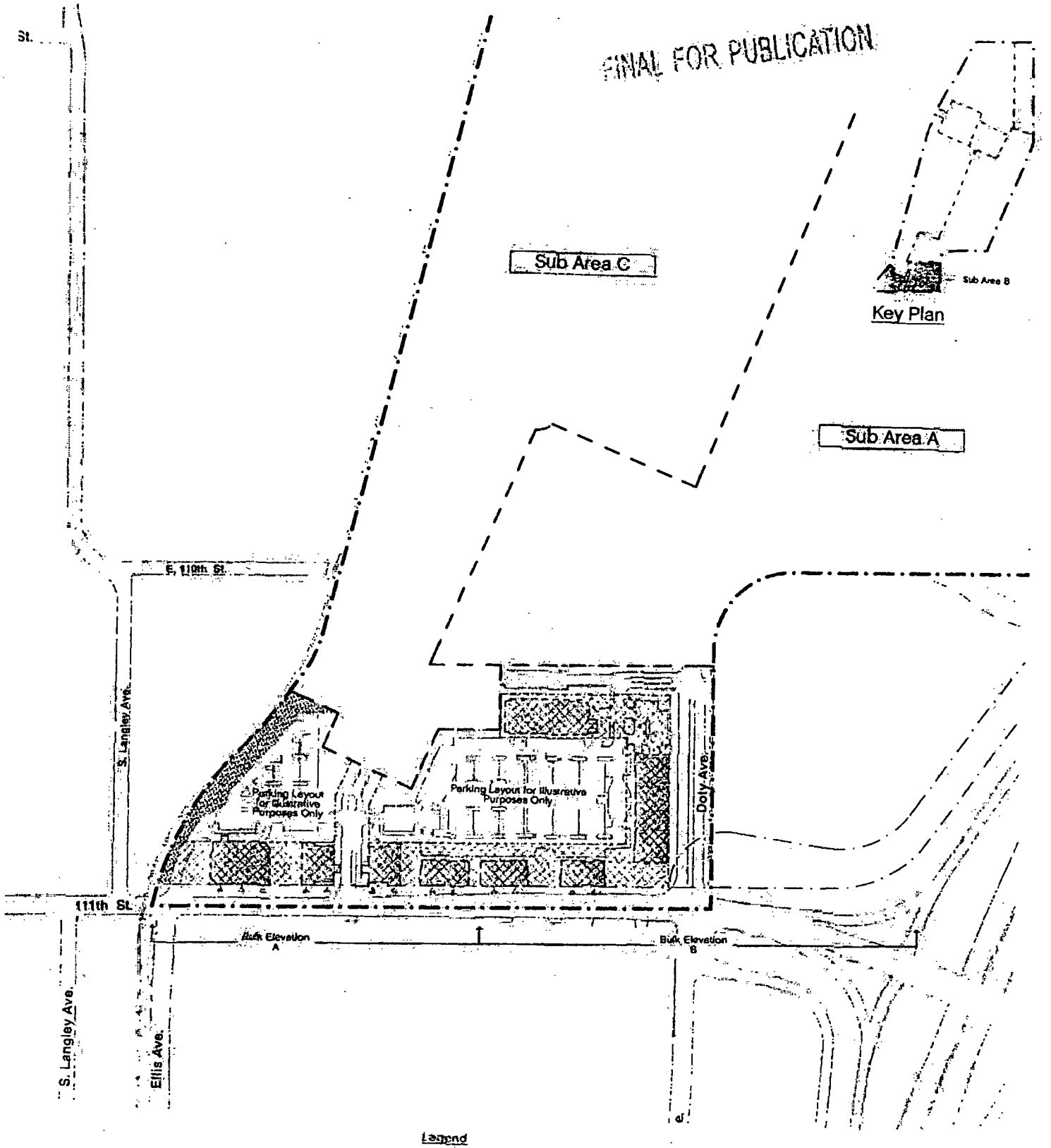
chicago illinois 60654

P/H # 081901



Legend

- Building Zones
- Example Building Footprints Only
- Public Open Space
- Approx. Retail Entry Locations

* Streets and parking are shown for illustrative purposes only

N

Site Plan - Sub Area B

Scale: 1" = 200'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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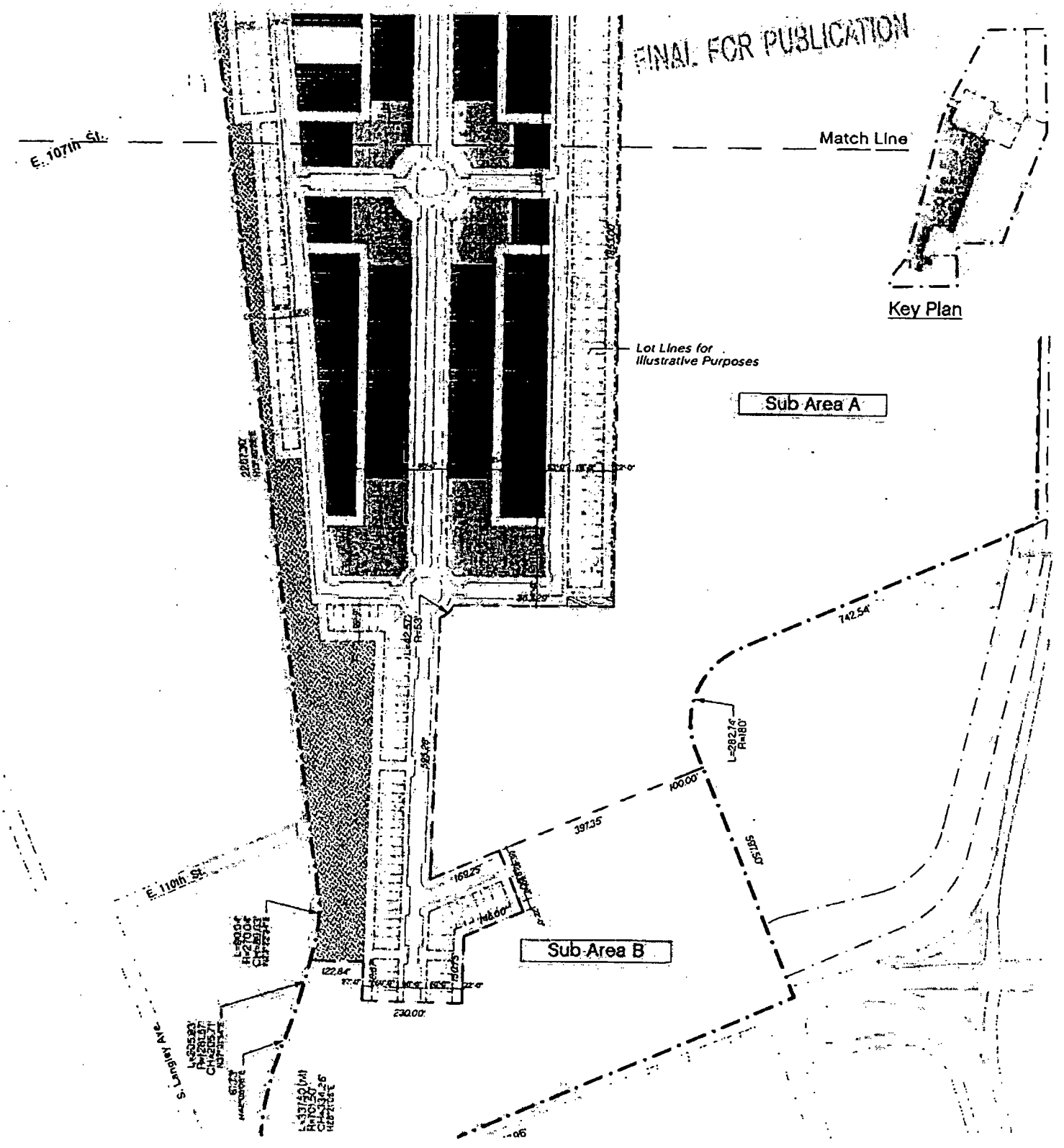

Legend

- Townhouse Zone
- Residential Zone (1-2 units)
- Residential Zone (1-4 units)
- Public Open Space
- Buffer/ Detention Area

* *Streets and parking are shown for illustrative purposes only*

N

Site Plan - Sub Area C - 1 of 2

Scale: 1" = 300'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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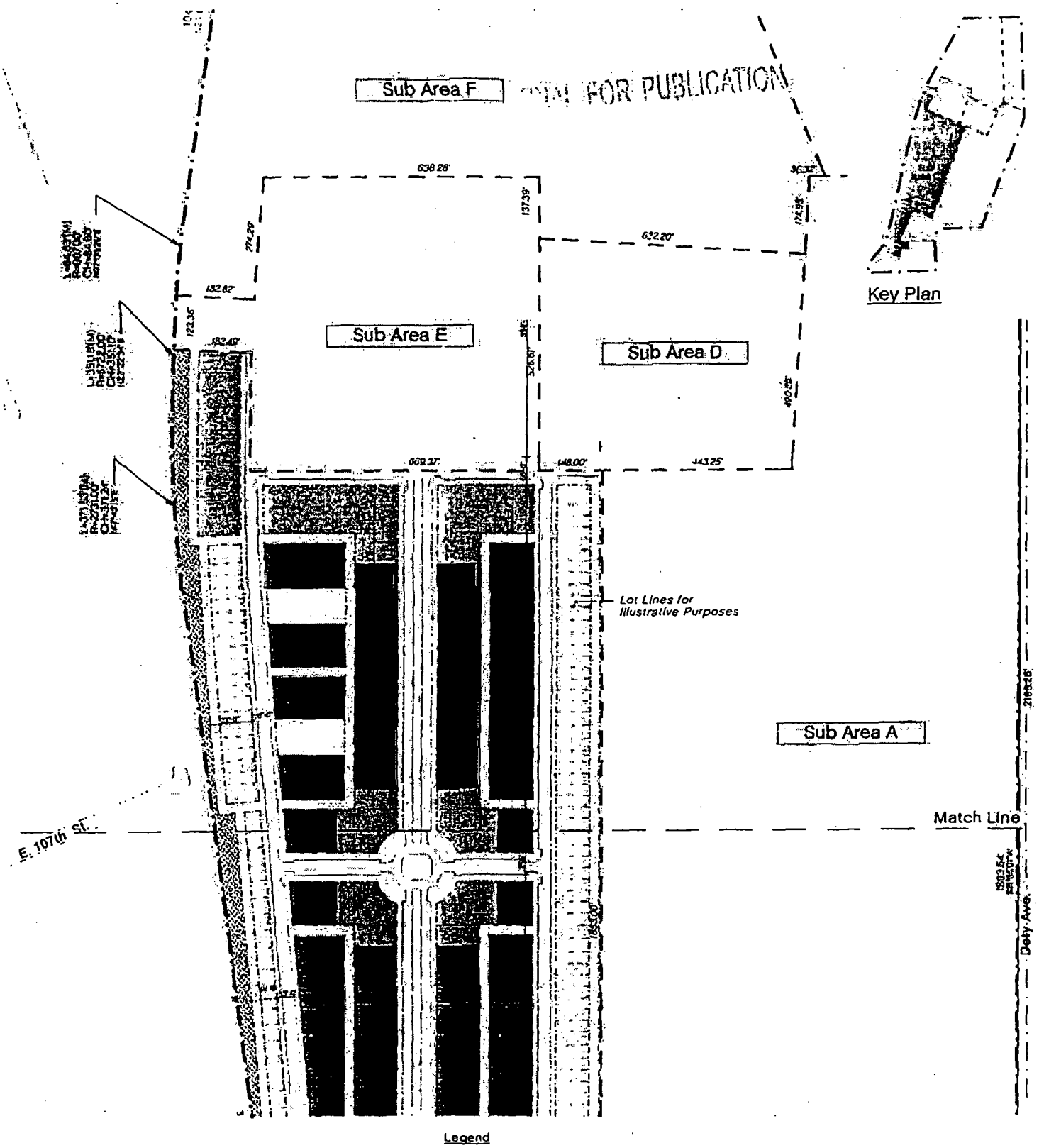

Legend

- Townhouse Zone
- Residential Zone (1-2 units)
- Residential Zone (1-4 units)
- Public Open Space
- Buffer/ Detention Area

* Streets and parking are shown for illustrative purposes only

N

Site Plan - Sub Area C - 2 of 2

Scale: 1" = 300'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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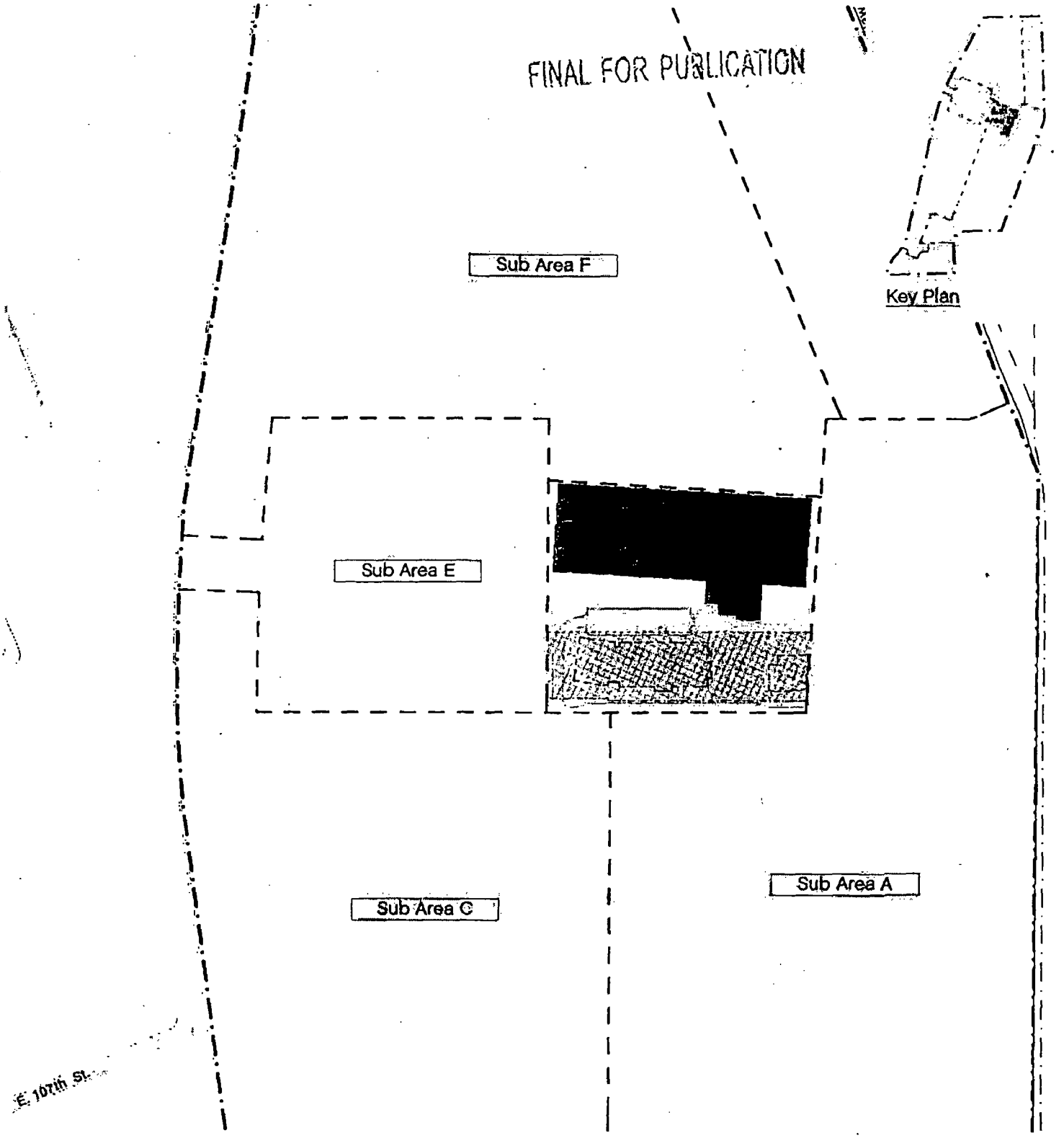

Site Plan - Sub Area D

Scale: 1" = 300'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Cory Avenue

Introduction Date: October 1, 2009

Chicago Plan Commission Date: April 15, 2010

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PHN # 081901

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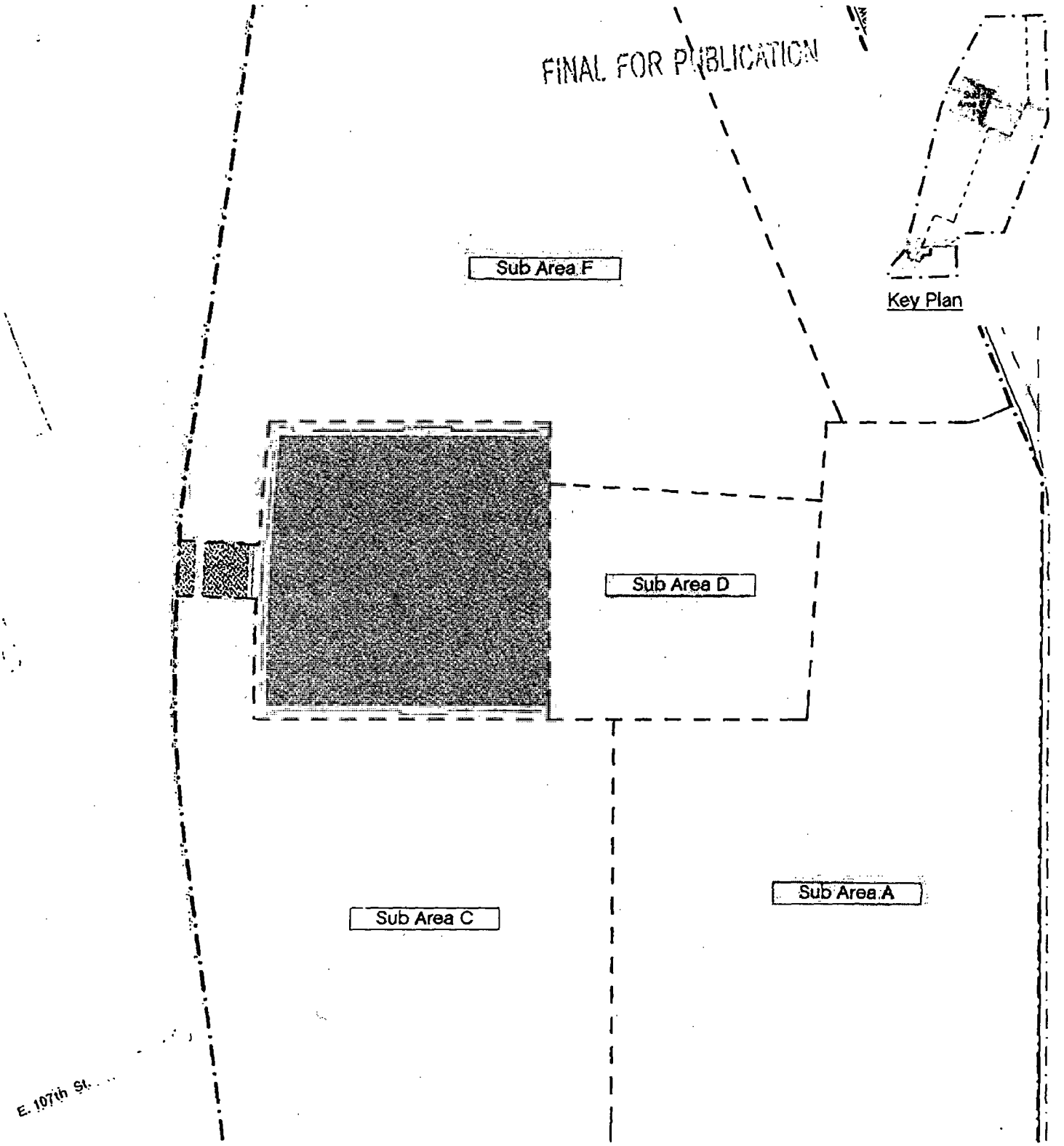

Legend

Public Open Space

* Streets and parking are shown for illustrative purposes only

N

Site Plan - Sub Area E

Scale: 1" = 300'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Cotty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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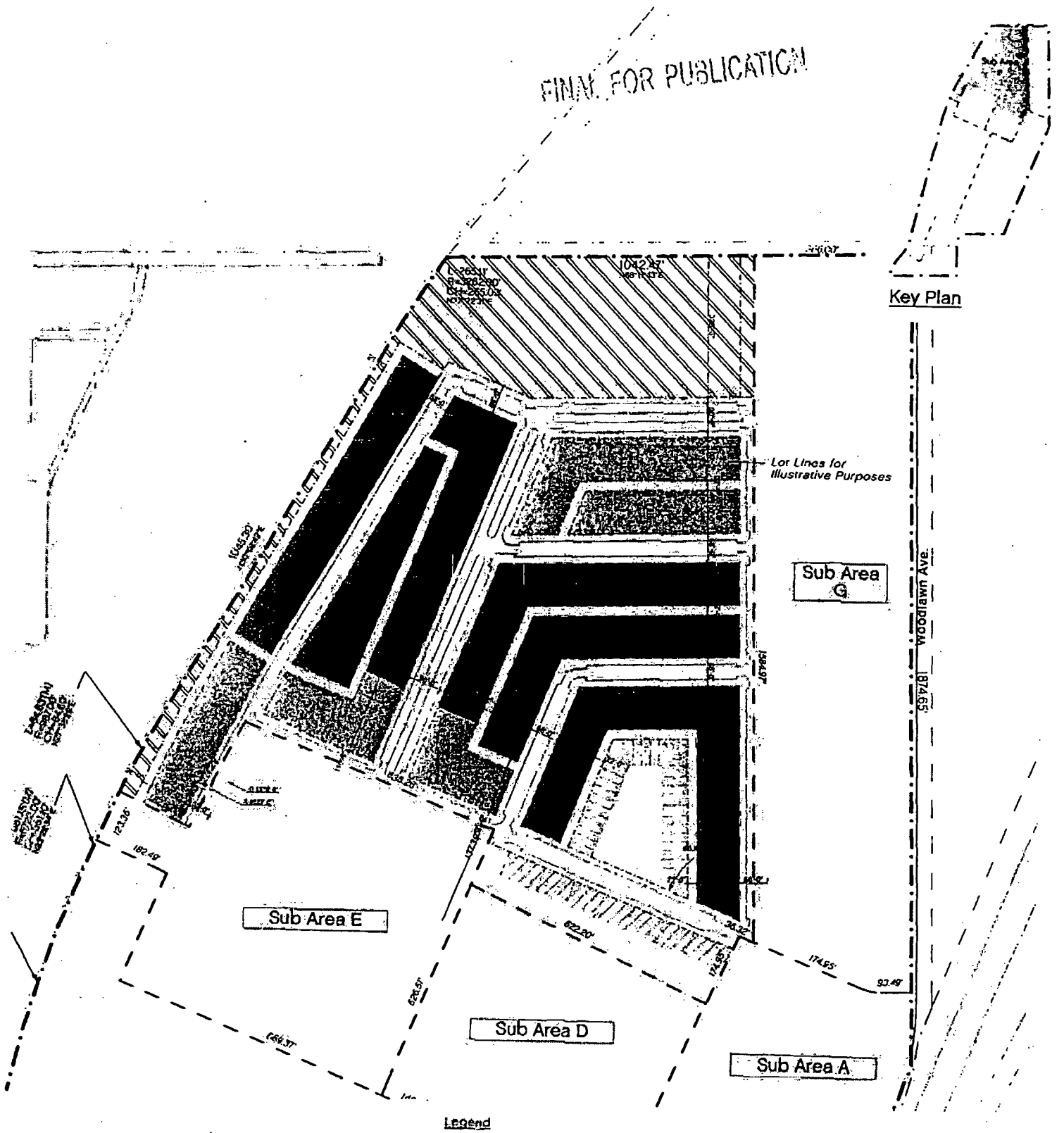
chicago illinois 60654

PHH # 081901



Site Plan - Sub Area F

Scale: 1" = 300'-0"

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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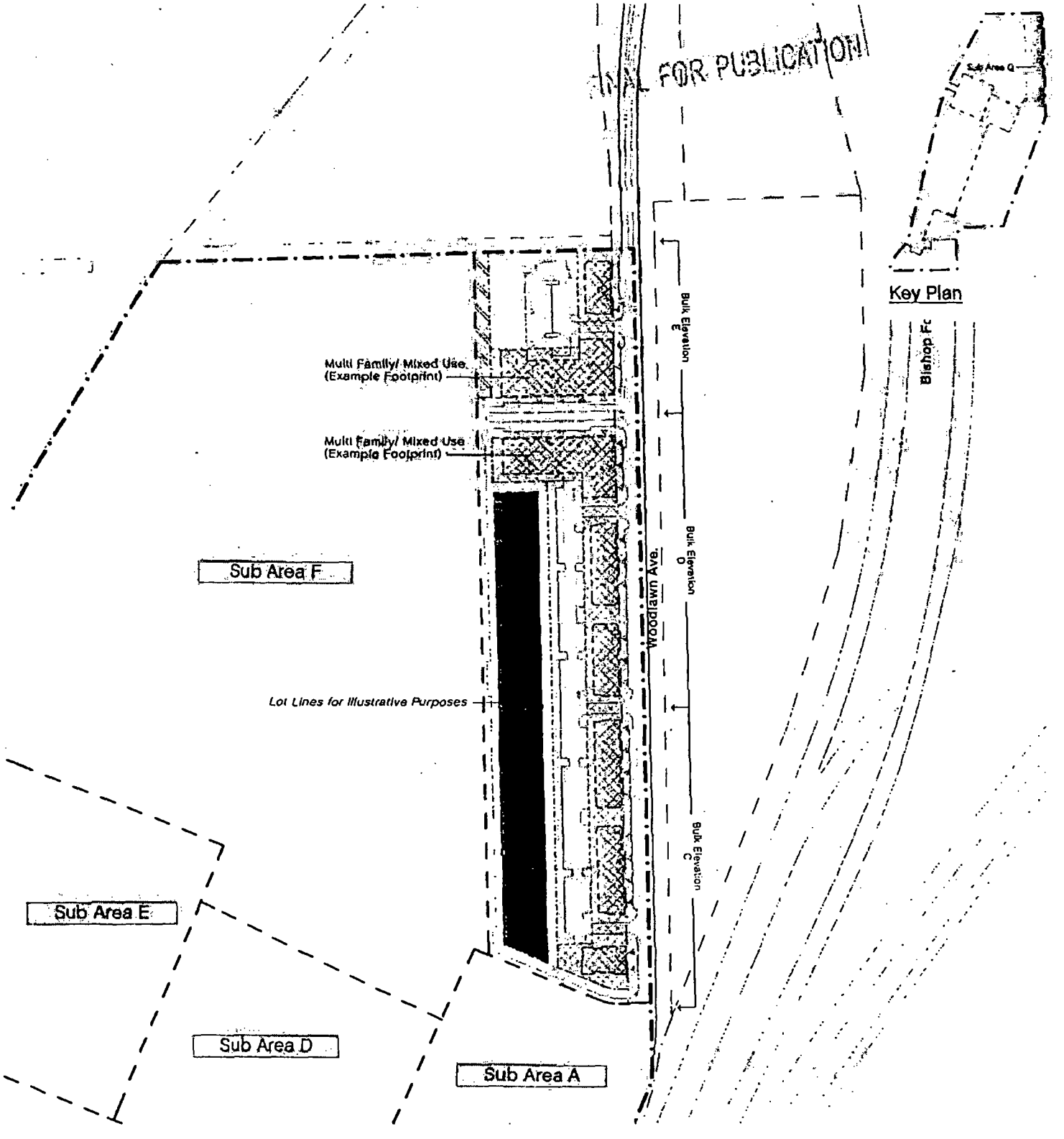
chicago illinois 60654

P/H # 081901



Site Plan - Sub Area G

Scale: 1" = 200'-0"

Applicant: North Pullman 111th Inc.

Address : 111th Street and Dorr Avenue

Submission Date : October 7, 2009

Chicago Plan Commission Date : April 15, 2010

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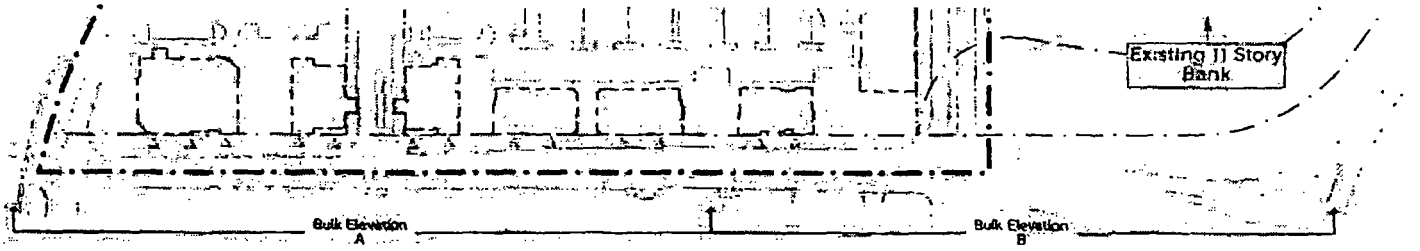
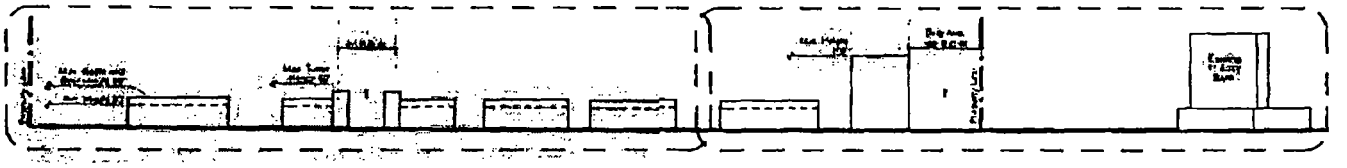


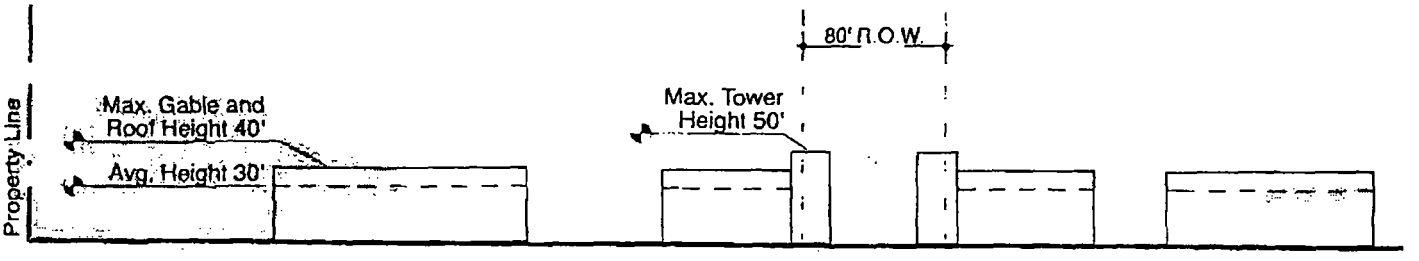
Bulk Elevation - 111th Street Key Plan scale: 1" = 250'-0"

Bulk Elevation A (below)

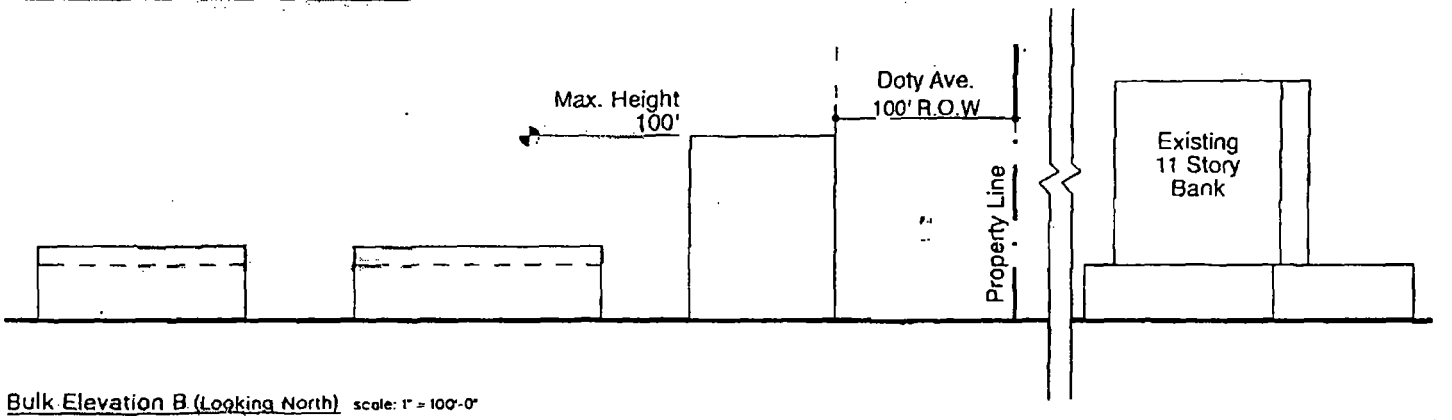
Bulk Elevation B (below)



Bulk Elevation - 111th Street (Looking North) scale: 1" = 250'-0"



Bulk Elevation A - 111th Street (Looking North) scale: 1" = 100'-0"



Bulk Elevation B (Looking North) scale: 1" = 100'-0"

Bulk Elevations - 111th Street (Sub Area B)

Scales As Noted

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Modification Date: October 7, 2010

Chicago Plan Commission Date: April 15, 2010

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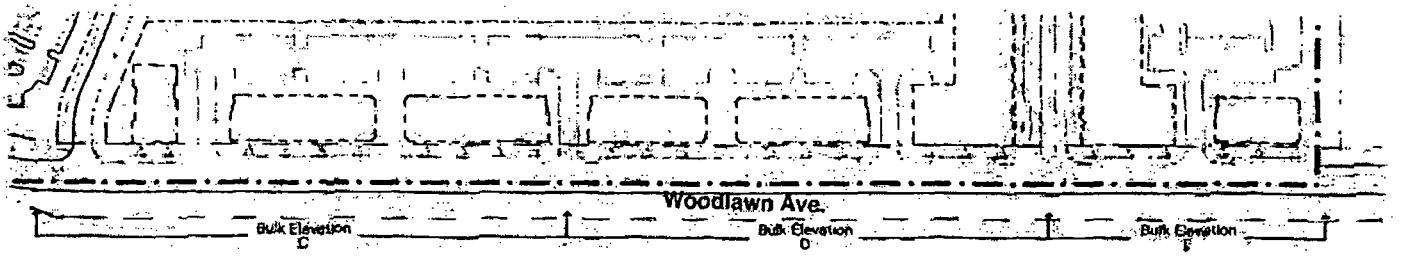
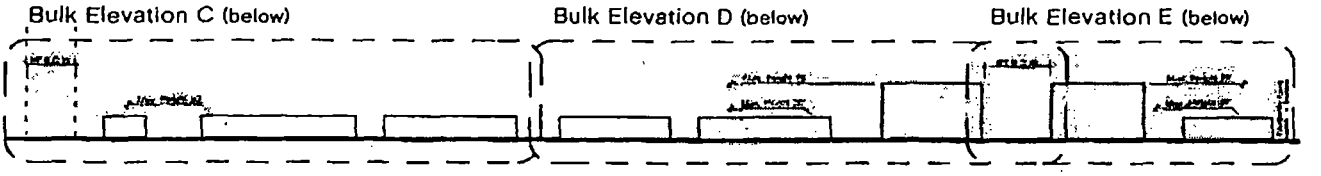
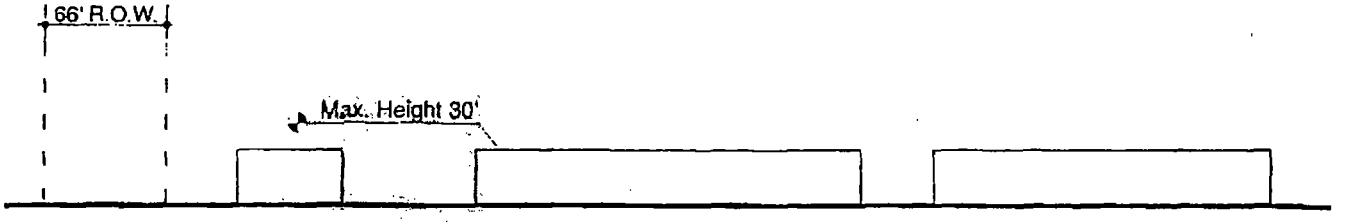
P/H # 081901



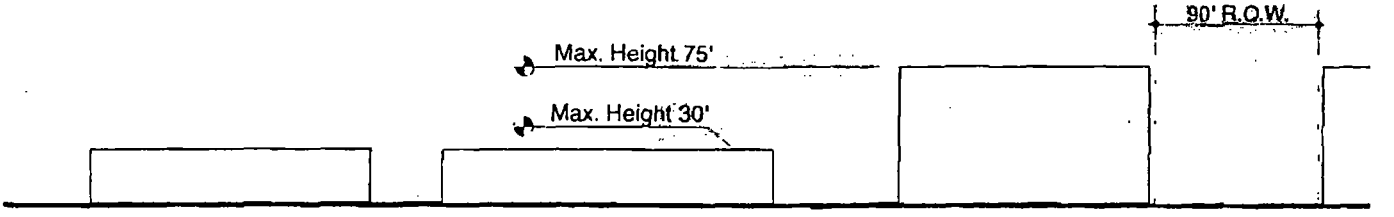
Bulk Elevation - South Woodlawn/Doty Key Plan scale: 1" = 250'-0"



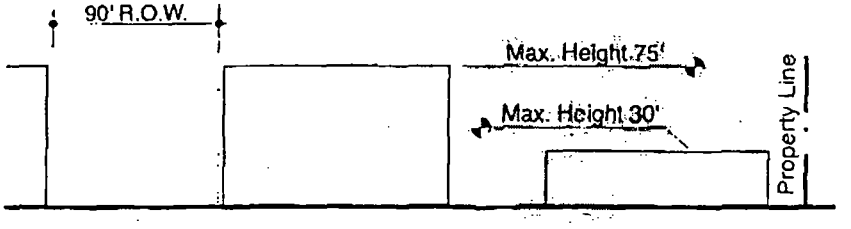
Bulk Elevation - South Woodlawn/ Doty (Looking West) scale: 1" = 250'-0"



Bulk Elevation C - South Woodlawn/ Doty (Looking West) scale: 1" = 100'-0"



Bulk Elevation D - South Woodlawn/ Doty (Looking West) scale: 1" = 100'-0"



Bulk Elevation E - South Woodlawn/ Doty scale: 1" = 100'-0"

Bulk Elevations– North Woodlawn/ Doty Ave. (Sub Area G)

Note: As Noted

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

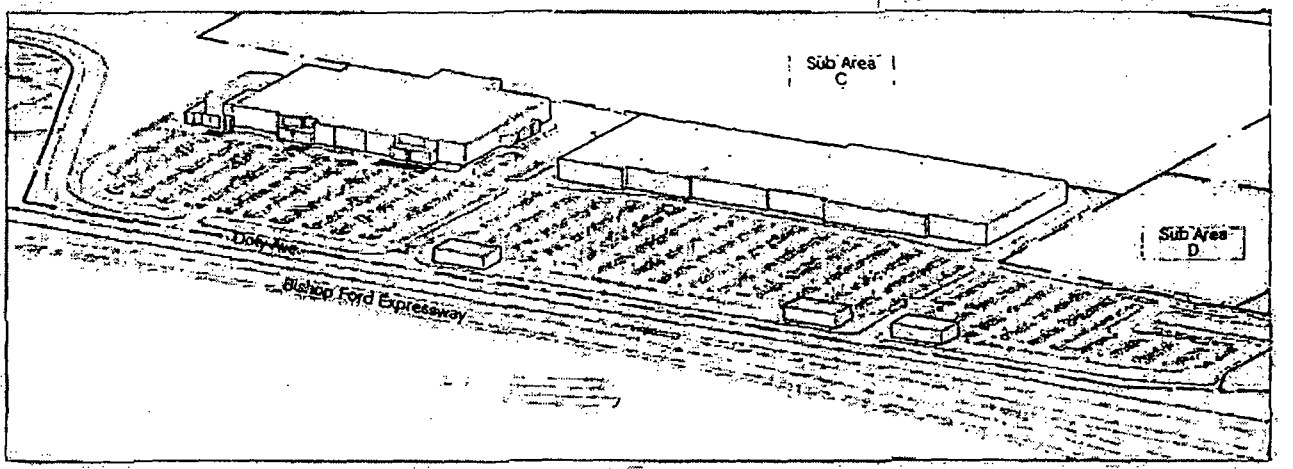
Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

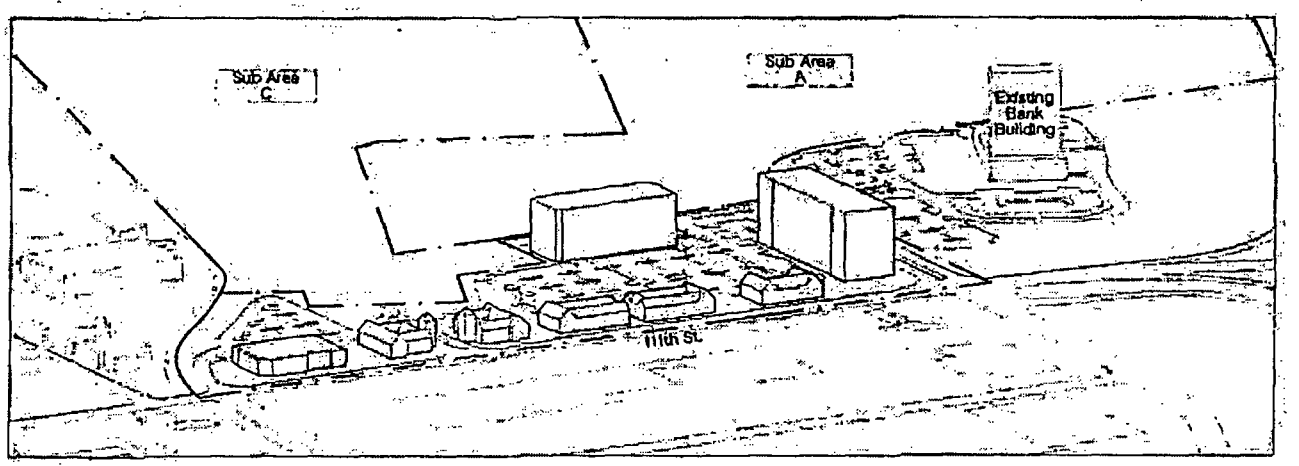
pappageorgehaymes partners
www.pappageorgehaymes.com
630 north franklin suite 400
chicago illinois 60654

P/H # 08/901

FINAL FOR PUBLICATION



N Bulk Axonometric Sub Area A scale: not to scale



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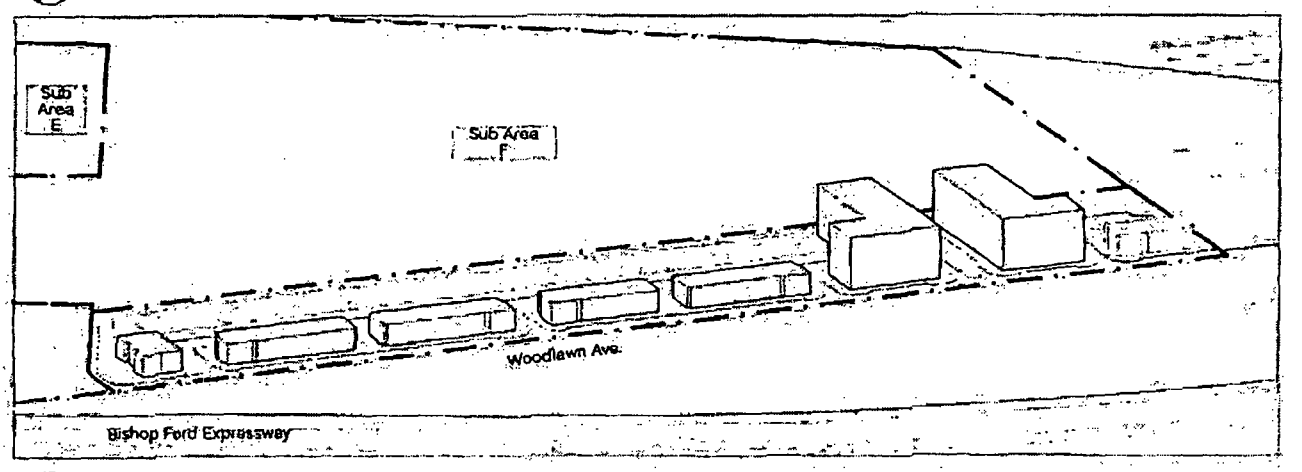

N Bulk Axonometric Sub Area G scale: not to scale

Bulk Axonometrics

Scale: Not to Scale

Applicant: North Pullman 111th Inc.

Address: 111th Street and Dorx Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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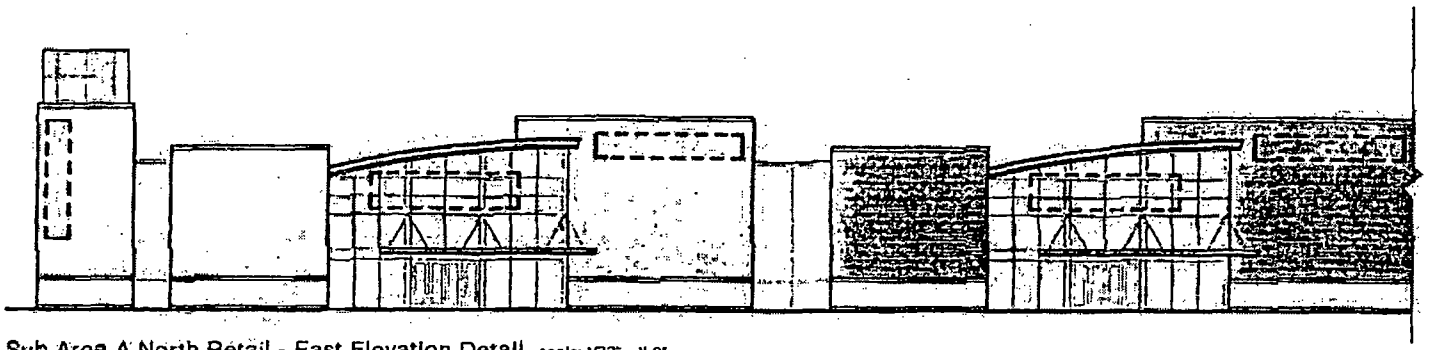
www.pappageorgehaymes.com

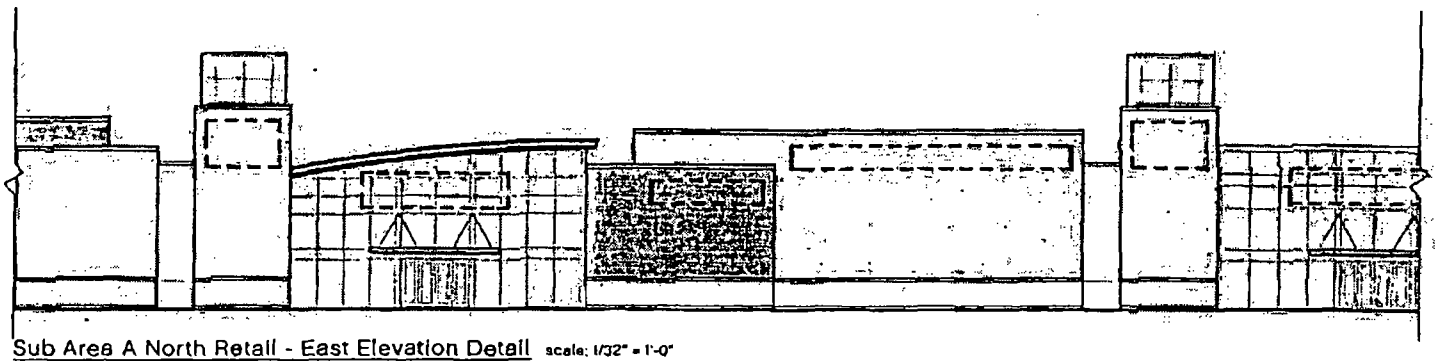
640 north lasalle suite 400
chicago illinois 60654

P/H # 061901

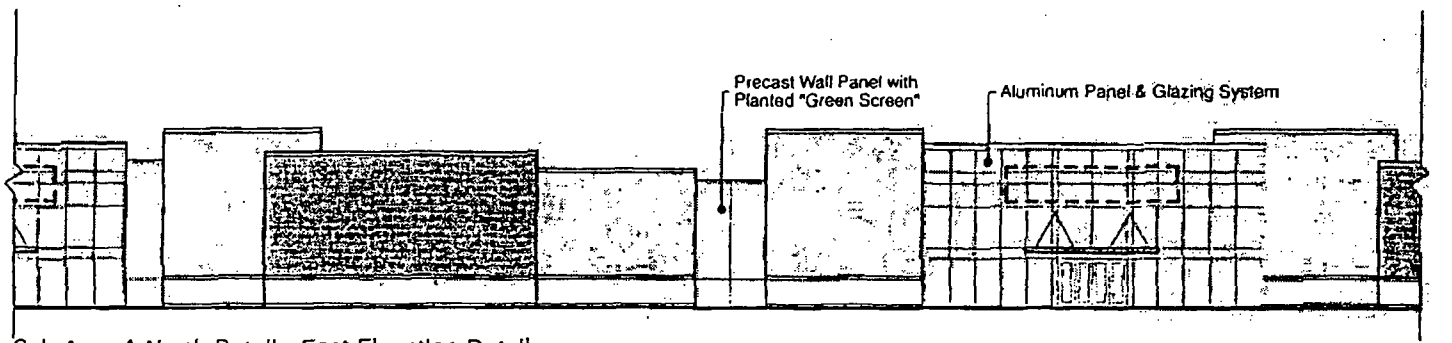
Sub Area A North Retail - East Elevation scale: not to scale



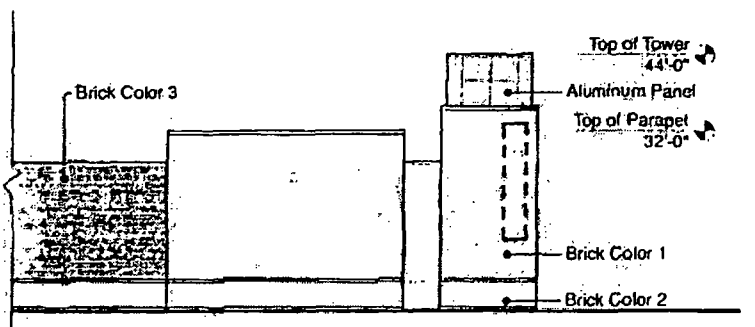
Sub Area A North Retail - East Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - East Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - East Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - East Elevation Detail scale: 1/32" = 1'-0"

NOTE: Dashed lines represent potential signage locations.

Sub Area A North Parcel Retail - East Elevation

Scale: As Noted

Applicant: North Pullman 111th Inc.

Address: 111th Street and Doty Avenue

Introduction Date: October 7, 2009

Chicago Plan Commission Date: April 15, 2010

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640 north lasalle suite 410
chicago illinois 60654

P/R # 081901

Sub Area A North Retail - West Elevation scale: not to scale

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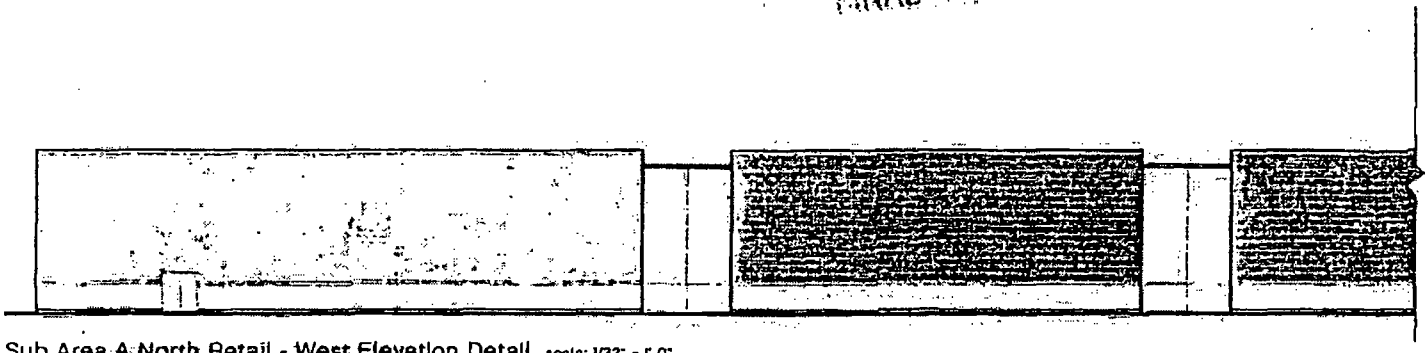
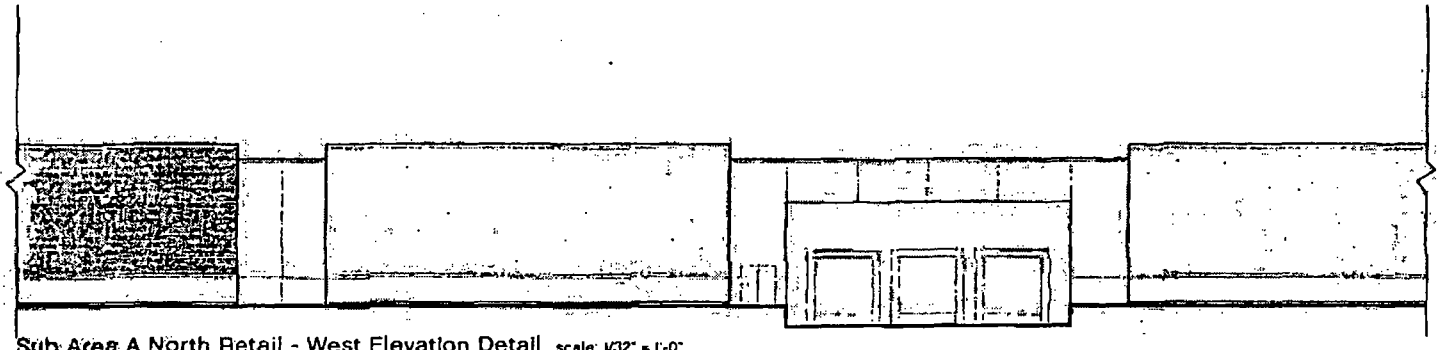
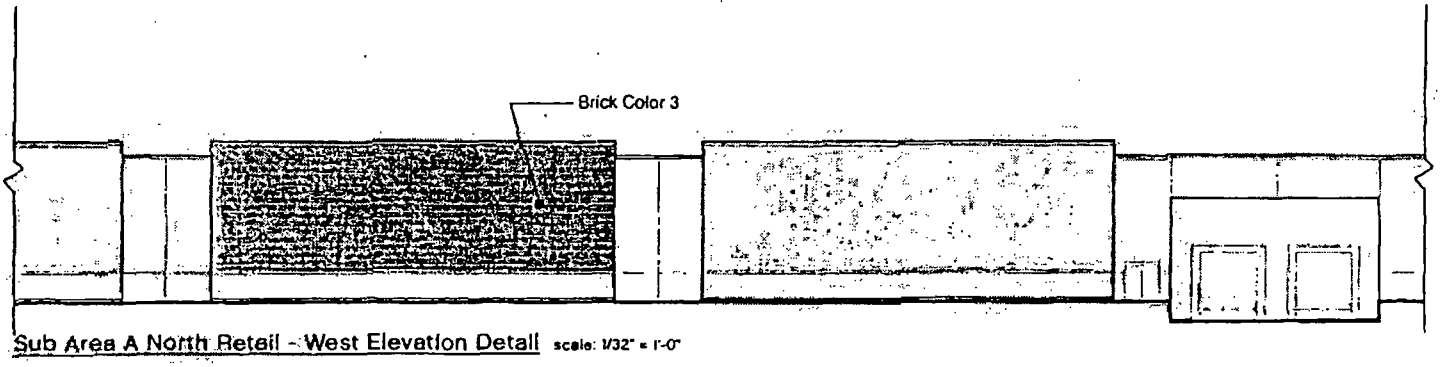


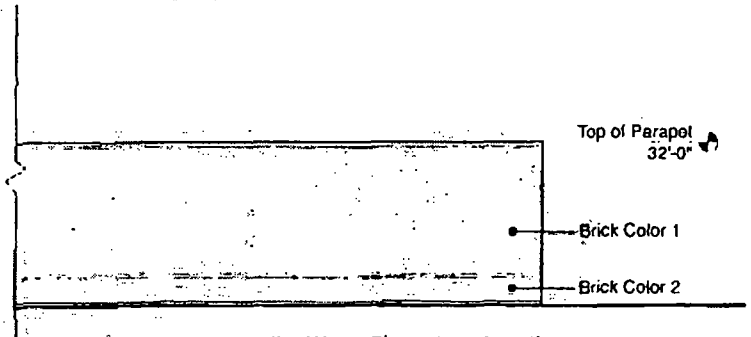
Sub Area A North Retail - West Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - West Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - West Elevation Detail scale: 1/32" = 1'-0"



Sub Area A North Retail - West Elevation Detail scale: 1/32" = 1'-0"

Sub Area A North Parcel Retail - West Elevation

Scale: As Noted

Applicant: North Pullman 111th Inc.

Address : 111th Street and Doty Avenue
Jurisdiction Date : October 7, 2009
Chicago Plan Commission Date : April 15, 2010

pappageorgehaymes partners
www.pappageorgehaymes.com

540 north lake shore suite 400
chicago illinois 60654

P/H # 08|901

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT B-4

List of PINS Used to Calculate Available Incremental Taxes

A list of PINS for the property comprising the former Ryerson Steel Site which will be used to calculate Available Incremental Taxes is:

25-15-406-024

25-14-100-045

25-15-300-008

25-14-100-046

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT C

REDEVELOPMENT PLAN

A true and correct copy of the North Pullman Redevelopment Project Area, Tax Increment Finance Program, Redevelopment Plan and Project dated February 27, 2009 and adopted by City Council on June 30, 2009, and any amendments thereto as of the Closing Date will be attached to this exhibit cover sheet at closing.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT D-1

PROJECT BUDGET

A Project Budget is attached to this exhibit cover sheet.

Pullman Park
Project Budget

	Acquisition	Phase IB New Work	Phase IB Completed Work	Phase IA Infrastructure Improvements	Project Budget
USES OF FUNDS					
Land Acquisition	$ 8,900,000.00				$ 8,900,000.00
Doty Road Improvements - 107th to 111th; 111th Intersection Improvements; Ramp Improvements; Stormwater Detention Ponds				$ 13,300,000.00	$ 13,300,000.00
Woodlawn/Doty Road Improvements - 107th to 103rd and 103rd St Intersection			$ 4,624,097.00		$ 4,624,097.00
Environmental Remediation		$ 90,000.00			$ 90,000.00
					$ -
Sitework		$ 3,630,245.00			$ 3,630,245.00
					$ -
Hard Cost - Retail Space and Tenant Buildout		$ 8,382,308.00			$ 8,382,308.00
					$ -
General Conditions, Insurance and GC Fee		$ 1,822,107.00			$ 1,822,107.00
Construction Contingency		$ 853,065.00			$ 853,065.00
Tenant Improvement Allowances		$ 750,000.00			$ 750,000.00
					$ -
Soft Costs		$ 3,475,800.00			$ 3,475,800.00
					$ -
TOTAL USES OF FUNDS	$ 8,900,000.00	$ 19,003,525.00	$ 4,624,097.00	$ 13,300,000.00	$ 45,827,622.00

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT D-2

CONSTRUCTION (MBE/WBE) BUDGET

A Construction (MBE/WBE) Budget is attached to this exhibit cover sheet.

Construction MBE/WBE Budget

Construction (MBE/WBE) Budget		Phase IB New Work
Professional Services		$ 220,934.00
Construction Site Work and Hard Costs		$ 12,012,553.00
Subtotal	**$**	**12,233,487.00**
Less Exclusions		
PreCast Concrete Panels	$	240,000.00
Dynamic Compaction	$	158,100.00
Subtotal, Exclusions	**$**	**398,100.00**
Total Construction (MBE/WBE) Budget	**$**	**11,835,387.00**
24% MBE	**$**	**2,840,492.88**
4% WBE	**$**	**473,415.48**

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT E

SCHEDULE OF TIF-FUNDED IMPROVEMENTS

A Schedule of TIF-Funded Improvements is attached to this exhibit cover sheet.

TIF-Funded Improvements

TIF Eligible Costs	Phase IB New Work	Phase IA Infrastructure Improvements	Total
Doty Road Improvements - 107th to 111th; 111th Intersection Improvements; Ramp Improvements; Stormwater Detention Ponds		$ 13,300,000	$ 13,300,000
Environmental Remediation	$ 90,000		$ 90,000
Construction - Sitework	$ 3,630,245		$ 3,630,245
Construction Contingency	$ 853,065		$ 853,065
Soft Costs	$ 3,475,800		$ 3,475,800
SUBTOTAL, TIF ELIGIBLE COSTS	$ 8,049,110	$ 13,300,000	$ 21,349,110
TIF FUNDED IMPROVEMENTS	**4,903,525**	**$ 6,100,000**	**$ 11,003,525**

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT F-1

Form of Escrow Agreement

A form of Escrow Agreement for the Project will be attached to this exhibit cover sheet at closing.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT F-2

Form of Reserve Escrow Agreement

A form of Reserve Escrow Agreement for City Note A will be attached to this exhibit cover sheet at closing.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT G

CONSTRUCTION CONTRACT

The construction contract for the Project will be attached to this exhibit cover sheet at closing.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT H

APPROVED PRIOR EXPENDITURES

A Schedule of Approved Prior Expenditures will be attached to this exhibit cover sheet at closing.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT I

PERMITTED LIENS

1. Liens or encumbrances against the Property (and related improvements):

   Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the Closing Date, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

2. Liens or encumbrances against Developer or the Project, other than liens against the Property (and related improvements), if any:

   NONE

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT J

FORM OF OPINION OF DEVELOPER'S COUNSEL

[To be retyped on Developer's Counsel's letterhead]

_____, 2013

City of Chicago
City Hall, Room 600
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to Pullman Park Development, LLC, an Illinois limited liability company ("Developer"), in connection with the construction of certain improvements on the property in the North Pullman Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

(a) Pullman Park Development, LLC Redevelopment Agreement (the "Agreement") of even date herewith, executed by Developer and the City of Chicago (the "City"); and

(b) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined

(a) the original or certified, conformed or photostatic copies of each of Developer's (i) Articles of Organization, as amended to date, (ii) Operating Agreement, (iii) qualifications to do business and certificates of good standing in all states in which

Developer is qualified to do business, and (iv) records of all limited liability company proceedings relating to the Project; and

(b) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures (other than those of Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that:

1. Developer is a limited liability company duly organized, validly existing and in good standing under the laws of its state of organization, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign organization under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

2. Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, Developer's Articles of Organization or Operating Agreement or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which Developer is a party or by which Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than in favor of any lender providing lender financing.

3. The execution and delivery of each Document and the performance of the transactions contemplated thereby have been duly authorized and approved by all requisite action on the part of Developer.

4. Each of the Documents to which Developer is a party has been duly executed and delivered by a duly authorized officer of Developer, and each such Document constitutes the legal, valid and binding obligation of Developer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. Exhibit A attached hereto (a) identifies the members of Developer and the number of membership interests held by each member. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the equity of Developer. Each outstanding membership interest of Developer is duly authorized, validly issued, fully paid and non-assessable.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against Developer or affecting Developer or its property, or seeking to restrain or enjoin the performance by Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, Developer is not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on Developer or its business.

7. To the best of our knowledge after diligent inquiry, there is no default by Developer or any other party under any material contract, lease, agreement, instrument or commitment to which Developer is a party or by which the company or its properties is bound.

8. To the best of our knowledge after diligent inquiry, all of the assets of Developer are free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Documents.

9. The execution, delivery and performance of the Documents by Developer have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration, declaration or filing with or any taking of any other actions in respect of, any person, including without limitation any court, government or regulatory authority.

10. To the best of our knowledge after diligent inquiry, Developer owns or possesses or is licensed or otherwise has the right to use all licenses, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

11. A federal or state court sitting in the State of Illinois and applying the choice of law provisions of the State of Illinois would enforce the choice of law contained in the Documents and apply the law of the State of Illinois to the transactions evidenced thereby.

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America or the laws of the State of Illinois.

This opinion is issued at Developer's request for the benefit of the City and its counsel, and may not be disclosed to or relied upon by any other person.

Very truly yours,

_____

By:_____

Name:_____

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT K

FORM OF JUNIOR MORTGAGE

A form of Junior Mortgage will be attached to this exhibit cover sheet at closing.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT L

FORM OF PAYMENT AND PERFORMANCE BOND

A form of payment and performance bond will be attached to this exhibit cover sheet at closing.

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT M-1

FORM OF CITY NOTE A AND RELATED CERTIFICATE OF EXPENDITURE

A form of the City Note A and Related Certificate of Expenditure are attached to this exhibit cover sheet.

CERTIFICATE OF EXPENDITURE FOR CITY NOTE

_____, 2013

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
$_____ Tax Increment Allocation Revenue Note
(Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Project), Tax-Exempt Series A (the "City Note A")

This Certificate is submitted to you, as Registered Owner of City Note A, pursuant to the Ordinance of the City authorizing the execution of City Note A adopted by the City Council of the City on _____, 2013 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Ordinance.

The City hereby certifies that $_____ is advanced as principal under City Note A as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under City Note A is $_____.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____, 2013.

CITY OF CHICAGO

By: _____

_____, Commissioner
Department of Housing and Economic Development

AUTHENTICATED BY:

_____
REGISTRAR

TAX-EXEMPT SERIES A
REGISTERED
NO. R-1
(CITY NOTE A)

MAXIMUM AMOUNT
NOT TO EXCEED
$6,750,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX-EXEMPT, TAX INCREMENT ALLOCATION REVENUE NOTE (PULLMAN PARK DEVELOPMENT, LLC / CHICAGO NEIGHBORHOOD INITIATIVES, INC., REDEVELOPMENT PROJECT), TAX-EXEMPT SERIES A

Registered Owner: Chicago Neighborhood Initiatives, Inc. an Illinois not-for-profit corporation,

Interest Rate: _____% per annum (but not more than 8.5%)

Issue Date: _____, 2013

Maturity Date: _____, 2033 (20 years after the Issue Date)

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "**City**"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this City Note A (as hereafter defined) in accordance with the Ordinance hereinafter referred to in the principal amount of $_____ and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-

day year of twelve 30-day months. Interest on accrued but unpaid interest on this City Note A shall accrue at the Interest Rate per year specified above beginning on March 1st of each year until paid. Notwithstanding anything to the contrary contained in the Redevelopment Agreement (herein defined) principal of and interest on this City Note A are payable on March 1st of each year solely from Available Incremental Taxes as provided in the Redevelopment Agreement (hereinafter defined), to be applied first to accrued and unpaid interest and the balance to principal. A principal amortization schedule is an exhibit to this City Note A.

The principal of and interest on this City Note A are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "**Registrar**"), at the close of business on the 15th day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this City Note A at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This City Note A is issued by the City in fully registered form in the aggregate principal amount of $_____ for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer (hereafter defined) in connection with the redevelopment of property in the North Pullman Redevelopment Project Area (the "**Project**

Area") in the City, with such redevelopment work and related construction being defined as the "**Project**", all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the "**TIF Act**"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on _____, 2013 (the "**Ordinance**"), in all respects as by law required.

The City Note A shall be subject to partial redemption from unexpended proceeds in the Construction Escrow on or after _____ as more fully described in the Redevelopment Agreement.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of this City Note A. The revenues so pledged are described in the Redevelopment Agreement (hereinafter defined) as: "**Available Incremental Taxes**". Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this City Note A and the terms and conditions under which this City Note A is issued and secured. **THIS CITY NOTE A IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS CITY NOTE A SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A**

LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS CITY NOTE A SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS CITY NOTE A.

The principal of this City Note A is subject to prepayment and redemption in whole or in part at any time without premium or penalty on or after _____, 2018.

This City Note A is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this City Note A. Upon such transfer, a new City Note A of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this City Note A during the period beginning at the close of business on the 15th day of the month immediately prior to the maturity date of this City Note A nor to transfer this City Note A after notice calling this City Note A or a portion hereof for prepayment or redemption has been mailed, nor during a period of 5 days next preceding mailing of a notice of prepayment or redemption of this City Note A. Such transfer shall be in accordance with the form at the end of this City Note A.

This City Note A hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide. Pursuant to the Redevelopment Agreement dated as of _____, 2013 (the "**Redevelopment Agreement**") between the City and Pullman

Park Development, LLC, an Illinois limited liability company and Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation, jointly and severally (the "**Developer**"), Developer has agreed to construct the Project and to be reimbursed from amounts on deposit in the Construction Escrow, under the TIF Act for certain eligible redevelopment project costs related to the Project.

To the extent of Developer has not incurred eligible redevelopment project costs related to the Project by _____, then unexpended amounts on deposit in the Construction Escrow shall be used to redeem this City Note A.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this City Note A did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this City Note A, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This City Note A shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this City Note A to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, _____.

_____
Mayor

(SEAL)
Attest:

_____
City Clerk

CERTIFICATE
OF
AUTHENTICATION

This City Note A is described in the within mentioned Ordinance and is the [$_____] Tax-Exempt, Tax Increment Allocation Revenue Note (Pullman Park Development, LLC / Chicago Neighborhood Initiatives, Inc., Project) Series A, of the City of Chicago, Cook County, Illinois.

_____
Comptroller

Date: _____

Registrar and Paying Agent:
Comptroller of the
City of Chicago,
Cook County, Illinois

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX-EXEMPT, TAX INCREMENT ALLOCATION REVENUE NOTE (PULLMAN PARK DEVELOPMENT, LLC / CHICAGO NEIGHBORHOOD INITIATIVES, INC., REDEVELOPMENT PROJECT), TAX-EXEMPT SERIES A

Principal Amortization Schedule

A principal amortization schedule will be prepared as a part of the issuance of the City Note A at closing.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____ the within Note and does hereby irrevocably constitute and appoint

_____ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to as of:

City of Chicago, Illinois

By: _____
Title: Commissioner, Department of
Housing and Economic Development

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGBHORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT M-2

FORM OF CITY NOTE B AND RELATED CERTIFICATE OF EXPENDITURE

A form of the City Note B and Related Certificate of Expenditure are attached to this exhibit cover sheet

CERTIFICATE OF EXPENDITURE FOR CITY NOTE

_____, 2013

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
$_____ Tax Increment Allocation Revenue Note
(Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Project),
Taxable Series B (the "City Note B")

This Certificate is submitted to you, as Registered Owner of City Note B, pursuant to the Ordinance of the City authorizing the execution of the City Note B adopted by the City Council of the City on _____, 2013 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Ordinance.

The City hereby certifies that $_____ is advanced as principal under City Note B as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under City Note B is $_____.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____, 2013.

CITY OF CHICAGO

By: _____Commissioner
Department of Housing and Economic Development

AUTHENTICATED BY:

_____
REGISTRAR

TAXABLE SERIES B
REGISTERED
NO. R-1
(City Note B)

PRINCIPAL AMOUNT
[$1,000,000]
Nominal value – to be adjusted when issued

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGBHORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT), TAXABLE SERIES B

Registered Owner: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation

Interest Rate: __% per annum (but not more than 8.5%)

Issue Date: _____, 2013

Principal Amount: $_____

Maturity Date: (_____, 2033 (20 years after issued date)

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this City Note B ($_____) and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the Issue Date specified above. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this City Note B shall accrue at the Interest Rate per year specified above beginning on March 1st of each year until paid. Principal of and interest on this City Note B are payable annually on March 1st of each year in accordance

with the attached amortization schedule from Available Incremental Taxes as provided in the Redevelopment Agreement (hereinafter defined)

As described in the Redevelopment Agreement dated as of _____, 2013 (the "Redevelopment Agreement") between the City and Developer (as defined herein), Developer has agreed to construct the Project (as defined in the Redevelopment Agreement) and to advance funds under the TIF Act for certain eligible redevelopment project costs related to the Project. Prior to the date hereof, Developer has expended no less than $_____ for such redevelopment project costs, as evidenced by the certificate of expenditure executed by the City in accordance with the Redevelopment Agreement and attached hereto (the "Certificate of Expenditure").

The principal of and interest on this City Note B are payable in lawful money of the United States of America, and shall be made to the Registered Owner or registered assigns hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the 15th day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner or registered assigns as it appears on such registration books or at such other address furnished in writing by such Registered Owner or registered assigns to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this City Note B at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This City Note B is issued by the City in fully registered form in the aggregate principal amount of $_____ for advances made prior to the date hereof by Pullman Park Development, LLC, an Illinois limited liability company or by its managing member: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (jointly and severally, the "Developer") for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer in connection with the redevelopment of property in the North Pullman Redevelopment Project Area (the "Redevelopment Area") in the City, with such redevelopment work and related construction being defined as the "Project", all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on _____, 2013 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged in the Redevelopment Agreement certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Redevelopment Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the City Note B. The revenues so pledged are described in _____ of the Redevelopment Agreement and defined herein as the "Available Incremental Taxes". Reference is hereby made to the Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the City Note B and the terms and conditions under which the City Note B is issued and secured. THIS NOTE IS NOT A GENERAL OR

MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM THE PLEDGED REVENUES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER OR REGISTERED ASSIGNS HEREOF ONLY AGAINST SAID PLEDGED REVENUES. THIS CITY NOTE B SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER AND REGISTERED ASSIGNS OF THIS CITY NOTE B SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS CITY NOTE B.

The principal of this City Note B is subject to prepayment and/or redemption at any time in whole or in part without premium or penalty.

This City Note B is transferable by the Registered Owner hereof or registered assigns in person at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance and the Redevelopment Agreement, and upon surrender and cancellation of this City Note B. Upon such transfer, a new City Note B of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this City Note B during the period beginning at the close of business on the 15th day of the month immediately prior to the maturity date of this City Note B nor to transfer this Note after notice calling this City Note B or a portion hereof for prepayment or redemption has been

mailed, nor during a period of 5 days next preceding mailing of a notice of prepayment or redemption of this City Note B. Such transfer shall be in accordance with the form at the end of this City Note B.

This City Note B hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide.

The City and the Registrar may deem and treat the Registered Owner hereof or registered assigns as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this City Note B did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this City Note B, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This City Note B shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this City Note B to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, _____.

_____
Mayor

(SEAL)
Attest:

_____
City Clerk

CERTIFICATE
OF
AUTHENTICATION

This City Note B is described in the within mentioned Ordinance and is the $_____ Tax Increment Allocation Revenue Note (Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Project), Taxable Series B, of the City of Chicago, Cook County, Illinois.

_____
Comptroller

Registrar and Paying Agent:
Comptroller of the
City of Chicago,
Cook County, Illinois

Date:_____

TAXABLE SERIES B
REGISTERED
NO. R-1

PRINCIPAL AMOUNT
$_____

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT), TAXABLE SERIES B

NO. R-1

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within Note and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:_____ _____
Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to as of:_____

City of Chicago, Illinois

By:_____
Title _____, Department of
Housing and Economic Development

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT), TAXABLE SERIES B

NO. R-1

PAYMENT AND AMORTIZATION SCHEDULE

Payment and Amortization Schedule to be attached to this Cover Sheet at Closing

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT N

CITY FUNDS REQUISITION FORM

A form of the City Funds Requisition Form is attached to this exhibit cover sheet.

REQUISITION FORM

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiants, Pullman Park Development, LLC and Chicago Neighborhood Initiatives , Inc., jointly and severally, ("Developer"), hereby certify that with respect to that certain Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Agreement between Developer and the City of Chicago dated as of _____ ___, 2013 (the "Redevelopment Agreement"):

A. Expenditures for the Project, in the total amount of $_____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Funded Improvements for the Project reimbursed by the City to date:

$_____

C. Developer requests reimbursement for the following cost of TIF-Funded Improvements:

$_____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and Developer is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default, exists or has occurred.

All capitalized terms which are not defined herein have the meanings given such terms in the Redevelopment Agreement.

PULLMAN PARK DEVELOPMENT, LLC, an Illinois limited liability company

By its managing member: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation:

By:_____

Printed Name:_____

Title:_____

CHICAGO NEIGHBORHOOD INITIATIVES, INC. an Illinois not-for-profit corporation
By:_____

Printed Name:_____

Title:_____

Subscribed and sworn before me this ___ day of _____.

_____

My commission expires:_____

NORTH PULLMAN
REDEVELOPMENT PROJECT AREA

PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT

Redevelopment Agreement
dated as of _____ _____, 2013

EXHIBIT O

FORM OF CITY SUBORDINATION AGREEMENT

This document prepared by and after recording return to:
William A. Nyberg, Esq.
Assistant Corporation Counsel
Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the day of , ____ between the City of Chicago by and through its Department of Housing and Economic Development (the "City"), [Name Lender], a [national banking association] (the "Lender").

W I T N E S S E T H:

WHEREAS, [description of the Project]

WHEREAS, [description of financing and security documents] as part of obtaining financing for the Project, Developer (the "Borrower"), have entered into a certain Construction Loan Agreement dated as of _____, 200__ with the Lender pursuant to which the Lender has agreed to make a loan to the Borrower in an amount not to exceed $_____ (the "Loan"), which Loan is evidenced by a Mortgage Note and executed by the Borrower in favor of the Lender (the "Note"), and the repayment of the Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Borrower pursuant to the following: (i) Mortgage dated _____,200__ and recorded _____, 200__ as document number _____ made by the Borrower to the Lender; and (ii) other security (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents");

WHEREAS, Developer desires to enter into a certain Redevelopment Agreement dated the date hereof with the City in order to obtain additional financing for the Project (the "Redevelopment Agreement," referred to herein along with various other agreements and documents related thereto as the "City Agreements");

WHEREAS, pursuant to the Redevelopment Agreement, Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections 8.02 and 8.16 of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with Developer as of the date hereof, subject, among other things, to (a) the execution by Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Lender to subordinate their respective liens under the Loan Documents to the City Encumbrances; and

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender and the City agree as hereinafter set forth:

1. Subordination. All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. In all other respects, the Redevelopment Agreement shall be subject and subordinate to the Loan Documents. Nothing herein, however, shall be deemed to limit any of the Lender=s other rights or other priorities under the Loan Documents, including without limitation the Lender's right to receive, and Developer's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein. Furthermore, nothing herein shall have any effect whatsoever on the respective rights, obligation and covenants of the Lender and the City under that certain Redevelopment Agreement dated _____, 2012. The liabilities and obligations of the Lender with respect to the City Encumbrances and the City Agreements shall be as set forth in Section 16 of the Redevelopment Agreement.

2. Notice of Default. The Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Lender, (a) copies of any notices of default which it may give to Developer with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of Developer's default in connection therewith. Under no circumstances shall Developer or any third party be entitled to rely upon the agreement provided for herein. Failure of either party to deliver such notices or waivers shall in no instance alter the rights or remedies of such party under the Loan Documents or the City Agreements.

3. Waivers. No waiver shall be deemed to be made by the City or the Lender of any of their respective rights hereunder, unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City or the Lender in any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

6. Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

If to the City: City of Chicago
Department of Housing and Economic Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attention: Commissioner

With a copy to: City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Attention: Finance and Economic
Development Division

If to the Lender: _____
_____
_____
Attention: _____

With a copy to: _____
_____
_____
Attention: _____

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof;

provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

[LENDER], [a national banking association]

By:_____

Its:_____

CITY OF CHICAGO

By:_____

Its:_____ Commissioner, Department of Housing and Economic Development

ACKNOWLEDGED AND AGREED TO
THIS ___ DAY OF _____, ____

[Developer], a _____

By:_____

Its:_____

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago, Illinois (the "City") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such _____ Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this ____ day of _____, ____.

_____
Notary Public

My Commission Expires _____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the _____ of [Lender], a_____, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed and delivered said instrument, pursuant to the authority given to him/her by Lender, as his/her free and voluntary act and as the free and voluntary act of the Lender, for the uses and purposes therein set forth.

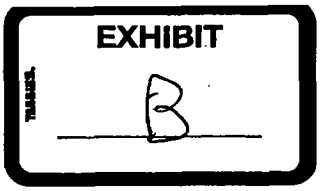
GIVEN under my hand and notarial seal this _____ day of _____, ____.

_____
Notary Public

My Commission Expires _____

(SEAL)

EXHIBIT A - LEGAL DESCRIPTION



TAX-EXEMPT SERIES A
REGISTERED
NO. R-1
(CITY NOTE A)

MAXIMUM AMOUNT
NOT TO EXCEED
$6,750,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX-EXEMPT, TAX INCREMENT ALLOCATION REVENUE NOTE (PULLMAN PARK DEVELOPMENT, LLC / CHICAGO NEIGHBORHOOD INITIATIVES, INC., REDEVELOPMENT PROJECT), TAX-EXEMPT SERIES A

Registered Owner: Chicago Neighborhood Initiatives, Inc. an Illinois not-for-profit corporation,

Interest Rate: _____% per annum (but not more than 8.5%)

Issue Date: _____, 2013

Maturity Date: _____, 2033 (20 years after the Issue Date)

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "**City**"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this City Note A (as hereafter defined) in accordance with the Ordinance hereinafter referred to in the principal amount of $_____ and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-

day year of twelve 30-day months. Interest on accrued but unpaid interest on this City Note A shall accrue at the Interest Rate per year specified above beginning on March 1st of each year until paid. Notwithstanding anything to the contrary contained in the Redevelopment Agreement (herein defined) principal of and interest on this City Note A are payable on March 1st of each year solely from Available Incremental Taxes as provided in the Redevelopment Agreement (hereinafter defined), to be applied first to accrued and unpaid interest and the balance to principal. A principal amortization schedule is an exhibit to this City Note A.

The principal of and interest on this City Note A are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "**Registrar**"), at the close of business on the 15th day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this City Note A at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This City Note A is issued by the City in fully registered form in the aggregate principal amount of $_____ for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer (hereafter defined) in connection with the redevelopment of property in the North Pullman Redevelopment Project Area (the "**Project**

Area") in the City, with such redevelopment work and related construction being defined as the "**Project**", all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the "**TIF Act**"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on _____, 2013 (the "**Ordinance**"), in all respects as by law required.

The City Note A shall be subject to partial redemption from unexpended proceeds in the Construction Escrow on or after _____ as more fully described in the Redevelopment Agreement.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of this City Note A. The revenues so pledged are described in the Redevelopment Agreement (hereinafter defined) as: "**Available Incremental Taxes**". Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this City Note A and the terms and conditions under which this City Note A is issued and secured. **THIS CITY NOTE A IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS CITY NOTE A SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A**

LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS CITY NOTE A SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS CITY NOTE A.

The principal of this City Note A is subject to prepayment and redemption in whole or in part at any time without premium or penalty on or after _____, 2018.

This City Note A is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this City Note A. Upon such transfer, a new City Note A of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this City Note A during the period beginning at the close of business on the 15th day of the month immediately prior to the maturity date of this City Note A nor to transfer this City Note A after notice calling this City Note A or a portion hereof for prepayment or redemption has been mailed, nor during a period of 5 days next preceding mailing of a notice of prepayment or redemption of this City Note A. Such transfer shall be in accordance with the form at the end of this City Note A.

This City Note A hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide. Pursuant to the Redevelopment Agreement dated as of _____, 2013 (the "**Redevelopment Agreement**") between the City and Pullman

Park Development, LLC, an Illinois limited liability company and Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation, jointly and severally (the "**Developer**"), Developer has agreed to construct the Project and to be reimbursed from amounts on deposit in the Construction Escrow, under the TIF Act for certain eligible redevelopment project costs related to the Project.

To the extent of Developer has not incurred eligible redevelopment project costs related to the Project by _____, then unexpended amounts on deposit in the Construction Escrow shall be used to redeem this City Note A.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this City Note A did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this City Note A, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This City Note A shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this City Note A to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, _____.

_____
Mayor

(SEAL)
Attest:

_____
City Clerk

CERTIFICATE
OF
AUTHENTICATION

Registrar and Paying Agent:
Comptroller of the
City of Chicago,
Cook County, Illinois

This City Note A is described in the within mentioned Ordinance and is the [$_____] Tax-Exempt, Tax Increment Allocation Revenue Note (Pullman Park Development, LLC / Chicago Neighborhood Initiatives, Inc., Project) Series A, of the City of Chicago, Cook County, Illinois.

_____
Comptroller

Date: _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX-EXEMPT, TAX INCREMENT ALLOCATION REVENUE NOTE (PULLMAN PARK DEVELOPMENT, LLC / CHICAGO NEIGHBORHOOD INITIATIVES, INC., REDEVELOPMENT PROJECT), TAX-EXEMPT SERIES A

Principal Amortization Schedule

A principal amortization schedule will be prepared as a part of the issuance of the City Note A at closing.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____ the within Note and does hereby irrevocably constitute and appoint

_____ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:

Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

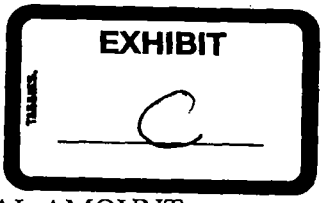
Signature Guaranteed:

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to as of:

City of Chicago, Illinois

By: _____
Title: Commissioner, Department of
Housing and Economic Development



TAXABLE SERIES B
REGISTERED
NO. R-1
(City Note B)

PRINCIPAL AMOUNT
[$1,000,000]
Nominal value – to be adjusted when issued

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGBHORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT), TAXABLE SERIES B

Registered Owner: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation

Interest Rate: __% per annum (but not more than 8.5%)

Issue Date: _____, 2013

Principal Amount: $_____

Maturity Date: (_____, 2033 (20 years after issued date)

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this City Note B ($_____) and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the Issue Date specified above. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this City Note B shall accrue at the Interest Rate per year specified above beginning on March 1st of each year until paid. Principal of and interest on this City Note B are payable annually on March 1st of each year in accordance

with the attached amortization schedule from Available Incremental Taxes as provided in the Redevelopment Agreement (hereinafter defined)

As described in the Redevelopment Agreement dated as of _____, 2013 (the "Redevelopment Agreement") between the City and Developer (as defined herein), Developer has agreed to construct the Project (as defined in the Redevelopment Agreement) and to advance funds under the TIF Act for certain eligible redevelopment project costs related to the Project. Prior to the date hereof, Developer has expended no less than $_____ for such redevelopment project costs, as evidenced by the certificate of expenditure executed by the City in accordance with the Redevelopment Agreement and attached hereto (the "Certificate of Expenditure").

The principal of and interest on this City Note B are payable in lawful money of the United States of America, and shall be made to the Registered Owner or registered assigns hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the 15th day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner or registered assigns as it appears on such registration books or at such other address furnished in writing by such Registered Owner or registered assigns to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this City Note B at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This City Note B is issued by the City in fully registered form in the aggregate principal amount of $_____ for advances made prior to the date hereof by Pullman Park Development, LLC, an Illinois limited liability company or by its managing member: Chicago Neighborhood Initiatives, Inc., an Illinois not-for-profit corporation (jointly and severally, the "Developer") for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer in connection with the redevelopment of property in the North Pullman Redevelopment Project Area (the "Redevelopment Area") in the City, with such redevelopment work and related construction being defined as the "Project", all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on _____, 2013 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged in the Redevelopment Agreement certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Redevelopment Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the City Note B. The revenues so pledged are described in _____ of the Redevelopment Agreement and defined herein as the "Available Incremental Taxes". Reference is hereby made to the Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the City Note B and the terms and conditions under which the City Note B is issued and secured. THIS NOTE IS NOT A GENERAL OR

MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM THE PLEDGED REVENUES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER OR REGISTERED ASSIGNS HEREOF ONLY AGAINST SAID PLEDGED REVENUES. THIS CITY NOTE B SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER AND REGISTERED ASSIGNS OF THIS CITY NOTE B SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS CITY NOTE B.

The principal of this City Note B is subject to prepayment and/or redemption at any time in whole or in part without premium or penalty.

This City Note B is transferable by the Registered Owner hereof or registered assigns in person at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance and the Redevelopment Agreement, and upon surrender and cancellation of this City Note B. Upon such transfer, a new City Note B of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this City Note B during the period beginning at the close of business on the 15th day of the month immediately prior to the maturity date of this City Note B nor to transfer this Note after notice calling this City Note B or a portion hereof for prepayment or redemption has been

mailed, nor during a period of 5 days next preceding mailing of a notice of prepayment or redemption of this City Note B. Such transfer shall be in accordance with the form at the end of this City Note B.

This City Note B hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide.

The City and the Registrar may deem and treat the Registered Owner hereof or registered assigns as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this City Note B did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this City Note B, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This City Note B shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this City Note B to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____, _____.

_____
Mayor

(SEAL)
Attest:

_____
City Clerk

CERTIFICATE
OF
AUTHENTICATION

This City Note B is described in the within mentioned Ordinance and is the $_____ Tax Increment Allocation Revenue Note (Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Project), Taxable Series B, of the City of Chicago, Cook County, Illinois.

_____
Comptroller

Date:_____

Registrar and Paying Agent:
Comptroller of the
City of Chicago,
Cook County, Illinois

TAXABLE SERIES B
REGISTERED
NO. R-1

PRINCIPAL AMOUNT
$_____

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT), TAXABLE SERIES B

NO. R-1

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____ the within Note and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated:_____ _____
Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed: _____

Notice: Signature(s) must be guaranteed by a member of the New York Stock Exchange or a commercial bank or trust company.

Consented to as of:_____

City of Chicago, Illinois

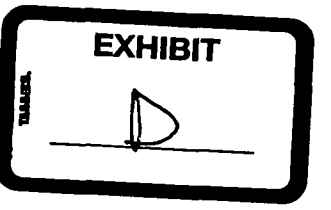
By:_____
Title _____, Department of
Housing and Economic Development

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(PULLMAN PARK DEVELOPMENT, LLC
CHICAGO NEIGHBORHOOD INITIATIVES, INC.
REDEVELOPMENT PROJECT), TAXABLE SERIES B

NO. R-1

PAYMENT AND AMORTIZATION SCHEDULE

Payment and Amortization Schedule to be attached to this Cover Sheet at Closing



CERTIFICATE OF EXPENDITURE FOR CITY NOTE

_____, 2013

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
$_____ Tax Increment Allocation Revenue Note
(Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc.
Redevelopment Project), Tax-Exempt Series A (the "City Note A")

This Certificate is submitted to you, as Registered Owner of City Note A, pursuant to the Ordinance of the City authorizing the execution of City Note A adopted by the City Council of the City on _____, 2013 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Ordinance.

The City hereby certifies that $_____ is advanced as principal under City Note A as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under City Note A is $_____.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____, 2013.

CITY OF CHICAGO

By: _____

_____, Commissioner
Department of Housing and Economic Development

AUTHENTICATED BY:

_____
REGISTRAR

EXHIBIT

E

CERTIFICATE OF EXPENDITURE FOR CITY NOTE

_____, 2013

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
$_____ Tax Increment Allocation Revenue Note
(Pullman Park Development, LLC/Chicago Neighborhood Initiatives, Inc. Redevelopment Project),
Taxable Series B (the "City Note B")

This Certificate is submitted to you, as Registered Owner of City Note B, pursuant to the Ordinance of the City authorizing the execution of the City Note B adopted by the City Council of the City on _____, 2013 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Ordinance.

The City hereby certifies that $_____ is advanced as principal under City Note B as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under City Note B is $_____.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____, 2013.

CITY OF CHICAGO

By: _____Commissioner
Department of Housing and Economic Development

AUTHENTICATED BY:

_____
REGISTRAR

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

PULLMAN PARK DEVELOPMENT, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 1000 E. 111TH ST
CHICAGO, IL 60628

C. Telephone: 773-341-2063 Fax: 773-341-2069 Email: ddoig@cnigroup.org

D. Name of contact person: DAVID DOIG

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

TIF ASSISTANCE FOR RETAIL PROJECT AT PULLMAN PARK, 111TH AND BISHOP FORD EXPY

G. Which City agency or department is requesting this EDS? DEPT. OF HOUSING & ECONOMIC DEVPT.

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

ILLINOIS

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
CHICAGO NEIGHBORHOOD INITIATIVES, INC.	MANAGER

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
CHICAGO NEIGHBORHOOD INITIATIVES, INC	1000 E 111TH ST CHICAGO, IL 60628	60%
PULLMAN TRANSFORMATION, INC	800 NICOLLET MALL MINNEAPOLIS, MN 55402	40%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
DLA PIPER	203 N LASALLE, CHICAGO, IL 60601	ATTY	$80,000 (est)
LAUBE COMPANIES	200 S WACKER, CHICAGO, IL 60606	CONSULTANT	$40,000 (est)
ZPD+A	542 S DEARBORN, SUITE 560, CHICAGO, IL 60605	ARCHITECT	$25,000 (est)
SPACECO, INC	9575 W HIGGINS, ROSEMONT, IL 60018	ENGINEER	$50,000 (est)

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

PULLMAN PARK DEVELOPMENT LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

DAVID DOLO
(Print or type name of person signing)

PRESIDENT, CHICAGO NEIGHBORHOOD INITIATIVES, ITS MANAGER
(Print or type title of person signing)

Signed and sworn to before me on (date) October 24, 2012
at Cook County, Illinois (state).

Maria G. Meduga Notary Public.

Commission expires: October 12, 2014.

OFFICIAL SEAL
MARIA G MEDUGA
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires October 12, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

CHICAGO NEIGHBORHOOD INITIATIVES, INC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [X] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: PULLMAN PARK DEVELOPMENT, LLC

B. Business address of the Disclosing Party: 1000 E 111TH ST
CHICAGO, IL 60628

C. Telephone: 773-341-2063 Fax: 773-341-2069 Email: ddoig@cnigroup.org

D. Name of contact person: DAVID DOLG

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

TIF ASSISTANCE FOR RETAIL PROJECT AT PULLMAN PARK, 111th & BISHOP FORD EXPY

G. Which City agency or department is requesting this EDS? HOUSING & ECONOMIC DEVELOPMENT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[X] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

ILLINOIS

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
NO MEMBERS.	SEE ATTACHED LIST OF DIRECTORS

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

CHICAGO NEIGHBORHOOD INITIATIVES

2012-2013 Directory

Board of Directors

Merlon Jackson, Chair

Bridget O'Keefe, Vice Chair

Kimberlie Jackson, Secretary

Timothy Frens, Treasurer

Keith Willy, Finance Chair

Leon Walker, Real Estate Chair

Steven Fox, Resource Development Chair

Darryl Jacobs

Aarti Kotak

Robert McGhee

Thomas McMahon

Craig Mizushima

Willard Payton

Michael Qualizza

Christopher Smith

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
NONE		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

☒ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

CHICAGO NEIGHBORHOOD INITIATIVES, INC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

DAVID DOLD
(Print or type name of person signing)

PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) October 24, 2012,
at Cook County, Illinois (state).

Maria G. Meduga Notary Public.

Commission expires: October 12, 2014.

OFFICIAL SEAL
MARIA G MEDUGA
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires October 12, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

PULLMAN TRANSFORMATION, INC.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: PULLMAN PARK DEVELOPMENT,
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 800 NICOLLET MALL
MINNEAPOLIS, MN 55402

C. Telephone: 314.335.2560 Fax: 314.335.2568 Email: matthew.potter@usbank.com

D. Name of contact person: MATTHEW W. POTTER

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

TIF ASSISTANCE FOR RETAIL PROJECT AT PULLMAN PARK, 111TH AND BISHOP FORD EXPY

G. Which City agency or department is requesting this EDS? DEPT. OF HOUSING AND ECONOMIC DEVELOPMENT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

DELAWARE, U.S.A.

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
PLEASE SEE ATTACHED	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

PULLMAN TRANSFORMATION, INC.
OFFICERS

Terrance R. Dolan	President and Treasurer
Lisa L. Glover	Senior Vice President
John P. Kinsella	Senior Vice President
Laura F. Bednarski	Senior Vice President and Secretary
Matthew B. Krush	Vice President and Assistant Secretary
Jeffrey W. Shea	Vice President and Treasurer
Brett E. Scribner	Vice President
Cara L. Seeley	Assistant Secretary

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
U.S. BANK NATIONAL ASSOCIATION	800 NICOLLET MALL, MINNEAPOLIS, MN 55402	100 %

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No TO THE BEST OF OUR KNOWLEDGE, AFTER DUE INQUIRY

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
HUSCH BLACKWELL, LLP (RETAINED)	190 CARONDELET PLAZA, STE 600 ST. LOUIS, MO 63105	ATTORNEY	$10,000 - $20,000
TRANS WESTERN (RETAINED)	200 W. MADISON, STE 3300 CHICAGO, IL 60606	CONSTRUCTION CONSULTANT	NO GREATER THAN $60,000

(FEES ARE CUMULATIVE FOR PULLMAN TRANSFORMATION, INC, U.S. BANK N.A AND U.S. BANCORP.)

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE KNOWN.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE KNOWN.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter? TO THE BEST OF OUR KNOWLEDGE, AFTER DUE INQUIRY

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding. NOT FEDERALLY FUNDED

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3. If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

PULLMAN TRANSFORMATION, INC., a Delaware Corporation
(Print or type name of Disclosing Party)

By: _____
(Sign here)

JEFFREY SHEA
(Print or type name of person signing)

VICE PRESIDENT AND TREASURER, PULLMAN TRANSFORMATION, INC.
(Print or type title of person signing)

Signed and sworn to before me on (date) October 29, 2012
at Hennepin County, Minnesota (state).

_____ Notary Public.

SARA M. MALONEY
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

Commission expires: 1-31-15.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No TO THE BEST OF OUR KNOWLEDGE, AFTER DUE INQUIRY

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANK, NATIONAL ASSOCIATION

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [X] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: PULLMAN TRANSFORMATION, INC.

B. Business address of the Disclosing Party: 800 NICOLLET MALL
MINNEAPOLIS, MN 55402

C. Telephone: 314.335.2560 Fax: 314 335.2568 Email: matthew.potter@usbank.com

D. Name of contact person: MATTHEW W. POTTER

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

TIF ASSISTANCE FOR RETAIL PROJECT AT PULLMAN PARK, 111TH AND BISHOP FORD EXWY

G. Which City agency or department is requesting this EDS? DEPT. OF HOUSING AND ECONOMIC DEVELOPMENT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
NATIONAL BANKING ASSOCIATION

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

UNITED STATES

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A PLEASE SEE ATTACHMENT "C".

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
SEE ATTACHED LIST	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

Attachment C

City of Chicago
Economic Disclosure Statement and Affidavit

Statement Regarding Registration as Foreign Entity

U.S. Bank operates branches in the State of Illinois under the authority of its national bank charter and is therefore not required to register as a foreign corporation with the State.

US Bancorp/US Bank N.A. Organizational Structures - September 2012

U.S. Bancorp Board of Directors	
Davis, Richard K.	Director, Chairman of the Board
Baker, Douglas M. Jr.	Chairman and Chief Executive Officer, Ecolab, Inc.
Belton, Y. Marc	Executive Vice President, Global Strategy, Growth and Marketing Innovation, General Mills, Inc.
Buyniski Gluckman, Victoria	Retired Chairman and Chief Executive Officer, United Medical Resources, Inc.
Collins, Arthur D. Jr.	Retired Chairman and Chief Executive Officer, Medtronic, Inc. and Senior Advisor, Oak Hill Partners
Hernandez, Roland A.	Chief Executive Officer, Hernandez Media Ventures
Johnson, Joel W.	Retired Chairman and Chief Executive Officer Hormel Foods Corporation
Kirtley, Olivia F.	Certified Public Accountant and Business Consultant
Levin, Jerry W.	Chairman and Chief Executive Officer, Wilton Brands Inc. and JW Levin Partners LLC
O'Maley, David B.	Executive Chairman and Retired President and Chief Executive Officer, Ohio National Mutual Holdings, Inc. and Ohio National Financial Services, Inc.
Owens, O'dell M.	President Cincinnati State Technical and Community College and Independent Consultant
Richard G. Reiten	Retired Chairman and Chief Executive Officer Northwest Natural Gas Company
Schnuck, Craig D.	Former Chairman and Chief Executive Officer Schnuck Markets, Inc.
Stokes, Patrick T.	Former Chairman and former Chief Executive Officer Anheuser-Busch Companies, Inc.
Woo Ho, Doreen	President, San Francisco Port Commission

U.S. Bank National Association Board of Directors
Carlson, Jennie P.
Cecere, Andrew
Collins, Arthur D. Jr.
Davis, Richard K.
Dolan, Terrance R.
Hartnack, Richard C.
Hidy, Richard J.
Hoesley, Joseph C.
Joseph, Pamela A.
McCullough, Howell D. (Mac) III
Mitau, Lee R.
Parker, P.W. (Bill)
Payne, Richard B. Jr.
Schnuck, Craig D.
von Gillern, Jeffry H.

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
U.S. BANCORP	800 NICOLLET MALL MINNEAPOLIS, MN 55402	100 %

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No TO THE BEST OF OUR KNOWLEDGE, AFTER DUE INQUIRY.

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
HUSCH BLACKWELL, LLP (RETAINED)	190 CARONDELET PLAZA, STE 600 ST. LOUIS MO 63105	ATTORNEY	$10,000 - $20,000
TRANSWESTERN (RETAINED)	200 W. MADISON, CHICAGO, IL STE. 3300 60606	CONSTRUCTION CONSULTANT	NO GREATER THAN $60,000

(Add sheets if necessary)

(FEES ARE CUMULATIVE FOR PULLMAN TRANSFORMATION, INC, US BANK, NA, and US BANCORP)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

PLEASE SEE ATTACHMENT "B".

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

Statement Regarding Further Certifications

U.S. Bank National Association itself is a mortgage lender. U.S. Bank National Association is also one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitization trusts that each hold multiple real property mortgages. From time to time, mortgage borrowers in Chicago default on payment of real estate taxes or otherwise fail to comply with City of Chicago requirements with respect to certain of their mortgage properties. This can result in legal action against the borrower by the City of Chicago, which legal action may name U.S. Bank National Association as the mortgage holder (either in its individual capacity or in its capacity as a trustee). As of July 12, 2012, U.S. Bank National Association was aware of outstanding claims against it (individually or in its capacity as trustee) totaling $261,046.46 wherein the City of Chicago or one of its departments or divisions (including the Department of Buildings and the Department of Sanitation) is the creditor. The vast majority of this amount is related to properties that U.S. Bank National Association holds in trust and for which it does not do the servicing. U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee meets with various City officials twice a month to address these claims.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE KNOWN

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE KNOWN

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No TO THE BEST OF OUR KNOWLEDGE, AFTER DUE INQUIRY

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

___1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
PLEASE SEE ATTACHED

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded,** complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding. NOT FEDERALLY FUNDED

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

Statement Regarding Slavery Era Business

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-five predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (formed in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANK, NATIONAL ASSOCIATION
(Print or type name of Disclosing Party)

By: Gerald M. Kluy
(Sign here)

GERALD M. KLUY
(Print or type name of person signing)

Vice-President
(Print or type title of person signing)

Signed and sworn to before me on (date) October 29, 2012
at St. Louis County, Missouri (state).

Beverly R. Fox Notary Public.

Commission expires: March 28, 2014

BEVERLY R FOX
Notary Public - Notary Seal
State of Missouri, Saint Louis City
Commission # 10955390
My Commission Expires Mar 28, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No TO THE BEST OF OUR KNOWLEDGE, AFTER DUE INQUIRY.

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Office of the City Clerk

O2013-1327

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Issuance of O'Hare International Airport Revenue Bonds
Committee(s) Assignment:	Committee on Finance

FIN.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Chief Financial Officer and the Commissioner of Aviation, I transmit herewith an ordinance authorizing an issuance of O'Hare International Airport Revenue Bonds.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "*City*") is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "*Constitution*") having a population in excess of 25,000 and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution; and

WHEREAS, the City owns and operates an airport known as Chicago O'Hare International Airport (the "*Airport*"); and

WHEREAS, the City has previously issued various series of its Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds that are currently outstanding (the "*Outstanding Senior Lien Bonds*"); and

WHEREAS, the Outstanding Senior Lien Bonds have been issued pursuant to the Master Indenture of Trust Securing Chicago O'Hare International Airport General Airport Revenue Senior Lien Obligations dated as of September 1, 2012 between the City and U.S. Bank National Association, as trustee (the "*Senior Lien Trustee*"), as amended and supplemented (the "*Senior Lien Master Indenture*"); and

WHEREAS, the City Council of the City (the "*City Council*") has previously authorized a commercial paper program providing for the issuance from time to time of commercial paper notes for Airport purposes (the "*Commercial Paper Notes*"); and

WHEREAS, the City has previously established a line of credit program (the "*Line of Credit Program*") providing for the issuance from time to time of credit agreement notes for Airport purposes (the "*Credit Agreement Notes*"); and

WHEREAS, the Outstanding Senior Lien Bonds and any Commercial Paper Notes and Credit Agreement Notes currently or later outstanding are referred to collectively herein as the "Outstanding Airport Obligations"; and

WHEREAS, the City has determined to authorize the issuance of its Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds (the "*2013 Senior Lien Bonds*") pursuant to the Senior Lien Master Indenture, in one or more series, for the purposes of (i) funding the cost of certain capital projects for the Airport, including, without limitation, capital projects included in the O'Hare Capital Improvement Program or in the O'Hare Modernization Program, which constitute Airport Projects under the Senior Lien Master Indenture and capitalized interest (the "*Airport Projects*"), and (ii) the refunding of any or all Outstanding Airport Obligations; and

WHEREAS, the City has determined to acquire, construct and equip a consolidated rental car facility and related improvements at the Airport (collectively, the "*Consolidated Rental Car Facility*"); an extension of the automated transit system ("*ATS*") including a new station and the acquisition of additional vehicles for the ATS (collectively, the "*ATS Improvements*"); and elevated public parking facilities and related improvements located above or near the Consolidated Rental Car Facility (collectively, the "*Parking Facilities*") (the Consolidated

Rental Car Facility, the ATS Improvements and the Parking Facilities, being herein collectively referred to as the "*Projects*"); and

WHEREAS, the City, as provided for under the CFC Statute (as hereinafter defined), has previously imposed a customer facility charge ("*CFC*") on customers of rental car companies leasing on-airport rental car facilities at the Airport, pursuant to the CFC Ordinance (as hereinafter defined); and

WHEREAS, the City has determined to authorize the issuance of its Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds (the "*2013 CFC Bonds*") in one or more series for the purposes of paying all or a portion of the cost of the Projects in accordance with the CFC Ordinance and the CFC Statute; and

WHEREAS, the City proposes to issue and sell 2013 Senior Lien Bonds and 2013 CFC Bonds (collectively, the "*2013 Bonds*") in the manner and in the aggregate principal amounts hereinafter authorized, in one or more series; and

WHEREAS, on March 14, 2012, the City Council adopted an ordinance with respect to certain financing matters related to the Airport (as amended, the "*2012 O'Hare Financing Ordinance*"), pursuant to which the Line of Credit Program was authorized, which ordinance was amended in part pursuant to an ordinance adopted by the City Council on May 9, 2012; and

WHEREAS, the City now desires to amend, as set forth in this ordinance, portions of the 2012 O'Hare Financing Ordinance with respect to the Line of Credit Program; and

WHEREAS, the City owns and operates an airport known as Chicago Midway International Airport ("*Midway Airport*"); and

WHEREAS, on July 29, 2003, the City Council of the City adopted an ordinance with respect to certain financing matters related to Midway Airport (the "*2003 Midway Financing Ordinance*"), pursuant to which the City has established a commercial paper program (the "*Midway Commercial Paper Program*") providing for the issuance from time to time of commercial paper notes for Midway Airport purposes (the "*Midway CP Notes*"); and

WHEREAS, the City now desires to amend as set forth in this ordinance, portions of the 2003 Midway Financing Ordinance with respect to the Midway Commercial Paper Program; now therefore

Be It Ordained by the City Council of the City of Chicago:

PART A

ARTICLE I
AUTHORIZATION, FINDINGS AND DETERMINATIONS AND APPROVAL OF DOCUMENTS

Section 1.1. Authorization. The above recitals are incorporated in this Ordinance. This Ordinance is adopted pursuant to Section 6(a) of Article VII of the Constitution. This

Ordinance authorizes the issuance of the 2013 Bonds as follows: (i) this Part A authorizes the issuance of the 2013 Bonds, (ii) Part B hereof authorizes the issuance, from time to time, of all or a portion of the 2013 Bonds as 2013 Senior Lien Bonds, in one or more series, in such principal amounts and with such terms and provisions as set forth therein and in the Senior Lien Master Indenture, and the related Supplemental Indenture therein approved; (iii) Part C hereof authorizes the issuance, from time to time, of all or a portion of the 2013 Bonds as 2013 CFC Bonds, in one or more series, in such principal amounts and with such terms and provisions as set forth therein and in the CFC Indenture therein approved; and (iv) Part D hereof sets forth provisions applicable to both the 2013 Senior Lien Bonds and the 2013 CFC Bonds and authorizes City officials to execute and deliver agreements relating to the matters authorized by this Ordinance. Part E hereof authorizes amendment of the 2012 O'Hare Financing Ordinance with respect to the Line of Credit Program and amendment of the 2003 Midway Financing Ordinance with respect to the Midway Commercial Paper Program.

Section 1.2. Findings and Determinations. This City Council hereby finds and determines as follows:

(a) that the issuance of the 2013 Senior Lien Bonds and the refunding of the Outstanding Airport Obligations and any other bonds, notes or other obligations issued by the City to finance or refinance any Airport Project will result in debt service savings or provide other benefits to the Airport;

(b) that the Airport Projects to be financed by the City with the proceeds of the 2013 Senior Lien Bonds are necessary and essential to the efficient operation of the Airport;

(c) that the Projects to be financed by the City with the proceeds of the 2013 CFC Bonds are necessary and essential to the efficient operation of the Airport;

(d) that the City's ability to issue 2013 Bonds from time to time without further action by this City Council at various times, in various principal amounts and with various interest rates and interest rate mechanisms, maturities, redemption provisions and other terms will enhance the City's opportunities to obtain financing for the Airport upon the most favorable terms available;

(e) that from time to time interim financing of capital projects at, near or for the benefit of the Airport, including, without limitation, capital projects included in or related to the O'Hare Modernization Program or the O'Hare Capital Improvement Program, is needed prior to the issuance of long term revenue bonds or the receipt of federal grants;

(f) that from time to time it is desirable to refund (i) outstanding Airport revenue bonds and notes of the City (including bonds and notes payable from passenger facility charges, customer facility charges, special facility revenues or grant receipts) and other payment obligations related thereto and (ii) future issues of Airport revenue bonds and notes of the City (including bonds and notes payable from passenger facility charges, customer facility charges, special facility revenues or grant receipts) as may be outstanding from time to time, and other payment obligations related thereto;

(g) that the delegations of authority that are contained in this Ordinance, including the authority to make the specific determinations described in clause (d) above, are necessary and desirable because this City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. Thus, authority is granted to the Mayor, the Chief Financial Officer appointed by the Mayor or the City Comptroller (the "*Authorized Officer*" as referred to herein being either the Chief Financial Officer or the City Comptroller) to determine to sell one or more series of 2013 Bonds, at one or more times, as and to the extent such officers determine that such sale or sales is desirable and in the best financial interest of the City and the Airport.

Section 1.3. Forms of Documents. There have been presented to this City Council forms of the following documents:

(a) Forty-Fourth Supplemental Indenture Securing Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds, Series 2013 (attached hereto as *Exhibit A*);

(b) Indenture of Trust Securing Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, Series 2013 (attached hereto as *Exhibit B*);

Section 1.4. Debt Issuance. The 2013 Bonds are hereby authorized to be issued pursuant to this Ordinance for the purposes specified in Part B with respect to the 2013 Senior Lien Bonds and Part C with respect to the 2013 CFC Bonds.

Section 1.5. Title. This Ordinance may hereafter be cited as the "2013 O'Hare Financing Ordinance."

PART B

ARTICLE I
AUTHORITY AND DEFINITIONS

Section 1.1. Authority for Part B. This Part B is authorized pursuant to the Senior Lien Master Indenture.

Section 1.2. Definitions.

(a) Except as provided in this Section, all defined terms contained in this Part B and in Part D shall have the same meanings, respectively, as such defined terms are given in the Senior Lien Master Indenture.

(b) As used in this Part B and in Part D, unless the context shall otherwise require, the following words and terms shall have the following respective meanings:

"*Authorized Officer*" is defined in Section 1.2(g) of Part A.

"*Forty-Fourth Supplemental Indenture*" means the Forty-Fourth Supplemental Indenture Securing Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds from the City to the Senior Lien Trustee relating to the initial series of 2013 Senior Lien Bonds.

"*Senior Lien Master Indenture*" means the Master Indenture of Trust Securing Chicago O'Hare International Airport General Airport Revenue Senior Lien Obligations dated as of September 1, 2012, from the City to the Senior Lien Trustee, as the same from time to time may be amended or supplemented by Supplemental Indentures executed and delivered in accordance with the provisions thereof.

"*Senior Lien Trustee*" means U.S. Bank National Association, and its successor in trust, as trustee under the Senior Lien Master Indenture and as Trustee under any Supplemental Indenture.

"*Supplemental Indenture*" means a supplemental indenture authorizing a series of 2013 Senior Lien Bonds, substantially in the form of the Forty-Fourth Supplemental Indenture.

"*2013 Bonds*" means the 2013 Bonds authorized by Section 1.4 of Part A of this Ordinance.

"*2013 CFC Bonds*" means the 2013 CFC Bonds authorized by Section 2.1 of Part C of this Ordinance.

"*2013 Senior Lien Bonds*" means the 2013 Senior Lien Bonds authorized by Section 2.1 of this Part B.

ARTICLE II
AUTHORIZATION AND DETAILS OF 2013 SENIOR LIEN BONDS

Section 2.1. Authorization of 2013 Senior Lien Bonds.

(a) The 2013 Senior Lien Bonds may be issued pursuant to the Senior Lien Master Indenture and one or more Supplemental Indentures and for the purposes specified in Section 2.2 of this Part B in an aggregate principal amount not to exceed $900,000,000. The 2013 Senior Lien Bonds may be issued bearing interest at a fixed interest rate or rates as more fully set forth in the related Supplemental Indenture. Any 2013 Senior Lien Bonds may be issued as current interest bonds, as capital appreciation bonds or as capital appreciation bonds that convert to current interest bonds at a future date after their issuance.

(b) The 2013 Senior Lien Bonds shall mature not later than January 1, 2053, and shall bear interest from their date, or from the most recent date to which interest has been paid or duly provided for, until the City's obligation with respect to the payment of the principal amount thereof shall be discharged, payable as provided in the related Supplemental Indenture at a rate or rates not in excess of 15% per annum. Each series of 2013 Senior Lien Bonds may be subject to mandatory and optional redemption (including mandatory redemption pursuant to the application of Sinking Fund Payments) and demand purchase or mandatory purchase provisions prior to maturity, upon the terms and conditions set forth in the Senior Lien Master Indenture and the related Supplemental Indenture. The redemption price may be based upon a formula designed to compensate the Owner of the 2013 Senior Lien Bonds to be redeemed based upon prevailing market conditions on the date fixed for redemption, commonly known as a "make-whole" redemption price (the "*Make-Whole Redemption Price*"). At the time of sale of the 2013 Senior Lien Bonds, an Authorized Officer shall determine the provisions of the formula to be

used to establish any Make-Whole Redemption Price if determined to be included in the terms of the 2013 Senior Lien Bonds, which may vary depending on whether the 2013 Senior Lien Bonds are issued on a taxable or tax-exempt basis. An Authorized Officer shall confirm and transmit the applicable Make-Whole Redemption Price on such dates and to such parties as shall be necessary to effectuate such redemption.

(c) The 2013 Senior Lien Bonds shall be entitled "Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds" or "Chicago O'Hare International Airport General Airport Senior Lien Revenue Refunding Bonds," as appropriate. The 2013 Senior Lien Bonds may be issued in one or more separate series, designated and identified as provided in the related Supplemental Indenture.

(d) Each 2013 Senior Lien Bond shall be issued in fully registered form and in the denominations set forth in the related Supplemental Indenture; and shall be dated and numbered and further designated and identified as provided in the Senior Lien Master Indenture and the related Supplemental Indenture.

(e) Principal of and premium, if any, on the 2013 Senior Lien Bonds shall be payable at the principal corporate trust office of the Senior Lien Trustee or any Paying Agent as provided in the Senior Lien Master Indenture and related Supplemental Indenture. Payment of interest on the 2013 Senior Lien Bonds shall be made to the registered owner thereof and shall be paid by check or draft of the Senior Lien Trustee mailed to the registered owner at his or her address as it appears on the registration books of the City kept by the Senior Lien Trustee or at such other address as is furnished to the Senior Lien Trustee in writing by such registered owner, or by wire transfer as further provided in the Senior Lien Master Indenture and related Supplemental Indenture.

(f) Authority is hereby delegated to either the Mayor or the Authorized Officer to determine the aggregate principal amount of 2013 Senior Lien Bonds to be issued in an aggregate principal amount not to exceed $900,000,000, the date thereof, the maturities thereof, any provisions for optional redemption thereof, the schedule of Sinking Fund Payments, if any, to be applied to the mandatory redemption thereof (which mandatory redemption shall be at a Redemption Price equal to the principal amount of each 2013 Senior Lien Bond to be redeemed, without premium, plus accrued interest), the rate or rates of interest payable thereon or method for determining such rate or rates and the first interest payment date thereof. Any optional redemption shall be at Redemption Prices that may include a redemption premium for each 2013 Senior Lien Bond to be redeemed expressed as a percentage, not exceeding three percent (3%), of the principal amount (or in the case of capital appreciation bonds, the accreted value as of the redemption date) of the 2013 Senior Lien Bond to be redeemed, or at a Make-Whole Redemption Price.

Section 2.2. Purposes. Pursuant to Section 203 of the Senior Lien Master Indenture, the 2013 Senior Lien Bonds are to be issued for the following purposes, as determined by the Authorized Officer at the time of the sale of the 2013 Senior Lien Bonds:

(a) the payment, or the reimbursement for the payment, of all or a portion of the costs of acquiring, constructing and equipping any Airport Project or Airport Projects, including,

without limitation, the Projects and payment of capitalized interest on the 2013 Senior Lien Bonds or any other Outstanding Airport Obligations;

(b) the refunding of any Outstanding Airport Obligations;

(c) the funding of deposits, deposit of moneys in a program fee account, a debt service reserve account, a capitalized interest account and such other accounts and subaccounts (including capitalized interest accounts for any series of Senior Lien Bonds) as may be provided for in the Senior Lien Master Indenture and the Supplemental Indenture relating to such series; and

(d) the payment of the Costs of Issuance of the 2013 Senior Lien Bonds.

The proceeds of each series of 2013 Senior Lien Bonds shall be applied for the purposes set forth above in the manner and in the amounts specified in a Certificate of an Authorized Officer (as defined in the Senior Lien Master Indenture) delivered in connection with the issuance of such series pursuant to the Senior Lien Master Indenture and the related Supplemental Indenture.

Section 2.3. Pledge of Senior Lien Revenues and Other Available Moneys. The 2013 Senior Lien Bonds, together with interest thereon, shall be limited obligations of the City secured by a pledge of the Senior Lien Revenues and by any Other Available Moneys pledged under the Senior Lien Master Indenture and the related Supplemental Indenture, including, but not limited to, passenger facility charge revenues to be withdrawn from the PFC Capital Fund of the City, and shall be valid claims of the registered owners thereof only against the funds and assets and other money held by the Senior Lien Trustee with respect thereto and against such Revenues and Other Available Moneys. The 2013 Senior Lien Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness or a loan of credit of the City, or a charge against its general credit or taxing powers, within the meaning of any constitutional or statutory limitation of the State of Illinois. In connection with the issuance of any series of 2013 Senior Lien Bonds secured by a pledge of or otherwise payable from Other Available Moneys, the City shall determine in the related Supplemental Indenture or by a Certificate of an Authorized Officer filed with the Senior Lien Trustee, all of the terms and conditions of such pledge, including the annual payment amount, the lien status thereof and the duration of such pledge.

Section 2.4. Approval of Supplemental Indentures.

(a) The form of Forty-Fourth Supplemental Indenture presented to this meeting is hereby approved in all respects. The Mayor or the Authorized Officer is hereby authorized, with respect to each series of 2013 Senior Lien Bonds, to execute and deliver a Supplemental Indenture in substantially the form of the Forty-Fourth Supplemental Indenture for and on behalf of the City, and the City Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the City or a facsimile thereof.

(b) Each such Supplemental Indenture shall be substantially in the form of the Forty-Fourth Supplemental Indenture presented to this meeting and may contain such changes or revisions as shall be approved by the Mayor or the Authorized Officer, and execution and

delivery of such Supplemental Indenture containing such changes or revisions shall constitute conclusive evidence of such approval.

(c) By the purchase of the 2013 Senior Lien Bonds, purchasers of such 2013 Senior Lien Bonds agree, for themselves and any successor Owners, to the provisions of any one or more Senior Lien Master Indenture amendments executed and delivered pursuant to the authorization set forth in Part B, Section 2.5(g) of that certain bond ordinance which was adopted by the City Council of the City on November 18, 2009, relating to bond financing at the Airport.

(d) The execution and delivery of a Supplemental Indenture shall constitute conclusive evidence of this City Council's approval of the form of such Supplemental Indenture as executed and delivered.

Section 2.5. Qualified Reserve Account Credit Instruments. The Authorized Officer is hereby authorized to arrange for the provision of one or more Qualified Reserve Account Credit Instruments (as defined in the Forty-Fourth Supplemental Indenture) as security for all or a portion of the 2013 Senior Lien Bonds if the Authorized Officer determines that it would be in the best financial interest of the City in the operation of the Airport.

PART C

ARTICLE I
DEFINITIONS

Section 1.1. Definitions.

(a) Except as provided in this Section, all defined terms contained in this Part C and in Part D shall have the same meanings, respectively, as such defined terms are given in the CFC Indenture.

(b) As used in this Part C and in Part D, unless the context shall otherwise require, the following words and terms shall have the following respective meanings:

"*Authorized Officer*" is defined in Section 1.2(g) of Part A.

"*CFC Indenture*" means the Indenture of Trust Securing Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, Series 2013, from the City to the CFC Trustee, as the same may be amended and supplemented.

"*CFC Ordinance*" means the ordinance adopted by the City Council of the City on May 12, 2010, entitled "An Ordinance Authorizing A Customer Facility Charge And The Execution Of Concession Licenses With Rental Car Companies At O'Hare International Airport," as amended and supplemented from time to time in accordance with the terms thereof.

"*CFC Statute*" means Section 6-305(j) of the Illinois Vehicle Code, 625 ILCS 5/6-305(j).

"*CFC Trustee*" means The Bank of New York Mellon Trust Company, N.A., and its successor in trust, as trustee under the CFC Indenture and as Trustee under any Supplemental Indenture.

"*Supplemental Indenture*" means a supplemental indenture authorizing a series of 2013 CFC Bonds, substantially in the form of the Forty-Fourth Supplemental Indenture (attached to this Ordinance as *Exhibit A*), adjusted to reflect that the 2013 CFC Bonds issued pursuant thereto are CFC Obligations issued pursuant to the CFC Indenture and secured by and payable from a pledge of Revenues as provided in Section 2.3 of this Part C.

"*2013 Bonds*" means the 2013 Bonds authorized by Section 1.4 of Part A of this Ordinance.

"*2013 CFC Bonds*" means the 2013 CFC Bonds authorized by Section 2.1 of this Part C.

"*2013 Senior Lien Bonds*" means the 2013 Senior Lien Bonds authorized by Section 2.1 of Part B of this Ordinance.

ARTICLE II
AUTHORIZATION AND DETAILS OF 2013 CFC BONDS

Section 2.1. Authorization of 2013 CFC Bonds.

(a) The 2013 CFC Bonds may be issued pursuant to the CFC Indenture and, if determined by the Authorized Officer to be necessary, one or more Supplemental Indentures and for the purposes specified in Section 2.2 of this Part C. The aggregate principal amount of 2013 CFC Bonds shall not exceed $750,000,000. The 2013 CFC Bonds may be issued bearing interest at a fixed interest rate or rates as more fully set forth in the CFC Indenture or a related Supplemental Indenture. Any 2013 CFC Bonds may be issued as current interest bonds, as capital appreciation bonds or as capital appreciation bonds that convert to current interest bonds at a future date after their issuance.

(b) The 2013 CFC Bonds shall mature not later than January 1, 2053, and shall bear interest from their date, or from the most recent date to which interest has been paid or duly provided for, until the City's obligation with respect to the payment of the principal amount thereof shall be discharged, payable as provided in the CFC Indenture or a related Supplemental Indenture at a rate or rates not in excess of 15% per annum. Each series of 2013 CFC Bonds may be subject to mandatory and optional redemption (including mandatory redemption pursuant to the application of Sinking Fund Payments) and demand purchase or mandatory purchase provisions prior to maturity, upon the terms and conditions set forth in the CFC Indenture or a related Supplemental Indenture. The redemption price may be based upon a formula designed to compensate the Owner of the 2013 CFC Bonds to be redeemed based upon prevailing market conditions on the date fixed for redemption, commonly known as a "make-whole" redemption price (the "*Make-Whole Redemption Price*"). At the time of sale of the 2013 CFC Bonds, an Authorized Officer shall determine the provisions of the formula to be used to establish any Make-Whole Redemption Price if determined to be included in the terms of the 2013 CFC Bonds, which may vary depending on whether the 2013 CFC Bonds are issued on a taxable or tax-exempt basis. An Authorized Officer shall confirm and transmit the applicable Make-Whole

Redemption Price on such dates and to such parties as shall be necessary to effectuate such redemption.

(c) The 2013 CFC Bonds shall be entitled "Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds" and may be issued in one or more separate series, appropriately designated to indicate the order of their issuance. Each 2013 CFC Bond shall be issued in fully registered form and in the denominations set forth in the CFC Indenture or a related Supplemental Indenture; and shall be dated and numbered and further designated and identified as provided in the CFC Indenture or a related Supplemental Indenture.

(d) Principal of and premium, if any, on the 2013 CFC Bonds shall be payable at the principal corporate trust office of the CFC Trustee or any Paying Agent as provided in the CFC Indenture or a related Supplemental Indenture. Payment of interest on the 2013 CFC Bonds shall be made to the registered owner thereof and shall be paid by check or draft of the CFC Trustee mailed to the registered owner at his or her address as it appears on the registration books of the City kept by the CFC Trustee or at such other address as is furnished to the CFC Trustee in writing by such registered owner, or by wire transfer as further provided in the CFC Indenture or a related Supplemental Indenture.

(e) Authority is hereby delegated to either the Mayor or the Authorized Officer to determine the aggregate principal amount of 2013 CFC Bonds to be issued, which shall not exceed $750,000,000, the date thereof, the maturities thereof, any provisions for optional redemption thereof, the schedule of Sinking Fund Payments, if any, to be applied to the mandatory redemption thereof (which mandatory redemption shall be at a Redemption Price equal to the principal amount of each 2013 CFC Bond to be redeemed, without premium, plus accrued interest), the rate or rates of interest payable thereon or method for determining such rate or rates and the first interest payment date thereof. Any optional redemption shall be at Redemption Prices that may include a redemption premium for each 2013 CFC Bond to be redeemed expressed as a percentage, not exceeding three percent (3%), of the principal amount (or in the case of capital appreciation bonds, the accreted value as of the redemption date) of the 2013 CFC Bond to be redeemed, or at a Make-Whole Redemption Price.

Section 2.2. Purposes. The 2013 CFC Bonds are to be issued for the following purposes, as determined by the Authorized Officer at the time of the sale of the 2013 CFC Bonds:

(a) the payment, or the reimbursement for the payment, of all or a portion of the Costs of any Projects, including capitalized interest;

(b) the funding of deposits into funds and accounts as may be provided for in the CFC Indenture or any Supplemental Indenture relating to such series; and

(c) the payment of the Costs of Issuance of the 2013 CFC Bonds.

The proceeds of each series of 2013 CFC Bonds shall be applied for the purposes set forth above in the manner and in the amounts specified in a certificate of an Authorized Officer delivered in connection with the issuance of such series pursuant to the CFC Indenture or a related Supplemental Indenture.

Section 2.3. Pledge of Revenues. The 2013 CFC Bonds, together with interest thereon, shall be limited obligations of the City secured by a pledge of the Revenues pledged under the CFC Indenture and any related Supplemental Indenture, and shall be valid claims of the registered owners thereof only against the funds and assets and other money held by the CFC Trustee with respect thereto and against such Revenues. The 2013 CFC Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness or a loan of credit of the City, or a charge against its general credit or taxing powers, within the meaning of any constitutional or statutory limitation of the State of Illinois.

Section 2.4. Approval of CFC Indenture and Supplemental Indentures.

(a) The form of CFC Indenture presented to this meeting is hereby approved in all respects. The Mayor or the Authorized Officer is hereby authorized, with respect to each series of 2013 CFC Bonds, to execute and deliver the CFC Indenture in substantially the form of the CFC Indenture presented to this meeting, or with such changes or revisions as shall be approved by the Mayor or the Authorized Officer, including without limitation, such changes or revisions as may be necessary to receive, in the determination of the Authorized Officer, a necessary or desirable rating on the 2013 CFC Bonds, and execution and delivery of such CFC Indenture containing such changes or revisions shall constitute conclusive evidence of such approval, for and on behalf of the City, and the City Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the City or a facsimile thereof.

(b) The execution and delivery of the CFC Indenture shall constitute conclusive evidence of this City Council's approval of the form of such CFC Indenture as executed and delivered.

(c) The Mayor or the Authorized Officer is hereby authorized with respect to each series of 2013 CFC Bonds to execute and deliver a Supplemental Indenture in substantially the form of the Supplemental Indenture for and on behalf of the City and the City Clerk is hereby authorized to attest the same and to affix thereto the corporate seal of the City or a facsimile thereof in the event that such Supplemental Indenture is determined to be necessary by the Authorized Officer.

(d) Each such Supplemental Indenture shall be substantially in the form of the Supplemental Indenture, and may contain such changes or revisions as shall be approved by the Mayor or the Authorized Officer.

(e) The execution and delivery of a Supplemental Indenture shall constitute conclusive evidence of this City Council's approval of the form of such Supplemental Indenture as executed and delivered.

Section 2.5. Qualified Reserve Account Credit Instruments. The Authorized Officer is hereby authorized to arrange for the provision of one or more letters of credit, surety bonds or insurance policies with the characteristics satisfying the requirements of a Qualified Reserve Account Credit Instrument (as defined in the Forty-Fourth Supplemental Indenture) as security for all or a portion of the 2013 CFC Bonds if the Authorized Officer determines that it would be in the best financial interest of the City in the operation of the Airport.

PART D

ARTICLE I
BOND SALE AND RELATED MATTERS

Section 1.1. Application and Definitions.

(a) The provisions of this Part D are applicable to obligations issued pursuant to Part B and Part C of this Ordinance and shall be applied in conjunction therewith. Terms defined in Parts A, B and C shall have the same meanings when used in this Part D.

(b) As used in this Part D, unless the context shall otherwise require, the term "*Code*" means the Internal Revenue Code of 1986, as amended.

Section 1.2. Sale of 2013 Bonds.

(a) Subject to the limitations contained in this Ordinance, authority is hereby delegated to the Mayor or the Authorized Officer to sell the 2013 Bonds in one or more series from time to time to one or more underwriters selected by the Authorized Officer pursuant to one or more Contracts of Purchase with respect to the 2013 Bonds between the City and such underwriters; provided that the aggregate purchase price of each series of the 2013 Bonds shall not be less than 98% of the principal amount thereof to be issued (less any original issue discount which may be used in the marketing thereof) plus accrued interest thereon from their date to the date of delivery thereof and payment thereof. In addition, one or more of the 2013 Bonds may be issued as bonds the interest on which will be includable in the gross income of the owners thereof for federal income tax purposes under the Code, if determined by the Authorized Officer to be beneficial to the City in the operation of the Airport.

(b) The Mayor or the Authorized Officer, with the concurrence of the Chairman of the Committee on Finance of the City Council, is hereby authorized and directed to execute and deliver one or more Contracts of Purchase relating to the 2013 Bonds in substantially the form of the Contracts of Purchase used in connection with the previous sales of airport revenue bonds by the City, together with such changes thereto and modifications thereof as shall be approved by the Mayor or the Authorized Officer, as the case may be, subject to the limitations contained in this Ordinance, the execution and delivery thereof to constitute conclusive evidence of this City Council's approval of such changes and modifications.

(c) To evidence the exercise of the authority delegated to the Mayor or the Authorized Officer by this Ordinance, the Mayor or the Authorized Officer, as the case may be, is hereby directed to execute and file with the City Clerk in connection with the sale of 2013 Bonds a certificate setting forth the determinations made pursuant to the authority granted herein, which certificate shall constitute conclusive evidence of the proper exercise by them of such authority. Contemporaneously with the filing of such certificate, the Mayor or the Authorized Officer shall also file with the City Clerk one copy of each Official Statement and executed Contract of Purchase in connection with the 2013 Bonds. Each filing shall be made as soon as practicable subsequent to the execution of the Contract of Purchase. The City Clerk shall direct copies of such filings to the City Council.

(d) The Authorized Officer is hereby authorized to cause to be prepared the form or forms of one or more Preliminary Official Statements describing the 2013 Bonds. Each Preliminary Official Statement (or applicable parts thereof) shall be in substantially the form of the Official Statements used in connection with previous sales of airport revenue bonds by the City, together with such changes thereto and modifications thereof as shall be approved by the Authorized Officer. The distribution of each Preliminary Official Statement to prospective purchasers and the use thereof by the underwriters in connection with the offering of the 2013 Bonds are hereby authorized and approved. The Mayor or the Authorized Officer is hereby authorized to permit the distribution of one or more final Official Statements, in substantially the form of each Preliminary Official Statement, with such changes, omissions, insertions and revisions thereto and completions thereof as the Mayor or the Authorized Officer shall deem advisable, and the Mayor or the Authorized Officer is authorized to execute and deliver each such final Official Statement to the underwriters in the name and on behalf of the City, the execution of such final official statement to constitute conclusive evidence of this City Council's approval of such changes and completions.

(e) If determined by the Authorized Officer to be in the best financial interest of the City in the operation of the Airport, the Authorized Officer is authorized to procure one or more municipal bond insurance policies covering all or a portion of the 2013 Bonds.

(f) The Authorized Officer is hereby authorized to execute and deliver one or more a Continuing Disclosure Undertakings (each a "*Continuing Disclosure Undertaking*") evidencing the City's agreement to comply with the requirements of Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as herein provided, each Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are hereby authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of each Continuing Disclosure Undertaking as executed. The Authorized Officer is hereby further authorized to amend each Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as said Authorized Officer shall deem necessary. Notwithstanding any other provision of this Ordinance, the sole remedies for any failure by the City to comply with a Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any 2013 Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under such Continuing Disclosure Undertaking.

Section 1.3. Execution and Delivery of 2013 Bonds. Pursuant to the Senior Lien Master Indenture or the CFC Indenture, as applicable, the Mayor shall execute the 2013 Bonds on behalf of the City, by manual or facsimile signature, and the corporate seal of the City or a facsimile thereof shall be affixed, imprinted, engraved or otherwise reproduced on the 2013 Bonds and they shall be attested by the manual or facsimile signature of the City Clerk. The 2013 Bonds shall, upon such execution on behalf of the City, be delivered to the Senior Lien Trustee or the CFC Trustee, as applicable, for authentication and thereupon shall be authenticated by the Senior Lien Trustee or the CFC Trustee, as applicable, and shall be delivered pursuant to written order of the City authorizing and directing the delivery of the 2013 Bonds to or upon the order of the underwriters pursuant to the applicable Contract of Purchase.

Section 1.4. Redemption, Purchase and Tender. The Mayor or the Authorized Officer is authorized to direct that the Outstanding Airport Obligations to be redeemed be called for redemption prior to maturity (or purchased in lieu of redemption), to select the particular maturity or maturities of the Outstanding Airport Obligations to be redeemed and to select the redemption date or dates or purchase date or dates for the Outstanding Airport Obligations to be redeemed or purchased. The Mayor or the Authorized Officer is authorized (a) to tender for Outstanding Airport Obligations by direct tender or by open market tender, at such tender prices and on such tender payment dates, as shall be determined by the Mayor or the Authorized Officer and (b) on behalf of the City to enter into such agreements with bondholders and financial institutions and otherwise do, or cause to be done, all things necessary or desirable to accomplish the redemption, purchase or tender for purchase of Outstanding Airport Obligations.

Section 1.5. Escrow Deposit Agreements. To provide for the payment and retirement of the Outstanding Airport Obligations, the Mayor or the Authorized Officer of the City is hereby authorized to execute and deliver for and on behalf of the City one or more Escrow Deposit Agreements in substantially the form of escrow deposit agreements previously used for such purpose by the City, together with such changes thereto and modifications thereof as shall be approved by the Mayor or the Authorized Officer, as the case may be, the execution and delivery thereof to constitute conclusive evidence of this City Council's approval of such changes and modifications.

Section 1.6. Tax Directives. The City covenants to take any action required by the provisions of Section 148(f) of the Code in order to assure compliance with Section 6.05 of the CFC Indenture and Section 412 of the Senior Lien Master Indenture. Nothing contained in this Ordinance shall limit the ability of the City to issue a portion of the 2013 Bonds the interest on which will be includable in the gross income of the owners thereof for Federal income tax purposes under the Code, in each case if determined by the Authorized Officer to be in the best financial interest of the City in the operation of the Airport.

Section 1.7. Public Approval. The actions of the Committee on Finance of the City Council of the City with respect to the publication of notice for and the holding of a public hearing in connection with the 2013 Bonds are hereby ratified and confirmed in all respects. The adoption of this Ordinance shall constitute the public approval of the 2013 Bonds for purposes of Section 147(f) of the Code.

Section 1.8. Performance Provisions. The Mayor, the Commissioner of Aviation, the Authorized Officer and the City Clerk for and on behalf of the City shall be, and each of them hereby is, authorized and directed to do any and all things necessary to effect the performance of all obligations of the City under and pursuant to this Ordinance, the Senior Lien Master Indenture and the CFC Indenture, and the performance of all other acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance, the Senior Lien Master Indenture and the CFC Indenture, including but not limited to, the exercise following the delivery date of any 2013 Bonds of any power or authority delegated to such official of the City under this Ordinance with respect to the 2013 Bonds upon the initial issuance thereof, but subject to any limitations on or restrictions of such power or authority as herein set forth. The Mayor, the Commissioner of Aviation, the Authorized Officer, the City Clerk and other officers, agents and employees of the City are hereby further authorized, empowered and directed for and on

behalf of the City, to execute and deliver all papers, documents, certificates and other instruments that may be required to carry out the authority conferred by this Ordinance, the Senior Lien Master Indenture and the CFC Indenture or to evidence said authority.

Section 1.9. Proxies. The Mayor and the Authorized Officer may each designate another to act as their respective proxy and to affix their respective signatures to, in the case of the Mayor, each 2013 Bond, whether in temporary or definitive form, and to any other instrument, certificate or document required to be signed by the Mayor or the Authorized Officer pursuant to this Ordinance, the Senior Lien Master Indenture and the CFC Indenture. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the Authorized Officer, respectively. A written signature of the Mayor or the Authorized Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Authorized Officer is so affixed to an instrument, certificate or document at the direction of the Authorized Officer, the same, in all respects, shall be as binding on the City as if signed by the Authorized Officer in person.

Section 1.10. Debt Service Reserve Funds. The Authorized Officer is hereby authorized to take any or all of the following actions with respect to debt service reserve funds relating to Outstanding Airport Obligations, provided that such action or actions shall not constitute a violation of any covenant made in the Senior Lien Master Indenture or in the CFC Indenture, including, in each case, any supplemental indenture: (a) apply 2013 Bond proceeds to the funding of any prior debt service reserve fund, (b) transfer moneys among debt service reserve funds (c) deposit other moneys of the City to any debt service reserve fund and (d) apply for Airport purposes moneys released from debt service reserve funds upon the redemption or defeasance of bonds.

Section 1.11. Dating of Bond Series. If any 2013 Bonds are issued in calendar year 2014, the year of the series designation for such 2013 Bonds may be 2014.

PART E

ARTICLE I
AUTHORIZATIONS FOR LINE OF CREDIT PROGRAM AMENDMENT AND MIDWAY COMMERCIAL PAPER PROGRAM AMENDMENT

Section 1.1. Amendment to 2012 O'Hare Financing Ordinance. Section 1.6 of Part E of the 2012 O'Hare Financing Ordinance is hereby deleted in its entirety and replaced with the following text:

Section 1.6. Limited Obligation and Source of Payment of Borrowings and Credit Agreement Notes. The borrowings under any Credit Agreement, the fees and

charges payable to any Bank under a Credit Agreement and the principal of and interest on any Credit Agreement Note shall be limited obligations of the City. Such Credit Agreement Notes, as determined by the Mayor or the Authorized Officer, may be payable from and secured by a pledge of and lien on any one or more of (i) Available Pledged Revenues, (ii) PFC Revenues, (iii) customer facility charges authorized in accordance with Section 6-305 of the Illinois Vehicle Code, 625 ILCS 5/6-305(j), as amended from time to time ("*Customer Facility Charges*") with respect to the Airport, and/or (iv) moneys received or expected to be received by the City from the United States of America or any of its agencies as grants to pay (or to reimburse the City for the payment of) all or a portion of the costs of any or more eligible airport projects ("*Grant Funds*") with respect to the Airport. To the extent that such Credit Agreement Notes are secured by a pledge of and lien on such Available Pledged Revenues, such pledge and lien shall be junior and subordinate to the pledges of and liens on Airport revenues securing the repayment of all other Airport Obligations (as defined in the Senior Lien Master Indenture) other than commercial paper notes issued under any Commercial Paper Program. To the extent that such Credit Agreement Notes are secured by a pledge of and lien on PFC Revenues, Customer Facility Charges or Grant Funds, such pledge and lien, in each case, shall be junior and subordinate to the pledges of and liens on such PFC Revenues, Customer Facility Charges or Grant Funds securing the repayment of any Airport obligations that have no other revenue source other than PFC Revenues, Customer Facility Charges or Grant Funds, respectively. Credit Agreement Notes may be issued on parity with or subordinate to commercial paper notes issued under any Commercial Paper Program. The obligations of the City under each Credit Agreement and under each Credit Agreement Note do not now and shall never constitute an indebtedness or loan of credit of the City, or charge against its general credit or taxing power, within the meaning of any constitutional or statutory limitation of the State of Illinois.

Section 1.2. Amendment to 2003 Midway Financing Ordinance. Section 3 of the 2003 Midway Financing Ordinance is hereby deleted in its entirety and replaced with the following text:

Section 3. Maximum Amount And Term. Without further authorization of this City Council, the maximum aggregate principal amount of all CP Notes issued and outstanding under this ordinance at any time shall not exceed Two Hundred Fifty Million Dollars ($250,000,000) (exclusive of unpaid interest and fees). There shall be no increase in the principal amount borrowed hereunder on or after January 1, 2025 beyond the aggregate principal amount outstanding as of January 1, 2025; provided that any outstanding borrowings as of that date may be extended or renewed beyond that date to a date not beyond January 1, 2030.

PART F

ARTICLE I
ENACTMENT

Section 1.1. Severability. It is the intention of this City Council that, if any Article, Section, paragraph, clause or provision of this Ordinance shall be ruled by any court of competent jurisdiction to be invalid, the invalidity of such Article, Section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

Section 1.2. Prior Inconsistent Ordinances. If any provision of this Ordinance is in conflict with or inconsistent with any ordinances or resolutions or parts of ordinances or resolutions or the proceedings of the City in effect as of the date hereof the provisions of this Ordinance shall supersede any conflicting or inconsistent provision to the extent of such conflict or inconsistency. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the instruments authorized by this Ordinance, or to impair the security for or payment of the instruments authorized by this Ordinance; provided, further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

Section 1.3. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor of the City.

Exhibit A
(To Ordinance)

FORTY-FOURTH SUPPLEMENTAL INDENTURE

From

City of Chicago

To

U.S. Bank National Association,
as Trustee

Securing

Chicago O'Hare International Airport
General Airport Senior Lien Revenue Bonds,
Series 2013A

Dated as of _____ 1, 2013

Supplementing a Master Indenture of Trust Securing Chicago O'Hare International Airport General Airport Revenue Senior Lien Obligations dated as of September 1, 2012 between the City of Chicago and U.S. Bank National Association.

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FORTY-FOURTH SUPPLEMENTAL INDENTURE

THIS FORTY-FOURTH SUPPLEMENTAL INDENTURE, made and entered into as of _____ 1, 2013, from the City of Chicago (the "*City*"), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, to U.S. Bank National Association (the "*Trustee*"), a national banking association duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the United States of America, as Trustee.

W I T N E S S E T H:

WHEREAS, the City is a home rule unit of local government, duly organized and existing under the laws of the State of Illinois, and in accordance with the provisions of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois is authorized to own and operate commercial and general aviation facilities; and

WHEREAS, the City currently owns and operates an airport known as Chicago O'Hare International Airport; and

WHEREAS, the City has entered into a Master Indenture of Trust securing Chicago O'Hare International Airport General Airport Revenue Senior Lien Obligations, dated as of September 1, 2012, with the Trustee (the "*Indenture*") which authorizes the issuance of Senior Lien Obligations (as therein defined) in one or more Series pursuant to one or more Supplemental Indentures and the incurrence by the City of Senior Lien Section 208 Obligations (as therein defined); and

WHEREAS, in order to: (a) pay, or reimburse the City for the payment of, all or a portion of the costs of acquiring, constructing and equipping any Airport Project or Airport Projects, including the 2013A Airport Projects (as hereinafter defined) and payment of capitalized interest on the hereinafter defined Bonds or any other outstanding Airport Obligations, (b) the refunding of any Outstanding Airport Obligations, (c) the funding of deposits, deposit of moneys in a program fee account, a debt service reserve account, a capitalized interest account and such other accounts and subaccounts as may be provided for in the Indenture and this Forty-Fourth Supplemental Indenture, and (d) the payment of the Costs of Issuance of the Bonds, the City has authorized the issuance and sale of $_____ aggregate principal amount of Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds, Series 2013A (the "*Bonds*") pursuant to the Indenture and this Forty-Fourth Supplemental Indenture; and

WHEREAS, the Bonds and the Trustee's Certificate of Authentication to be endorsed on such Bonds, are to be in substantially the following form with necessary and appropriate variations, omissions and insertions as permitted or required by the Indenture or this Forty-Fourth Supplemental Indenture, to wit:

[Form of Bond]

No. R-_____ $_____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
CITY OF CHICAGO
Chicago O'Hare International Airport
General Airport Senior Lien Revenue Bond,
Series 2013A

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
____%	January 1, 20__	_____	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT:

CITY OF CHICAGO (the "*City*"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay (but only out of the sources hereinafter provided) to the Registered Owner identified above, or registered assigns, on the maturity date specified above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal sum specified above and to pay (but only out of the sources hereinafter provided) interest on the balance of said principal sum from time to time remaining unpaid from and including the date hereof or from and including the most recent Interest Payment Date (as defined in the hereinafter defined Indenture) with respect to which interest has been paid or duly provided for, until payment of said principal sum has been made or duly provided for, at the interest rate specified above, computed on the basis of a 360-day year consisting of twelve 30-day months, payable on _____ and semiannually thereafter on each January 1 and July 1, and to pay interest on overdue principal and, to the extent permitted by law, on overdue premium, if any, and interest at the rate due on this Bond. Principal of, premium, if any, and interest on this Bond shall be payable in lawful money of the United States of America at the corporate trust office in Chicago, Illinois of U.S. Bank National Association, Chicago, Illinois, as trustee, or its successor in trust (the "*Trustee*"); provided, however, payment of the interest on any Interest Payment Date (as defined in the hereinafter defined Indenture) shall be (i) made to the registered owner hereof as of the close of business on the applicable Record Date (as defined in the hereinafter defined Indenture) with respect to such Interest Payment Date and shall be paid by check or draft mailed to such registered owner hereof at the address of such registered owner as it appears on the registration books of the City maintained by the Trustee as Bond Registrar or at such other address as is furnished in writing by such registered owner to the Trustee as Bond Registrar or (ii) made by wire transfer to such registered owner as of the close of business on such Record Date upon written notice of such wire transfer address in the continental United States by such registered owner to the Bond Registrar given prior to such Record Date (which notice may provide that it will remain in effect until revoked), provided that each such wire transfer shall be

made only with respect to an owner of $1,000,000 or more in aggregate principal amount of the Bonds as of the close of business on the Record Date relating to such Interest Payment Date, except, in each case, that if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the registered owners as provided in the Indenture. So long as this Bond is restricted to being registered in the registration books of the City in the name of a Securities Depository (as defined in the Indenture), the provisions of the Indenture governing Book-Entry Bonds shall govern the payment of the principal of and interest on this Bond.

The Bonds are limited obligations of the City and shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation. Neither the faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision thereof is pledged to the payment of the principal of the Bonds, or the interest or any premium thereon, or other costs incident thereto. The Bonds are payable solely from the revenues in the Indenture (as hereinafter defined) pledged to such payment, and no owner or owners of the Bonds shall ever have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof and such further provisions shall for all purposes have the same effect as if set forth at this place. All capitalized terms used in this Bond shall have the meanings assigned in the Indenture unless otherwise defined herein.

It is Hereby Certified, Recited and Declared that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law, and that the issuance of this Bond and the series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture unless and until the certificate of authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and the manual or facsimile of its corporate seal to be printed hereon and attested by the manual or facsimile signature of its City Clerk.

Dated: _____

CITY OF CHICAGO

By: _____
Mayor

[SEAL]

Attest:

City Clerk

[DTC LEGEND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("*DTC*"), to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede Co., has an interest herein.

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signature

[FORM OF REVERSE OF BOND]

This Bond is one of an authorized issue of bonds limited in aggregate principal amount to $_____ (the "*Bonds*") issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and an ordinance of the City Council of the City, and executed under a Master Indenture of Trust securing Chicago O'Hare International Airport General Airport Revenue Senior Lien Obligations dated as of September 1, 2012, from the City to U.S. Bank National Association, as Trustee, as supplemented by a Forty-Fourth Supplemental Indenture securing Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds, Series 2013A, dated _____ 1, 2013, from the City to the Trustee (collectively, the "*Indenture*"), for the purpose of (i) refunding certain outstanding Prior Airport Obligations (as defined in the Indenture), (ii) financing the costs of one or more Airport Projects (as defined in the Indenture) and (iii) paying costs and expenses incidental thereto and to the issuance of the Bonds.

The Bonds and the interest thereon are payable from Revenues (as defined in the Indenture) pledged to the payment thereof under the Indenture and certain other moneys held by or on behalf of the Trustee.

Copies of the Indenture are on file at the principal corporate trust office of the Trustee, and reference to the Indenture and any and all supplements thereto and modifications and amendments thereof is made for a description of the pledge and covenants securing the Bonds, the nature, extent and manner of enforcement of such pledge, the rights and remedies of the registered owners of the Bonds, and the limitations on such rights and remedies.

The Bonds are issuable only as fully registered Bonds in the authorized denominations described in the Indenture. Bonds may be transferred on the books of registration kept by the Bond Registrar by the owner in person or by his or her duly authorized attorney, upon surrender thereof, together with a written instrument of transfer executed by the owner or his or her duly authorized attorney. Upon surrender for registration of transfer of any Bond with all partial redemptions endorsed thereon at the principal office of the Bond Registrar, the City shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of the same maturity, series and interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations and bearing numbers not contemporaneously outstanding under the Indenture.

Bonds may be exchanged at the principal office of the Bond Registrar for an equal aggregate principal amount of Bonds in the appropriate form and in the same maturity, series and interest rate, aggregate principal amount and tenor and of any authorized denomination or denominations. The City shall execute and the Trustee shall authenticate and deliver Bonds which the Bondholder making the exchange is entitled to receive.

Such registration of transfer or exchange of Bonds shall be without charge to the owners of such Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the owners of the Bond requesting such transfer or exchange as a condition precedent to the exercise of such privilege.

The Bond Registrar shall not be required to register for transfer or exchange any undelivered Bond or Bonds after the giving of notice calling such Bond for redemption or partial redemption has been made.

The person in whose name any Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of principal, premium, if any, or interest shall be made only to or upon the order of the registered owner thereof or his duly authorized attorney, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Bonds maturing on or after January 1, _____ are subject to redemption, at the option of the City, on or after January 1, _____, as a whole or in part at any time, and if in part, in such order of maturity as the City shall determine and within any maturity by lot, at a redemption price equal to the principal amount of each Bond to be redeemed, plus accrued interest to the date of the redemption.

Notice of any such redemption must be given by the Trustee by first-class mail (or registered mail in the case of registered owners of at least $1,000,000 of Bonds) not less than 30 or more than 60 days prior thereto to the registered owners of the Bonds. Failure to mail any such notice to the registered owner of any Bond or any defect therein shall not affect the validity of the proceedings for such redemption of Bonds.

This Bond and all other Bonds of the series of which it forms a part are issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and pursuant to an ordinance adopted by the City Council of the City, which ordinance authorizes the execution and delivery of the Indenture. This Bond and the series of which it forms a part are limited obligations of the City payable solely from the amounts pledged therefor under the Indenture.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement in the Indenture contained against any past, present or future officer, employee or agent, or member of the City Council of the City, or any successor to the City, as such, either directly or through the City, or any successor to the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, employee or agent, or member of the City Council, as such, is hereby expressly waived and released as a condition of and in consideration for the execution of the Indenture and the issuance of any of the Bonds.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

The Indenture prescribes the manner in which it may be discharged and after which the Bonds shall no longer be secured by or entitled to the benefits of the Indenture, except as provided in the Indenture and for the purposes of registration and exchange of Bonds and of such payment, including a provision that the Bonds shall be deemed to be paid if Federal Obligations, as defined therein, maturing as to principal and interest in such amounts and at such times as to insure the availability of sufficient moneys to pay the principal of, premium, if any, and interest on the Bonds and all necessary and proper fees, compensation and expenses of the Trustee shall have been deposited with the Trustee.

Modifications or alterations of the Indenture, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the Indenture.

[FORM OF ASSIGNMENT]

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	—	as tenants in common	UNIF GIFT MIN ACT-
TEN ENT	—	as tenants by the entireties	_____ Custodian _____
JT TEN	—	as joint tenants with right of survivorship and not as tenants in common	(Cust) (Minor) under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used
though not in the above list.

For Value Received, the undersigned sells, assigns and transfers unto _____

_____

(Name and Address of Assignee)

the within Bond of the City of Chicago and does hereby irrevocably constitute and appoint ____

_____

to transfer said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature: _____

Signature Guaranteed: _____

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

NOW, THEREFORE, THIS FORTY-FOURTH SUPPLEMENTAL INDENTURE WITNESSETH:

GRANTING CLAUSES

That the City, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the Registered Owners thereof, and of the sum of one dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect, to secure the performance and observance by the City of all the covenants expressed or implied herein and in the Bonds, does hereby assign and grant a security interest in and to the following to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the City hereinafter set forth (the "*Trust Estate*"):

GRANTING CLAUSE FIRST

All right, title and interest of the City in and to Revenues (as defined in the Indenture), to the extent pledged and assigned in the granting clauses of the Indenture.

GRANTING CLAUSE SECOND

All moneys and securities from time to time held by the Trustee under the terms of this Forty-Fourth Supplemental Indenture, except for moneys deposited with or paid to the Trustee and held in trust hereunder for the redemption of Bonds, notice of the redemption of which has been duly given.

GRANTING CLAUSE THIRD

Any and all other property, rights and interests of every kind and nature from time to time hereafter by delivery or by writing of any kind granted, bargained, sold, alienated, demised, released, conveyed, assigned, transferred, mortgaged, pledged, hypothecated or otherwise subjected hereto, as and for additional security hereunder by the City or by any other person on its behalf or with its written consent to the Trustee, and the Trustee is hereby authorized to receive any and all property thereof at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors in said trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future owners of the Bonds, without privilege, priority or distinction as to the lien or otherwise of any of the foregoing over any other of the foregoing except to the extent herein or in the Indenture otherwise specifically provided;

PROVIDED, HOWEVER, that if the City, its successors or assigns shall well and truly pay, or cause to be paid, the principal of, premium, if any, and interest on the Bonds due or to become due thereon, at the times and in the manner set forth therein according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required under Article VI hereof, or shall provide, as permitted hereby, for the payment thereof and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of the Indenture and this Forty-Fourth Supplemental Indenture and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon the final payment thereof this Forty-Fourth Supplemental Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Forty-Fourth Supplemental Indenture shall remain in full force and effect.

THIS FORTY-FOURTH SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property, rights and interests and any other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective owners of the Bonds, as follows:

ARTICLE I

Definitions

All capitalized terms used herein unless otherwise defined shall have the same meaning as used in Article I of the Indenture. In addition, the following words and phrases shall have the following meanings for purposes of this Forty-Fourth Supplemental Indenture:

"*Authorized Denomination*" means the principal amount of $5,000 or any integral multiple thereof.

"*Bond Registrar*" means the person designated to serve as Bond Registrar pursuant to Section 2.09.

"*Bondholder*" or "*holder*" or "*owner of the Bonds*" or "*registered owner*" means the Registered Owner of any Bond.

"*Bonds*" means the Chicago O'Hare International Airport General Airport Senior Lien Revenue Bonds, Series 2013A, authorized to be issued pursuant to Article II.

"*Business Day*" means a day on which banks located in the city in which the principal corporate trust office of the Trustee is located are not required or authorized to remain closed, and are not in fact closed and on which the New York Stock Exchange is not closed.

"*Capitalized Interest Account*" means the account of that name established in the 2013A Dedicated Sub-Fund as described in Section 4.02.

"*Costs of Issuance Account*" means the account of that name established in the 2013A Dedicated Sub-Fund as described in Section 4.02.

"*Date of Issuance*" means _____, 2013, the date of original issuance and delivery of the Bonds hereunder.

"*Debt Service Reserve Account*" means the account of that name established in the 2013A Dedicated Sub-Fund as described in Section 4.02.

"*DTC*" means Depository Trust Company, and its successors and assigns.

"*Forty-Fourth Supplemental Indenture*" means this Forty-Fourth Supplemental Indenture and any amendments and supplements hereto.

"*Indenture*" means the Master Indenture of Trust securing Chicago O'Hare International Airport General Airport Revenue Senior Lien Obligations, dated as of September 1, 2012, from the City to the Trustee, pursuant to which Senior Lien Obligations are authorized to be issued, and any amendments and supplements thereto, including this Forty-Fourth Supplemental Indenture. References to Articles and Sections of the Indenture shall be deemed to refer to Articles and Sections of the Indenture.

["*Insured Bonds*" means the $_____ principal amount of Bonds maturing on January 1, 20__.]

["*Insurer*" means [Name], or any successor thereto or assignee thereof.]

"*Interest Payment Date*" means January 1 and July 1 of each year, commencing _____.

"*Moody's*" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City by notice to the Trustee.

"*Ordinance*" means the ordinance duly adopted and approved by the City Council of the City on_____, 2013, which authorizes the issuance and sale of the Bonds and the execution of this Forty-Fourth Supplemental Indenture.

"*Participant*," when used with respect to any Securities Depository, means any participant of such Securities Depository.

["*Policy*" means the Municipal Bond Insurance Policy issued by the Insurer guaranteeing the scheduled payment of principal and interest on the Insured Bonds when due.]

"*Principal and Interest Account*" means the account of that name established in the 2013A Dedicated Sub-Fund as described in Section 4.02.

"*Prior Airport Obligations*" means the **[TO COME]**

"*Program Fee Account*" means the account of that name established in the 2013A Dedicated Sub-Fund as described in Section 4.02.

"*Project Account*" means the account of that name established in the 2013A Dedicated Sub-Fund as described in Section 4.02.

"*Qualified Credit Provider*" means the issuer of a Qualified Reserve Account Credit Instrument, if any.

"*Qualified Reserve Account Credit Instrument*" means a letter of credit, surety bond or non-cancellable insurance policy issued by a domestic or foreign bank, insurance company or other financial institution whose debt obligations on the date of issuance thereof are rated in the highest rating category by S&P and Moody's and, if rated by A.M. Best & Company, is rated in the highest rating category by A.M. Best & Company. Any such letter of credit, surety bond or insurance policy shall be issued in the name of the Trustee and shall contain no restrictions on the ability of the Trustee to receive payment thereunder other than a certification of the Trustee that the funds drawn thereunder are to be used for purposes for which moneys in the Debt Service Reserve Account may be used under this Forty-Fourth Supplemental Indenture.

"*Record Date*" means June 15 and December 15 of each year.

"*Registered Owner*" means the person or persons in whose name or names a Bond shall be registered on the books of the City kept for that purpose in accordance with provisions hereof.

"*Reserve Requirement*" means, as of the date of computation, an amount equal to the lesser of (a) $_____ and (b) the maximum amount of principal of and interest on the Bonds payable in the current or any future Bond Year.

"*Securities Depository*" means DTC and any other securities depository registered as a clearing agency with the Securities and Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934, as amended, and appointed as the securities depository for the Bonds.

"*S&P*" means Standard & Poor's Corporation, a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City by notice to the Trustee.

"*State*" means the State of Illinois.

"*Tax Certificates*" means the Tax Compliance Certificate and the General Tax Certificate of the City with respect to the Bonds, each dated the date of issuance of the Bonds.

"*Trust Estate*" means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

"*2013A Airport Projects*" means the Airport Projects that are being financed with the proceeds of the Bonds as described in the Tax Certificates.

"*2013A Dedicated Sub-Fund*" means the fund of that name established and described in Section 4.02.

ARTICLE II

The Bonds

Section 2.01. Authorized Amount of Bonds. No Bonds may be issued under the provisions of this Forty-Fourth Supplemental Indenture except in accordance with this Article. The Bonds are being issued to provide funds to redeem the Prior Airport Obligations, finance the costs of the Airport Projects and to pay costs of issuance of the Bonds. Except as provided in Section 2.08 hereof, the total original principal amount of Bonds that may be issued hereunder is hereby expressly limited to $_____.

Section 2.02. Issuance of Bonds; Denominations; Numbers. The Bonds shall be issued in the aggregate principal amount of $_____ and shall be designated "City of Chicago, Chicago O'Hare International Airport General Airport Senior Lien Revenue **[Refunding]** Bonds, Series 2013A."

The Bonds shall be issued as registered bonds without coupons. The Bonds shall be issued only in Authorized Denominations. The Bonds shall be numbered consecutively from 1 upward bearing numbers not then contemporaneously outstanding (in order of issuance) according to the records of the Bond Registrar.

The Bonds shall be dated as of the Interest Payment Date next preceding their date of authentication, unless such date of authentication is an Interest Payment Date, in which case the Bonds shall be dated as of such Interest Payment Date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event the Bonds shall be dated as of the Date of Issuance.

The Bonds shall mature on January 1 of each of the following years in the following principal amounts and bear interest at the following interest rates per annum:

Year	Principal Amount	Interest Rate

Interest on the Bonds shall be payable on January 1 and July 1 of each year, commencing _____. The Bonds shall bear interest from the date thereof or from and including the most recent Interest Payment Date with respect to which interest has been paid or duly provided for. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.03. Payment on the Bonds. Interest on the Bonds shall be payable on each applicable Interest Payment Date. The Bonds shall bear interest from the date thereof or from and including the most recent Interest Payment Date with respect to which interest has been paid or duly provided for. The principal of, premium, if any, and the interest on the Bonds shall be payable in lawful money of the United States of America. Except as provided in Section 2.10 hereof, the principal of and redemption premium, if any, on all Bonds shall be payable at the principal corporate trust office of the Trustee upon the presentation and surrender of the Bonds as the same become due and payable. Except as provided in Sections 2.09 and 2.10 hereof, the interest on the Bonds shall be paid by check drawn upon the Trustee and mailed to the persons in whose names the Bonds are registered at the address of each such person as it appears on the registration books maintained by the Bond Registrar at the close of business on the Record Date next preceding each Interest Payment Date or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar. Interest on the Bonds shall be paid by wire transfer to any Registered Owner who at the close of business on such Record Date has given

written notice of its wire transfer address in the continental United States to the Bond Registrar prior to such Record Date (which notice may provide that it will remain in effect until revoked), *provided* that each such wire transfer shall be made only with respect to a Registered Owner of $1,000,000 or more in aggregate original principal amount of the Bonds as of the close of business on such Record Date.

Section 2.04. Execution; Limited Obligations. The Bonds shall be executed on behalf of the City with the official manual or facsimile signature of the Mayor of the City and attested with the official manual or facsimile signature of its City Clerk, and shall have affixed, impressed, imprinted or otherwise reproduced thereon the corporate seal of the City or a facsimile thereof. The Bonds are issued pursuant to and in full compliance with the Constitution and laws of the State of Illinois, and pursuant to the Ordinance, which authorizes the execution and delivery of this Forty-Fourth Supplemental Indenture. The Bonds are not general obligations of the City but limited obligations payable solely from Revenues (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof) and shall be a valid claim of the respective Registered Owners thereof only against the 2013A Dedicated Sub-Fund and other moneys held by the Trustee or otherwise pledged therefor, which amounts are hereby pledged, assigned and otherwise held as security for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in the Indenture or in this Forty-Fourth Supplemental Indenture. The Bonds shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation, and neither the faith and credit nor the taxing power of the City, the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or interest on the Bonds or other costs incident thereto. In case any officer whose signature or a facsimile of whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, as if he or she had remained in office until delivery.

Section 2.05. Authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Forty-Fourth Supplemental Indenture unless and until such certificate of authentication in substantially the form hereinabove set forth shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Forty-Fourth Supplemental Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if (a) signed by an authorized signatory of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder, and (b) the date of authentication on the Bond is inserted in the place provided therefor on the certificate of authentication.

Section 2.06. Form of Bonds; Temporary Bonds. The Bonds issued under this Forty-Fourth Supplemental Indenture shall be substantially in the form hereinbefore set forth, with such appropriate variations, omissions and insertions as are permitted or required by this Forty-Fourth Supplemental Indenture.

Pending preparation of definitive Bonds, or by agreement with the purchasers of the Bonds, the City may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Bonds, one or more temporary printed or typewritten Bonds in Authorized Denominations and of substantially the tenor recited above. Upon request of the City, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of any equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds.

Section 2.07. Delivery of Bonds. Upon the execution and delivery of this Forty-Fourth Supplemental Indenture, the City shall execute and deliver to the Trustee, and the Trustee shall authenticate, the Bonds and deliver them to the purchasers as may be directed by the City as hereinafter in this Section 2.07 provided.

Prior to the delivery by the Trustee of any of the Bonds there shall be filed with the Trustee:

(a) A copy, duly certified by the City Clerk, of the Ordinance;

(b) Original executed counterpart of the Indenture;

(c) Original executed counterpart of this Forty-Fourth Supplemental Indenture;

(d) A Counsel's Opinion to the effect that (i) the Indenture and this Forty-Fourth Supplemental Indenture have been duly and lawfully authorized by all necessary action on the part of the City, have been duly and lawfully executed by authorized officers of the City, are in full force and effect and are valid and binding upon the City and enforceable in accordance with their terms (except as limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws or by general principles of equity if equitable remedies are sought); (ii) the Indenture and this Forty-Fourth Supplemental Indenture create the valid pledge of Revenues, moneys and securities which they purport to create; and (iii) upon their execution, authentication and delivery, the Bonds will have been duly and validly authorized and issued in accordance with the Constitution and laws of the State of Illinois, the Indenture and this Forty-Fourth Supplemental Indenture;

(e) A written order as to the delivery of the Bonds, executed by an Authorized Officer stating (i) the identity of the purchasers, aggregate purchase price and date and place of delivery of the Bonds and (ii) that no Event of Default has occurred and is continuing under the Indenture or this Forty-Fourth Supplemental Indenture;

(f) The Certificate of the City required by Section 206(e) of the Indenture; and

(g) Either the Certificate required by Section 206(f) of the Indenture or the Certificate of the City required by Section 207(b) of the Indenture.

Section 2.08. Mutilated, Lost, Stolen or Destroyed Bonds. If any Bond is mutilated, lost, stolen or destroyed, the City may execute and the Trustee may authenticate a new Bond of like date, maturity, interest rate and denomination as the Bond mutilated, lost, stolen or destroyed, *provided* that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of such loss, theft or destruction satisfactory to the City and the Trustee, together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a substitute Bond the City may pay the same without surrender thereof. The City and the Trustee may charge the Registered Owner of such Bond with their reasonable fees and expenses in this connection. All Bonds so surrendered to the Trustee shall be cancelled and destroyed, and evidence of such destruction shall be given to the City. Upon the date of final maturity or redemption of all of the Bonds, the Trustee shall destroy any inventory of unissued certificates.

Section 2.09. Registration and Exchange of Bonds; Persons Treated as Owners. The City shall cause books for the registration and for the transfer of the Bonds as provided in this Forty-Fourth Supplemental Indenture to be kept by the Trustee as the Bond Registrar of the City. Upon surrender for transfer of any Bond at the principal office of the Bond Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his or her attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate and deliver in the name of the transferee or transferees a fully registered Bond for a like aggregate principal amount.

Bonds may be exchanged at the principal office of the Bond Registrar for a like aggregate principal amount of fully registered Bonds of the same maturity of other authorized denominations. The City shall execute and the Bond Registrar shall authenticate and deliver Bonds which the Bondowners making the exchange are entitled to receive, bearing numbers not contemporaneously then outstanding. The execution by the City of any Bond of any denomination shall constitute full and due authorization of such denomination and the Bond Registrar shall thereby be authorized to authenticate and deliver such Bond.

The Bond Registrar shall not be required to register for transfer or exchange any undelivered Bond or any Bond after the giving of notice calling such Bond for redemption or partial redemption.

The person in whose name any fully registered Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such registered Bond upon any transfer or exchange thereof subsequent to the Record Date and prior to such Interest Payment Date, except if and to the extent there shall be a default in the payment of the interest due on such Interest Payment Date, in which case such defaulted interest shall be paid to the person in whose name such Bond is registered either at the close of business on the day preceding the date of payment of such defaulted interest or on a subsequent Record Date for such payment if one shall have been established as hereinafter provided. A subsequent Record Date may be established by or on behalf of the City by notice mailed to the Registered Owners of Bonds not less than 10 days preceding such Record Date, which Record Date shall be not more than 30 days prior to the subsequent interest payment date.

Except as provided in the Indenture, as to any Bond the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal, premium, if any, or interest on any Bond shall be made only to or upon the written order of the Registered Owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

In each case the Bond Registrar shall require the payment by the Bondowner requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer, but otherwise no charge shall be made to the Bondowner for such exchange or transfer.

Section 2.10. Book-Entry Provisions. The provisions of this Section shall apply so long as the Bonds are maintained in book-entry form with DTC or another Securities Depository, any provisions of this Forty-Fourth Supplemental Indenture to the contrary notwithstanding.

(a) *Payments.* The Bonds shall be payable to the Securities Depository, or its nominee, as the Registered Owner of the Bonds, in next day funds on each date on which the principal of, premium, if any, and interest on the Bonds is due as set forth in this Forty-Fourth Supplemental Indenture and in the Bonds. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the City and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Bonds, the City and the Securities Depository may agree in writing to make payments of principal and interest in a manner different from that set forth herein. If such different manner of payment is agreed upon, the City shall give the Trustee notice thereof, and the Trustee shall make payments with respect to the Bonds in the manner specified in such notice as set forth herein. Neither the City nor the Trustee shall have any obligation with respect to the transfer or crediting of the principal of, premium, if any, and interest on the Bonds to Participants or the beneficial owners of the Bonds or their nominees.

(b) *Replacement of the Securities Depository.* If the City receives notice that the Securities Depository has received notice from its Participants having interests in at least 50% in principal amount of the Bonds that the Securities Depository or its successor is incapable of discharging its responsibilities as a securities depository or that it is in the best interests of the beneficial owners that they obtain certificated Bonds, the City shall cause the Trustee to authenticate and deliver Bond certificates. The City shall have no obligation to make any investigation to determine the occurrence of any events that would permit the City to make any determination described in this paragraph.

(c) *Discontinuance of Book-Entry or Change of Securities Depository.* If, following a determination or event specified in paragraph (b) above, the City discontinues the maintenance of the Bonds in book-entry form with the then current Securities Depository, the City will issue replacement Bonds to the replacement Securities Depository, if any, or, if no replacement Securities Depository is selected for the Bonds, directly to the Participants as shown on the records of the former Securities Depository or, to the extent requested by any Participant, to the beneficial owners of the Bonds shown on the records of such Participant. Replacement

Bonds shall be in fully registered form and in Authorized Denominations, be payable as to interest on the Interest Payment Date of the Bonds by check or draft mailed to each Registered Owner at the address of such Registered Owner as it appears on the bond registration books maintained by the City for such purpose at the principal corporate trust office of the Trustee or at the option of any Registered Owner of not less than $1,000,000 original principal amount of Bonds, by wire transfer to any address in the continental United States of America on such Interest Payment Date to such Registered Owner as of such Record Date, if such Registered Owner provides the Trustee with written notice of such wire transfer address not later than the Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice). Principal and redemption premium, if any, on the replacement Bonds are payable only upon presentation and surrender of such replacement Bond or Bonds at the principal corporate trust office of the Trustee.

(d) *Effect of Book-Entry System.* The Securities Depository and its Participants and the beneficial owners of the Bonds, by their acceptance of the Bonds, agree that the City and the Trustee shall not have liability for the failure of such Securities Depository to perform its obligations to the Participants and the beneficial owners of the Bonds, nor shall the City or the Trustee be liable for the failure of any Participant or other nominee of the beneficial owners to perform any obligation of the Participant to a beneficial owner of the Bonds.

ARTICLE III

Redemption of Bonds Before Maturity

Section 3.01. Redemption Dates and Prices. The Bonds shall be subject to redemption prior to maturity in the amounts, at the times and in the manner provided in this Article III.

The Bonds maturing on and after January 1, _____ are subject to redemption at the option of the City on or after January 1, _____, as a whole or in part at any time, and if in part, in such order of maturity as the City shall determine and within any maturity by lot, at a redemption price equal to the principal amount of each Bond to be redeemed, plus accrued interest to the date of the redemption.

Section 3.02. Notice of Redemption. Notice of the redemption of Bonds or any portion thereof pursuant to Section 3.01 hereof identifying the Bonds or portions thereof to be redeemed, specifying the redemption date, the Redemption Price, the places and dates of payment, that from the redemption date interest will cease to accrue, and whether the redemption is conditioned upon sufficient moneys being available on the redemption date (or any other condition), shall be given by the Trustee by mailing a copy of such redemption notice not less than 30 nor more than 60 days prior to the date fixed for redemption, to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books. Redemption notices shall be sent by first class mail, except that notices to Registered Owners of at least $1,000,000 of Bonds shall be sent by registered mail. Failure to mail any such notice to

the Registered Owner of any Bond or any defect therein shall not affect the validity of the proceedings for such redemption of Bonds.

Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Registered Owner of any Bond receives the notice.

Section 3.03. Deposit of Funds. For the redemption of any of the Bonds, the City shall cause to be deposited in the Principal and Interest Account moneys sufficient to pay when due the principal of and premium, if any, and interest on the redemption date to be applied in accordance with the provisions of Section 4.05 hereof.

Section 3.04. Partial Redemption of Bonds.

(a) If a Bond is of a denomination larger than the minimum Authorized Denomination, all or a portion of such Bond (equal to the minimum Authorized Denomination or any integral multiple thereof) may be redeemed but such Bond shall be redeemed only in a principal amount equal to the minimum Authorized Denomination or any integral multiple thereof.

(b) Upon surrender of any Bond for redemption in part only, the City shall execute and the Bond Registrar shall authenticate and deliver to the Registered Owner thereof, at the expense of the City, a new Bond or Bonds of Authorized Denominations in aggregate principal amount equal to the unredeemed portion of the Bond surrendered.

Section 3.05. Selection of Bonds for Redemption. If less than all of the Bonds of like series, maturity and interest rate are called for redemption, the Bonds (or portions thereof) to be redeemed shall be selected by lot by the Trustee.

ARTICLE IV

Revenues and Funds

Section 4.01. Source of Payment of Bonds. The Bonds are not general obligations of the City but are limited obligations as described in Section 2.04 hereof and as provided herein and in the Indenture.

Section 4.02. Creation of Dedicated Sub-Fund and Accounts in the Debt Service Fund.

(a) *Creation of 2013A Dedicated Sub-Fund.* There is hereby created by the City and ordered established with the Trustee a separate and segregated Dedicated Sub-Fund within the Debt Service Fund, such Dedicated Sub-Fund to be designated the "Chicago O'Hare International Airport 2013A Senior Lien Bond Dedicated Sub-Fund" (hereinafter called the "2013A Dedicated Sub-Fund"). Moneys on deposit in the 2013A Dedicated Sub-Fund, and in each Account established therein as hereinafter provided, shall be held in trust by the Trustee for the sole and exclusive benefit of the Registered Owners of the Bonds, and shall not be used or available for the payment of any other Senior Lien Obligations.

(b) *Creation of Accounts.* There are hereby created by the City and ordered established with the Trustee separate Accounts within the 2013A Dedicated Sub-Fund, designated as follows:

(i) *Capitalized Interest Account:* an Account to be designated the "Chicago O'Hare International Airport 2013A Series Lien Capitalized Interest Account" (hereinafter called the "*Capitalized Interest Account*");

(ii) *Costs of Issuance Account:* an Account to be designated the "Chicago O'Hare International Airport 2013A Senior Lien Costs of Issuance Account" (hereinafter called the "*Costs of Issuance Account*");

(iii) *Program Fee Account:* an Account to be designated the "Chicago O'Hare International Airport 2013A Senior Lien Program Fee Account" (hereinafter called the "*Program Fee Account*");

(iv) *Principal and Interest Account:* an Account to be designated the "Chicago O'Hare International Airport 2013A Senior Lien Principal and Interest Account" (hereinafter called the "*Principal and Interest Account*");

(v) *Debt Service Reserve Account:* an Account to be designated the "Chicago O'Hare International Airport 2013A Senior Lien Debt Service Reserve Account" (the "*Debt Service Reserve Account*"); and

(vi) *Project Account:* an Account to be designated the "Chicago O'Hare International Airport 2013A Senior Lien Project Account" (hereinafter called the "*Project Account*").

Section 4.03. Application of Bond Proceeds and Available Funds. The proceeds received by the City from the sale of the Bonds shall be applied as follows:

(a) *Deposit to Capitalized Interest Account:* the Trustee shall deposit the amount of $_____ into the Capitalized Interest Account;

(b) *Deposit to Debt Service Reserve Account:* the Trustee shall deposit the amount of $_____ into the Debt Service Reserve Account;

(c) *Redemption of Prior Airport Obligations:* the amount of $_____ shall be applied by the Trustee for the redemption of the Prior Airport Obligations;

(d) *Deposit to Costs of Issuance Account:* the Trustee shall deposit the amount of $_____ into the Costs of Issuance Account;

(e) ***[Payment to the Insurer:* the amount of $_____ shall be applied to pay the premium due to the Insurer for the Policy; and]**

(f) *Deposit to Project Account:* the Trustee shall deposit the amount of $_____ into the Project Account.

[On the Date of Issuance, the Trustee shall transfer from the Debt Service Reserve Account of the Chicago O'Hare International Airport _____ Senior Lien Debt Service Reserve Account to the Debt Service Reserve Account $_____, being the Reserve Requirement for the Bonds.]

Section 4.04. Deposits into 2013A Dedicated Sub-Fund and Accounts Therein. On January 1 and July 1 of each year, commencing _____ 1, 2013 (each such date referred to herein as the "*Deposit Date*") there shall be deposited into the 2013A Dedicated Sub-Fund from amounts on deposit in the Debt Service Fund an amount equal to the aggregate of the following amounts, which amounts shall have been calculated by the Trustee on the next preceding December 5 or June 5 (in the case of each January 1 or July 1, respectively) (such aggregate amount with respect to any Deposit Date being referred to herein as the "*2013A Deposit Requirement*"):

(a) for deposit into the Principal and Interest Account, an amount equal to the aggregate of: (i) for the _____ 1, 2013 Deposit Date, the Principal Installment due _____ 1, 2013, and thereafter, one-half of the Principal Installment coming due on the Bonds on the January 1 next succeeding such date of calculation and (ii) the amount of interest due on the Bonds on the current Deposit Date (reduced, in the case of each January 1 Deposit Date, by investment earnings credited as of the immediately prior calculation date to the Principal and Interest Account);

(b) for deposit into the Debt Service Reserve Account, the amount, if any, required as of the close of business on such Deposit Date to restore the Debt Service Reserve Account to an amount equal to the Reserve Requirement, including reimbursement of any Qualified Credit Provider; and

(c) for deposit into the Program Fee Account, the amount estimated by the City to be required as of the close of business on such Deposit Date to pay all fees and expenses with respect to the Bonds during the semi-annual period commencing on such Deposit Date.

In addition to the 2013A Deposit Requirement, there shall be deposited into the 2013A Dedicated Sub-Fund any other moneys received by the Trustee under and pursuant to the Indenture or this Forty-Fourth Supplemental Indenture, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the 2013A Dedicated Sub-Fund and to one or more accounts therein.

Section 4.05. Use of Moneys in Principal and Interest Account and the Debt Service Reserve Account for Payment of Bonds. Moneys in the Principal and Interest Account shall be used solely for payment of principal of, premium, if any, and interest due on each Payment Date with respect to the Bonds (including the optional redemption of Bonds pursuant to Section 3.01(a) hereof) and not otherwise provided for, ratably, without preference or priority of any kind.

Moneys in the Debt Service Reserve Account shall be used solely for the payment of the principal of, premium, if any, and interest on the Bonds, without preference or priority of

any kind, but only if and to the extent moneys are not available for such purpose in the Principal and Interest Account.

Section 4.06. Use of Moneys in the Capitalized Interest Account, Costs of Issuance Account and the Program Fee Account. Moneys in the Capitalized Interest Account shall be used for transfer to the Principal and Interest Account to pay interest on the Bonds in the following amounts on the following Deposit Dates:

Deposit Date	Amount
	$

Any amount remaining in the Capitalized Interest Account on _____ shall be withdrawn from the Capitalized Interest Account and deposited into the Principal and Interest Account. Moneys in the Capitalized Interest Account may be used for such other purposes as are set forth in an opinion of Bond Counsel to the effect that such other use of such moneys is necessary in such counsel's opinion to preserve the exemption from Federal income taxes of interest on the Bonds.

Moneys in the Costs of Issuance Account shall be used solely for the payment or reimbursement of Costs of Issuance of the Bonds as directed in a Certificate filed with the Trustee. If after the payment of all Costs of Issuance, as specified in a Certificate filed with the Trustee, there shall be any balance remaining in the Costs of Issuance Account, such balance shall be transferred to the Program Fee Account.

Moneys in the Program Fee Account shall be used solely for the payment of fees and expenses with respect to the Bonds as set forth in a Certificate filed with the Trustee.

Section 4.07. Tax Covenants. The City covenants to take any action required by the provisions of the Code and within its power to take in order to preserve the exemption from federal income taxation of interest on the Bonds (other than with respect to an alternative minimum tax imposed on interest on the Bonds), including, but not limited to, the provisions of Section 148 of the Code relating to "arbitrage bonds." The City covenants to comply with the provisions of the Tax Certificates.

Section 4.08. Nonpresentment of Bonds. If any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity, or at the date fixed for redemption thereof, or otherwise, if moneys sufficient to pay any such Bond shall have been made available to the Trustee for the benefit of the Registered Owner or Owners thereof, subject to the provisions of the immediately following paragraph, all liability of the City to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be

completely discharged, and thereupon it shall be the duty of the Trustee to hold such moneys, without liability for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such moneys, for any claim of whatever nature under the Indenture or this Forty-Fourth Supplemental Indenture or on, or with respect to, such Bond.

Any moneys so deposited with and held by the Trustee not so applied to the payment of Bonds within two years after the date on which the same shall have become due shall be repaid by the Trustee to the City upon direction of an Authorized Officer, and thereafter the Registered Owners of such Bonds shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and all liability of the Trustee with respect to such moneys shall thereupon cease, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such moneys.

Before being required to make any such payment to the City, the Trustee may, at the expense of the City, publish such notice as may be deemed appropriate by the Trustee listing the Bonds so payable and not presented, and stating that such moneys remain unclaimed and that after a date set forth therein any balance thereof then remaining will be paid to the City. The obligation of the Trustee under this Section 4.08 to pay any such funds to the City shall be subject, however, to any provisions of law applicable to the Trustee or to such funds providing other requirements for disposition of unclaimed property.

Section 4.09. Moneys to Be Held in Trust. All moneys required to be deposited with or paid to the Trustee for the account of any Fund or Account referred to in any provision of this Forty-Fourth Supplemental Indenture shall be held by the Trustee in trust as provided in Section 1003 of the Indenture, and shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created hereby.

Section 4.10. Debt Service Reserve Account.

(a) The City shall maintain the Debt Service Reserve Account in an amount equal to the Reserve Requirement, which requirement may be satisfied with (i) one or more Qualified Reserve Account Credit Instruments, (ii) Qualified Investments, or (iii) a combination thereof. Any Qualified Investments held to the credit of the Debt Service Reserve Account shall be valued in accordance with Section 307 of the Indenture. If on any valuation date as provided in Section 307 of the Indenture the amount on deposit in the Debt Service Reserve Account is more than the Reserve Requirement, the amount of such excess shall be transferred by the Trustee for deposit into the Revenue Fund established under the Indenture.

(b) If at any time the Debt Service Reserve Account holds both a Qualified Reserve Account Credit Instrument and Qualified Investments, the Qualified Investments shall be liquidated and the proceeds applied for the purposes for which Debt Service Reserve Account moneys may be applied under this Forty-Fourth Supplemental Indenture prior to any draw being made on the Qualified Reserve Account Credit Instrument. If the Debt Service Reserve Account holds Qualified Reserve Account Credit Instruments issued by more than one issuer, draws shall be made under such credit instruments on a *pro rata* basis to the extent of available funds. Amounts deposited in the 2013A Dedicated Sub-Fund for the purpose of restoring amounts withdrawn from the Debt Service Reserve Account shall be applied first to reimburse the

Qualified Credit Provider and thereby reinstate the Qualified Reserve Account Credit Instrument and next to make deposits into the Debt Service Reserve Account.

Section 4.11. Deposits into Project Account. Pending application as provided in Section 4.13, moneys in the Project Account shall be held in trust by the Trustee as provided in Section 4.09.

Section 4.12. Costs of 2013A Airport Projects. For the purposes of this Forty-Fourth Supplemental Indenture, the costs of the 2013A Airport Projects shall include:

(a) Obligations incurred for labor and to contractors, builders, and materialmen in connection with the construction, installation and acquisition of the 2013A Airport Projects or any part thereof, and obligations incurred for the installation and acquisition of machinery and equipment;

(b) Payment to owners and others for real property including payments for options, easements or other contractual rights;

(c) All expenses incurred in the acquisition of real property, including all costs and expenses of whatever kind in connection with the exercise of the power of eminent domain, and including the cost of title searches and reports, abstracts of title, title certificates and opinions, title guarantees, title insurance policies, appraisals, negotiations and surveys;

(d) The amount of any damage incidence to or consequent upon the construction, installation and acquisition of the 2013A Airport Projects;

(e) The cost of any indemnity, fidelity and surety bonds, the fees and expenses of the Fiduciaries during construction, installation and acquisition of 2013A Airport Projects, and premiums on insurance, if any, in connection with such 2013A Airport Projects during construction, installation and acquisition, including builders' risk insurance;

(f) The cost of engineering and architectural services which includes borings and other preliminary investigations to determine foundation or other conditions, expenses necessary or incident to the development of contract documents and supervising construction, as well as for the performance of all other duties of engineers and architects set forth herein in relation to the construction, installation and acquisition of such 2013A Airport Projects or the issuance of the Bonds therefor;

(g) Costs of Issuance;

(h) Any cost properly chargeable to such 2013A Airport Projects prior to and during construction, installation and acquisition;

(i) The cost of restoring, repairing and placing in its original condition, as nearly as practicable, all public or private property damaged or destroyed in the construction of such 2013A Airport Projects and the cost thereof, or the amount required to be paid by the City as adequate compensation for such damage or destruction, and all costs lawfully incurred or damages lawfully payable, with respect to the restoration, relocation, removal, reconstruction or

duplication of property made necessary or caused by the construction and installation of such 2013A Airport Projects and the cost thereof;

(j) Any obligation or expense incurred by the City for moneys advanced in connection with the construction, installation and acquisition of 2013A Airport Projects and the cost thereof including retirement of commercial paper notes; and

(k) All other items of cost and expense not elsewhere in this Section 4.12 specified, incident to the construction, installation and acquisition of 2013A Airport Projects and the financing thereof, including the payment of interest on Bonds.

Section 4.13. Disbursements from Project Account.

(a) All disbursements from the Project Account shall be made in accordance with requisitions signed by the City Comptroller or his or her designee in respect of each payment, as to the following:

(i) Item number of the payment;

(ii) The name of the person, firm or corporation to whom the payment is due;

(iii) The amount to be paid;

(iv) The 2013A Airport Project and purpose, by general classification, for which payment is to be made;

(v) That the obligations in stated amounts have been incurred by the City, and that each item thereof is a proper charge against the Project Account (or such sub-account) and is due and has not been included in any prior requisition which has been paid;

(vi) That the payment is for costs which are permitted to be paid from Bond proceeds;

(vii) That there has not been filed with or served upon the City any notice of any lien, right to lien, or attachment upon or claim affecting the right to receive payment of any of the moneys payable to any of the persons, firms or corporations named which have not been released or will not be released simultaneously with the payment of such obligations, and in the event that any assignment of right to receive payment has been made and notice thereof has been given to the City and the City has accepted such assignment, the order directing payment shall recite that fact and direct the payment to be made to the assignee thereof as shown by the records of the City; and

(viii) If applicable, that certain specified disbursements are not required to be certified by a Consulting Engineer pursuant to (b) below, specifying the amount of such disbursements and the reason that such disbursements need not be so certified.

(b) In respect to disbursements from the Project Account in payment for work done in connection with the construction, acquisition and installation of 2013A Airport Projects, such requisition, signed by the Chief Financial Officer or the City Comptroller, shall be accompanied by a certificate signed by a Consulting Engineer certifying that the obligations in stated amounts have been incurred by the City, and that each item thereof is a proper charge against the designated sub-account of the Project Account and has not been included in any prior requisition which has been paid, and insofar as any such obligation was incurred for work, materials, equipment or supplies, such work was actually performed in the furtherance of the construction, acquisition and installation of such 2013A Airport Projects delivered at the site of the Airport for those purposes, or delivered for storage or fabrication at a place or places approved by a Consulting Engineer and under the control of the City. Notwithstanding the foregoing, no certificate of a Consulting Engineer shall be required with respect to disbursements for Costs of Issuance or other costs that the Chief Financial Officer or the City Comptroller shall have certified as being costs that are not directly related to the actual construction, acquisition and installation of 2013A Airport Projects such as land acquisition, payment of auditor's fees and other similar costs that may otherwise be paid from the Project Account in compliance with the Tax Certificates.

(c) Upon receipt of any such orders and accompanying certificates the Trustee shall pay each such obligation from the appropriate sub-account of the Project Account and the Trustee shall make disbursements in accordance with the directions from the Chief Financial Officer or the City Comptroller. The moneys held in the Project Account shall be invested in accordance with the requirements of Article V hereof.

Section 4.14. Progress Reports and Completion Certificate.

(a) At least once each month during the period of the construction, installation and acquisition of each 2013A Airport Project, the cost of which has been paid in whole or in part from Bond proceeds, the City will cause the Consulting Engineer to prepare a progress report in connection with such construction, installation and acquisition of such 2013A Airport Project, including comparisons between the actual time elapsed and the actual costs incurred and the estimates of such time and costs, which shall have been set forth in a statement prepared by the Consulting Engineer and filed with the City. Copies of such progress reports shall be filed with the Trustee and mailed to the holders of the Bonds requesting copies thereof.

(b) Promptly after the completion of the construction, installation and acquisition of each such 2013A Airport Project, the City will deliver to the Trustee a Certificate stating the date of such completion.

Section 4.15. Permitted Transfers.

(a) Moneys in the Project Account (or any sub-account therein) may be transferred or withdrawn as shall be specified by a Certificate of the City pursuant to paragraph (b) of this Section for any one or more of the following purposes: (i) to make transfers to one or more other Project Accounts held by the Trustee to pay the costs of other Airport Projects, which costs are permitted to be paid from Bond proceeds, (ii) to make transfers into the Debt Service Reserve Account to make up any deficiency therein, (iii) to make transfers to the

Principal and Interest Account, (iv) to redeem Bonds in accordance with the provisions of this Forty-Fourth Supplemental Indenture, or (v) upon an Event of Default to pay the principal of and interest on the Bonds.

(b) Before any such transfer or withdrawal shall be made, the City shall file with the Trustee:

(i) its requisition therefor, stating the amount of the transfer or withdrawal and directing the Trustee as to the application of such amount;

(ii) a Counsel's Opinion stating that in the opinion of the signer, such transfer or withdrawal will not constitute a breach or default on the part of the City of any of the covenants or agreements contained in this Forty-Fourth Supplemental Indenture; and

(iii) an opinion of Bond Counsel to the effect that such transfer or withdrawal will not adversely affect any exemption from Federal income taxes of interest on any Bonds theretofore issued.

ARTICLE V

Investment of Moneys

Section 5.01. Investment of Moneys. Moneys held in the funds, accounts and subaccounts established hereunder shall be invested and reinvested in accordance with the provisions governing investments contained in the Indenture. All such investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund, account or subaccount for which they were made.

Section 5.02. Investment Income. The interest earned on any investment of moneys held hereunder, any profit realized from such investment and any loss resulting from such investment shall be credited or charged to the fund, account or subaccount for which such investment was made.

ARTICLE VI

Discharge of Lien

Section 6.01. Defeasance. If the City shall pay to the Registered Owners of the Bonds, or provide for the payment of, the principal, and interest and Redemption Price, if any, to become due thereon, at the times and in the manner stipulated in Section 1101 of the Indenture, then this Forty-Fourth Supplemental Indenture shall be fully discharged and satisfied. Upon the satisfaction and discharge of this Forty-Fourth Supplemental Indenture, the Trustee shall, upon the request of the City, execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction and the Fiduciaries shall pay over or deliver to the City all Funds, Accounts and other moneys or securities held by them pursuant to this

Forty-Fourth Supplemental Indenture which are not required for the payment or redemption of the Bonds not theretofore surrendered or presented for such payment or redemption.

ARTICLE VII

Concerning the Trustee

Section 7.01. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Forty-Fourth Supplemental Indenture, and agrees to perform said trusts, but only upon and subject to the express terms and conditions set forth herein and in the Indenture. Except as otherwise expressly set forth in this Forty-Fourth Supplemental Indenture, the Trustee assumes no duties, responsibilities or liabilities by reason of its execution of this Forty-Fourth Supplemental Indenture other than as set forth in the Indenture and this Forty-Fourth Supplemental Indenture, and this Forty-Fourth Supplemental Indenture is executed and accepted by the Trustee subject to all the terms and conditions of its acceptance of the trust under the Indenture, as fully as if said terms and conditions were herein set forth at length.

Section 7.02. Dealing in Bonds. The Trustee, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City, and may act as depositary, trustee or agent for any committee or body of the owners of Bonds secured hereby or other obligations of the City as freely as if it did not act in any capacity hereunder.

ARTICLE VIII

Supplemental Indentures

Section 8.01. Supplements or Amendments to Forty-Fourth Supplemental Indenture. This Forty-Fourth Supplemental Indenture may be supplemented or amended in the manner set forth in Articles VII and VIII, respectively, of the Indenture.

ARTICLE IX

Indenture Amendment

Section 9.01. Written Consent to Indenture Amendment. The Thirty-Seventh Supplemental Indenture from the City to the Trustee dated April 1, 2010, authorizes the amendment of the Indenture (the "*2010 Amendment*"). The 2010 Amendment deletes in full Section 413 of the Indenture which contains restrictions on the sale or transfer of the Airport. In consideration for the security interests granted by the City for the benefit of the Owners of the Bonds **[Insurer]**, the Owners from time to time of the Bonds **[Insurer]** hereby consent to the Thirty-Seventh Supplemental Indenture and to the 2010 Amendment of the Indenture. Such consents shall be fully effective for all purposes of Article VIII of the Indenture. The consent of any Owner made pursuant to this Section may be revoked in writing as provided by subsection (b) of Section 803 of the Indenture.

ARTICLE X

[Insurer Provisions

Section 10.01. Insurer Provisions. The City hereby designates **[Insurer]** as the Insurer with respect to the Insured Bonds. The Insurer shall be entitled to the benefits of Section 1104 of the Indenture. Anything contained in this Forty-Fourth Supplemental Indenture or in the Bonds to the contrary notwithstanding, the existence of all rights given to the Insurer hereunder or under the Indenture are expressly conditioned on the timely and full performance of the payment obligations of the Insurer under the Policy.

This Section 10.01 contains certain covenants and restrictions for the benefit of **[Insurer]** which apply in addition to, and not in substitution of, the provisions of the Indenture. The following covenants shall apply only to the Insured Bonds and shall only be applicable during the period in which any Insured Bonds are Outstanding or any amounts are due to **[Insurer]** under the Policy, and **[Insurer]**'s rights have not terminated pursuant to clause (a) of this Section 10.01. The covenants contained in this Section 10.01 may only be enforced by **[Insurer]** and may be modified, amended or waived at any time with the prior written consent of **[Insurer]** and without the consent of the Trustee (so long as such modification or amendment imposes no additional duties on the Trustee) or any holder of the Bonds.

(a) The existence of all rights given to **[Insurer]** under this Forty-Fourth Supplemental Indenture or the Indenture are expressly conditioned on the timely and full performance of the payment obligations of **[Insurer]** under the Policy.

(b) **[Insurer]** shall be considered the sole Owner of the Insured Bonds as provided in Section 1104 of the Indenture.

(c) It shall constitute an event of default hereunder for purposes of Section 901(d) of the Indenture if the City fails or refuses to comply with the provisions of the Indenture, or defaults in the performance or observance of any covenants, agreements or conditions on its part contained in the Indenture or the Senior Lien Obligations, which materially affects the rights of the Owners of the Senior Lien Obligations and the failure, refusal or default continues for a period of 45 days after written notice of it by the Trustee or the Owners of not less than 25% in principal amount of the Outstanding Senior Lien Obligations; provided, however, that in the case of any such default which can be cured by due diligence but which cannot be cured within the 45-day period, the time to cure is extended for such period as may be necessary to remedy the default with all due diligence, provided that such extension shall not exceed 45 days without the prior written consent of **[Insurer]** (which consent shall not be unreasonably withheld).

(d) To the extent that this Forty-Fourth Supplemental Indenture confers upon or gives or grants to **[Insurer]** any right, remedy or claim under this Forty-Fourth Supplemental Indenture, **[Insurer]** is hereby explicitly recognized as being a third-party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

(e) No amendment or modification of any provisions of this Forty-Fourth Supplemental Indenture giving any right, remedy or claim to **[Insurer]** may be made without the prior written consent of **[Insurer]** (which consent shall not be unreasonably withheld).

(f) No amendment of the Indenture that materially and adversely alters the security for the Insured Bonds shall become effective without the prior written consent of **[Insurer]** (which consent shall not be unreasonably withheld).

(g) The rights granted to **[Insurer]** hereunder to request, consent to or direct any action are rights granted to **[Insurer]** in consideration of its issuance of the **[Insurer]** Policy. Any exercise by **[Insurer]** of such rights is merely an exercise of **[Insurer]**'s contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the holders of the Insured Bonds nor does such action evidence any position of **[Insurer]**, positive or negative, as to whether Bondholder consent is required in addition to the consent of **[Insurer]**.

(h) Notwithstanding anything in the Indenture to the contrary, in the event that the principal and/or interest due on the Insured Bonds shall be paid by **[Insurer]** pursuant to the Policy, the Insured Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the City and all covenants, agreements and other obligations of the City to the registered owners shall continue to exist and shall run to the benefit of **[Insurer]**, and **[Insurer]** shall be subrogated to the rights of such registered owners. The term "Outstanding" under the Indenture includes Insured Bonds described in this clause (h). The lien of the Indenture shall not be discharged unless all amounts due or to become due to **[Insurer]** hereunder have been paid in full or duly provided for.

(i) The City shall pay or reimburse **[Insurer]**, but only from Revenues and subject and subordinate to all then existing liens on and pledges of Revenues as security for the payment of Airport Obligations, any and all charges, fees, costs and expenses which **[Insurer]** may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture; (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture whether or not executed or completed, (iv) the violation by the City of any law, rule or regulation, or any judgment, order or decree applicable to it or (v) any litigation or other dispute in connection with the Indenture or the transactions contemplated thereby, other than amounts resulting from the failure of **[Insurer]** to honor its obligations under the Policy. **[Insurer]** reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture.

(j) The notice address of **[Insurer]** is: **[NAME, ADDRESS, Attention: TITLE]**. In each case in which notice of other communication refers to an event of default, then a copy of such notice or other communication shall also be sent to the attention of the **[General Counsel]** and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(k) **[Insurer]** shall be provided with the following information:

(i) Annual audited financial statement within 210 days after the end of the City's fiscal year (together with a certification of the City that it is not aware of any

default or event of default under the Indenture), and the City's annual budget within 60 days after the approval thereof together with such other information, data or reports as **[Insurer]** shall reasonably request from time to time;

(ii) Notice of any draw upon the Debt Service Reserve Account within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of Bonds;

(iii) Notice of any default known to the Trustee within five Business Days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Insured Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "*Insolvency Proceeding*");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as preferential transfer of any payment of principal of, or interest on, the Insured Bonds;

(viii) A full original transcript of all proceedings relating to the execution of any amendment or supplement to the Indenture; and

(ix) All reports, notices and correspondence to be delivered to Bondholders under the terms of the Indenture.

(l) No Senior Lien Obligations may hereafter be issued without the prior written consent of **[Insurer]** (which consent shall not be unreasonably withheld) (i) during the occurrence and continuance of an event of default under Section 901 of the Indenture unless such event of default would be cured by such issuance or (ii) if, based upon the most recent valuation of the Debt Service Reserve Account pursuant to Section 307 of the Indenture, the amounts therein are less that the Reserve Requirement.

(m) In determining whether any amendment, consent or other action to be taken, or failure to act, under the Indenture, the Trustee shall consider the effect of any such amendment, consent, action or inaction as if there were no Policy.

(n) Acceleration is not a remedy under the Indenture.

(o) The exercise of any provision of the Indenture which permits the purchase of Insured Bonds in lieu of optional redemption shall require the prior written approval of **[Insurer]** if any Insured Bond so purchased is not cancelled upon purchase.

(p) In connection with the defeasance of any Insured Bond for which a verification report is required pursuant to Section 1101(c) of the Indenture, the City shall cause to be delivered to **[Insurer]**: (i) an escrow deposit agreement (which shall be acceptable in form and substance to the Insurer), and (ii) an opinion of nationally recognized bond counsel to the effect that the Insured Bonds are no longer "Outstanding" under the Indenture or a certificate of discharge of the Trustee with respect to the defeased Insured Bonds. Each verification report and defeasance opinion or certificate of discharge shall be acceptable in form and substance, and addressed, to the City, Trustee and Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

(q) The Insurer is entitled to pay principal of and interest on the Insured Bonds that shall become "*Due for Payment*" shall be unpaid by reason of "*Nonpayment*" by the City (as such terms are defined in the Policy) whether or not the Insurer has received a "*Notice of Nonpayment*" (as such terms are defined in the Policy) or a claim upon the Policy.

(r) Any (A) sale or other disposition of all or substantially all of the Airport or (B) transfer of control, management or oversight of the Airport (or any material aspect thereof) shall require the consent of **[Insurer]** (which consent shall not be unreasonably withheld) unless the Insured Bonds are legally defeased.

Section 10.02. Policy Provisions. The provisions of this Section 10.02 apply solely to **[Insurer]**, the Insured Bonds and the Policy.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("*Payment Date*") there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Trustee shall give notice to **[Insurer]** and to its designated agent (if any) (the "*Insurer's Fiscal Agent*") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Bonds due on such Payment Date, the Trustee shall make a claim under the Policy and give notice to **[Insurer]** and **[Insurer]**'s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Bonds and the amount required to pay principal of the Insured Bonds, confirmed in writing to **[Insurer]** and **[Insurer]**'s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice Claim and Certificate delivered with the Policy.

The Trustee shall designate any portion of payment of principal on Insured Bonds paid by **[Insurer]**, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Bond to **[Insurer]**, registered in the name of **[full name of Insurer]**, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any

replacement Insured Bond shall have no effect on the amount of principal or interest payable by the City on any Insured Bond or the subrogation rights of **[Insurer]**.

The Trustee shall keep a complete and accurate record of all funds deposited by **[Insurer]** into the **[Insurer]** Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal paid in respect of any Insured Bond. **[Insurer]** shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Policy the Trustee shall establish a separate special purpose trust account for the benefit of owners of the Insured Bonds referred to herein as the "***[Insurer]*** *Policy Payments Account*" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Policy in trust on behalf of owners of the Insured Bonds and shall deposit any such amount in the **[Insurer]** Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to owners of the Insured Bonds in the same manner as principal and interest payments are to be made with respect to the Insured Bonds under the sections hereof regarding payment of Insured Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

The City agrees to pay the Insurer, but only from Revenues, (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "*Insurer Advances*"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "*Insurer Reimbursement Amounts*"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 1.5%, and (ii) the then applicable highest rate of interest on the Insured Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The payment of interest on Insurer Advances pursuant to clause (ii) above that exceeds the rate of interest that would be payable on unpaid interest and principal on the Insured Bonds pursuant to Section 1103(a) of the Indenture is subject and subordinate to all then existing liens on and pledges of Revenues as security for the payment of Airport Obligations.

Funds held in the **[Insurer]** Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the **[Insurer]** Policy Payments Account following an Insured Bond payment date shall promptly be remitted to **[Insurer]**.]

ARTICLE XI

Miscellaneous

Section 11.01. Forty-Fourth Supplemental Indenture as Part of Indenture. This Forty-Fourth Supplemental Indenture shall be construed in connection with and as a part of the Indenture and all terms, conditions and covenants contained in the Indenture, except as herein modified and except as restricted in the Indenture to Senior Lien Obligations of another Series, shall apply and be deemed to be for the equal benefit, security and protection of the Bonds.

Section 11.02. Severability. If any provision of this Forty-Fourth Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 11.03. Payments Due on Saturdays, Sundays and Holidays. If any payment of interest or principal or redemption premium on the Bonds is due on a date that is not a Business Day, payment shall be made on the next succeeding Business Day with the same force and effect as if made on the date which is fixed for such payment, and no interest shall accrue on such amount for the period after such due date.

Section 11.04. Counterparts. This Forty-Fourth Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.05. Rules of Interpretation. Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument as originally executed. Use of the words "herein," "whereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this Forty-Fourth Supplemental Indenture and not solely to the particular portion in which any such word is used.

Section 11.06. Captions. The captions and headings in this Forty-Fourth Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Forty-Fourth Supplemental Indenture.

Section 11.07. Additional Notices. Copies of all notices, certificates or other communications given to the City or the Trustee pursuant to the requirements of the Indenture or this Forty-Fourth Supplemental Indenture at the addresses set forth in Section 1105 of the Indenture shall be given to the Insurer and to any Qualified Credit Provider of Qualified Credit Instruments held in the Debt Service Reserve Account at the same time and in the same manner.

IN WITNESS WHEREOF, the City has caused these presents to be executed in its name and with its official seal hereunto affixed and attested by its duly authorized officials; and to evidence its acceptance of the trusts hereby created, the Trustee has caused these presents to be executed in its corporate name and attested by its duly authorized officers, as of the date first above written.

CITY OF CHICAGO

By:_____
Chief Financial Officer

[SEAL]

Attest:

By:_____
City Clerk

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By:_____
Authorized Signatory

Attest:

By:_____
Authorized Signatory

Exhibit B

(to Ordinance)

INDENTURE OF TRUST

Between

CITY OF CHICAGO

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

Dated as of [Date of Indenture]

Securing

Chicago O'Hare International Airport

Customer Facility Charge Revenue Bonds, Series 2013

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INDENTURE OF TRUST

This Indenture of Trust dated as of [Date of Indenture] is entered into by and between the City of Chicago, a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States of America, as trustee.

Capitalized terms not otherwise defined shall have the meaning set forth in Section 1.01 of this Indenture. Unless otherwise indicated, references to Articles or Sections refer to this Indenture.

Reference is made to the following facts:

A. The City has determined to issue Customer Facility Charge Revenue Bonds, in one or more series. The proceeds of the Series 2013 Bonds are to be applied to finance all or a portion of the costs of the design and construction of a new consolidated rental car facility, extension of the existing airport transit system to provide transportation between such consolidated rental car facility and airport passenger terminals, and related facilities, all as further described herein, at Chicago O'Hare International Airport, and to pay other Costs of the Project.

B. All things necessary to make the Series 2013 Bonds, when authenticated, the binding, limited obligations of the City and to create a valid lien and pledge as herein provided have been accomplished; and the execution and delivery of this Indenture and the issuance of the Series 2013 Bonds have been duly authorized.

C. The Series 2013 Bonds and any Additional Bonds and Subordinate Bonds issued pursuant to this Indenture are payable solely from the Trust Estate hereinafter pledged to the payment of the Bonds.

NOW, THEREFORE, in consideration of the mutual agreements and representations contained in this Indenture and for other good and valuable consideration, the receipt and sufficiency of which are duly acknowledged, the City and the Trustee hereby agree, covenant, grant, pledge, assign, represent, and warrant as follows (it being understood and agreed that the performance of the agreements of the City herein contained and any obligation it may incur hereunder for the payment of money shall not constitute a general obligation of the City or the State or a debt or a pledge of the faith and credit of the City or the State or any political subdivision or municipality thereof but shall be payable solely from the revenues and funds provided under this Indenture):

ARTICLE 1
DEFINITIONS

Section 1.01 Definitions. The following terms as used in this Indenture, the Bonds and any certificate or document executed in connection therewith shall have the following meanings (or are defined elsewhere in this Indenture as indicated below) unless the context otherwise indicates:

"***Account***" means each account established within the Project Fund, the Debt Service Fund, each Reserve Fund, the Subordinate Debt Service Fund, the Subordinate Reserve Fund or the Rebate Fund pursuant to the provisions of this Indenture.

"***Additional Bonds***" means one or more Series of Additional Bonds issued pursuant to Section 3.02 of this Indenture and a Supplemental Indenture.

"***Aggregate Debt Service***" means, with respect to one or more designated Series of Outstanding Bonds or, if no Bonds are designated, all Bonds Outstanding hereunder, for any period, the amount of all interest accrued in such period plus the amount required to pay principal coming due in such period on such Bonds; provided, however, that if the stated period is a Fiscal Year, the amount of principal shall be the principal payable on any date commencing with January 2 in such Fiscal Year and ending with January 1 in the following Fiscal Year, both inclusive, net of interest earned on any Fund or Account and deposited to the Debt Service Fund and Subordinate Debt Service Fund (as applicable) during such period and available for payment of principal of or interest on such Bonds.

"***Airport***" means Chicago O'Hare International Airport, together with any additions thereto, or improvements or enlargements of it, later made, but any land, rights-of-way, or improvements which are now or later owned by or are part of the transportation system operated by the Chicago Transit Authority, or any successor thereto, wherever located within the boundaries of the Airport, are not deemed to be part of the Airport.

"***Airport Customer***" means a Person that rents, picks up or enters into a written or oral agreement for the rental of a Motor Vehicle from a RAC or an Off-Airport RAC, either at the Airport or at a location other than the Airport if, and only if, a Courtesy Vehicle is used to transport such Person to and from the CRCF.

"***ATS***" or "***Airport Transit System***" means the Airport's automated people mover system which travels on a dedicated guideway providing passenger service at the Airport, including without limitation, to terminals, parking areas and the CRCF, including the vehicles used for transport, stations, and related equipment and associated improvements.

"***Authorized Denomination***" means (a) with respect to the Series 2013 Bonds, $5,000 or any integral multiple thereof, and (b) with respect to any Series of Additional Bonds or Subordinate Bonds, such amounts as shall be specified in the Supplemental Indenture relating thereto.

"***Authorized Officer***" means, (a) in the case of the City, (i) the Mayor, the Chief Financial Officer, the City Treasurer, the Commissioner, the City Comptroller or any other official of the City so designated by a Certificate signed by the Mayor and filed with the Trustee for so long as that designation is in effect and (ii) the City Clerk with respect to the certification of any ordinance or resolution of the City Council or any other document filed in his or her office; and (b) in the case of the Trustee, any officer within the corporate trust department (or similar group) of the Trustee responsible for the administration of this Indenture, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject.

"***Beneficial Owner***" means, so long as the Bonds are in the Book-Entry-Only System, any Person who acquires a beneficial ownership interest in a Bond held by the Securities Depository. If at any time the Bonds are not held in the Book-Entry-Only System, Beneficial Owner means the Owner for purposes of this Indenture.

"***Bond Counsel***" means any attorney at law or firm of attorneys, selected by the City and reasonably acceptable to the Trustee, of nationally recognized standing in matters pertaining to the validity of and the tax-exempt nature of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America.

"***Bondholder***" or "***holder***" means, as of any time, the registered owner of any Bond as shown in the register kept by the Trustee as bond registrar.

"***Bonds***" means the Series 2013 Bonds and any Additional Bonds and Subordinate Bonds from time to time Outstanding under this Indenture.

"***Bond Year***" means any one-year period ending on January 1, other than the initial Bond Year, which shall commence on the Closing Date and end on January 1, 2014.

"***Book-Entry-Only System***" means the system maintained by the Securities Depository described in Section 3.07.

"***Business Day***" means any day other than a Saturday, Sunday or legal holiday or the equivalent (other than a moratorium) on which banking institutions generally in either of the City or New York, New York are authorized or required by law or executive order to close.

"***CFC***" or "***Customer Facility Charge***" means the customer facility charge or customer facility charges to be collected by the RACs and remitted to the Trustee for the benefit of the City, or, if no Bonds remain Outstanding, remitted directly to the City, as further defined and provided in each RAC Agreement.

"***CFC Revenue Fund***" means the fund established pursuant to Section 5.01 into which all Revenues shall be deposited upon receipt by the Trustee and applied as set forth in Section 5.03.

"***CFC Stabilization Fund***" means the fund established pursuant to Section 5.01 and described in Section 5.12, to be maintained and held by the City.

"***CFC Stabilization Fund Minimum Requirement***" means initially $_____, provided such amount may be increased under the terms of a Supplemental Indenture or a certificate of an Authorized Officer of the City.

"***CFC Statute***" means Section 6-305(j) of the Illinois Vehicle Code, 625 ILCS 5/6-305(j).

"***Chief Financial Officer***" means the Chief Financial Officer of the City appointed by the Mayor, or the City Comptroller of the City at any time a vacancy exists in the office of the Chief Financial Officer.

"***City***" means the City of Chicago, a municipal corporation and home rule unit of local government organized and existing under the laws of the State.

"***City Council***" means the City Council of the City, or any succeeding governing or legislative body of the City.

"***Closing Date***" means the date of delivery of the Series 2013 Bonds to the initial purchasers thereof against payment therefor.

"***Code***" or "***IRC***" means the Internal Revenue Code of 1986, as from time to time amended, and any regulations promulgated thereunder, including without limitation any Treasury Regulations or Temporary or Proposed Regulations, as the same shall from time to time be amended including (until modified, amended or superseded) Treasury Regulations or Temporary or Proposed Regulations under the Internal Revenue Code of 1954, as amended.

"***Commissioner***" means the Commissioner of Aviation of the City or any designee of the Commissioner, or any successor or successors to the duties of any such official

"***Completion Certificate***" means the completion certificate required under Section 6.06 below to be executed by the City upon the completion of the Project.

"***Completion Date***" means the earlier to occur of (i) the date on which the Project is completed as evidenced by the delivery of a Completion Certificate and (ii) the date of abandonment of the Project.

"***Consultant***" means any one or more consultants selected by the City with expertise in the administration, financing, planning, maintenance and operations of airports and facilities thereof, and who, in the case of an individual, shall not be a member, officer or employee of the City.

"***Consulting Engineer***" means _____.

"***Continuing Disclosure Undertaking***" means the Continuing Disclosure Undertaking of the City relating to the Bonds, as from time to time in effect.

"***Contract Day***" means, with respect to rentals of Motor Vehicles, up to a 25-hour period or fraction thereof for the first Contract Day and successive 24-hour periods (or fractions thereof) for each successive Contract Day.

"***Costs of Collection***" means all reasonable attorneys' fees and out-of-pocket expenses incurred by the Trustee directly or indirectly related to the Trustee's efforts to collect or enforce the Bonds, this Indenture, or any of the Trustee's rights, remedies, powers, privileges, or discretion against or in respect of the City thereunder (whether or not suit is instituted in connection with any of the foregoing).

"***Costs of the Project***" means all costs of the Project, including without limitation costs of the construction manager, the program manager and allocated costs of program administration, the costs of issuing the Bonds, and other costs chargeable to the capital account of the Project, in each case to the extent that such costs are permitted under the CFC Statute.

"***Co-Trustee***" means any Co-Trustee appointed by the Trustee pursuant to the provisions of Section 8.12.

"***Counsel***" means an attorney or a firm of attorneys admitted to practice law in the highest court of any state of the United States of America.

"***Courtesy Vehicle***" means a shuttle bus or other vehicle providing transportation services on Airport premises to or from RAC or Off-Airport RAC facilities.

"***CRCF***" means the new consolidated rental car facility. The CRCF consists of the following: (i) an elevated structure ("***ES***") containing multiple stories which will be used by RACs for vehicle ready/return operations, vehicle storage, a customer service center including customer service counters, waiting areas and related facilities and office space; and (ii) a multi-story fuel/car wash quick turn-around vehicle service facility ("***QTA***") on land located near the ES, together with a dedicated roadway for rental vehicle use only connecting the ES and QTA. The CRCF does not include that portion of the ES used as public parking facilities unrelated to its use as a consolidated rental car facility.

"***Days***" or "***days***" shall refer to calendar days, unless otherwise specified herein.

"***Debt Service Fund***" means the Fund established pursuant to Section 5.01 and described in Section 5.04.

"***Debt Service Reserve Fund***" means the Fund established pursuant to Section 5.01 and described in Section 5.07.

"***DSRF Requirement***" means one hundred percent (100%) of the Maximum Annual Debt Service on the Bonds (other than Subordinate Bonds) then outstanding.

"***Default***" means any Event of Default or any event or condition which, with the passage of time or giving of notice or both, would constitute an Event of Default.

"***Defeasance Obligations***" means non-callable investment securities of the type set forth in paragraphs (a), [or (b)] of the definition of Qualified Investments.

"***Depositary***" means any bank or trust company, which may include the Trustee, duly authorized by Law to engage in the banking business and selected by the City as a depositary of moneys under the provisions of this Indenture.

"***Draw Down Date***" means the twenty-fifth (25^{th}) day of each month or, if such day is not a Business Day, the next succeeding Business Day of each month that any Bonds remain Outstanding.

"***Electronic Means***" means telecopy, facsimile transmission, e-mail transmission or other similar electronic means of communication providing evidence of transmission, including a telephonic communication confirmed by any other method set forth in this definition.

"***Event of Default***" See Section 7.01.

"***Facility Rent***" means the annual amount payable by the RACs to the City pursuant to the RAC Agreements equal to the Minimum Annual Requirement, less annual CFCs collected.

"***Favorable Opinion of Bond Counsel***" means, with respect to any action relating to a Series of Tax-Exempt Bonds, the occurrence of which requires such an opinion, an unqualified written legal opinion of Bond Counsel to the effect that such action is permitted under this Indenture and will not impair the exclusion of interest on the Tax-Exempt Bonds of such Series from gross income for purposes of federal income taxation (subject to the inclusion of any exception contained in the opinion delivered upon the original issuance of such Series of Tax-Exempt Bonds).

"***Federal Obligation***" means any direct obligation of, or any obligation the full and timely payment of principal of and interest on which is guaranteed by, the United States of America.

"***Fiscal Year***" means the City's Fiscal Year, commencing on January 1 and expiring on the following December 31.

"***Fitch***" means Fitch Ratings, Inc. a corporation duly organized and existing under the laws of the State of New York, its successors and assigns.

"***Fixed Rate***" means one or more nonfloating, nonvariable interest rates which apply to a Series of Bonds.

"***Fund or Funds***" means any of the Funds established in Section 5.01(a) hereof.

"***Indenture***" means this Indenture of Trust, as supplemented and amended from time to time in accordance with its terms.

"***Interest Payment Date***" for the Series 2013 Bonds means January 1 and July 1 of each year that the Series 2013 Bonds remain Outstanding, and for any other Bonds, the dates set forth in the Supplemental Indenture entered into in connection with the issuance of such Bonds.

"***Laws***" means all present and future laws, rules, regulations, directives, permits, executive orders, other governmental orders and conditions of any permits or other governmental approvals applicable to this Indenture, the Bonds, the RACs, the CRCF, or the use thereof, or any of them from time to time, foreseen, unforeseen; provided, however, that rules, directives and regulations of the City shall only be deemed "Laws" if generally applicable at the Airport.

"***Maintenance Reserve Fund***" means the maintenance reserve fund maintained and held by the City, the funds on deposit in which shall be disbursed by the City in the City's discretion, for the purposes and in the manner described in the RAC Agreements.

"***Majority of the Bondholders***" means the holders of more than fifty percent (50%) of the aggregate principal amount of Outstanding Bonds.

"***Maturity Date***" for the Series 2013A Bonds means the dates set forth in **Exhibit B**, for the Taxable Series 2013B Bonds means the dates set forth in **Exhibit B**, and for any other Series of Bonds means the maturity date or dates specified in the Supplemental Indenture entered into in connection with the issuance of such Bonds.

"***Maximum Annual Debt Service***" for any Bonds (other than Subordinate Bonds) that are Outstanding means the maximum annual scheduled payments of principal of and interest on such Bonds in any future Bond Year, excluding any accrued or capitalized interest.

"***Maximum Rate***" means the maximum rate of interest on the relevant obligation as may be established by a Supplemental Indenture entered into in connection with the issuance of any Additional Bonds or Subordinate Bonds, and in all events, a rate not exceeding that permitted by applicable Law.

"***Minimum Annual Requirement***" shall have the meaning set forth in Section 6.04(b).

"***Moody's***" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns.

"***Motor Vehicle***" means any motor vehicle within the meaning of Section 1-146 of the Illinois Vehicle Code, 625 ILCS 5/1-146.

"***Nonpurpose Payments***" has the meaning ascribed to such term in the Regulations.

"***Nonpurpose Receipts***" has the meaning ascribed to such term in the Regulations.

"***Notice Address***" means, for the City, City of Chicago, Office of Chief Financial Officer, 33 North LaSalle Street, 6th Floor, Chicago, Illinois 60602, with a copy to City of Chicago, Chicago Department of Aviation, 10510 West Zemke Road, Chicago, Illinois 60606, Attention: Commissioner of the Chicago Department of Aviation; and for the Trustee, The Bank of New York Mellon Trust Company, N.A., 2 North LaSalle Street, Suite 1020, Chicago, Illinois 60602, Attention: Corporate Trust, or such other or additional address(es) as may be stated in writing in a notice to the other party.

"***Off-Airport RAC* or *RACs***" means and refers to any Person operating a rental car business servicing Airport Customers from a location other than the CRCF.

"***Operation and Maintenance Fund***" means the operation and maintenance fund maintained and held by the City, the funds on deposit in which shall be disbursed by the City in the City's discretion, for the purposes and in the manner described in the RAC Agreements.

"***Outstanding Bonds***" or "***Bonds outstanding***" means the amount of principal of the Bonds which has not at the time been paid, exclusive of (a) Bonds in lieu of which others have been authenticated under Section 3.06, (b) principal of any Bond which has become due (whether by maturity, call for redemption or otherwise) and for which provision for payment as required herein has been made, (c) principal of any Bond that is deemed to have been paid as provided in Section 2.02, and (d) for purposes of any direction, consent or waiver under this Indenture, Bonds deemed not to be outstanding pursuant to Sections 2.02 and 10.07.

"***Par Call Bonds***" means those Bonds, if any, described in **Exhibit B** attached to this Indenture.

"***Participant***" means, with respect to DTC or another Securities Depository, a member of or participant in DTC or such other Securities Depository, respectively.

"***Paying Agent***" means the Trustee or any other paying agent appointed in accordance with Section 8.11 hereof.

"***Payment Date***" means each Interest Payment Date, Principal Payment Date or any other date on which any principal of, premium, if any, or interest on any Bond is due and payable for any reason, including without limitation upon any redemption of Bonds pursuant to Section 4.01.

"***Person***" means a corporation, association, partnership, limited liability company, joint venture, trust, organization, business, individual or government or any governmental agency or political subdivision thereof.

"***Pledged Receipts***" means all CFCs received or receivable by the Trustee for the account of the City, all Facility Rent payable by the RACs, all casualty insurance proceeds and condemnation awards required to be applied pursuant to Section 6.09, and all moneys, investments and proceeds on deposit in the Project Fund, the Debt Service Fund, the Reserve

Funds, the Subordinate Debt Service Fund and the Subordinate Reserve Fund, and interest and investment earnings thereon, subject to the provisions of Section 5.14 regarding moneys for the benefit of the holders of particular Bonds. The Pledged Receipts shall not include moneys, investments and proceeds in the Rebate Fund, the Operation and Maintenance Fund, the Maintenance Reserve Fund or the CFC Stabilization Fund, and shall not include the Unassigned Rights.

"***Principal Payment Date***" means January 1 of each year in which principal of the Bonds of any Series is due and payable.

"***Project***" means the permitting, design, development, construction, equipping, furnishing and acquisition of (i)(a) the CRCF, including the associated structures, roadways, facilities, infrastructure improvements to utilities and other infrastructure to support the CRCF, and (b) additions, extensions and improvements to the ATS, in each case to the extent that such purposes are permitted under the CFC Statute; and (ii) such other purposes related to the CRCF as permitted under the CFC Statute and determined by the Commissioner.

"***Project Budget***" means the City's approved capital budget for the Project.

"***Project Fund***" means the Fund created pursuant to Section 5.01 and described in Section 5.02.

"***Qualified Collateral***" means:

(a) Federal Obligations;

(b) direct and general obligations of any State of the United States of America or any political subdivision of the State which are rated in one of the two highest rating categories by any two Rating Agencies without regard to any refinement or gradation of rating category by numerical modifier or otherwise; and

(c) public housing bonds issued by public housing authorities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America, or project notes issued by public housing authorities, or project notes issued by local public agencies, in each case fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America.

"***Qualified Investments***" means those investments set forth in **Exhibit D** attached to this Indenture.

"***RAC***" means a Person that operates a rental car business serving Airport Customers under terms of a RAC Agreement with the City and who leases space within the CRCF.

"***Rating Agency***" means, as of any date, each of Fitch, Moody's and S&P, and any other Nationally Recognized Statistical Rating Organization ("NRSRO") designated by the City by notice to the Trustee; provided, however, that the City may substitute any NRSRO for any of

Fitch, Moody's or S&P by notice to the Trustee, as long as the City uses its best efforts to ensure that the Bonds or any Series thereof are rated by no less than two Rating Agencies.

"***RAC Agreement***" means, for any RAC, the agreement between such RAC and the City for the lease of premises within the CRCF and the use thereof by such RAC to carry out its rental car activities at the Airport, and payments to the City relating thereto, as supplemented, amended, modified or superceded from time to time in accordance with its terms.

"***Rating Category***" means a generic securities rating category, without regard, in the case of a long-term rating category, to any refinement or gradation of such long-term rating category by a numerical modifier or otherwise.

"***Rebate Fund***" means the Fund created pursuant to Section 5.01 and described in Section 5.13.

"***Rebate Installment Date***" means the dates selected by the City pursuant to the Regulations for the payment of rebate or yield reduction payments as provided in Section 5.13 hereof, the first of which shall be no later than 60 days after the close of the fifth Bond Year for each Series of Tax-Exempt Bonds. Each such Rebate Installment Date shall be no more than five years following the next preceding Rebate Installment Date. Rebate Installment Date shall also include a date selected by the City which is no later than 60 days following the final payment of each Series of Tax-Exempt Bonds which is treated as a separate series for federal tax purposes.

"***Rebate Professional***" is defined in Section 5.13(c).

"***Record Date***" means (a) with respect to the Series 2013 Bonds, with respect to each Payment Date the close of business on the fifteenth day of the month immediately preceding the month in which such Payment Date occurs, (b) with respect to any other Series of Bonds, the date specified in the Supplemental Indenture providing for the issuance of such Series of Bonds.

"***Refunding Bonds***" means one or more Series of Bonds issued pursuant to Section 3.02 to refund Outstanding Bonds.

"***Registrar***" means the Trustee acting as the Bond registrar hereunder.

"***Registration Books***" means the register of the record owners of the Bonds maintained by the Registrar.

"***Regulations***" means the Treasury Regulations applicable to Section 148(f) of Code.

"***Required Reserve Amounts***" means, respectively, the Rolling Coverage Fund Requirement, the Supplemental Reserve Fund Requirement and the DSRF Requirement for each Series of Bonds.

"***Requisition Certificate***" means a written certificate executed by the City substantially in the form of **Exhibit C** attached to this Indenture.

"***Reserve Funds***" means, collectively, the Rolling Coverage Fund, the Supplemental Reserve Fund and the Debt Service Reserve Fund, and no other Funds.

"***Revenues***" means CFCs, Facility Rent and any other sums paid to the Trustee for deposit in the CFC Revenue Fund.

"***Rolling Coverage Fund***" means the Fund established pursuant to Section 5.01 and described in Section 5.05.

"***Rolling Coverage Fund Requirement***" means twenty-five percent (25%) of the Maximum Annual Debt Service on the Bonds (other than Subordinate Bonds) then outstanding.

"***Securities Act***" means the federal Securities Act of 1933, as amended, and any successor thereto.

"***Securities Depository***" or "***DTC***" means The Depository Trust Company and its successors and assigns or any other securities depository selected by the City which agrees to follow the procedures required to be followed by such securities depository in connection with the Bonds.

"***Securities Exchange Act***" means the federal Securities Exchange Act of 1934, as amended, and any successor thereto.

"***Series***" means each of the Series 2013A Bonds and the Taxable Series 2013B Bonds issued pursuant to this Indenture and each series of Additional Bonds or Subordinate Bonds issued pursuant to a Supplemental Indenture.

"***Series 2013 Bonds***" means, collectively, the Series 2013A Bonds and the Taxable Series 2013B Bonds.

"***Series 2013 Project Accounts***" means, collectively, the Series 2013A Project Account and the Taxable Series 2013B Project Account.

"***Series 2013A Bonds***" means the Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, Series 2013A issued hereunder in the original aggregate principal amount set forth in **Exhibit B**.

"***Series 2013A Debt Service Account***" means the account of such name established in the Debt Service Fund pursuant to Section 5.04.

"***Series 2013A Project***" means that portion of the Project consisting of public roadways and other related facilities and infrastructure that are eligible for funding with the proceeds of Tax-Exempt Bonds under the Code.

"***Series 2013A Project Account***" means the account of such name established in the Project Fund pursuant to Section 5.02.

"***S&P***" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns.

"***State***" means the State of Illinois.

"***Subordinate Bonds***" means any Series of Bonds issued pursuant to Section 3.04.

"***Subordinate Debt Service Fund***" means the Fund established pursuant to Section 5.01 and described in Section 5.08.

"***Subordinate Reserve Fund***" means the Fund established pursuant to Section 5.01 and described in Section 5.09 and any one or more other funds established pursuant to a Supplemental Indenture or Indentures or other financing document that provided for the issuance of one or more Subordinate Bonds.

"***Supplemental Indenture***" means each supplement to this Indenture entered into pursuant to Section 3.02 or Section 3.04 and Section 9.01(h) providing for the issuance of a Series of Additional Bonds or Subordinate Bonds or a supplement entered into pursuant to Sections 9.01 or 9.02 for the purposes and in the manner set forth therein.

"***Supplemental Reserve Fund***" means the Fund established pursuant to Section 5.01 and described in Section 5.06.

"***Supplemental Reserve Fund Requirement***" means fifty percent (50%) of the Maximum Annual Debt Service on the Bonds (other than Subordinate Bonds) then outstanding.

"***Taxable Series 2013B Bonds***" means the Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, Taxable Series 2013B issued hereunder in the original aggregate principal amount set forth in **Exhibit B**.

"***Taxable Series 2013B Debt Service Account***" means the account of such name established in the Debt Service Fund pursuant to Section 5.04.

"***Taxable Series 2013B Project Account***" means the account of such name established in the Project Fund pursuant to Section 5.02.

"***Tax-Exempt Bonds***" means the Series 2013A Bonds and any other Series of Bonds the interest on which is excludable from the gross income of the recipient thereof for federal income tax purposes.

"***Trustee***" means The Bank of New York Mellon Trust Company, N.A., with its successors and, where the context may require, any separate Trustee or Co-Trustee appointed by the Trustee pursuant to the provisions of this Indenture.

"***Trust Estate***" means the Pledged Receipts and other rights assigned by the City to the Trustee hereunder.

"***Trust Indenture Act***" means the federal Trust Indenture Act of 1939, as amended, and any successor thereto.

"***Unassigned Rights***" means the rights of the City under each RAC Agreement, except, as long as any Bonds remain Outstanding, the right to receive and collect CFCs and Facility Rent.

"***Variable Rate***" means an interest rate on a Series of Bonds which rate is subject to change from time to time as specified in the applicable Supplemental Indenture.

Section 1.02 Certain References. Any reference in this Indenture to the City or the Trustee shall include those Persons which succeed to their functions, duties or responsibilities pursuant to or by operation of Law or who are lawfully performing their functions. Any reference in this Indenture to any statute or law or chapter or section thereof shall include all amendments, supplements or successor provisions thereto.

Section 1.03 Interpretation; Construction of Certain Terms. All terms defined herein and all pronouns used in this Indenture shall be deemed to apply equally to singular and plural and to all genders. The table of contents, titles and headings of the articles and sections of this Indenture have been inserted for convenience of reference only and are not to be considered a part hereof, and shall not in any way modify or restrict any of the terms or provisions hereof. Reference to Articles or Sections in this Indenture, except where another meaning is specifically indicated, is to the applicable Article or Section of this Indenture. This Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein, and to provide for the full and timely payment of all Bonds from time to time hereafter issued by the City.

Section 1.04 Timing of Certain Actions. Whenever in this Indenture there is specified a time of day at or by which a certain action must be taken, such time shall be local time in Chicago, Illinois, except as otherwise specifically provided in this Indenture. If the date for making any payment or the last day for the performance of any act or the exercise of any right provided in this Indenture shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Indenture, except as otherwise specifically provided herein.

ARTICLE 2
PLEDGE AND ASSIGNMENT OF CITY

Section 2.01 Pledge and Assignment. In order to secure the due payment of principal of and premium, if any, and interest on the Bonds and compliance by the City with its agreements contained in this Indenture, the City hereby grants, pledges and assigns to the Trustee for the benefit of the Bondholders all of its right, title and interest in and to the Pledged Receipts. The pledge hereof and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City with respect to the Bonds (other than the Subordinate Bonds) shall be for the equal benefit, protection and security of the holders of any and all Bonds (other than the Subordinate Bonds), and the pledge hereof and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the City with respect to the Subordinate Bonds shall be for the equal benefit, protection and security of the holders of any and all Subordinate Bonds. Bonds (other than Subordinate Bonds) or Subordinate Bonds, respectively, regardless of the time or times of their respective issue or maturity, shall be of equal rank with the other Bonds (other than the Subordinate Bonds), or Subordinate Bonds, as the case may be, without preference, priority or distinction over any other thereof except as expressly provided in this Indenture.

In each of the RAC Agreements, the RACs have acknowledged that the CFCs collected by the RACs prior to remittance to the Trustee or the City shall be subject at all times to a first lien for the repayment of the Bonds, if any, and that the RACs shall not grant to any third party (other than the City) any liens or encumbrances on CFCs, and that any lien or encumbrance on CFCs granted by a RAC to a third party or otherwise purported to be obtained by a third party shall be void and of no force or effect. In each of the RAC Agreements, the RACs have agreed that all CFCs collected by the RACs are not income, revenue or any other asset of the RACs, that the RACs have no legal or equitable ownership or property interest in the CFCs, and the RACs have waived any claim to a possessory or legal or equitable ownership interest in the CFCs. Prior to remittance to the Trustee or the City, CFCs shall be held by the RACs as funds in trust for the benefit of the City, and the City (or the Trustee on its behalf) shall have complete possessory and legal and equitable ownership rights to the CFCs.

Section 2.02 Defeasance of Lien. When the City has paid or has been deemed to have paid, within the meaning of this Section 2.02, to the holders of all of the Bonds the principal and interest and premium, if any, due or to become due thereon at the times and in the manner stipulated therein and herein, and all other obligations owing to the Trustee hereunder have been paid or provided for, the lien of this Indenture on the Trust Estate shall terminate, except that, notwithstanding termination of the lien hereof, the obligations to make all payments required by Section 5.13 and to take any other action under Section 5.13 shall continue until all such obligations and actions have been paid and performed in full. Upon the written request of the City, the Trustee shall upon the termination of the lien hereof promptly execute and deliver to the City an appropriate discharge hereof except that, subject to the provisions of this Indenture, the Trustee shall continue to hold in trust amounts held pursuant to Section 5.13 for the payment of the principal of, premium, if any, and interest on the Bonds and moneys held for rebate to the United States of America under section 148(f) of the Code.

Outstanding Bonds shall be deemed to have been paid within the meaning of this Section 2.02 if the Trustee shall have paid to the holders of such Bonds, or shall be holding in trust for

and shall have irrevocably committed to the payment of such Outstanding Bonds, moneys sufficient for the payment of all principal of and interest and premium, if any, on such Bonds to the date of maturity or redemption, as the case may be; provided, that if any of such Bonds are Tax-Exempt Bonds, and are deemed to have been paid prior to the earlier of the redemption or the maturity thereof, the Trustee and the City shall have received an unqualified opinion of Bond Counsel that such payment and the holding thereof by the Trustee shall not in and of itself cause interest on such Tax-Exempt Bonds to be included in gross income for federal income tax purposes; and provided, further, that if any such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given to the Bondholders or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice.

Outstanding Bonds also shall be deemed to have been paid for the purposes of this Section 2.02 if the Trustee shall be holding in trust for and shall have irrevocably committed to the payment of such Outstanding Bonds Defeasance Obligations the principal installments of and/or the interest on which when due, without reinvestment, will provide moneys which, together with moneys, if any, so held and so committed, shall be sufficient for the payment of all principal of and interest and premium, if any, on such Bonds to the date of maturity or redemption, as the case may be and a report in form and substance acceptable to the Trustee and the City of a verification agent acceptable to the Trustee and the City verifying that the principal installments of and/or the interest on such Defeasance Obligations, if paid when due and without reinvestment, will, together with any moneys so deposited, be sufficient for the payment of all principal of and interest and premium, if any, on such Bonds to the date of maturity or redemption, as the case may be; provided, that if any of such Bonds are Tax-Exempt Bonds and deemed to have been paid prior to the earlier of the redemption or the maturity thereof, the Trustee and the City shall have received an unqualified opinion of Bond Counsel that such payment and the holding of such Defeasance Obligations and moneys, if any, shall not in and of itself cause interest on such Tax-Exempt Bonds to be included in gross income for federal income tax purposes; and provided, further, that if any such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice.

Any moneys held by the Trustee in the manner provided by the provisions of this Section 2.02 shall be invested by the Trustee in the manner provided by Section 5.14 (but only to the extent that such investments are available) only in Defeasance Obligations which do not contain provisions permitting redemption at the option of the issuer, the maturities or redemption dates, without premium, of which shall coincide as nearly as practicable with, but not be later than, the time or times at which said moneys will be required for the aforesaid purposes. The making of any such investments or the sale or other liquidation thereof shall not be subject to the control of the City and the Trustee shall have no responsibility for any losses resulting from such investment. Any income or interest earned by, or increment to, the investments held under this Section 2.02, to the extent determined from time to time by the Trustee to be in excess of the amount required to be held by it for the purposes of this Section 2.02, shall be paid first to the Trustee to the extent necessary to repay any unpaid obligations owing to the Trustee. The remainder, if any, shall be paid to the City.

After all of the Outstanding Bonds shall be deemed to have been paid and all other amounts required to be paid under this Indenture shall have been paid, then upon the termination

of this Indenture any amounts in the Project Fund, the Debt Service Fund, the Reserve Funds (after application thereof as provided in this Indenture), the Subordinate Debt Service Fund and the Subordinate Reserve Fund, shall be paid first to the Trustee to the extent necessary to repay any unpaid obligations owing to the Trustee, and thereafter the remainder, if any, shall be paid to the City.

Section 2.03 Further Assurance. The City, at the written request of the Trustee, will from time to time execute, deliver and record and file such instruments as may be reasonably required to confirm, perfect or maintain the security interests created hereby and the transfer, assignment and grant of rights hereunder; provided, however, that the Trustee shall have no obligation to make any such request unless directed in writing by a Majority of the Bondholders.

ARTICLE 3
THE BONDS

Section 3.01 Issuance of Series 2013 Bonds; Dates, Maturities and Interest.

(a) Issuance. The Series 2013A Bonds shall be designated "Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, Series 2013A", shall be issued in the original aggregate principal amount set forth in **Exhibit B** and shall be substantially in the form set forth in **Exhibit A** attached hereto, with such variations, omissions and insertions as are permitted or required hereby. The Taxable Series 2013B Bonds shall be designated "Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, Taxable Series 2013B", shall be issued in the original aggregate principal amount set forth in **Exhibit B** and shall be substantially in the form set forth in **Exhibit A** attached hereto with such variations, omissions and insertions as are permitted or required hereby. Except to the extent otherwise provided in Section 3.07 or made necessary as a result of a partial redemption, the Series 2013A Bonds and the Taxable Series 2013B Bonds shall be issued in fully registered form without coupons numbered from RA-1 or RB-1, respectively, upwards and in Authorized Denominations.

The Series 2013 Bonds shall be registered in such names as shall be requested by the Bondholders.

(b) Date. The Series 2013 Bonds shall be dated the date of delivery thereof and interest shall accrue from such date.

(c) Maturities. The Series 2013 Bonds shall have the stated maturity dates as provided in **Exhibit B** attached hereto. The Series 2013 Bonds shall be subject to redemption prior to stated maturity as and to the extent provided in Section 4.01.

(d) Interest. The Series 2013 Bonds shall bear interest as provided in **Exhibit B**. Interest on each Series 2013 Bond shall accrue from its dated date, payable on each Interest Payment Date. The Series 2013 Bonds shall bear interest from and including the date thereof until payment of the principal thereof shall have been made or provided for in accordance with the provisions hereof, whether at maturity, upon redemption or otherwise. Interest on the Series 2013 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

(e) Payment of the Bonds. Principal of and premium, if any, and interest on the Series 2013 Bonds is payable in lawful money of the United States of America. The final payment of principal of, premium, if any, and interest on the Series 2013 Bonds shall be payable in immediately available funds at the corporate trust office of the Trustee at which this Indenture is administered upon surrender of the Series 2013 Bonds, and other payments shall be payable by check or draft mailed by the Trustee to the Bondholder at its address appearing on the Register as of the close of business on the Record Date; provided, however, that if the holder of Series 2013 Bonds or group of which such holder is a part holds Series 2013 Bonds aggregating $1,000,000 or more in outstanding principal amount and gives written notice thereof to the Trustee accompanied by sufficient wire transfer instructions, then payments of interest with respect to such Series 2013 Bonds shall be payable by wire transfer of immediately available funds.

(f) Exhibit B. Promptly following the establishment of the terms of each Series of the Series 2013 Bonds, an Authorized Officer of the City shall file with the City Clerk of the City an addendum to this Indenture, which shall be attached to this Indenture as **Exhibit B**, setting forth the principal amount, dates, amortization, maturities, fixed interest rates, and optional redemption provisions (if any) of each Series of the Series 2013 Bonds.

Section 3.02 Authorization of Additional Bonds.

(a) In addition to the Series 2013 Bonds initially issued, one or more Series of Additional Bonds may be issued on a parity with all Outstanding Bonds (other than Subordinate Bonds) for such purposes hereinafter set forth as may be requested by the City; provided, that the issuance of any Series of Additional Bonds shall be conditioned upon the Trustee's receipt of the following:

(i) an ordinance of the City Council of the City authorizing the issuance of such Series of Additional Bonds, and setting forth the relevant details of such Series of Bonds;

(ii) a written order from an Authorized Officer of the City directing the authentication and delivery of such Series of Additional Bonds to or upon the order of the purchaser or purchasers named therein upon payment of the purchase price set forth therein;

(iii) a certificate of the City requesting the issuance of such Additional Bonds, stating that no default exists with respect to the obligations to be performed by the City under this Indenture and that all conditions precedent provided for in this Indenture relating to the authentication and delivery of such Additional Bonds have been complied with;

(iv) an opinion of Bond Counsel addressed to the City and the Trustee:

(1) stating that all conditions precedent provided for in this Indenture relating to the authentication and delivery of such Additional Bonds have been complied with, including any conditions precedent specified in this Section 3.02;

(2) stating that the Series of Additional Bonds whose authentication and delivery are then applied for, when issued and executed by the City and authenticated and delivered by the Trustee, will be valid and binding obligations of the City in accordance with their terms and entitled to the benefits of and secured by the lien of this Indenture; and

(3) if the interest on such Additional Bonds then proposed to be issued is intended to be exempt from federal income taxation, stating that the interest on such Bonds is not includable in gross income of the recipient thereof for federal income tax purposes;

(v) an executed counterpart of a Supplemental Indenture providing for such Additional Bonds, which Supplemental Indenture shall provide the means by which the Required Reserve Amount for each Reserve Fund will be satisfied upon issuance of the proposed Series of Additional Bonds; and

(vi) Either:

(1) a report of a Consultant to the effect that the CFCs projected to be remitted to the Trustee (together with investment earnings on the Funds, excluding the Project Fund, held under this Indenture) for each of the three Fiscal Years following the date of issuance of such Additional Bonds or the date of final expenditure of capitalized interest funded from such Additional Bonds, whichever is later, are expected, as of the end of each such Fiscal Year, to be at least equal to 1.25 times the Maximum Annual Debt Service on all Bonds Outstanding (including such Additional Bonds), other than Subordinate Bonds, and also to be at least sufficient, after the payment of such annual principal of and interest on all Outstanding Bonds (other than Subordinate Bonds), to fund Aggregate Debt Service for such Fiscal Year on any Subordinate Bonds Outstanding and any other amounts required to be deposited from Revenues to the Funds maintained under this Indenture, including the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund and the Subordinate Reserve Fund; or

(2) a certificate of the City to the effect that the CFCs received by the Trustee for any consecutive 12 months out of the immediately preceding 18 months (together with investment earnings on the Funds, excluding the Project Fund, held under this Indenture) were at least equal to 1.25 times the Maximum Annual Debt Service due on all Bonds Outstanding (including such Additional Bonds), other than Subordinate Bonds, and also to be at least sufficient, after the payment of such Aggregate Debt Service on all Bonds Outstanding (other than Subordinate Bonds), to fund Aggregate Debt Service for such Fiscal Year on any Subordinate Bonds Outstanding and

any other amounts required to be deposited from Revenues to the Funds maintained under this Indenture, including the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund and the Subordinate Reserve Fund; or

(3) provided, however, that the City may issue Additional Bonds for the purpose described in Section 3.02 (b)(iv) without complying with the requirements of clauses (vi)(1) or (2) above in an amount not to exceed 10% of the original par amount of the Series 2013 Bonds.

(b) Purposes for Additional Bonds. The purposes for which Additional Bonds may be issued under this Section 3.02 are as follows:

(i) to finance or refinance the permitting, design, development, construction, equipping, furnishing and acquisition of any improvement or expansion of the Project (or any other facility related to the Project approved by the City);

(ii) to finance repairs, including without limitation repairs due to casualty or condemnation to the extent insurance proceeds or condemnation awards are insufficient to effect such repairs, or extraordinary maintenance with respect to the Project;

(iii) to refund all or any Outstanding Bonds;

(iv) to complete construction of the Project; and

(v) in each case, to pay capitalized interest and costs of issuance of such Additional Bonds and to provide for any contribution to the Reserve Funds required with respect thereto.

(c) Refunding Bonds. All Refunding Bonds of any Series shall be executed by the City and delivered to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the City or upon its order, but only following the receipt by the Trustee of:

(i) the documents referred to in subsections (i), (ii), (iii), (iv), and (v) of Section 3.02(a);

(ii) a certificate of the City substantially to the effect that either (x) after the issuance of the proposed Refunding Bonds, the Aggregate Debt Service on all Outstanding Bonds (including the proposed Refunding Bonds), assuming that Refunding Bonds bearing interest at a Variable Rate will bear interest at a fixed rate determined by an investment banker selected by the City on the basis of then-current market conditions for long-term debt of similar tenor as the Outstanding Bonds and with a term substantially similar to the maturity dates of the Outstanding Bonds, will be less than that for each Bond Year within which any of the refunded Bonds would have been Outstanding but for their having been refunded or (y) that the refunding will reduce the total debt service payments on the refunded Bonds on a present value basis; or alternatively Refunding Bonds may be issued by complying with the provisions of item

(vi) of Section 3.02(a) hereof or, if such Refunding Bonds are Subordinate Bonds issued pursuant to Section 3.04, by delivery by the City of the certificate required by clause (y) of Section 3.04(a);

(iii) if a redemption of Bonds is to be effected, irrevocable instructions to the Trustee to give due notice of redemption of all the Bonds to be refunded and the redemption date or dates, if any, upon which such Bonds are to be redeemed;

(iv) if a redemption of Bonds is to be effected and the redemption is scheduled to occur subsequent to the next succeeding 45 days, irrevocable instructions to the Trustee to give notice of redemption of such Bonds as provided in the applicable Supplemental Indenture on a specified date prior to their redemption date, which notice may include language giving notice that such redemption is conditioned upon the receipt of sufficient amounts to effect such noticed redemption;

(v) if a redemption of Bonds to be effected and the redemption is scheduled to occur subsequent to the next succeeding 90 days, a certificate of an independent accountant stating the amount of either (i) moneys (which may include all or a portion of such Series) in an amount sufficient to pay the Bonds to be refunded at the applicable redemption price of the Bonds to be refunded together with accrued interest on such Bonds to the redemption date or dates, or (ii) Defeasance Obligations the principal of, and interest on, which when due (without reinvestment thereof), together with the moneys (which may include all or a portion of the proceeds of the Bonds to be issued), if any, which must be contemporaneously deposited with the Trustee, to be sufficient to pay when due the applicable redemption price of the Bonds to be refunded, together with accrued interest on such Bonds to the redemption date or dates or the date or dates of maturity thereof; and

(vi) such further documents and moneys as are required by the provisions of Article 9 or any Supplemental Indenture.

Section 3.03 Terms of Additional Bonds and Subordinate Bonds. Additional Bonds and Subordinate Bonds of each Series, shall be dated, shall bear interest until their maturity at such rate or rates, determined in such manner and payable on such date or dates, shall be in such form and shall have such other terms and conditions not inconsistent with the terms of this Indenture as shall be provided for in the Supplemental Indenture authorizing the issuance of such Series. All Additional Bonds shall be payable and secured equally and ratably and on a parity with the Series 2013 Bonds and any Additional Bonds theretofore or thereafter issued and shall be entitled to the same benefits and security of this Indenture. Except as may be otherwise provided in the Supplemental Indenture providing for the issuance of a Series of Subordinate Bonds, Subordinate Bonds shall be payable from funds deposited to the Subordinate Debt Service Fund as provided in this Indenture and amounts, if any, deposited in one or more Accounts within a Subordinate Reserve Fund established for the benefit of such Subordinate Bonds by the Supplemental Indenture or other financing document providing for the issuance of such Subordinate Bonds.

Each Series of Additional Bonds or Subordinate Bonds shall be issued pursuant to this Indenture and a Supplemental Indenture(subject to Sections 3.02(d) and 3.04(d) hereof), which shall prescribe expressly or by reference with respect to such Series:

(a) the authorized principal amount and Series designation of such Bonds;

(b) the purpose or purposes for which such Series is being issued;

(c) the manner in which the proceeds of the Bonds of such Series are to be applied;

(d) the date or dates, and the maturity date or dates, of the Bonds of such Series, or the manner of determining such dates;

(e) the interest rate or rates to be borne by the Bonds of such Series or the manner of determining such rate or rates, the Maximum Rate for any Series of Variable Rate Bonds and the Interest Payment Dates of such Series;

(f) the manner of dating, numbering and lettering the Bonds of such Series;

(g) the place or places of payment of the principal and premium, if any, of, and interest on, the Bonds of such Series or the manner of designating the same;

(h) the redemption premium, if any, of, and the redemption terms for the Bonds of such Series, or the manner of determining such premium and terms;

(i) the amount and due date of each sinking fund payment, if any, for Bonds of like maturity of such Series, or the manner of determining such amounts and dates;

(j) provisions as to registration of the Bonds of such Series;

(k) the form and text of the Bonds of such Series and provision for the Trustee's authentication thereof by certificate or otherwise;

(l) any other provisions deemed advisable by the City as shall not conflict with the provisions hereof;

(m) provision for (i) additional payments to the Debt Service Fund or Subordinate Debt Service Fund, as applicable, sufficient to provide for any principal and interest requirements resulting from the issuance of the Series of Bonds including, in the event that interest on the Series of Bonds is capitalized and/or to be paid from investment earnings, a requirement to deposit from the proceeds of the Series of Bonds to the fund specified in the Supplemental Indenture amounts fully sufficient to pay interest on such Series of Bonds during the period specified in the Supplemental Indenture, and (ii) specification and satisfaction of the Required Reserve Amounts, if any, for such Series of Bonds (other than Subordinate Bonds) by not later than the date required by the Supplemental Indenture authorizing such Series of Bonds, and (iii) creation, specification and satisfaction of the requirements relating to a Subordinate Reserve Fund for any Subordinate Bonds by not later than the date required by the Supplemental Indenture authorizing such Bonds;

(n) whether such Series of Bonds are intended to be Tax-Exempt Bonds;

(o) whether such Series of Bonds are Subordinate Bonds; and

(p) the credit facilities and liquidity facilities applicable to such Series of Bonds, if any.

Section 3.04 Issuance of Subordinate Bonds.

(a) In addition to the Series 2013 Bonds and any Additional Bonds issued pursuant to Section 3.02, one or more Series of Subordinate Bonds may be issued for the purposes set forth in this Section 3.04, as may be requested by the City, provided that the issuance of any Series of Subordinate Bonds shall be conditioned upon the Trustee's receipt of (x) the items set forth in subsections (i), (ii), (iii), (iv) and (v) of Section 3.02(a) relating to Additional Bonds (except that such items shall relate to such Subordinate Bonds rather than Additional Bonds), plus (y) a certificate of the City or a Consultant stating that the additional debt test, if any, set forth in the Supplemental Indenture entered into in connection with the issuance of such Subordinate Bonds has been satisfied.

(b) One or more Series of Subordinate Bonds may be issued for any of the purposes listed under Section 3.02(b).

(c) If any Series of Subordinate Bonds is issued as Refunding Bonds, then, in addition to the items required in Section 3.04(a), the City shall deliver to the Trustee the items set forth in subsections (ii) through (v) of Section 3.02(c), as applicable.

(d) The Supplemental Indenture or other financing document providing for the issuance of any Subordinate Bonds may provide for establishing one or more Subordinate Reserve Funds and, within any such Fund, separate Accounts, for the benefit of such Subordinate Bonds, and if any such Fund or Account is created, such Supplemental Indenture or other financing document shall include provisions concerning the amount and means of funding such Funds and Accounts, all at the discretion of the City.

Section 3.05 Execution; Authentication.

Bonds shall be executed on behalf of the City by the official manual or facsimile signature of the Mayor of the City and attested with the official manual or facsimile signature of its City Clerk, and shall have affixed, impressed, imprinted or otherwise reproduced thereon the corporate seal of the City or a facsimile of the seal. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes as if he or she had remained in office until delivery and any Bonds may be signed on behalf of the City by such persons as, at the time of execution of such Bond, shall be the proper officers of the City, even though at the date of such Bond or of the delivery of this Indenture such person was not such officer.

No Bond shall be valid or obligatory until authenticated as provided in **Exhibit A** or a Supplemental Indenture, as applicable, by the Trustee. Such authentication shall be conclusive evidence that such Bond has been authenticated and delivered hereunder. The certificate of

authentication on any Bonds shall be deemed to have been executed by the Trustee if manually signed by an authorized signatory of the Trustee, but it shall not be necessary that the same individual sign the certificate of authentication on all the Bonds issued hereunder.

Section 3.06 Mutilated, Lost, Stolen or Destroyed Bonds. If any of the Bonds are lost, wrongfully taken, mutilated, destroyed or improperly canceled, the City shall authorize the issuance of new Bonds to replace them upon proof satisfactory to the City and the Trustee and (except in the case of mutilated or improperly canceled Bonds which are surrendered to the Trustee) upon giving to the City and the Trustee an indemnity bond in such amount as the City and the Trustee may require. Each new Bond shall in all respects be identical with the mutilated, lost, stolen, destroyed or improperly cancelled Bond. The City and the Trustee may impose reasonable charges in connection with the issuance of replacement Bonds under this Section 3.06, which shall be for the account of the Bondholders requesting the issuance of replacement Bonds.

Section 3.07 Exchange and Transfer of Bonds; Book-Entry-Only System.

(a) Exchange and Transfer of Bonds. Upon surrender of a Bond or Bonds at the principal corporate trust office of the Trustee, as Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee, the Bond or Bonds may be exchanged for fully registered Bonds of the same maturity, aggregating in amount the then unpaid principal amount of the Bond or Bonds surrendered, of Authorized Denominations.

As to any Bond, the Bondholder shall be deemed and regarded as the absolute owner thereof for all purposes and neither the City nor the Trustee shall be affected by any notice to the contrary.

Any Bond may be transferred upon the Registration Books only upon surrender thereof to the Trustee, as Registrar, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee; provided, that the Trustee shall not be obligated to make any exchange or transfer of a Bond during the period between a Record Date and the corresponding Interest Payment Date. Upon the transfer of any such Bond and on the request of the Trustee, the City shall execute, and the Trustee shall authenticate and deliver, a new Bond or Bonds, registered in the name of the transferee or transferees of the same maturity, aggregating in amount the then unpaid principal amount of the Bond or Bonds surrendered, of Authorized Denominations.

In all cases in which Bonds shall be issued in exchange for or in replacement of other Bonds, the Bonds to be issued shall be signed and sealed on behalf of the City, and authenticated by the Trustee as provided in Section 3.05. The obligations of the City and the rights of the Bondholders with respect to such Bonds shall be the same as with respect to the Bonds being exchanged or replaced. Such registrations of the transfers or exchanges of Bonds shall be without charge to the Bondholders, except that any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Bondholder requesting such registration of transfer or exchange as a conditions precedent to the exercise of such privilege. Any service

charge made by the Trustee for any such registration, transfer or exchange shall be paid by the City.

Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture, or for exchange or transfer pursuant to this Section 3.07, such Bond shall be promptly canceled and destroyed by the Trustee (subject to applicable record retention requirements) and counterparts of a certificate of destruction evidencing such destruction shall be retained by the Trustee and, if requested by the City, shall be furnished by the Trustee to the City.

(b) Book-Entry-Only System. The foregoing provisions of this Section 3.07 to the contrary notwithstanding (unless, with respect to any Series of Additional Bonds or Subordinate Bonds, the Supplemental Indenture or other financing document providing for the issuance of such Bonds shall stipulate otherwise), the Bonds of each Series will be issued initially as one fully-registered bond for each maturity within such Series in the name of Cede & Co, as nominee of the Depository Trust Company, New York, New York, and deposited in the custody of DTC. The Beneficial Owners will not receive physical delivery of the Bonds. Individual purchases of the Bonds may be made in book-entry form only in principal amounts equal to Authorized Denominations thereof. Payments of principal of and premium, if any, and interest on the Bonds will be made to DTC or its nominee as Bondholder.

DTC shall pay interest to the Beneficial Owners of record through its Participants as of the close of business on the Record Date. DTC shall pay the redemption price of the Bonds called for redemption to the Beneficial Owners of record through its Participants in accordance with its customary procedures. The Trustee shall notify DTC, to the extent possible, of any notice required to be given pursuant to this Indenture not less than 15 days prior to the date upon which such notice is required to be given.

Transfer of ownership interests in the Bonds shall be made by DTC and its Participants, acting as nominees of the Beneficial Owners, in accordance with rules specified by DTC and its Participants.

Bond certificates will be issued directly to owners of the Bonds other than DTC, or its nominee, upon the occurrence of the following events (subject, however, to operation of the two sentences following clause (iii) below):

(i) DTC determines not to continue to act as securities depository for the Bonds; or

(ii) the City with the consent of the Trustee has advised DTC of its determination that DTC is incapable of discharging its duties; or

(iii) the City with the consent of the Trustee has determined that it is in the best interest of the Bondholders not to continue the Book-Entry-Only System of transfer or that interests of the Beneficial Owners of the Bonds might be adversely affected if the Book-Entry-Only System of transfer is continued.

Upon occurrence of the event described in (i) or (ii) above the City shall attempt to locate another qualified Securities Depository. If the City fails to locate another qualified Securities Depository to replace DTC, the Trustee shall authenticate and deliver Bonds in certificated form. In the event the City makes the determination noted in (ii) or (iii) above (or occurrence of any events that would permit the City to make any such determination), and has made provisions to notify the Beneficial Owners of the Bonds of the availability of Bond certificates by mailing an appropriate notice to DTC, the City shall cause the Trustee to authenticate and deliver Bonds in certificated form pursuant to **Exhibit A** or a Supplemental Indenture, as applicable, to DTC's Participants (as requested by DTC) in appropriate amounts. Principal of and interest on the Bonds shall be payable as otherwise provided in this Article 3. The Bonds will be transferable in accordance with this Section 3.07.

Section 3.08 Temporary Bonds. Pending the preparation of definitive Bonds of any Series, the City may execute, and upon its request in writing, the Trustee shall authenticate and deliver one or more printed, lithographed or typewritten temporary Bonds (including temporary Bonds printed by offset or photocopying). Temporary Bonds shall be issuable as registered Bonds without coupons, of any Authorized Denomination, and substantially in the form of definitive Bonds but with such omissions, insertions and variations as may be appropriate for temporary Bonds, all as may be determined by the City. Temporary Bonds may contain such reference to any provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the City and be authorized by the Trustee upon the same conditions and in substantially the same manner, and with like effect, as the definitive Bonds. As promptly as practicable the City shall execute and shall furnish definitive registered Bonds without coupons and thereupon temporary Bonds may be surrendered in exchange therefor without charge at the principal corporate trust office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds a like aggregate principal amount of definitive Bonds of Authorized Denominations. Until so exchanged the temporary Bonds shall be entitled to the same benefits under this Indenture as definitive Bonds.

Section 3.09 Bonds Limited Obligations. The Bonds shall not constitute an indebtedness of the City or a loan of credit thereof within the meaning of any constitutional or statutory limitation, and neither the faith and credit nor the taxing power of the City, the State or any political subdivision thereof is pledged to the payment of the principal of, premium, if any, or the interest on the Bonds or other costs incident thereto. The principal of and premium, if any, and interest on the Bonds is a limited obligation payable solely from the Pledged Receipts. Nothing herein shall be construed as requiring the City to use any funds or revenues from any source other than as described herein.

ARTICLE 4
REDEMPTION AND PURCHASE OF BONDS BEFORE MATURITY

Section 4.01 Redemption of Series 2013 Bonds. The Series 2013 Bonds shall be subject to redemption prior to maturity as follows:

(a) Optional Redemption. The Series 2013 Bonds shall be subject to redemption prior to stated maturity by the City as set forth in **Exhibit B** hereto.

(b) Mandatory Sinking Fund Redemption. The Series 2013 Bonds shall be redeemed in part on January 1 in each year as set forth in **Exhibit B** hereto.

The requirements of this Section 4.01(b) are subject, however, to the provision that any partial redemption of Series 2013 Bonds under Section 4.01(a) shall reduce the mandatory scheduled redemption requirements of Section 4.01(b) as provided in this paragraph.

Section 4.02 Redemption of Additional Bonds or Subordinate Bonds. Each Series of Additional Bonds or Subordinate Bonds shall be subject to redemption as provided in the Supplemental Indenture providing for the issuance of such Series.

Section 4.03 Selection of Bonds to be Redeemed.

(a) Series 2013A Bonds. In the case of any redemption in part of the Series 2013A Bonds, the maturities (or sinking fund maturities within a term bond) of such Series 2013A Bonds to be optionally redeemed shall be selected by the City. Subject to the last sentence of this subsection (a), if less than all the Series 2013A Bonds of a particular maturity (or sinking fund maturity within a term bond) shall be called by the City for redemption, the particular Series 2013A Bonds of such maturity (or sinking fund maturity) to be redeemed shall be selected by the Trustee, in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however (a) that the portion of any Series 2013A Bond to be redeemed shall be in the principal amount of the Authorized Denomination applicable to the Series 2013A Bonds or any multiple thereof, (b) that, in selecting Series 2013A Bonds for redemption, the Trustee shall treat each Series 2013A Bond as representing that number of Series 2013A Bonds that is obtained by dividing the principal amount of such Series 2013A Bond by the Authorized Denomination applicable to the Series 2013A Bonds, and (c) that, to the extent practicable, the Trustee will not select any Series 2013A Bond for partial redemption if the amount of such Series 2013A Bond remaining Outstanding would be reduced by such partial redemption to less than the Authorized Denomination applicable to the Series 2013A Bonds. Notwithstanding the foregoing, for so long as the Series 2013A Bonds are registered in book-entry only form, if less than all of the Series 2013A Bonds of a particular maturity are called for prior redemption, such Bonds will be selected for redemption, in accordance with DTC procedures, by lot.

(b) Taxable Series 2013B Bonds. In the event of a partial optional redemption of Taxable Series 2013B Bonds, the Trustee, at the direction of the City, shall allocate the principal amount of the Taxable Series 2013B Bonds to be redeemed as nearly as feasible pro rata among the maturities of the Taxable Series 2013B Bonds and mandatory sinking fund redemptions (including the final payment) so as to change as little as possible the remaining weighted average life of the Outstanding Taxable Series 2013B Bonds.

If the Taxable Series 2013B Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Taxable Series 2013B Bonds, if less than all of the Taxable Series 2013B Bonds, other than the Par Call Bonds (if any), of a maturity are called for prior redemption, the particular Series 2013B Bonds or portions thereof to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as such Taxable Series 2013B Bonds are held in book-entry form, the selection for redemption of such Taxable

Series 2013B Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such 2011B Bonds will be selected for redemption, in accordance with DTC procedures, by lot. If the Taxable Series 2013B Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the Taxable Series 2013B Bonds (other than the Par Call Bonds, if any) shall be allocated among the registered owners of such Taxable Series 2013B Bonds on a pro-rata basis.

If less than all of the Par Call Bonds are called for prior redemption, such Par Call Bonds will be selected for redemption, in accordance with DTC procedures, or, if the Par Call Bonds are not registered in book-entry only form, by the Trustee, in each case by lot.

(c) If there shall be called for redemption less than all of a Series 2013 Bond, the City shall execute and deliver and the Trustee shall authenticate, upon surrender of such Series 2013 Bond, and at the expense of the City and without charge to the owner thereof, a replacement Series 2013 Bond in the principal amount of the unredeemed balance of the Series 2013 Bond so surrendered.

(d) At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date for any maturity of any Series of Bonds, the City may deliver to the Trustee for cancellation Bonds of the appropriate maturity of such Series in any aggregate principal amount which have been purchased by the City in the open market. Each Bond so delivered shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory scheduled redemption requirement for such Series of Bonds on such mandatory redemption date; and any excess of such amount shall be credited against future mandatory scheduled redemption requirements in chronological order. The City, will, on or before the 45th day preceding each mandatory scheduled redemption date, furnish the Trustee with a certificate stating the extent to which the provisions of the first sentence of this paragraph are to be availed of with respect to such mandatory redemption requirements for such mandatory redemption date; unless such certificate is so timely furnished to the Trustee, the mandatory redemption requirements for such mandatory redemption date shall not be reduced under the provisions of this paragraph.

Section 4.04 Procedure for Redemption; Notice of Redemption.

(a) If the City wishes to call any Bonds for redemption, it shall give notice to the Trustee of its election (which notice shall contain the information required by this Section 4.04) at least 35 days prior to the redemption date. In the event any of the Bonds are called for redemption, the Trustee shall give notice, in the name of the City, of the redemption of such Bonds, which notice shall (i) specify the Bonds to be redeemed, the redemption date, the redemption price, and the place or places where amounts due upon such redemption will be payable (which shall be the principal corporate trust office of the Trustee) and, if less than all of the Bonds are to be redeemed, the numbers of the Bonds, and the portions of the Bonds, so to be redeemed, (ii) state any condition to such redemption, and (iii) state that on the redemption date, and upon the satisfaction of any such condition, the Bonds to be redeemed shall cease to bear interest. CUSIP number identification shall accompany all redemption notices. Such notice may set forth any additional information relating to such redemption. Such notice shall be given by

mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption to each holder of Bonds to be redeemed at its address shown on the Registration Books (if Bonds are held in book entry form with DTC, notice shall be provided in accordance with DTC procedures); provided, however. that failure to give such notice to any Bondholder or any defect in such notice shall not affect the validity of the proceedings for the redemption of any of the other Bonds. The Trustee shall send a second notice of redemption by certified mail return receipt requested to any registered holder who has not submitted Bonds called for redemption 30 days after the redemption date, provided, however, that the failure to give any second notice by mailing, or any defect in such notice, shall not affect the validity of any proceedings for the redemption of any of the Bonds and the Trustee shall not be liable for any failure by the Trustee to send any second notice.

(b) Any Bonds and portions of Bonds which have been duly selected for redemption and which are paid in accordance with Section 5.16 shall cease to bear interest on the specified redemption date.

ARTICLE 5
SOURCE AND APPLICATION OF FUNDS

Section 5.01 Establishment of Funds and Accounts.

(a) The City hereby establishes the following Funds:

(1) Project Fund ;

(2) CFC Revenue Fund;

(3) Debt Service Fund;

(4) Rolling Coverage Fund;

(5) Supplemental Reserve Fund;

(6) Debt Service Reserve Fund;

(7) Subordinate Debt Service Fund;

(8) Subordinate Reserve Fund;

(9) Operation and Maintenance Fund;

(10) Maintenance Reserve Fund;

(11) CFC Stabilization Fund; and

(12) Rebate Fund.

(b) All such Funds shall be established, maintained and accounted for as hereinafter provided so long as any Bonds remain Outstanding. The CFC Revenue Fund, the Project Fund,

the Debt Service Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund, the Subordinate Debt Service Fund and the Subordinate Reserve Fund shall constitute trust funds which shall be held by the Trustee for the benefit of the Owners of the Bonds and are part of the Trust Estate. The Operation and Maintenance Fund, the Maintenance Reserve Fund, the CFC Stabilization Fund and the Rebate Fund do not constitute trust funds held for the benefit of the Owners of the Bonds and are not part of the Trust Estate. To the extent that any of the Operation and Maintenance Fund, the Maintenance Reserve Fund, the CFC Stabilization Fund or the Rebate Fund shall be held by the institution serving as the Trustee, each such Fund shall be held by it as a Depositary for the City and not as Trustee for the benefit of the Bondholders hereunder.

(c) The City and the Trustee reserve the right to establish additional Funds, sub-funds, Accounts and subaccounts from time to time under Supplemental Indentures; and any such Supplemental Indenture may provide that amounts on deposit in such Funds, sub-funds, Accounts and subaccounts shall be held by the Trustee for the sole and exclusive benefit of a particular Series of Bonds as may be specifically designated in such Supplemental Indenture.

Section 5.02 Project Fund; Costs of Issuance Account.

(a) Within the Project Fund, there are hereby established the following Accounts:

(1) the Series 2013A Project Account;

(2) the Taxable Series 2013B Project Account; and

(3) the Series 2013 Costs of Issuance Account.

(b) Upon the issuance of the Series 2013 Bonds, the sum set forth in **Exhibit B** shall be deposited to the Series 2013A Project Account from proceeds of the Series 2013A Bonds, including capitalized interest, if any, to be held in a separate sub-account until deposited into the Series 2013A Debt Service Account as needed to pay interest on the Series 2013A Bonds; the sum set forth in **Exhibit B** shall be deposited to the Taxable Series 2013B Project Account from proceeds of the Taxable Series 2013B Bonds, including capitalized interest, if any, to be held in a separate sub-account until deposited into the Taxable Series 2013B Debt Service Account as needed to pay interest on the Taxable Series 2013B Bonds; and the sum set forth in **Exhibit B**, shall be deposited to the Series 2013 Cost of Issuance Account from proceeds of the Series 2013 Bonds.

(c) The Trustee shall disburse funds on deposit in the Series 2013A Project Account and the Taxable Series 2013B Project Account only upon receipt of a Requisition Certificate substantially in the form of **Exhibit C** executed by an Authorized Officer of the City. Such amounts may be applied to pay Costs of the Project, including without limitation to reimburse advances made by the City or the RACs for such costs; provided, however, that amounts on deposit in the Series 2013A Project Account shall only be applied to pay costs of the Series 2013A Project. Following the delivery of the Completion Certificate by the City, any amounts remaining in the Series 2013A Project Account and the Taxable Series 2013B Project Account shall be transferred to the applicable Account within the Debt Service Fund and applied to pay principal of or interest on the applicable Series of Bonds as the same next come due; provided,

however, that any amounts certified to the Trustee by the City shall be retained within the designated Account within the Project Fund for payment of Costs of the Project not yet due and payable. Any such retained funds remaining after full payment of all such costs shall likewise be transferred to the applicable Account within the Debt Service Fund and applied to pay principal of or interest on the applicable Series of Bonds. In respect to disbursements in payment for work done in connection with the construction, acquisition and installation of the Project, such requisition, signed by an Authorized Officer of the City, shall be accompanied by a certificate signed by a Consulting Engineer certifying that the obligations in stated amounts have been incurred by the City, and that each item thereof is a proper charge against the applicable Project Account and has not been included in any prior requisition which has been paid, and insofar as any such obligation was incurred for work, materials, equipment or supplies, such work was actually performed in the furtherance of the construction, acquisition and installation of the Project delivered at the site of the Airport for those purposes, or delivered for storage or fabrication at a place or places approved by a Consulting Engineer and under the control of the City. Notwithstanding the foregoing, no certificate of a Consulting Engineer shall be required with respect to disbursements for Costs of Issuance or other costs that the Authorized Officer of the City shall have certified as being costs that are not directly related to the actual construction, acquisition and installation of the Project such as land acquisition, payment of auditor's fees and other similar costs that may otherwise be paid from the Project Accounts in compliance with the Tax Agreement.

(d) The Trustee shall disburse funds on deposit in the Series 2013 Costs of Issuance Account only upon receipt of a Requisition Certificate substantially in the form of **Exhibit C** executed by an Authorized Officer of the City. Such amount may be applied to pay costs of issuing each Series of the Series 2013 Bonds. After paying all Costs of Issuance for a Series of Bonds, any surplus amounts remaining in the Series 2013 Costs of Issuance Account shall be deposited to the applicable Account within the Project Fund, if any, or, if there is no such Account within the Project Fund, to the related Account within the Debt Service Fund.

(e) Upon issuance of any Series of Additional Bonds or Subordinate Bonds, additional Accounts within the Project Fund may be created, and the funds within such Accounts applied, as may be provided in the Supplemental Indenture entered into in connection with the issuance of such Bonds.

(f) Insurance Proceeds and Condemnation Awards. In the event that any proceeds of casualty insurance policies or condemnation awards are delivered to the Trustee pursuant to Section 6.09 for the purpose of financing the repair, reconstruction, restoration or replacement of the Project or any portion thereof, the Trustee shall deposit such funds into a separate Account within the Project Fund and shall disburse such funds as provided in Sections 5.02(c) and 6.09. Any amounts remaining after the completion of any such restoration and provision for all costs thereof (as the same are certified by the City to the Trustee) shall be deposited in the applicable Account or Accounts within the Debt Service Fund and applied to the payment of principal of or interest on the Bonds next coming due.

Section 5.03 CFC Revenue Fund; Flow of Funds.

(a) Unless specifically directed otherwise in this Indenture, all Revenues received by the Trustee shall be deposited upon receipt to the CFC Revenue Fund.

(b) On or before the Draw Down Date each month, the Trustee shall transfer moneys then on deposit in the CFC Revenue Fund in the following order of priority in accordance with the written statement of the City, delivered on or before the Draw Down Date:

(1) First, the Trustee shall transfer, to each Account within the Debt Service Fund established for a Series of Bonds (other than Subordinate Bonds), (i) amounts sufficient to pay one-sixth of the interest due on Bonds of such Series on the next succeeding Interest Payment Date if such Series bears interest at a Fixed Rate, or an amount specified in the applicable Supplemental Indenture if such Series bears interest at a Variable Rate, as applicable, net of interest earnings on deposit in such Account, provided that payments prior to the first Interest Payment Date after the issuance of a Series of Bonds shall be adjusted to the extent necessary so that the total amount of interest due on such Bonds on that Interest Payment Date will have been paid into the applicable Debt Service Account in equal installments prior to that Interest Payment Date, and (ii) amounts sufficient to pay one-twelfth of the principal amount of the Bonds of such Series coming due on the next succeeding Principal Payment Date (including sinking fund installments), net of interest earnings on deposit in such Account, provided that payments prior to the first Principal Payment Date after the issuance of a Series of Bonds shall be adjusted to the extent necessary so that the total amount of principal due on such Bonds on that Principal Payment Date will have been paid into the applicable Debt Service Account in equal installments prior to that Principal Payment Date.

(2) Second, the Trustee shall transfer in substantially equal monthly installments over a period determined by the City of up to twelve (12) months to the Rolling Coverage Fund amounts necessary to cause the amount on deposit therein to equal the Rolling Coverage Fund Requirement.

(3) Third, the Trustee shall transfer in substantially equal monthly installments over a period determined by the City of up to twelve (12) months to the Supplemental Reserve Fund amounts necessary to cause the amount on deposit therein to equal the Supplemental Reserve Fund Requirement.

(4) Fourth, the Trustee shall transfer in substantially equal monthly installments over a period determined by the City of up to twelve (12) months to the Debt Service Reserve Fund amounts necessary to cause the amount on deposit therein to equal the DSRF Requirement.

(5) Fifth, the Trustee shall transfer, after taking into account any amounts representing capitalized interest therein, to each Account within the Subordinate Debt Service Fund established for a Series of Subordinate Bonds, (i) amounts sufficient to pay one-sixth of the interest due on Subordinate Bonds of such Series on the next succeeding Interest Payment Date if such Series bears interest at a Fixed Rate, or an amount specified in the applicable Supplemental Indenture if such Series bears interest at a Variable Rate, as applicable, provided that payments prior to the first Interest Payment Date after the issuance of a Series of Subordinate Bonds shall be adjusted to the extent necessary so that the total amount of interest due on such Subordinate Bonds on that Interest Payment Date will have been paid into the applicable Subordinate Debt Service Account in equal installments prior to that Interest Payment Date, and (ii) amounts sufficient to pay one-twelfth of the principal amount of the Subordinate Bonds of such Series coming due on the next succeeding Principal Payment Date, provided that payments prior to the first Principal Payment Date after the issuance of a Series of Subordinate Bonds shall be adjusted to the extent necessary so that the total amount of principal due on such Subordinate Bonds on that Principal Payment Date will have been paid into the applicable Subordinate Debt Service Account in equal installments prior to that Principal Payment Date..

(6) Sixth, if and to the extent required by a Supplemental Indenture providing for the issuance of one or more Series of Subordinate Bonds, the Trustee shall transfer in substantially equal monthly installments over a period determined by the City of up to twelve (12) months to the applicable Accounts within the Subordinate Reserve Fund, if any, amounts necessary to cause the amount on deposit therein to equal the amount or amounts set forth in the applicable provisions of the Supplemental Indenture or other financing document that provided for the issuance of such Subordinate Bonds.

(7) Seventh, with respect to any Series of Tax-Exempt Bonds, the Trustee shall transfer to the Rebate Fund for such Series of Tax-Exempt Bonds the amounts calculated to be due to the Internal Revenue Service as arbitrage rebate for such Series of Tax-Exempt Bonds in accordance with any arbitrage rebate calculation provided to the Trustee with respect to a Series of Tax-Exempt Bonds pursuant to Section 5.13, to the extent that funds are not already on deposit therein.

(8) Eighth, the Trustee shall transfer to the City for deposit in the CFC Stabilization Fund all remaining moneys.

(c) If on any Draw Down Date, the Revenues in the CFC Revenue Fund are insufficient to make the required deposit to any Account within the Debt Service Fund pursuant to Section 5.03(b)(1), the Trustee shall provide notice to the City of such shortfall and the City shall transfer to the Trustee for deposit in the applicable Account or Accounts within the Debt

Service Fund any and all moneys in the CFC Stabilization Fund up to the amount of such shortfall, notwithstanding the CFC Stabilization Fund Minimum Requirement.

(d) If, two Business Days before any Payment Date, the amounts on deposit in the Debt Service Account established for any Series of Bonds (other than Subordinate Bonds) are insufficient to pay the interest or the principal or redemption price payable on the Bonds of such Series as the same shall become due, moneys held in the following Funds or Accounts shall be transferred to or by the Trustee from said Funds or Accounts in the following order to each such Debt Service Account in order to satisfy said deficiency therein:

(1) First, the Trustee shall provide notice to the City of such shortfall and the City shall transfer or cause to be transferred to the Trustee for deposit in the applicable Accounts within the Debt Service Fund any and all moneys in the CFC Stabilization Fund up to the amount of such shortfall, notwithstanding the CFC Stabilization Fund Minimum Requirement;

(2) Second, if moneys in the CFC Stabilization Fund are insufficient to satisfy the deficiency, the Trustee shall transfer to the applicable Account within the Debt Service Fund moneys in the the Rolling Coverage Fund;

(3) Third, if moneys in the CFC Stabilization Fund and Rolling Coverage Fund are insufficient to satisfy the deficiency, the Trustee shall transfer to the applicable Account within the Debt Service Fund moneys in the Supplemental Reserve Fund; and

(4) Fourth, if moneys in the CFC Stabilization Fund, Rolling Coverage Fund and Supplemental Reserve Fund are insufficient to satisfy the deficiency, the Trustee shall transfer to the applicable Account within the Debt Service Fund moneys in the Debt Service Reserve Fund.

If moneys are withdrawn and transferred from the CFC Stabilization Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund and/or the Debt Service Reserve Fund to pay principal of or interest on the Bonds as provided in this Section 5.03, the Trustee shall promptly notify the City in writing of the amount of such withdrawals and transfers.

Section 5.04 Debt Service Fund.

(a) Within the Debt Service Fund the following Accounts are created:

(1) the Series 2013A Debt Service Account; and

(2) the Taxable Series 2013B Debt Service Account.

(b) On each Principal Payment Date, funds on deposit in the Series 2013A Debt Service Account shall be applied to pay principal of the Series 2013A Bonds then due and on each Interest Payment Date, funds on deposit in the Series 2013A Debt Service Account shall be applied to pay interest on the Series 2013A Bonds then due. On each Principal Payment Date, funds on deposit in the Taxable Series 2013B Debt Service Account shall be applied to pay

principal of the Taxable Series 2013B Bonds then due and on each Interest Payment Date, funds on deposit in the Taxable Series 2013B Debt Service Account shall be applied to pay interest on the Taxable Series 2013B Bonds then due.

(c) If two (2) Business Days prior to any Payment Date, the amount on deposit in any Account within the Debt Service Fund is insufficient to pay the principal of or interest on the applicable Series of Bonds for which such Account has been established, the Trustee shall provide notice to the City of such shortfall and, to the extent that funds in the CFC Stabilization Fund are insufficient to fund such shortfall, the Trustee shall proceed to draw upon the other Funds and Accounts held under this Indenture as provided in Section 5.03(d).

(d) Upon the issuance of any Series of Additional Bonds, such additional Accounts within the Debt Service Fund may be created, and the funds within such Accounts applied, as may be provided in the Supplemental Indenture entered into in connection with the issuance of such Bonds.

(e) Notwithstanding any provision of this Indenture to the contrary, on the date that the funds on deposit in the Reserve Funds, plus the amounts if any, on deposit in the Debt Service Fund, are sufficient to pay the remaining principal of, premium, if any, and interest on the Bonds (other than Subordinate Bonds) as and when due, the City may direct the Trustee to transfer the funds on deposit in the Reserve Funds to the Debt Service Fund and apply the same to the payment of the final maturities of principal of such Bonds, premium, if any, and interest thereon as and when due on the remaining Payment Dates.

Section 5.05 Rolling Coverage Fund.

(a) Upon the issuance of the Series 2013 Bonds, the amount of the Rolling Coverage Fund Requirement for the Series 2013 Bonds shall be deposited to the Rolling Coverage Fund. Funds on deposit in the Rolling Coverage Fund shall be applied by the Trustee as provided in Section 5.03(d)(2) to pay principal of and interest on the Bonds (other than Subordinate Bonds) in the event that the amount on deposit in the Debt Service Fund and available amounts from the CFC Stabilization Fund on any Payment Date are insufficient to pay the principal of or interest then due on any Series of Bonds (other than Subordinate Bonds).

(b) Upon the issuance of any Series of Additional Bonds, additional amounts shall be deposited to the Rolling Coverage Fund so that the amount on deposit therein is equal to the Rolling Coverage Fund Requirement following the issuance of such Bonds.

(c) On each Principal Payment Date, following payment of principal of and interest on the Bonds due on such Payment Date, if the amount on deposit in the Rolling Coverage Fund is in excess of the Rolling Coverage Fund Requirement as calculated on such Payment Date, the difference between the amount on deposit in such Fund and the Rolling Coverage Fund Requirement shall be withdrawn from the Rolling Coverage Fund and deposited to the Debt Service Fund.

Section 5.06 Supplemental Reserve Fund.

(a) Upon the issuance of the Series 2013 Bonds, the amount of the Supplemental Reserve Fund Requirement applicable to the Series 2013 Bonds shall be deposited to the Supplemental Reserve Fund. Such deposit shall be derived from proceeds of the Taxable Series 2013B Bonds. Funds on deposit in the Supplemental Reserve Fund shall be applied by the Trustee as provided in Section 5.03(d)(3) to pay principal of and interest on the Bonds (other than Subordinate Bonds) in the event that the amount on deposit in the Debt Service Fund and available amounts from the CFC Stabilization Fund and the Rolling Coverage Fund on any Payment Date are insufficient to pay the principal of or interest then due on any Series of Bonds (other than Subordinate Bonds).

(b) Upon the issuance of any Series of Additional Bonds, additional amounts shall be deposited to the Supplemental Reserve Fund so that the amount on deposit therein is equal to the Supplemental Reserve Fund Requirement following the issuance of such Bonds.

(c) On each Principal Payment Date, following payment of principal of and interest on the Bonds due on such Payment Date, if the amount on deposit in the Supplemental Reserve Fund is in excess of the Supplemental Reserve Fund Requirement as calculated on such Payment Date, the difference between the amount on deposit in such Fund and the Supplemental Reserve Fund Requirement shall be withdrawn from the Supplemental Reserve Fund and deposited to the Debt Service Fund.

Section 5.07 Debt Service Reserve Fund.

(a) Upon the issuance of the Series 2013 Bonds, the amount of the DSRF Requirement applicable to the Series 2013 Bonds shall be deposited to the Debt Service Reserve Fund. Proceeds of the Series 2013A Bonds in an amount equal to the lesser of (x) ten percent (10%) of the initial principal amount of the Series 2013A Bonds, (y) Maximum Annual Debt Service on the Series 2013A Bonds, or (z) one hundred twenty-five percent (125%) of the average annual principal of and interest on the Series 2013A Bonds shall be deposited to the Debt Service Reserve Fund. The remaining amount of the DSRF Requirement applicable to the Series 2013 Bonds shall be derived from proceeds of the Taxable Series 2013B Bonds. Funds on deposit in the Debt Service Reserve Fund shall be applied by the Trustee as provided in Section 5.03(d)(4) to pay principal of and interest on the Bonds (other than Subordinate Bonds) in the event that the amount on deposit in the Debt Service Fund and available amounts from the CFC Stabilization Fund, the Rolling Coverage Fund and the Supplemental Reserve Fund on any Payment Date are insufficient to pay the principal of or interest then due on any Series of Bonds (other than Subordinate Bonds).

(b) Upon the issuance of any Series of Additional Bonds, additional amounts shall be deposited to the Debt Service Reserve Fund so that the amount on deposit therein is equal to the DSRF Requirement following the issuance of such Bonds.

(c) On each Principal Payment Date, following payment of principal of and interest on the Bonds due on such Payment Date, if the amount on deposit in the Debt Service Reserve Fund is in excess of the DSRF Requirement as calculated on such Payment Date, the difference

between the amount on deposit in such Fund and the DSRF Requirement shall be withdrawn from the Debt Service Reserve Fund and deposited to the Debt Service Fund.

Section 5.08 Subordinate Debt Service Fund.

(a) Upon the issuance of any Series of Subordinate Bonds, one or more Accounts within the Subordinate Debt Service Fund shall be created, and the funds within such Accounts applied, as may be provided in the Supplemental Indenture entered into in connection with the issuance of such Subordinate Bonds.

(b) On each Principal Payment Date, funds on deposit in each Account within the Subordinate Debt Service Fund Account shall be applied to pay principal of the applicable Series of Subordinate Bonds then due and on each Interest Payment Date, funds on deposit in each Account within the Subordinate Debt Service Fund shall be applied to pay interest on the applicable Series of Subordinate Bonds then due.

Section 5.09 Subordinate Reserve Fund.

(a) Upon the issuance of any Subordinate Bonds, amounts shall be deposited to the Subordinate Reserve Fund so that the amount on deposit therein is equal to the amount or amounts set forth in the applicable provisions of the Supplemental Indenture or other financing document that provided for the issuance of such Subordinate Bonds. Funds on deposit in the Subordinate Reserve Fund shall be applied by the Trustee to pay principal of and interest on the Subordinate Bonds in the event that the amount on deposit in the Subordinate Debt Service Fund are insufficient to pay the principal of or interest then due on such Subordinate Bonds.

(b) On each Principal Payment Date, following payment of principal of and interest on the Bonds due on such Payment Date, if the amount on deposit in the Subordinate Reserve Fund is in excess of the amount or amounts set forth in the applicable provisions of the Supplemental Indenture or other financing document that provided for the issuance of such Subordinate Bonds as calculated on such Payment Date, the difference between the amount on deposit in such Fund and such required amount shall be withdrawn from the Subordinate Reserve Fund and deposited to the Subordinate Debt Service Fund.

Section 5.10 Operation and Maintenance Fund. The Operation and Maintenance Fund shall be held by and be for the sole benefit of the City and shall not be subject to the lien of this Indenture or to the claim of any other Person, including without limitation the Bondholders, and monies in such Fund shall not be commingled with moneys in any other Fund or Account established under this Indenture. A portion of the Revenues deposited in the CFC Stabilization Fund as provided in Section 5.03(b), shall be deposited by the City to the Operation and Maintenance Fund as provided in each RAC Agreement, provided that the remaining balance in the CFC Stabilization Fund after such deposit shall not be less than the CFC Stabilization Fund Minimum Requirement. All interest earned on moneys and investments held within the Operation and Maintenance Fund shall be credited to such Fund. The Operation and Maintenance Fund shall be disbursed by the City, in the City's discretion, in accordance with the RAC Agreements.

Section 5.11 Maintenance Reserve Fund. The Maintenance Reserve Fund shall be held by and be for the sole benefit of the City and shall not be subject to the lien of this Indenture or to the claim of any other Person, including without limitation the Bondholders, and monies in such Fund shall not be commingled with moneys in any other Fund or Account established under this Indenture. A portion of the Revenues deposited in the CFC Stabilization Fund as provided in Section 5.03(b), shall be deposited by the City to the Maintenance Reserve Fund as provided in each RAC Agreement, provided that the remaining balance in the CFC Stabilization Fund after such deposit shall not be less than the CFC Stabilization Fund Minimum Requirement. All interest earned on moneys and investments held within the Maintenance Reserve Fund shall be credited to such Fund. The Maintenance Reserve Fund shall be disbursed by the City, in the City's discretion, in accordance with the RAC Agreements.

Section 5.12 CFC Stabilization Fund.

(a) The City has established the CFC Stabilization Fund pursuant to Section 5.01 to be maintained and held by the City, into which Revenues shall be deposited as provided in Section 5.03(b). The CFC Stabilization Fund shall be for the sole benefit of the City and shall not be subject to the lien of this Indenture or to the claim of any other Person, including without limitation the Bondholders, and monies in such Fund shall not be commingled with moneys in any other Fund or Account established under this Indenture. Amounts on deposit in the CFC Stabilization Fund in excess of the CFC Stabilization Fund Minimum Requirement shall be applied by the City, in the City's discretion, to pay Costs of the Project, make deposits to any Funds, pay debt service with respect to Outstanding Bonds or for any other legal purpose.

(b) Notwithstanding the provisions of Section 5.12(a), however, if on any (x) day that is two (2) days before any Rebate Installment Date, the amount on deposit in the Rebate Fund is insufficient to pay the amount then due to the United States, as determined pursuant to Section 5.13, or (y) Draw Down Date the amount to be deposited to the Debt Service Fund is insufficient to pay one-twelfth (1/12) of the principal of or one sixth (1/6) of the interest on the Bonds (other than the Subordinate Bonds) coming due on the next succeeding Principal Payment Date or Interest Payment Date, or (z) day that is two (2) days before any Payment Date, the amount on deposit in the Debt Service Fund is insufficient to pay the principal of or interest on any Bond (other than a Subordinate Bond) coming due on such Payment Date, then the City shall pay to the Trustee from the funds on deposit in the CFC Stabilization Fund, notwithstanding the CFC Stabilization Fund Minimum Requirement, the amount of such shortfall up to the full amount on deposit in the CFC Stabilization Fund.

(c) All interest earned on moneys and investments held within the CFC Stabilization Fund shall be transferred by the City to the Trustee for deposit in the Debt Service Fund on each Draw Down Date.

Section 5.13 Rebate Fund. The City has covenanted that it shall take all action necessary to comply with section 148 of the Code, including the payments when due of all amounts payable to the United States of America thereunder, and shall refrain from taking any action contrary to section 148 of the Code. For this purpose, a Rebate Fund has been established

pursuant to Section 5.01 and this Section 5.13, but to the extent any of the provisions of this Section 5.13 are inconsistent with section 148 of the Code, the City shall not be required to comply with such provisions but shall be required to comply with section 148 of the Code.

(a) Establishment. The Rebate Fund shall be for the sole benefit of the United States of America and shall not be subject to the lien of this Indenture or to the claim of any other Person, including without limitation the Bondholders and the City, and monies in such Fund shall not be commingled with moneys in any other Fund or Account established under this Indenture. The Rebate Fund is established for the purpose of compliance with section 148(f) of the Code. The City agrees that the requirements of this Section 5.13 are subject to, and shall be interpreted in accordance with, section 148(f) of the Code. Within the Rebate Fund there is hereby established the Series 2013A Rebate Account. Additional Accounts within the Rebate Fund shall be established for each Series of Additional Bonds or Subordinate Bonds that are Tax-Exempt Bonds in and to the extent provided in the Supplemental Indenture providing for such Series and shall be administered as provided therein.

(b) Calculation of Rebate Deposits and Payments.

(i) Promptly upon the close of each Bond Year and also upon the retirement of each Series of Tax-Exempt Bonds, the Trustee shall provide the City with a statement of earnings on all Funds and Accounts with respect to the Tax-Exempt Bonds held in trust under this Indenture which are subject to the requirements of this Section 5.13 during any period not covered by a prior statement delivered pursuant to this Section 5.13. The statement shall include the purchase and sale prices of each investment (including any commission paid thereon, which shall be separately stated if such information is available), the dates of each investment transaction, information as to whether such transactions were made at a discount or premium, and such other information known to the Trustee as the City shall reasonable require.

(ii) At least 15 days prior to each Rebate Installment Date, the City shall cause a Rebate Professional, in accordance with the Regulations, to determine and report to the Trustee the amount, if any, payable to the United States with respect to each Series of Tax-Exempt Bonds as of such Rebate Installment Date (it being assumed for the purposes of such calculation that the Tax-Exempt Bonds are being paid in full on the last day of the Bond Year most recently ended prior to such Date) based upon the Nonpurpose Payments and Nonpurpose Receipts allocated to the Tax-Exempt Bonds. Such amount shall consist of: (1) the difference between the future values, as of the applicable Rebate Installment Date, of all Nonpurpose Payments (including, as authorized by the Regulations, any rebate previously paid) and Nonpurpose Receipts (whether held under this Indenture or otherwise), reduced by (2) the amounts, if any, already on deposit in the applicable Account of the Rebate Fund. For purposes of calculating the foregoing future values, the yield on the Tax-Exempt Bonds, determined in accordance with the Regulations, shall be used. Except as may otherwise be provided by Law, the computation of the amounts to be deposited into the Rebate Fund need not take into account any earnings on any "tax exempt

bond" under section 150(a)(6) of the Code and section 1.150-1 of the Regulations and which is not a specified private activity bond as defined in section 57(a)(5)(C) of the Code or any earnings as to which exceptions are provided under section 148(f)(4)(A), (B) or (C) or the Code or section 1.148-7 of the Regulations. The City shall also determine the amount of any applicable "yield reduction payments", as provided under section 1.148-5(c) of the Regulations, which are treated as rebated payments for purposes of this Section 5.13.

(c) Payment of Rebate.

(i) No earlier than 60 days, or later than 35 days, before each Rebate Installment Date, the Trustee shall notify the City by registered or certified mail, postage prepaid, or by Electronic Means, of its obligation to furnish the following with respect to each Series of Tax-Exempt Bonds which is a separate series for federal income tax purposes not later than 15 days prior to the applicable Rebate Installment Date: (w) a copy of Form 8038-T, if any rebate amount is owed to the federal government, (x) a statement of the amount due on the Rebate Installment Date, if any, (y) a certificate as to the accuracy of such determination of a certified public accountant (who may be an employee of the City) or a firm of accountants or other professionals, in each case having expertise in calculating the amount required to be paid pursuant to section 148(f) of the Code (each, a ***"Rebate Professional"***) and (z) if the amount held in the applicable Account of the Rebate Fund is less than the amount so determined, an amount in cash or funds available on such day equal to the difference. The City shall notify promptly the Trustee of each date which it selects as a Rebate Installment Date. Upon receipt of the foregoing, the Trustee shall make the payment provided for in subsection (c)(ii) below, but if the Trustee shall not have received all of the foregoing on the date due, the Trustee shall pay over to the United States within the period prescribed in subsection (c)(ii) below all of the funds then held in the applicable Account of the Rebate Fund, together with a copy of the applicable Form 8038-T, if available, unless on or before such date, the City shall have provided to the Trustee an unqualified opinion of a Rebate Professional stating that no further action by the City or the Trustee is necessary for compliance as of such Rebate Installment Date with section 148(f) of the Code.

(ii) On or before each Rebate Installment Date, the Trustee, at the direction of the City, shall pay to the United States from amounts on deposit in the applicable Account of the Rebate Fund or, to the extent of a shortfall in the amount on deposit in the applicable Account, from amounts on deposit in the CFC Stabilization Fund, any "yield reduction payments" as aforesaid and/or a rebate amount which is at least 90% of the amount required to be paid pursuant to the provisions of section 148(f) of the Code as calculated by a Rebate Professional on behalf of the City, taking into account any credit permitted by the Regulations. On a date selected by the City no later than 60 days after the date on which the Tax-Exempt Bonds of any Series which is a separate series for federal income tax purposes have been paid in full, the Trustee, at the direction of the City, shall pay to the United States from the amount on deposit in the applicable Account of the

Rebate Fund or, to the extent of a shortfall in the amount on deposit in the applicable Account, from amounts on deposit in the CFC Stabilization Fund, any "yield reduction payments" as aforesaid and/or a rebate equal to 100% of the entire amount then payable pursuant to section 148(f) of the Code as calculated by a Rebate Professional on behalf of the City, including actual or imputed earnings and taking into account any credit, as provided by the Regulations. Unless otherwise provided by Law, each payment shall be made to the Internal Revenue Service Center, Ogden, UT 84201-0027 or any other address specified by the Internal Revenue Service and accompanied by a copy of From 8038-T signed by the City.

(d) Conclusive Compliance by Trustee. The Trustee shall be deemed conclusively to have complied with the provisions of this Section 5.13 if it executes documents or makes payments in accordance with the certifications and directions of the City provided in accordance with this Section 5.13. By agreeing to give the notices referred to in subsection (c) of this Section 5.13 and to make the payments referred to in this Section 5.13, the Trustee assumes no responsibility whatsoever for compliance by the City with the requirements of section 148(f) of the Code.

(e) Records. The City and the Trustee shall keep such records as will enable them to fulfill their respective responsibilities under this Section 5.13 and section 148(f) of the Code, and the City shall engage, at the City's expense, a Rebate Professional. For purposes of the computation required under this Section 5.13, the Trustee shall make available to the City during normal business hours all information in the control of the Trustee which is necessary to make such computations.

(f) The City. The City shall not take any action, or knowingly omit to take any action within its control, which, if taken or omitted, respectively, would violate its non-arbitrage certificate delivered upon the initial issuance of any Series of Tax-Exempt Bonds or any amendment thereof or supplement thereto.

(g) Additional Documentation. Notwithstanding anything in this Section 5.13 to the contrary, and in furtherance of the purposes of the last sentences of Section 5.13(a), the Trustee, at the written direction of the City, will provide to the United States of America at such times and at such places as the City may direct such additional materials as the City may instruct the Trustee to deliver to the United States of America; provided, however, that the Trustee need take no action under this subsection (g) unless the City shall have delivered to the Trustee such materials and the address or addresses to which such materials are to be sent by the Trustee no later than 15 days prior to the date on which delivery of such materials is to be received by the United States of America.

(h) Section 5.13 Survives Defeasance of Indenture. This Section 5.13, as amended from time to time, shall survive the defeasance of this Indenture with respect to the Tax-Exempt Bonds. Upon (and only upon) (i) the retirement of all the Tax-Exempt Bonds of a Series which is a separate series for federal income tax purposes or provision for the same pursuant to Section 2.02, (ii) the payment of all amounts due under section 148 of the Code with respect to such Tax-Exempt Bonds, and (iii) presentation of a written statement of a Rebate Professional in a form

satisfactory to the Trustee that the provisions of section 148 of the Code have been satisfied, any amounts remaining in the applicable Account of the Rebate Fund shall be paid to the City; provided, however, that if at any time while Tax-Exempt Bonds are outstanding the Trustee shall receive a written statement of a Rebate Professional in a form satisfactory to the Trustee that the balance of an Account in the Rebate Fund exceeds the amount owing or expected to be owing under section 148 of the Code with respect to the applicable Series of Tax-Exempt Bonds, then the Trustee at the written request of the City shall pay the excess to the City.

Section 5.14 Investment of Moneys in Funds. The Trustee shall invest moneys in the Project Fund, the Debt Service Fund, the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund and the Subordinate Debt Service Fund in any Qualified Investments and shall sell or liquidate any such investment, in each case upon the written direction of the City, subject in each case to the restrictions on investments set forth in this Section 5.14. If at any time the Trustee shall hold the Rebate Fund, the Operation and Maintenance Fund, the Maintenance Reserve Fund or the CFC Stabilization Fund as Depositary for the City, the Trustee shall invest moneys in any such Fund in any Qualified Investments and shall sell or liquidate any such investment, in each case upon the written direction of the City, subject in each case to the restrictions on investments set forth in this Section 5.14. The Trustee shall have no responsibility for any losses resulting from such investment or liquidation, nor shall the Trustee be responsible if any payment is prohibited under Section 148 of the Code, provided that the Trustee shall have complied with the applicable investment instructions delivered to it by the City. Moneys in the Debt Service Fund and the Subordinate Debt Service Fund shall be invested by the Trustee only in Defeasance Obligations having a final maturity of one year or less from the date of purchase thereof, the maturities or redemption dates of all of which shall coincide as nearly as practicable with, but not be later than, the time or times at which said moneys will be required for the purposes of this Indenture (or a money market fund satisfying the requirements of paragraph (g) of the list of Qualified Investments in **Exhibit D** hereto comprised of such Defeasance Obligations). Moneys in the Reserve Funds shall be invested only in Qualified Investments which either have an average maturity of five years or less from the date of purchase thereof or may be liquidated at a price of not less than par plus accrued interest when required for the purposes of this Indenture. Qualified Investments may be registered or otherwise held in the name of the Trustee's nominee or nominees or, where the securities are eligible for a deposit in a central depository, such as DTC or the Federal Reserve Bank of New York, the Trustee may utilize any such depository and permit the registration of registered securities in the name of its nominee or nominees, and the City shall hold the Trustee and such nominees harmless from any liability as holders of record. Any investments pursuant to this Section 5.14 may be purchased from the Trustee in its commercial capacity so long as such investments meet the applicable criteria set forth in the definition of "Qualified Investments". Notwithstanding the first sentence of this Section 5.14, in the event that the City shall not have authorized the liquidation of Qualified Investments when required to meet the purposes of this Indenture, the Trustee is authorized to sell or otherwise convert into cash investments credited to any Fund or Account created under this Indenture at the times and in the amounts necessary to meet payments when due from such Fund or Account and shall include all proceeds from such investments. No order of the City shall restrict such authorization, and the Trustee shall not be liable for any loss occurring from any such sale or conversion to cash. Except as otherwise expressly provided in this Indenture, all investments made from moneys credited to a specific Fund or Account, including all proceeds from such investments, shall be

credited to the Debt Service Fund on the next succeeding Draw Down Date after they are received. For purposes of this Indenture (other than Section 5.13), such investments in the Reserve Funds shall be valued at the lower of amortized cost or market, and such investments in any other Fund shall be valued at market value. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees. In the absence of investment instructions from the City, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested in Qualified Investments.

Although the City recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the City hereby agrees that confirmations of permitted investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

Section 5.15 Authorized Application of Funds; Moneys to be Held in Trust. The Trustee is authorized to apply each Fund as provided in this Indenture. All moneys deposited with the Trustee hereunder shall be held by the Trustee in trust but need not be segregated from other funds except as required by Law or by this Indenture.

Section 5.16 Nonpresentment of Bonds. From and after any Payment Date, if moneys sufficient to pay principal of, premium, if any, and interest on any Bond then due have been deposited with the Trustee and irrevocably committed thereto, all liability of the City for the payment of such amount shall forthwith cease in accordance with Section 2.02. The Trustee shall hold such funds, without liability for interest thereon, for the benefit of the registered owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim with respect to such amount. Unless otherwise required by Law, any such funds which remain unclaimed for three years after such due date shall be paid to the City without any interest thereon against written receipt therefor executed on behalf of the City, and the Trustee shall have no further responsibility with respect to such moneys, which thenceforth shall be the responsibility of the City.

ARTICLE 6
REPRESENTATIONS AND AGREEMENTS OF THE CITY

Section 6.01 Due Organization and Authorization of Bonds. The City represents and warrants as follows:

(a) It is a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State, with the power, to execute and deliver this Indenture and the Bonds, to perform its obligations under each thereof and to issue and sell the Series 2013 Bonds pursuant thereto.

(b) It has taken all necessary action required to make this Indenture and the Bonds the valid and binding obligations of the City which they purport to be, and, when executed and delivered by the parties thereto, this Indenture and the Bonds will constitute valid and binding agreements of the City and be enforceable in accordance with their respective terms, except as

enforceability may be subject to the exercise of judicial discretion in accordance with general equitable principles and to applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted to the extent that the same may be constitutionally applied.

(c) When delivered to and paid for by the purchasers thereof, the Series 2013 Bonds will constitute valid and binding limited obligations of the City enforceable in accordance with their terms, except as enforceability may be subject to the exercise of judicial discretion in accordance with general equitable principles and to applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted to the extent that the same may be constitutionally applied, and will be entitled to the benefits of this Indenture.

Section 6.02 Payment of Bonds. The City agrees that it will promptly pay or cause to be paid the principal of and premium, if any, and interest on all Bonds as herein provided from the Pledged Receipts. The City agrees that, except as provided herein it will not mortgage, encumber or alienate any part of the Pledged Receipts. All agreements of the City in this Section 6.02 and elsewhere in this Indenture and the Bonds and each other agreement or instrument to which the City may be or hereafter become a party in connection with this Indenture or the Bonds are subject to the limitation described in Section 3.09.

Section 6.03 Rights of City as Lessor; Enforcement of RAC Agreements.

(a) It is understood and agreed that the City's execution and delivery of this Indenture, the City's issuance of the Bonds and the terms and provisions of this Indenture, the Bonds and any other agreement or instrument to which the City may be or hereafter become a party in connection with this Indenture or the Bonds, are without prejudice to and shall not prohibit, restrict or derogate in any way from the City's exercise of any of the Unassigned Rights of the City as lessor under the RAC Agreements or from any other rights of the City as operator of the Airport. Notwithstanding any provision thereof to the contrary, the City, by executing this Indenture, the Bonds or any other such agreement or instrument to which the City may be or hereafter become a party in connection with this Indenture or the Bonds, is under no obligation, express or implied, to the Trustee, the Bondholders or any other Person to exercise or to refrain from exercising any Unassigned Right which the City may have now or hereafter under any RAC Agreement or from exercising any right, remedy or responsibility which the City may have now or hereafter as operator of the Airport, regardless of the effect of such exercise or non-exercise upon the rights and interests of the Trustee, the Bondholders or any other Person under this Indenture, the Bonds or any other such agreement or instrument.

(b) Notwithstanding the foregoing provisions of Section 6.03(a), the City covenants that so long as any of the Bonds remain Outstanding, it will require all RACs to collect and remit CFCs and Facility Rent, and the City will take all actions legally permitted to enforce compliance by the RACs with the RAC Agreements and of their obligations thereunder, including specifically seeking specific performance by each of the RACs, to charge, collect and remit CFCs and Facility Rent (as applicable) to the City, for transfer by the City to the Trustee (unless the City shall direct such RACs to remit such CFCs or Facility Rent directly to the Trustee for the benefit of the City). The City covenants that so long as any of the Bonds remain

Outstanding it will not consent to an amendment to the RAC Agreements which permits direct access to the Terminals by any Courtesy Vehicle of a RAC or Off-Airport RAC or which otherwise materially adversely affects the rights of Beneficial Owners without consent of a Majority of the Bondholders.

Section 6.04 Collection of Customer Facility Charges; Rate Covenant.

(a) As long as any Bond remains Outstanding, the City shall require each RAC to charge, collect and remit to the City, for transfer by the City to the Trustee (unless the City shall direct such RAC to remit directly to the Trustee for the benefit of the City), CFCs for each Contract Day that a Motor Vehicle is rented by an Airport Customer, and to pay to the City, for transfer by the City to the Trustee (unless the City shall direct such RAC to pay directly to the Trustee for the benefit of the City), Facility Rent, as provided in paragraph (c) below, and the RAC Agreements shall require the RACs to segregate such CFCs as trust funds for the benefit of the City, and not as revenues of the RACs, as provided in the RAC Agreements.

(b) Prior to the commencement of each Fiscal Year as long as any Bond is Outstanding, the City shall review and may adjust, effective on the first day of each Fiscal Year, the level of the CFC, based upon factors including the projected Aggregate Debt Service for the coming Fiscal Year, amounts necessary to fund the other accounts provided for in this Indenture, shortfalls in CFC revenue that may have occurred in the then-current Fiscal Year, projections of the level of demand for rental car services at the Airport in the next Fiscal Year, and such other factors as the City may determine in its sole discretion. Notwithstanding the foregoing, the City may make an unscheduled adjustment to the level of the CFC in any Fiscal Year in the event that the City determines in its sole discretion that there has been a material change in any of the assumptions utilized in the City's calculation of the CFC, and that such change should not be addressed solely through withdrawals from the CFC Stabilization Fund or the imposition of Facility Rent as provided below. The City shall provide to the Trustee no less than thirty (30) days advance, written notice of the adjusted amount of the CFC for the coming Fiscal Year or of any unscheduled adjustment to the CFC. As long as any of the Bonds remain Outstanding, the City shall set the amount of the CFC (when multiplied by the total number of projected Contract Days) plus projected Facility Rent (if any) at an annual level sufficient to provide sufficient funds (i) to pay principal of and interest on the Bonds due in such Fiscal Year, (ii) to reimburse the Rolling Coverage Fund, the Supplemental Reserve Fund, the Debt Service Reserve Fund or the Subordinate Reserve Fund for any drawings upon such Funds over a period not to exceed twelve (12) months, as determined by the City, (iii) to provide funds necessary to pay any "yield reduction payments" or rebate amounts due to the United States under Section 5.13 for which funds in the Rebate Fund or the CFC Stabilization Fund are not otherwise available, (iv) to maintain the balance of the CFC Stabilization Fund in an amount of no less than the CFC Stabilization Fund Minimum Requirement and to reimburse any drawings below the CFC Stabilization Fund Minimum Balance over a period not to exceed twelve (12) months, as determined by the City, and (v) to make the deposits to the Maintenance Reserve Fund and the Operation and Maintenance Fund required in that Fiscal Year under the RAC Agreements (collectively, the sum of the amounts required by (i) through (v) above, the "***Minimum Annual Requirement***").

(c) The City shall require each RAC to pay to the City, for transfer by the City to the Trustee (unless the City shall direct such RAC to pay directly to the Trustee for the benefit of the City), Facility Rent as provided in each RAC Agreement in an amount, in the aggregate, that the City projects to be sufficient, together with CFCs projected to be collected in such Fiscal Year or portion thereof, to provide sufficient funds to meet the Minimum Annual Requirement for such Fiscal Year and provide additional funds equal to the difference between the CFCs and Facility Rent (if any) received in the prior Fiscal Year and the Minimum Annual Requirement for such prior Fiscal Year.

(d) As long as any of the Bonds remain Outstanding, the aggregate amount of CFCs and Facility Rent (if any) required to be remitted by the RACs in each Fiscal Year shall be no less than the Aggregate Debt Service coming due in such Fiscal Year and, in the event that the amount of CFCs and Facility Rent (if any) for any Fiscal Year is less than the Aggregate Debt Service for such Fiscal Year, the City covenants to increase either the CFC or the Facility Rent, or both, for the next succeeding Fiscal Year to no less than an amount, in the aggregate, that the City projects to be sufficient, based upon projected Contract Days for such Fiscal Year, to pay Aggregate Debt Service coming due in such Fiscal Year. In addition to the foregoing, the aggregate amount of CFCs and Facility Rent (if any) paid by the RACs in each Fiscal Year plus the amount on deposit in the Rolling Coverage Fund (up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) plus amounts on deposit in the Supplemental Reserve Fund, if any, at the beginning of such Fiscal Year (up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) shall be no less than 1.30 times the Aggregate Debt Service on the Bonds (other than Subordinate Bonds), plus 1.0 times the Aggregate Debt Service on the Subordinate Bonds, coming due in such Fiscal Year and, in the event that the amount of CFCs and Facility Rent (if any) for any Fiscal Year plus the amount on deposit in the Rolling Coverage Fund (up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) plus amounts on deposit in the Supplemental Reserve Fund, if any, at the beginning of such Fiscal Year up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year is less than 1.30 times the Aggregate Debt Service on the Bonds (other than Subordinate Bonds), plus 1.0 times the Aggregate Debt Service on the Subordinate Bonds for such Fiscal Year, the City shall increase either the CFC or the Facility Rent, or both, for the next succeeding Fiscal Year to no less than an amount, in the aggregate, that the City projects to be sufficient, based upon projected Contract Days for such Fiscal Year, plus the amount on deposit in the Rolling Coverage Fund (up to an amount not to exceed 25% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year) plus amounts on deposit in the Supplemental Reserve Fund, if any, at the beginning of such Fiscal Year up to an amount not to exceed 5% of the Aggregate Debt Service on the Bonds (other than Subordinate Bonds) in such Fiscal Year to provide no less than 1.30 times the Aggregate Debt Service on the Bonds (other than Subordinate Bonds), plus 1.0 times the Aggregate Debt Service on the Subordinate Bonds coming due in such Fiscal Year.

Section 6.05 Status of Interest on Tax-Exempt Bonds.

(a) It is the intention of the City that interest on each Series of Tax-Exempt Bonds, including without limitation, the Series 2013A Bonds, shall be and remain exempt from federal

income taxation, and to that end the covenants and agreements of the City in this Section 6.05 and in the tax certificate of the City are for the benefit of the Trustee and each and every Person who at any time will be the holder of any Tax-Exempt Bond.

(b) The City covenants and agrees that it will not directly or indirectly use or permit the use of any proceeds of any Series of Tax-Exempt Bonds or other funds in any manner, or take or omit to take any action, that will cause any Series of Tax-Exempt Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code, including in connection with the operation of the portions of the Project which shall be controlled by the City and any reallocation or reletting of the Project or any portion thereof under the terms of the RAC Agreements. Any officer of the City (including its Chairman, Vice Chairman, Executive Director and Director of Administration and Finance and Secretary-Treasurer) having responsibility for and with respect to the issuance of the Tax-Exempt Bonds is authorized and directed, alone or in conjunction with any other officer, employee or consultant of the City, to give an appropriate certificate on behalf of the City, for inclusion in the transcript of proceedings for the Bonds, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to section 148 of the Code. The City further covenants and agrees that it will not direct the Trustee to invest any funds held by it under this Indenture in such manner as would cause any Series of Tax-Exempt Bonds to be an "arbitrage bond" within the meaning of Section 148(a) of the Code. To such ends, the City will comply with all requirements of Section 148 of the Code to the extent applicable to the Tax-Exempt Bonds. In the event that at any time the City is of the opinion that for purposes of this Section 6.05(b) it is necessary to restrict or limit the yield of the investment of any moneys held by the Trustee under this Indenture, the City shall so notify the Trustee in writing.

(c) The City certifies and represents that it has not taken, and the City covenants and agrees that it will not take, any action which will cause interest paid on any Tax-Exempt Bonds to become includable in gross income of the Beneficial Owners of such Tax-Exempt Bonds for federal income tax purposes pursuant to sections 103 and 141 through 150 of the Code, including in connection with the operation of the portions of the Project which shall be controlled by the City and any reallocation or reletting of the Project or any portion thereof under the terms of the RAC Agreements; provided, that none of the covenants and agreements herein contained shall require the City to enter an appearance or intervene in any administrative, legislative or judicial proceeding in connection with any changes in applicable Laws, or in connection with any decisions of any court or administrative agency or other governmental body affecting the taxation of interest on the Tax-Exempt Bonds. Notwithstanding the generality of the foregoing, in connection with the operation and use of the portions of the Project which are controlled by the City or any reallocation or reletting of the Project or any portion thereof under the terms of the RAC Agreements, the City will take such actions as may be reasonably under its control to avoid causing the interest on any Tax-Exempt Bond to be includable in the gross income of the holders thereof for federal income tax purposes.

(d) Notwithstanding any provision of this Section 6.05, if the City shall provide to the Trustee an opinion of Bond Counsel that any specified action required under this Section 6.05 is no longer required or that some further or different action is required to maintain the tax-exempt status of interest on the Tax-Exempt Bonds, the Trustee and the City may conclusively rely on

such opinion in complying with the requirements of this Section 6.05 and the covenants hereunder shall be deemed to be modified to that extent.

Section 6.06 Construction of the Project. The City shall use diligent efforts to cause the Project to be constructed and completed in accordance with the Project Schedule, as set forth in the RAC Agreements, and shall cause to be done all things necessary or proper for completion of the Project in a timely manner in material compliance with all Laws. Upon completion or abandonment of the Project, the City shall deliver a Completion Certificate to the Trustee which shall include the Completion Date.

Section 6.07 Operation of the Project. Subject to Section 6.09, as long as any Bond remains Outstanding, the City shall operate and maintain the Project, or cause the Project to be operated and maintained, in good condition for the purposes for which it was constructed, reasonable wear and tear excepted.

Section 6.08 Insurance. The City shall maintain, or cause to be maintained, insurance with respect to the CRCF against such casualties and contingencies and in such amounts not less than is reasonably prudent. Such policies of insurance shall name the City and the Trustee as additional insureds as their interests may appear. Any premiums for such policies of insurance shall be paid by the RACs as provided in each RAC Agreement, or by the City.

Section 6.09 Casualty and Condemnation.

(a) In the event that the Project or any portion thereof is damaged, taken or condemned, the net proceeds of insurance (including without limitation self insurance) or condemnation award shall be applied as set forth in this Section 6.09.

(b) If the proceeds of an insurance or condemnation award with respect to the CRCF, net of the reasonable costs, fees and expenses incurred by the City in the collection of such proceeds or award (the "***Net Proceeds***") are less than $250,000, the Net Proceeds shall be paid directly to the City and shall be applied by the City promptly to the costs of restoring the Project. Any Net Proceeds remaining after the restoration of the Project shall be deposited to the Debt Service Fund and applied to the principal of and interest on the Bonds next coming due, on a pro rata basis.

(c) If the Net Proceeds are greater than or equal to $250,000, the Net Proceeds shall be paid to the Trustee and deposited to a separate account within the Project Fund, as set forth in Section 5.02(f) and disbursed in the same manner and subject to the same conditions and limitations relating to the disbursement of funds from the Project Fund, as set forth in Sections 5.02(c) and 5.02(f). In the event that the Net Proceeds are insufficient to restore the Project, the City shall either deposit the difference between the costs of restoration and the Net Proceeds to the Project Fund or issue Additional Bonds or Subordinate Bonds for such purpose.

(d) Nothing herein shall limit the City's power of eminent domain.

Section 6.10 Continuing Disclosure. Pursuant to the Continuing Disclosure Undertaking, the City has undertaken certain responsibilities for compliance with continuing disclosure requirements under Rule 15c2-12 of the Securities and Exchange Commission. The

City hereby covenants and agrees that it will comply with and carry out its express responsibilities under the Continuing Disclosure Undertaking, but it shall have no additional or implied responsibilities whatsoever under the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Indenture, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an Event of Default hereunder; however, any holder or Beneficial Owner of any Bond may take such actions as may be necessary and appropriate, including seeking mandatory or specific performance by court order, to cause the City to comply with its obligations under this Section 6.10 and the Continuing Disclosure Undertaking.

ARTICLE 7
DEFAULT PROVISIONS AND REMEDIES

Section 7.01 Events of Default; Defaults. The occurrence of any of the following events shall constitute an "Event of Default" hereunder:

(a) Failure to pay interest on any Bond when due and payable.

(b) Failure to pay any principal of, or premium on, any Bond when due and payable, whether at stated maturity or pursuant to any redemption or purchase requirement under Section 4.01 or under any Supplemental Indenture.

(c) Failure by the City to observe or perform any other covenant, condition or agreement on its part to be observed or performed in this Indenture or the Bonds for a period of 60 days after written notice of such failure shall have been given to the City by the Trustee; provided, however, that if such observance or performance requires work to be done, actions to be taken or conditions to be remedied which by its or their nature cannot reasonably be done, taken or remedied, as the case may be, within such 60-day period, no Event of Default under this subsection (c) shall be deemed to have occurred or to exist if and so long as the City shall have commenced such work, action or remediation within such 60-day period and provided written notice thereof to the Trustee and shall diligently and continuously prosecute the same to completion.

Within five days after actual knowledge by an Authorized Officer of the Trustee of an Event of Default under subsection (a) or (b) above, the Trustee shall give written notice, by registered or certified mail, to the City, all of the Bondholders, and upon notice as provided in Section 8.02(d) shall give similar notice of any other Event of Default.

Section 7.02 Remedies; Rights of Bondholders.

(a) Upon the continuance of an Event of Default, if so requested by a Majority of the Bondholders, and if satisfactory indemnity has been furnished to it, the Trustee shall exercise such of the rights and powers conferred by this Indenture as the Trustee, being advised by counsel, shall deem most effective to enforce and protect the interests of the Bondholders.

(b) No remedy under this Indenture is intended to be exclusive, and to the extent permitted by law each remedy shall be cumulative and in addition to any other remedy hereunder or now or hereafter existing.

(c) No delay or omission to exercise any right or power shall impair such right or power or constitute a waiver of any Default or Event of Default or acquiescence therein; and each such right and power pay be exercised as often as deemed expedient.

(d) No waiver by the Trustee or the Bondholders of any Default or Event of Default shall extend to any subsequent Default or Event of Default.

Section 7.03 Right of Bondholders to Direct Proceedings. Anything in this Indenture to the contrary notwithstanding, a Majority of the Bondholders shall have the right at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall be in accordance with applicable Law and this Indenture; provided that the Trustee shall be indemnified to its satisfaction.

Section 7.04 Application of Moneys After Event of Default. Upon the occurrence of an Event of Default, there shall be deposited in the CFC Revenue Fund all moneys and proceeds held or received by the Trustee or any receiver pursuant to this Indenture or any related document or the exercise of any rights granted hereby or thereby, except amounts in the Rebate Fund, which shall be held and applied in accordance with Section 5.13, and all moneys in the CFC Revenue Fund (except funds for which provision has been made under Section 5.16) shall be applied after first paying all Costs of Collection incurred by the Trustee or any receiver and any fees, compensation and reimbursement of expenses then owing to the Trustee hereunder, (i) to the payment of interest then due on the Bonds (other than Subordinate Bonds) without regard to when such interest became due, (ii) then any remaining amounts shall be applied to the payment of principal and premium, if any, then due on the Bonds (other than Subordinate Bonds), without regard to when such principal or premium, if any, became due, (iii) then any remaining amounts shall be applied to the payment of interest then due on the Subordinate Bonds without regard to when such interest became due, (iv) then any remaining amounts shall be applied to the payment of principal and premium, if any, then due on the Subordinate Bonds, without regard to when such principal or premium, if any, became due; or in such other order as may be determined by the Trustee with the written consent of all the Bondholders; provided, however, that funds collected from any Account of the Project Fund shall be applied solely to the payment of principal of and interest on the Series of Bonds secured by such Account. Payments shall be made ratably, according to the amounts due respectively for interest and principal and premium, if any, among Bondholders entitled to receive the payment being made.

Section 7.05 Remedies Vested in Trustee. All rights of action (including the right to file proofs of claim) under this Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or their production in any proceeding; and any such proceeding instituted by the Trustee shall be brought in its name, as Trustee, without the necessity of joining as plaintiffs or defendants any holders of the Bonds; and any recovery of the judgment shall be for the benefit of the holders of the Bonds, subject, however, to the provisions of this Indenture.

Section 7.06 Rights and Remedies of Bondholders. No Bondholder shall have any right to institute any proceedings for the enforcement of this Indenture or any right or remedy

granted hereby unless (i) an Event of Default is continuing, (ii) an Authorized Officer of the Trustee is deemed to have notice or knowledge thereof or has been notified as provided in Section 8.02(d), (iii) a Majority of the Bondholders shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to exercise its powers or to institute such proceeding in its own name, and have offered to the Trustee indemnity satisfactory to it, and (iv) the Trustee shall have failed or refused to exercise its power or to institute such proceeding. Such notice, request and offer of indemnity shall at the option of the Trustee be conditions precedent to the execution of the powers and trusts of this Indenture, and to any action for the enforcement of this Indenture or of any right or remedy granted hereby; it being understood and intended that the holders of the Bonds shall have no right to affect or prejudice the lien of this Indenture by their action or to enforce any right hereunder except in the manner herein provided and that proceedings shall be instituted and maintained in the manner herein provided and for the benefit of the holders of all Bonds then outstanding. Notwithstanding the foregoing, each Bondholder shall have a right of action to enforce the payment of the principal of an premium, if any, and interest on any Bond held by it at and after the maturity thereof, from the sources and in the manner expressed in such Bond.

Section 7.07 Waivers of Events of Default. The Trustee shall waive (in advance or otherwise) any Event of Default and its consequences and rescind any declaration of maturity of principal upon the written request of a Majority of the Bondholders or, in the case of an Event of Default whose waiver would constitute a violation of Section 9.02, the Bondholder or Bondholders whose consent is required by Section 9.02, but no such waiver (except as specifically provided therein) or rescission shall extend to any subsequent or other Event of Default.

Section 7.08 Effect of Discontinuation of Proceedings. In case any proceeding taken by the Trustee or Bondholders on account of any Event of Default shall have been discontinued or abandoned for any reason, then and in every such case the City, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 7.09 Intervention by Trustee. In any judicial proceeding which the Trustee believes has a substantial bearing on the interests of the Bondholders, the Trustee may intervene on behalf of the Bondholders.

Section 7.10 Remedies of City on Event of Default. Upon the occurrence and continuance of an Event of Default, the City shall not be required to take any action which in its opinion might cause it to expend time or money or otherwise incur any liability unless satisfactory indemnity has been furnished to it. Notwithstanding any contrary provision in this Indenture, the City may enforce the Unassigned Rights by any lawful available remedy; and nothing in this Indenture shall restrict the exercise of Unassigned Rights by the City as lessor under the RAC Agreements or the exercise of rights by the City as operator of the Airport.

ARTICLE 8
THE TRUSTEE

Section 8.01 The Trustee; Corporate Organization, Authorization and Capacity. The Trustee represents and warrants that it is a national banking association duly organized and validly existing under the laws of the United States of America and duly licensed or qualified to do business in the State, with the capacity to exercise the powers and duties of the Trustee hereunder and that by proper corporate action it has duly authorized the execution and delivery of this Indenture.

Section 8.02 Acceptance of Trusts. The Trustee accepts the trusts imposed upon it by this Indenture and agrees to perform such trusts, but only upon the terms and conditions contained herein.

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied agreements or obligations shall be read into this Indenture against the Trustee. In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) The Trustee may execute any of its trusts or powers and perform any of its duties through attorneys, agents, receivers or employees but shall be answerable for their conduct in accordance with the above standard, except that as to attorneys, agents and receivers the Trustee shall be answerable only as to the selection of same in accordance with said standards. The Trustee shall be entitled to advice of Counsel concerning all matters of trust duties hereunder, and may pay reasonable compensation to all such attorneys, agents, receivers, employees and Counsel as may reasonably be employed. The Trustee shall be entitled to the advice of Counsel (who may or not be Counsel for the City) and shall be wholly protected as to any action taken or omitted to be taken in good faith in reliance on such advice. The Trustee may rely conclusively on any notice, certificate or other document furnished to it hereunder and reasonably believed by it to be genuine. The Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be within the discretion or powers conferred upon it, in good faith omitted to be taken by it and reasonably believed to be beyond the discretion or powers conferred upon it, taken by it pursuant to any direction or instruction by which it is governed hereunder, or omitted to be taken by it by reason of the lack of direction or instruction required hereby for such action; nor shall it be responsible for the consequences of any error of judgment reasonably made by it; except in each case for such actions resulting from its own negligence or willful misconduct. The duties of the Trustee are those expressly set forth in this Indenture, and no additional duties shall be implied. When any payment, consent or other action by it is called for hereby, it may defer such action pending receipt of such evidence, if any, as it may require in support thereof. The Trustee shall in no event be liable for the application or misapplication of funds, or for other acts or defaults by any Person, except its own directors, officers, and employees. The Trustee has no responsibility for the validity or sufficiency of this Indenture or the Bonds or any security therefor.

(c) Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any Person who at the time of making such request or giving such authority or consent is the holder of any Bond shall be conclusive and binding upon all future holders of such Bond.

(d) The Trustee shall not be required to take notice or be deemed to have notice or knowledge of any Default hereunder, except Events of Default described in Section 7.01(a) or (b), unless an Authorized Officer of the Trustee shall be notified in writing of such Default by the City or by the holders of at least 25% in aggregate principal amount of Bonds then outstanding. Until such notice is received, the Trustee may conclusively assume there is no such Default and shall not be bound to inquire as to the performance of the City.

(e) The Trustee shall not be required to give any bond or surety.

(f) The Trustee shall not be required to monitor the financial condition of the City, any RAC, or the physical condition of the Project and, unless otherwise expressly provided, shall not have any responsibility with respect to notices, certificates or other documents filed with it hereunder, except to make them available for inspection by the Bondholders. The Trustee shall not be required to take any action hereunder (other than the giving of notice), including any remedial action, which shall require it to expend its own funds or otherwise incur any financial liability in the performance of its duties hereunder or thereunder or in the exercise of any rights or powers hereunder or thereunder unless indemnity reasonably satisfactory to it is furnished for any expense or liability to be incurred herein, other than liability for failure to meet the standards set forth in this section. A permissive right or power to act shall not be construed as a requirement to act.

(g) The Trustee shall not be responsible for any recital herein or in the Bonds (other than its Certificate of Authentication), or in any material furnished to anyone in connection with the issuance, sale or any resale of the Bonds, or for the recording, filing or refiling of this Indenture or any security interest created in connection therewith, or for insuring the Trust Estate or the Project or collecting any insurance money, or for the validity of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value or title of the Project or otherwise as to the maintenance or operation of the Project or the Trust Estate, but the Trustee may require of the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the Project. Except as otherwise provided in this Indenture, the Trustee shall have no obligation to perform any of the duties of the City under this Indenture, and the Trustee shall not be liable for any loss suffered in connection with any investment of funds made by it, provided that the Trustee shall have complied with instructions delivered to it hereunder.

(h) To the extent that it is necessary for the Trustee to determine whether any Person is a Beneficial Owner, the Trustee shall make such determination based on a certification of such Person (on which the Trustee may conclusively rely) setting forth in satisfactory detail the principal balance and bond certificate owned and any intermediaries through which such bond certificate is held. The Trustee shall be entitled to rely conclusively on information it receives from DTC or other applicable Securities Depository, its direct participants and the indirect

participating brokerage firms for such Participants with respect to the identity of a Beneficial Owner.

(i) The Trustee shall not be accountable for the use or application by the City of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture or for the use and application of money received by any paying agent.

(j) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, except for any information provided by the Trustee, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds. The Trustee shall have no responsibility for, or shall assume no liability in connection with, the issuance of the Bonds as obligations the interest on which is excludable from gross income for purposes of Federal income taxation or for the subsequent maintenance of the tax-exempt status of such interest.

(k) None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

Section 8.03 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all its corporate trust business and assets, and any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, ipso facto, shall be and become successor Trustee hereunder and vested with all the trusts, power, discretion, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that any such successor Trustee shall be a trust company or bank in good standing having trust powers.

Section 8.04 Resignation by Trustee; Removal. The Trustee may at any time resign from the trusts hereby created by giving 30 days' written notice to the City and to each Bondholder, but such resignation shall not take effect until the appointment of a successor Trustee, acceptance by the successor Trustee of such trusts and assignment to such successor Trustee of the rights of the predecessor Trustee under this Indenture. The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Trustee by a Majority of the Bondholders, but such removal shall not take effect until the appointment of a successor Trustee and acceptance by the successor Trustee of such trusts. The Trustee may also be removed at any time for any breach of trust, or for acting or proceeding in violation of, or for failing to act or proceeding in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee, by any court of competent jurisdiction upon the application of the holders of not less than 25% in aggregate principal amount of the Bonds, excluding any Bonds held by or for the account of the City. The City may remove the Trustee at any time, except during the existence of an Event of Default, for such

cause as shall be determined in the sole discretion of the City by filing with the Trustee an instrument signed by an Authorized Officer and by mailing notice thereof to the Bondholders at their addresses shown on the registration books kept by the Trustee. Any removal of the Trustee shall take effect upon the appointment of a successor Trustee.

Section 8.05 Appointment of Successor Trustee. If the Trustee hereunder shall resign or be removed, or be dissolved, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the City. If the City does not appoint a successor Trustee within 30 days of the Trustee providing notice of its resignation, the Trustee may petition a court of competent jurisdiction to appoint a successor Trustee. At any time within one year after any such vacancy shall have occurred and provided a court has not appointed a successor Trustee as provided above, a Majority of the Bondholders may appoint a successor Trustee by an instrument or concurrent instruments in writing signed by or on behalf of such holders, which appointment shall supersede any Trustee theretofore appointed by the City. Each successor Trustee shall be a trust company or bank having the powers of a trust company which is in good standing and has a reported capital, surplus and undivided profits of not less than $100,000,000. Any such successor Trustee shall become Trustee upon giving notice to the City and the Bondholders of its acceptance of the appointment, vested with all the property, rights and powers of the Trustee hereunder, without any further act or conveyance. Any predecessor Trustee shall execute, deliver and record and file such instruments as the Trustee may reasonably require to confirm or perfect any such succession.

Section 8.06 Fees and Expenses of Trustee. The City shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture or any Supplemental Indenture, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees incurred in and about the performance of their powers and duties under this Indenture or any Supplemental Indenture. The City further agrees to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, which are not due to its negligence or default. The City acknowledges that the compensation, fees, expenses and indemnification costs payable to the Trustee as provided in this Section are a general obligation of the City, payable from any amounts legally available to the City therefor.

Section 8.07 Dealing in Bonds. The Trustee and any of its directors, officers, employees or agents may become the owners of any or all of the Bonds secured hereby with the same rights as if such owner were not the Trustee or an affiliate of the Trustee.

Section 8.08 Trustee as Bond Registrar; List of Bondholders. The Trustee is hereby designated as Registrar for the Bonds and, as such, will keep on file a list of names and addresses of the holders of all Bonds; provided, however, that the Trustee shall be under no responsibility with regard to the accuracy of the address of any Bondholder. At reasonable times and under reasonable regulations established by the Trustee, such list may be inspected and copies by the City or by owners (or a designated representative thereof) of Bonds then outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Trustee.

Section 8.09 Successor Trustee as Custodian of Funds; Bond Registrar and Paying Agent. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be custodian of any funds it may hold pursuant to this Indenture, and to cease to be the Registrar and paying agent for any of the Bonds, and the successor Trustee shall become such custodian, Registrar and paying agent.

Section 8.10 Adoption of Authentication. In case any Bonds shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of the predecessor Trustee and deliver the Bonds as so authenticated.

Section 8.11 Designation and Succession of Paying Agents. After 15 days' written notice to the City and subject to the City's approval (which shall not unreasonably be withheld or delayed), the Trustee may designate any other banks or trust companies as paying agent. Any bank or trust company with or into which any paying agent other than the Trustee may be merged or consolidated, or to which the assets and business of such paying agent may be sold, shall be deemed the successor to such paying agent for the purposes of this Indenture. If the position of such paying agent shall become vacant for any reason, the Trustee shall, within 30 days thereafter, appoint a bank or trust company located in the same state as such paying agent to fill such vacancy, subject to the City's approval (which shall not unreasonably be withheld or delayed). The paying agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in Section 8.02 with respect to the Trustee, insofar as such provisions may be applicable.

Section 8.12 Trust Estate May be Vested in Co-Trustees. It is the purpose hereof that there shall be no violation of any Law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as trustee in such jurisdiction. It is recognized that in case of litigation hereunder, and in particular in case of the occurrence of an Event of Default, it may be necessary that the Trustee appoint an additional institution as a separate Trustee or Co-Trustee. The following provisions of this Section 8.12 are adapted to these ends.

Upon the incapacity or lack of authority of the Trustee, by reason of any present or future Law of any jurisdiction, to exercise any of the rights, powers and trusts herein granted to the Trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed herein or intended to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in a separate Trustee or Co-Trustee appointed by the Trustee with the written approval of an Authorized Officer of the City, but only to the extent necessary to enable the separate Trustee or Co-Trustee to exercise such rights, powers and trusts, and every agreement and obligation necessary to the exercise thereof by such separate Trustee or Co-Trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the City be required by the separate Trustee or Co-Trustee so appointed by the Trustee in order to more fully and certainly vest in and confirm to him or it such properties, rights, powers, trusts, duties obligations, any and all such deeds, conveyances and instruments shall, on request, be executed, acknowledged and delivered by the City. In case any separate Trustee or Co-Trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers,

trusts, duties and obligations of such separate Trustee or Co-Trustee, so far as permitted by Law, shall vest in and be exercised by the Trustee until the appointment of a new Trustee or successor to such separate Trustee or Co-Trustee. Any separate Trustee or Co-Trustee appointed pursuant to this Section 8.12 shall be a trust company or bank in good standing having trust powers and having a reported capital, surplus and individual profits of not less than $50,000,000.

Section 8.13 Trustee to Retain Information; No Responsibility. So long as any of the Bonds shall be outstanding, the Trustee shall retain all certificates and all other written information furnished to it by or on behalf of the City or any other Person under this Indenture and shall make such documentation available for review after reasonable notice during regular business hours at the principal corporate trust office of the Trustee to the City and any Bondholder and, so long as the Bonds are held by the DTC or other Securities Depository or its nominee, any Beneficial Owner of Bonds presenting evidence of such ownership reasonably satisfactory to the Trustee. The Trustee shall permit such reviewers to take copies of all or any part of such documentation, subject to their payment of such reasonable copying and handling charges as the Trustee may impose. Unless otherwise expressly provided, the Trustee shall not have any responsibility with respect to any such reports, notices, certificates, financial statements and other written information furnished to it hereunder, except to make them available for inspection, at reasonable times, as provided above.

Section 8.14 Certain Notices to Rating Agencies and Bondholders. The Trustee or the City shall give or cause to be given to each Rating Agency then rating the Bonds or any Series thereof notice of (i) any optional redemption, mandatory redemption, defeasance or acceleration of Bonds or (ii) the occurrence of any Event of Default under this Indenture. The City may elect, in its sole discretion, to have the Bonds or any Series thereof, rated by any or all of the Rating Agencies, provided, however, that the City shall use its best efforts to ensure that the Bonds or any Series thereof are rated by no less than two Rating Agencies. A copy of any notices provided by the Trustee hereunder shall be delivered contemporaneously to the City.

Section 8.15 Reports by Trustee. The Trustee shall prepare monthly reports by the 10th day of each month (or as soon thereafter as practicable) showing the Customer Facility Charges and Facility Rent (if any) received from each of the RACs for deposit into the CFC Revenue Fund during the prior calendar month, together with the total of such amounts. Such report shall be sent to the City and made available to each RAC upon their request.

ARTICLE 9
SUPPLEMENTAL INDENTURES AND WAIVERS

Section 9.01 Supplemental Indentures Not Requiring Consent of Bondholders. The parties to this Indenture (provided that the Continuing Disclosure Undertaking shall not be subject to this Section 9.01 but instead shall be amended in accordance with its terms) may without the consent of, or notice to, any of the Bondholders enter into indentures of trust supplemental to this Indenture and financing statements or other instruments evidencing the existence of a lien as shall not, in their opinion, be inconsistent with the terms and provisions hereof or thereof for any one or more of the following purposes:

(a) To cure any ambiguity, inconsistency or formal defect or omission in this Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) To subject to the lien and pledge of this Indenture additional revenues or collateral;

(d) To evidence any succession to the City and the assumption by such successor of the agreements of the City contained in this Indenture and the Bonds;

(e) To the extent required by law, to permit registration of the Bonds under the Securities Act, the Trust Indenture Act, or any applicable state securities law, and to permit qualification of this Indenture under the Trust Indenture Act;

(f) To revise the provisions of Section 5.13 hereof or any other provision of this Indenture or any related document or certificate relating to rebate of arbitrage profits to the United States, provided the Trustee shall have received an opinion of Bond Counsel that such revision does not adversely affect the exclusion from gross income of interest on the Tax-Exempt Bonds for federal income tax purposes;

(g) To effect any other change herein or therein which, in the judgment of the Trustee, is not to the prejudice of the holders of the Bonds;

(h) To provide for the issuance of Additional Bonds or Subordinate Bonds, including without limitation to provide for the establishment of additional Accounts in the various Funds as necessary to reflect the parity or subordinate status of such Additional Bonds or Subordinate Bonds; and

(i) To modify the definition of Qualified Investments in Exhibit D hereof as directed by the City, provided that the City shall have provided evidence to the Trustee that the details of such modification have been provided in writing to each Rating Agency then assigning a rating to an Outstanding Bond and that each such Rating Agency has either (i) confirmed in writing that such modification will not adversely affect such ratings or (ii) issued a rating on a Series of Bonds to be issued which is not lower than the rating assigned by such Rating Agency to Outstanding Bonds prior to such modification, or any other evidence satisfactory to the Trustee that modification will not adversely affect the then current ratings, if any, assigned to the Bonds by any Rating Agency.

Section 9.02 Supplemental Indenture Requiring Consent of Bondholders. In addition to Supplemental Indentures permitted by Section 9.01, a Majority of the Bondholders shall have the right, from time to time, to consent to and approve the execution by the parties to this Indenture or other indentures of trust supplemental hereto or thereto for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Indenture or in any supplemental indenture of trust; provided, however, that nothing in this Section 9.02 shall permit (i) an extension of the stated maturity of

the principal of or the interest on any Bond without the consent of the holder of such Bond; (ii) a reduction in the principal amount of any Bond, the rate of interest thereon or the premium, if applicable, to be paid upon the redemption thereof prior to maturity without the consent of the holder of such Bond; (iii) an extension of the date for making any scheduled mandatory redemption under Section 4.01(b) or in any Supplemental Indenture without the consent of all of the Bondholders of the affected Series; (iv) the establishment of a privilege or priority of any Bond or Bonds over any other Bond or Bonds (other than Subordinate Bonds) without the consent of all the Bondholders; (v) a reduction in the percentage of the aggregate principal amount of Bonds the holders of which are required to consent to any such supplemental indenture of trust without the consent of the holders of all the Bonds at the time outstanding which would be affected by the action to be taken; (vi) a release of collateral granted under this Indenture without the consent of all of the Bondholders, except as expressly provided herein or therein; or (vii) a modification of the rights, duties or immunities of the City or the Trustee without the written consent of the affected party.

If at any time the City shall request the Trustee to enter into any supplemental indenture of trust pursuant to this Section 9.02, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution to be made in the manner required for redemption of principal of Bonds pursuant to Section 4.04; provided, however, that failure to give such notice, or any defect therein, shall not affect the validity of the proceedings.

Such notice shall briefly set forth the nature of the proposed supplemental indenture of trust and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Bondholders. Except as otherwise provided in this Section 9.02, if, within 60 days or such longer period (not to exceed two years) as shall be prescribed by the City following the final mailing of such notice, not less than a Majority of the Bondholders at the time of the execution of any such supplemental indenture of trust shall have consented to and approved the execution thereof, no holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the City from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such supplemental indenture of trust as in this Section permitted and provided, this Indenture shall be and be deemed to be modified and amended in accordance therewith.

For the purposes of Article 9 of this Indenture, the purchasers of the Bonds of a Series, whether purchasing as underwriters, for resale or otherwise, upon such purchase, may approve a supplemental indenture and may consent to a modification or amendment of this Indenture or any supplemental indenture and other modifications permitted by this Section 9.02 or by Section 9.05 in the manner provided in this Indenture, except that no proof of ownership shall be required, and with the same effect as a consent given by the holder of such Bonds; provided, however, that, if such consent is given by a purchaser who is purchasing as an underwriter or for resale, the nature of the modification or amendment and the provisions for the purchaser consenting thereto shall be described in the official statement, prospectus, offering memorandum or other offering document prepared in connection with the primary offering of the Bonds of such Series by the City.

Section 9.03 Amendments to RAC Agreements. The provisions of Section 9.02 providing for Bondholder consent to certain Supplemental Indentures shall also apply to the modification provisions of the RAC Agreements and to the definitions of terms used therein as so used in a manner that could materially, adversely affect the Bondholders, but shall not apply to any other provisions of the RAC Agreements, including without limitation the Unassigned Rights; and with respect to the modification or waiver of such other provisions of the RAC Agreements, the consent of the Bondholders shall not be required.

Section 9.04 Opinion of Counsel. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any Counsel approved by it, who may be Counsel for the City, as conclusive evidence that a proposed supplemental indenture of trust complies with the provisions of this Indenture, and that it is proper for the Trustee, under the provisions of this Article, to join in the execution of such supplemental indenture of trust.

Section 9.05 Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Indenture, the rights and obligations of the City, the Trustee and the holders of the Bonds, and the terms and provisions of the Bonds and this Indenture, or any supplemental indenture of trust may be modified or altered in any respect with the consent of the City, the Trustee and the holders of all of the Bonds then outstanding (provided that the consent of such holders complies with the last paragraph of Section 9.02, if applicable).

ARTICLE 10
MISCELLANEOUS

Section 10.01 Consents, etc. of Bondholders. Any consent, request, direction, approval, objection or other instrument required by this Indenture to be executed by the Bondholders may be in any number of concurrent writings of similar tenor and may be executed by such Bondholders in person or by an agent appointed in writing.

Section 10.02 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or implied in or inferred from this Indenture or the Bonds shall give to any Person other than the parties hereto and the holders of the Bonds any right or remedy with respect to this Indenture. This Indenture and all of the covenants, conditions and provisions hereof are for the sole and exclusive benefit of the parties hereto and the holders of the Bonds as herein provided.

Section 10.03 Severability. In the event that any provision of this Indenture shall be held to be invalid in any circumstance, such invalidity shall not affect any other provision or circumstance.

Section 10.04 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and, except (i) as provided in Section 5.13 regarding certificates or other materials to be provided to the City or (ii) notices to be given to the Trustee, and (iii) as provided in Section 8.02(d), shall be deemed to be delivered if in writing or in the form of a facsimile addressed to the appropriate Notice Address and if either (a) actually delivered at said address or (b) in the case of a letter, three Business Days shall have elapsed after the same shall have been deposited in the United States mails, first-class postage prepaid and registered or certified or (c)

in the case of delivery to the Trustee, notice will be deemed given when actually received. A copy of each notice, certificate or other communication given by any party hereto shall also be given to the other party hereto and the manner provided for in this Section 10.04.

The Trustee shall have the right to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions and containing specimen signatures of such designated persons, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting instructions to the Trustee and that there may be more secure methods of transmitting instructions than the method(s) selected by the City; and (iii) that the security procedures (if any) to be followed in connection with its transmission of instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

Section 10.05 Payments Due on Saturdays, Sundays and Holidays. In any case where a Payment Date is not a Business Day, then payment of interest or principal and any premium due on such day need not be made by the Trustee on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the Payment Date.

Section 10.06 Extent of City Covenants; No Personal Liability. No covenant, stipulation, obligation or agreement of the City contained in this Indenture shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future officer, employee or agent of the City in his or her individual capacity; and no such person (including any such person executing the Bonds) shall be liable personally on the Bonds or be subject to any personal liability by reason of their issuance. No recourse shall be had by the Trustee or any Bondholder for any claim based on this Indenture or any Bond against any officer, employee or agent of the City alleging personal liability on the part of such person.

Section 10.07 Bonds Owned by City. In determining whether holders of the requisite aggregate principal amount of the Bonds have concurred in any direction, consent or waiver under this Indenture, Bonds which are owned by the City shall be disregarded and deemed not to be outstanding for the purpose of any such determination, except that, for the purpose of determining whether the Trustee shall be protected in relying on any such direction, consent or waiver, only Bonds which the Trustee knows are so owned shall be so disregarded. Bonds so owned which have been pledged in good faith may be regarded as outstanding if the pledge establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such

Bonds and that the pledge is not the City. In case of a dispute as to such right, any decision by the Trustee taken in good faith upon the advice of counsel shall be full protection to the Trustee in accordance with its standards of performance hereunder.

Section 10.08 Caption; Index. The captions, headings and index in this Indenture are for convenience only and in no way define or describe the scope or content of any provision of this Indenture.

Section 10.09 Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same Indenture.

Section 10.10 Governing Law. The validity and interpretation of this Indenture and the Bonds shall be governed by the laws of the State.

Section 10.11 Agreements to Constitute Covenants. Words of agreement and promises shall also constitute covenants.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the City and the Trustee has caused this Indenture to be executed and delivered in its name and behalf by its authorized officer, as of the date first above written.

CITY OF CHICAGO

By: _____
Chief Financial Officer

[SEAL]

By: _____
City Clerk

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Officer

Exhibit A
Form of Series 2013 Bond

No. R[A][B] -
CUSIP: _____ $_____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
CHICAGO O'HARE INTERNATIONAL AIRPORT
CUSTOMER FACILITY CHARGE REVENUE BOND,
[SERIES 2013A][TAXABLE SERIES 2013B]

REGISTERED OWNER:	CEDE & CO.
PRINCIPAL AMOUNT:	_____ DOLLARS ($_____)
MATURITY DATE:	JANUARY 1, _____
INTEREST RATE:	_____ PERCENT (_____%)
BOND DATE:	_____, 2013

THIS [SERIES 2013A][TAXABLE SERIES 2013B] BOND IS A LIMITED OBLIGATION OF THE CITY AND SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY OR A LOAN OF CREDIT THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF THIS [SERIES 2013A][TAXABLE SERIES 2013B] BOND, OR THE INTEREST OR ANY PREMIUM THEREON, OR OTHER COSTS INCIDENT THERETO. THIS [SERIES 2013A][TAXABLE SERIES 2013B] BOND IS PAYABLE SOLELY FROM THE PLEDGED RECEIPTS REFERRED TO HEREIN AND THE FUNDS AND ACCOUNTS SPECIFICALLY PLEDGED UNDER THE INDENTURE OF TRUST REFERRED TO HEREIN, AND NO OWNER OR OWNERS OF THIS [SERIES 2013A][TAXABLE SERIES 2013B] BOND SHALL EVER HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF.

1. Payment Provisions. The City of Chicago (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois (the "State"), for value received, promises to pay to the Registered Owner of this [Series 2013A][Taxable Series 2013B] Bond, or registered assigns or legal representatives (but only from the limited sources and in the manner herein described), the Principal Amount on the Maturity Date unless redeemed prior thereto as hereinafter provided, and to pay interest on the unpaid Principal Amount of this [Series 2013A][Taxable Series 2013B] Bond outstanding from time to time from the Bond Date at the Interest Rate set forth above, payable semiannually on January 1 and July 1 of each year (each an "Interest Payment Date"), commencing _____.

The final payment of principal, premium, if any, and interest with respect to this [Series 2013A][Taxable Series 2013B] Bond shall be payment in immediately available funds at the principal corporate trust office of the Trustee (hereinafter defined) upon surrender of this [Series 2013A][Taxable Series 2013B] Bond, and other payments shall be payable by check or draft mailed by the Trustee to the Registered Owner at its address appearing on the bond register kept by the Trustee as of the close of business on the Record Date, which when used herein shall mean the fifteenth day of the month immediately preceding the month in which an Interest Payment Date occurs; provided, however, that if the holder of this [Series 2013A][Taxable Series 2013B] Bond or group of which such holder is a part holds [Series 2013A][Taxable Series 2013B] Bonds aggregating $1,000,000 or more in outstanding principal amount and gives written notice thereof to the Trustee accompanied by sufficient wire transfer instructions, then payments of interest with respect to this [Series 2013A][Taxable Series 2013B] Bond shall be payable by wire transfer of immediately available funds. As used herein, "Business Day" means any day other than a Saturday, Sunday or legal holiday or the equivalent (other than a moratorium) on which banking institutions generally in any of the City of Chicago, Illinois or New York, New York are authorized or required by law or executive order to close.

Principal of and premium, if any, and interest on this [Series 2013A][Taxable Series 2013B] Bond are payable in lawful money of the United States of America.

2. Interest. This [Series 2013A][Taxable Series 2013B] Bond shall bear interest from and including the Bond Date until payment of the principal hereof shall have been made or provided for in accordance with the provisions hereof and of the Indenture (hereinafter defined) whether at maturity, upon redemption or otherwise. This [Series 2013A][Taxable Series 2013B] Bond will bear interest at the Interest Rate computed on the basis of a 360-day year, consisting of twelve 30-day months.

3. Description of Bond Issue. This [Series 2013A][Taxable Series 2013B] is one of an issue of $_____ Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, [Series 2013A][Taxable Series 2013B] (the "[Series 2013A][Taxable Series 2013B] Bonds") issued under an Indenture of Trust dated as of [Date of Indenture] (as from time to time in effect, the "Indenture") between the City and The Bank of New York Mellon Trust Company, N.A., as Trustee (with its successors and, where the context so requires, any separate Trustee or Co-Trustee appointed by the Trustee pursuant to the provisions of the Indenture, the "Trustee"). The City also has issued its $_____ Chicago O'Hare International Airport Customer Facility Charge Revenue Bonds, [Series 2013A][Taxable Series 2013B] (the "[Series 2013A][Taxable Series 2013B] Bonds") together with the [Series 2013A][Taxable Series 2013B] Bonds, the "Series 2013 Bonds"). The proceeds of the Series 2013 Bonds will be applied to finance the design and construction of a new consolidated rental car facility (the "CRCF"), extension of the existing airport transit system to provide transportation between such consolidated rental car facility and airport passenger terminals, and related facilities at Chicago O'Hare International Airport (the "Project"), which are being leased by the City to the rent-a-car businesses ("RACs") serving Airport Customers (as defined in the Indenture) that lease space within the CRCF upon its completion, pursuant to an agreement entered into from time to time between the City and each RAC for the lease and use of premises within the CRCF, as the same may be duly supplemented, modified or amended from time to time (each, a "RAC Agreement" and, collectively, the "RAC Agreements"). The Series 2013 Bonds are issued pursuant to and in

full compliance with the laws of the State, and the issuance of the Series 2013 Bonds and the execution and delivery of the Indenture have been duly authorized by the City.

The right of the City under the RAC Agreements to receive CFCs and Facility Rent (as each are defined in the Indenture), certain insurance and condemnation proceeds, and certain funds and accounts established under the Indenture (collectively, the "Pledged Receipts") have been pledged by the City to the Trustee to secure the Series 2013 Bonds. The Series 2013 Bonds and such Additional Bonds (as defined in the Indenture) as may from time to time be issued under the Indenture are to be equally and ratably secured and entitled to the protection given by the Pledged Receipts and the Indenture. The City may also, pursuant to the Indenture, issue Subordinate Bonds, the principal of and interest on which shall be payable from the Pledged Receipts on a subordinate basis to the [Series 2013A][Taxable Series 2013B] Bonds. Reference is hereby made to such documents for a description of the nature and the extent of the security for the Series 2013 Bonds, the rights, duties and obligations and immunities of the City, the Trustee and the Registered Owners and the terms upon which the Series 2013 Bonds and such Additional Bonds or Subordinate Bonds are or may be issued and secured.

4. Exchange and Transfer; Book-Entry System. Upon surrender of this [Series 2013A][Taxable Series 2013B] Bond at the principal corporate trust office of the Trustee, as bond registrar, together with an assignment duly executed by the Registered Owner or its attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee, this [Series 2013A][Taxable Series 2013B] Bond may be exchanged for fully registered [Series 2013A][Taxable Series 2013B] Bonds aggregating in amount the then unpaid principal amount of the [Series 2013A][Taxable Series 2013B] Bond so surrendered, in denominations of not less than $5,000 or any integral multiple thereof.

This [Series 2013A][Taxable Series 2013B] Bond may be transferred upon the books kept for the registration and transfer of [Series 2013A][Taxable Series 2013B] Bonds upon its surrender to the Trustee, as bond registrar, together with an assignment duly executed by the Registered Owner or its attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Trustee; provided, that the Trustee should not be obliged to make any exchange or transfer of a [Series 2013A][Taxable Series 2013B] Bond during the period between a Record Date and the corresponding Interest Payment Date.

BY ACCEPTANCE OF THIS [SERIES 2013A][TAXABLE SERIES 2013B] BOND, THE REGISTERED OWNER AGREES THAT IT WILL NOT TRANSFER OR GRANT PARTICIPATIONS IN SUCH [SERIES 2013A][TAXABLE SERIES 2013B] BOND IN DENOMINATIONS OF LESS THAN $5,000.

The foregoing provisions of this Section 4 to the contrary notwithstanding, the [Series 2013A][Taxable Series 2013B] Bonds will be issued initially as fully registered bonds in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as Registered Owner of the [Series 2013A][Taxable Series 2013B] Bonds, and deposited in the custody of DTC. One fully registered [Series 2013A][Taxable Series 2013B] Bond of each maturity will be registered to Cede & Co. Beneficial Owners of the [Series 2013A][Taxable Series 2013B] Bonds will not receive physical delivery of the [Series 2013A][Taxable Series 2013B] Bonds. Individual purchases of the [Series 2013A][Taxable Series 2013B] Bonds may be made in book-entry form only in principal amounts of $5,000 or

any integral multiple thereof. Principal and interest payments on the [Series 2013A][Taxable Series 2013B] Bonds will be made to DTC or its nominee as Registered Owner of the [Series 2013A][Taxable Series 2013B] Bonds.

DTC shall pay through its Participants interest to the Beneficial Owners of record of the [Series 2013A][Taxable Series 2013B] Bonds as of the close of business on the Record Date. DTC shall pay the principal and redemption price of the [Series 2013A][Taxable Series 2013B] Bonds called for redemption to the Beneficial Owners of record of the [Series 2013A][Taxable Series 2013B] Bonds through its participants in accordance with its customary procedures.

Transfer of ownership interests in [Series 2013A][Taxable Series 2013B] Bonds shall be made by DTC and its Participants, acting as nominees of the Beneficial Owners of the [Series 2013A][Taxable Series 2013B] Bonds, in accordance with rules specified by DTC and its Participants. There can be no assurance that DTC, its Participants or other nominees of the Beneficial Owners of the [Series 2013A][Taxable Series 2013B] Bonds will act in accordance with such rules or on a timely basis.

Bond certificates will be issued directly to owners of the [Series 2013A][Taxable Series 2013B] Bonds other than DTC, or its nominee, upon the occurrence of certain events specified in Section 3.07 of the Indenture.

5. Redemption of [Series 2013A][Taxable Series 2013B] Bonds. The [Series 2013A][Taxable Series 2013B] Bonds are subject to redemption prior to stated maturity as follows:

(a) Optional Redemption. [Series 2013A][Taxable Series 2013B] Bonds [maturing January 1, ____, ____, and ____ (the "Par Call Bonds")] shall be subject to redemption on and after July 1, _____ by the City, in whole on any date or in part on any date, in the amount of $5,000 or an integral multiple thereof, at the following redemption price (expressed as a percentage of the principal amount of the [Series 2013A][Taxable Series 2013B] Bonds, or portion thereof, to be redeemed), plus accrued interest to the redemption date:

Redemption Period (both dates inclusive)	Redemption Price
January 1, _____ through December 31, _____	___%
January 1, _____ and thereafter	100%

[The Taxable Series 2013B Bonds maturing January 1, ____, ____ and ____ are subject to optional redemption by the City, in whole or in part, on any Business Day, at the Make-Whole Redemption Price, plus accrued and unpaid interest on the Taxable Series 2013B Bonds to be redeemed on the date fixed for redemption. The City shall provide, or cause to be provided, the amount of the Make-Whole Redemption Price to the Trustee.

[The "Make Whole Redemption Price" is the greater of (x) 100% of the principal amount of the Taxable Series 2013B Bonds to be redeemed and (y) the sum of the present value of the remaining scheduled payments of principal of and interest on the Taxable Series 2013B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Taxable Series 2013B Bonds are to be redeemed, discounted to the date on which the Taxable Series 2013B Bonds are to be redeemed on a semi-annual basis, assuming a 360 day year consisting of twelve 30-day months, at the Treasury Rate (defined below), plus ____ basis points.

["Treasury Rate" means, with respect to any redemption date for a particular Taxable Series 2013B Bond, the rate per annum, expressed as a percentage of the principal amount, equal to the semi-annual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

["Comparable Treasury Issue" means, with respect to any redemption date for a particular Taxable Series 2013B Bond, the United States Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life of the Taxable Series 2013B Bond to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of the Taxable Series 2013B Bond to be redeemed.

["Comparable Treasury Price" means, with respect to any redemption date for a particular Taxable Series 2013B Bond:

(A) the most recent yield data for the applicable U.S. Treasury maturity index from the Federal Reserve Statistical Release H.15 Daily Update (or any comparable successor publication) reported, as of 11:00 a.m. New York City time, on the Valuation Date; or

(B) if the yield described in (A) above is not reported as of such time or the yield reported as of such time is not ascertainable, the average of four Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Designated Investment Banker.

["Designated Investment Banker" means one of the Reference Treasury Dealers appointed by the City.

["Reference Treasury Dealer" means each of not less than four firms, specified by the City from time to time, that are primary United States Government securities dealers in the City of New York (each, a "Primary Treasury Dealer"); provided, that if any of them ceases to be a Primary Treasury Dealer, the City will substitute another Primary Treasury Dealer.

["Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date for a particular Taxable Series 2013B Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the Valuation Date.

["Valuation Date" means the third Business Day preceding the redemption date.]

(b) Mandatory Sinking Fund Redemption. The [Series 2013A][Taxable Series 2013B] Bonds maturing on January 1, 20___ shall be subject to mandatory redemption in part at a redemption price equal to 100% of the principal amount redeemed plus accrued interest to the redemption date, without premium, on January 1 in each year, commencing January 1, 20___, in the amounts provided in Exhibit B to the Indenture, as the same may be adjusted from time to time on account of an optional or extraordinary mandatory partial redemption of [Series 2013A][Taxable Series 2013B] Bonds as provided in the last paragraph of Section 4.01(b) of the Indenture.

(c) Selection of [Series 2013A][Taxable Series 2013B] Bonds to be Redeemed; Procedure for Redemption.

[Series 2013A Bonds. In the case of any redemption in part of the Series 2013A Bonds, the maturities (or sinking fund maturities within a term bond) of such Series 2013A Bonds to be optionally redeemed shall be selected by the City. If less than all the Series 2013A Bonds of a particular maturity (or sinking fund maturity within a term bond) shall be called by the City for redemption, the particular Series 2013A Bonds of such maturity (or sinking fund maturity) to be redeemed shall be selected by the Trustee, in such manner as the Trustee in its discretion may deem fair and appropriate; provided, however (a) that the portion of any Series 2013A Bond to be redeemed shall be in the principal amount of the Authorized Denomination applicable to the Series 2013A Bonds or any multiple thereof, (b) that, in selecting Series 2013A Bonds for redemption, the Trustee shall treat each Series 2013A Bond as representing that number of Series 2013A Bonds that is obtained by dividing the principal amount of such Series 2013A Bond by the Authorized Denomination applicable to the Series 2013A Bonds, and (c) that, to the extent practicable, the Trustee will not select any Series 2013A Bond for partial redemption if the amount of such Series 2013A Bond remaining Outstanding would be reduced by such partial redemption to less than the Authorized Denomination applicable to the Series 2013A Bonds. Notwithstanding the foregoing, for so long as the Series 2013A Bonds are registered in book-entry only form, if less than all of the Series 2013A Bonds of a particular maturity are called for prior redemption, such Bonds will be selected for redemption, in accordance with DTC procedures, by lot.]

[Taxable Series 2013B Bonds. In the event of a partial optional redemption of Taxable Series 2013B Bonds, the Trustee shall allocate the principal amount of the Taxable Series 2013B Bonds to be redeemed as nearly as feasible pro rata among the maturities of the Taxable Series 2013B Bonds and mandatory sinking fund redemptions (including the final payment) so as to change as little as possible the remaining weighted average life of the Outstanding Taxable Series 2013B Bonds.

[If the Taxable Series 2013B Bonds are registered in book-entry only form and so long as DTC or a successor securities depository is the sole registered owner of the Taxable Series 2013B Bonds, if less than all of the Taxable Series 2013B Bonds, other than the Par Call Bonds (if any), of a maturity are called for prior redemption, the particular Series 2013B Bonds or portions thereof to be redeemed shall be selected on a pro rata pass-through distribution of principal basis in accordance with DTC procedures, provided that, so long as such Taxable Series 2013B Bonds are held in book-entry form, the selection for redemption of such Taxable Series 2013B Bonds shall be made in accordance with the operational arrangements of DTC then in effect, and, if the DTC operational arrangements do not allow for redemption on a pro rata pass-through distribution of principal basis, such Taxable Series 2013B Bonds will be selected for redemption, in accordance with DTC procedures, by lot. If the Taxable Series 2013B Bonds are not registered in book-entry only form, any redemption of less than all of a maturity of the Taxable Series 2013B Bonds (other than the Par Call Bonds, if any) shall be allocated among the registered owners of such Taxable Series 2013B Bonds on a pro-rata basis.

[If less than all of the Par Call Bonds are called for prior redemption, such Par Call Bonds will be selected for redemption, in accordance with DTC procedures, or, if the Par Call Bonds are not registered in book-entry only form, by the Trustee, in each case by lot.]

If there shall be called for redemption less than all of a [Series 2013A][Taxable Series 2013B] Bond, the City shall execute and deliver and the Trustee shall authenticate, upon surrender of such [Series 2013A][Taxable Series 2013B] Bond, and at the expense of the City and without charge to the owner thereof, a replacement Bond in the principal amount of the unredeemed balance of the [Series 2013A][Taxable Series 2013B] Bond so surrendered.

At its option, to be exercised on or before the 45th day next preceding any mandatory sinking fund redemption date referred to in subsection (b) above, the City may deliver to the Trustee for cancellation [Series 2013A][Taxable Series 2013B] Bonds in any aggregate principal amount which have been purchased by the City in the open market. Each [Series 2013A][Taxable Series 2013B] Bond so delivered shall be credited by the Trustee at 100% of the principal amount thereof against the mandatory sinking fund redemption requirement referred to in said subsection (b) on such mandatory sinking fund redemption date and any excess of such amount shall be credited against future mandatory sinking fund redemption requirements in chronological order.

In the event any of the [Series 2013A][Taxable Series 2013B] Bonds are called for redemption, the Trustee shall give notice, in the name of the City, of the redemption of such [Series 2013A][Taxable Series 2013B] Bonds, which notice shall (i) specify the [Series 2013A][Taxable Series 2013B] Bond to be redeemed, the redemption date, the redemption price, and the place or places where amounts due upon such redemption will be payable and, if less than all of the [Series 2013A][Taxable Series 2013B] Bonds are to be redeemed, the numbers of the [Series 2013A][Taxable Series 2013B] Bonds, and the portions of the [Series 2013A][Taxable Series 2013B] Bonds, to so be redeemed, (ii) state any condition to such redemption, and (iii) state that on the redemption date, and upon the satisfaction of any such condition, the [Series 2013A][Taxable Series 2013B] Bonds to be redeemed shall cease to bear interest. CUSIP number identification shall accompany all redemption notices. Such notice may set forth any additional information relating to such redemption. Such notice shall be given by

mail, postage prepaid, at least 30 days but not more than 60 days prior to the date fixed for redemption to each Registered Owner of [Series 2013A][Taxable Series 2013B] Bonds to be redeemed at its address shown on the registration books kept by the Trustee; provided, however, that failure to give such notice to any Registered Owner or any defect in such notice shall not affect the validity of the proceedings for the redemption of any of the other [Series 2013A][Taxable Series 2013B] Bonds. The Trustee shall send a second notice of redemption by certified mail return receipt requested to any registered holder who has not submitted [Series 2013A][Taxable Series 2013B] Bonds called for redemption 30 days after the redemption date, provided, however, that the failure to give any second notice by mailing, or any defect in such notice, shall not affect the validity of any proceedings for the redemption of any of the [Series 2013A][Taxable Series 2013B] Bonds and the Trustee shall not be liable for any failure by the Trustee to send any second notice.

Any [Series 2013A][Taxable Series 2013B] Bonds and portions of [Series 2013A][Taxable Series 2013B] Bonds which have been duly selected for redemption and which are paid in accordance with Section 5.16 of the Indenture shall cease to bear interest on the specified redemption date.

6. Additional Provisions. The Registered Owner shall have no right to enforce the provisions of the Indenture or to institute or appear in proceedings with respect to the Indenture or its enforcement except as provided in the Indenture. Modifications or alterations of the Indenture, or of any supplements thereto, may be made only as provided by the Indenture.

Reference is hereby made to the Indenture, which is on file and may be inspected during regular business hours at the principal corporate trust office of the Trustee, for a description of the security for the [Series 2013A][Taxable Series 2013B] Bonds and for the provisions thereof with respect to the rights, limitations of rights, duties, obligations and immunities of the City, the Trustee and the Registered Owner hereof. All capitalized terms used herein and not herein defined are used with the meanings specified for such terms in the Indenture.

This [Series 2013A][Taxable Series 2013B] Bond shall not constitute the personal obligation, either jointly or severally, of any officer, employee or agent of the City.

This [Series 2013A][Taxable Series 2013B] Bond shall not be valid or entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago has caused this [Series 2013A][Taxable Series 2013B] Bond to be executed in its name by the manual or facsimile signature of its Mayor and the manual or facsimile of its corporate seal to be printed hereon and attested by the manual or facsimile signature of its City Clerk.

CITY OF CHICAGO

By:.

Mayor

[SEAL] Attest:

By.

City Clerk

[DTC LEGEND]

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation *("DTC).* to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede Co., has an interest herein.

CERTIFICATE OF AUTHENTICATION

This [Series 2013A][Taxable Series 2013B] Bond is one of the [Series 2013A][Taxable Series 2013B] Bonds described in the aforementioned Indenture.

The Bank of New York Mellon Trust Company, N.A., as Trustee

By: _____

Authorized Signature

ASSIGNMENT

FOR VALUE RECEIVED, _____ the undersigned, hereby sells, assigns, and transfers unto _____

(please print or typewrite name and address including zip code of transferee)

_____

(please insert Social Security or other identifying number of assignee)

_____

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints

_____

attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guarantee:

_____

Bank, Trust Company or Brokerage Firm

By: _____

Authorized Signature

Exhibit B
Details of the Series 2013 Bonds

A. Aggregate Principal Amount of the Series 2013A Bonds: $_____.

B. Aggregate Principal Amount of the Taxable Series 2013B Bonds: $_____.

C. Dated date of the Series 2013A Bonds: _____ __, 2013.

D. Dated date of the Taxable Series 2013B Bonds: _____ __, 2013.

E. Series 2013A Bonds: Maturity Dates and Interest Rate or Yield:

F. Taxable Series 2013B Bonds: Maturity Dates and Interest Rate or Yield:

G. Optional Redemption provisions of Series 2013A Bonds:

The Series 2013A Bonds shall be subject to redemption prior to stated maturity on and after January 1, 20__ by the City, upon not less than 35 days written notice to the Trustee in whole or in part on any date in the amount of $5,000 or any integral multiple thereof, at the following redemption price (expressed as a percentage of the principal amount of the Series 2013A Bonds, or portion thereof, to be redeemed), plus accrued interest to the redemption date:

Redemption Period (both dates inclusive)	Redemption Price
January 1, 20____ through December 31, 20____	___%
January 1, 20____ and thereafter	100%

H. Optional Redemption provisions of Taxable Series 2013B Bonds:

(i) The Taxable Series 2013B Bonds maturing on January 1, ____, ____ and ____ (the "***Par Call Bonds***") shall be subject to redemption prior to stated maturity on and after January 1, 20__ by the City, upon not less than 35 days written notice to the Trustee in whole or in part on any date in the amount of $5,000 or any integral multiple thereof, at the following redemption price (expressed as a percentage of the principal amount of the Taxable Series 2013B Bonds, or portion thereof, to be redeemed), plus accrued interest to the redemption date:

Redemption Period (both dates inclusive)	Redemption Price
January 1, 20____ through December 31, 20___	___%
January 1, 20____ and thereafter	100%

(ii) The Taxable Series 2013B Bonds maturing on January 1, ____, ____ and ____ are subject to optional redemption prior to stated maturity by the City, upon not less than 35 days written notice to the Trustee, in whole or in part, on any Business Day, at the Make-Whole Redemption Price, plus accrued and unpaid interest on the Taxable Series 2013B Bonds to be redeemed on the date fixed for redemption. The City shall provide, or cause to be provided, the amount of the Make-Whole Redemption Price to the Trustee.

The "Make Whole Redemption Price" is the greater of (x) 100% of the principal amount of the Taxable Series 2013B Bonds to be redeemed and (y) the sum of the present value of the remaining scheduled payments of principal of and interest on the Taxable Series 2013B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such Taxable Series 2013B Bonds are to be redeemed, discounted to the date on which the Taxable Series 2013B Bonds are to be redeemed on a semi-annual basis, assuming a 360 day year consisting of twelve 30-day months, at the Treasury Rate (defined below), plus _____ basis points.

"Treasury Rate" means, with respect to any redemption date for a particular Taxable Series 2013B Bond, the rate per annum, expressed as a percentage of the principal amount, equal to the semi-annual equivalent yield to maturity or interpolated maturity of the Comparable Treasury Issue, assuming that the Comparable Treasury Issue is purchased on the redemption date for a price equal to the Comparable Treasury Price, as calculated by the Designated Investment Banker.

"Comparable Treasury Issue" means, with respect to any redemption date for a particular Taxable Series 2013B Bond, the United States Treasury security or securities selected by the Designated Investment Banker which has an actual or interpolated maturity comparable to the remaining average life of the Taxable Series 2013B Bond to be redeemed, and that would be utilized in accordance with customary financial practice in pricing new issues of debt securities of comparable maturity to the remaining average life of the Taxable Series 2013B Bond to be redeemed.

"Comparable Treasury Price" means, with respect to any redemption date for a particular Taxable Series 2013B Bond:

(A) the most recent yield data for the applicable U.S. Treasury maturity index from the Federal Reserve Statistical Release H.15 Daily Update (or any comparable successor publication) reported, as of 11:00 a.m. New York City time, on the Valuation Date; or

(B) if the yield described in (A) above is not reported as of such time or the yield reported as of such time is not ascertainable, the average of four Reference Treasury Dealer Quotations for that redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or if the Designated Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all quotations obtained by the Designated Investment Banker.

"Designated Investment Banker" means one of the Reference Treasury Dealers appointed by the City.

"Reference Treasury Dealer" means each of not less than four firms, specified by the City from time to time, that are primary United States Government securities dealers in the City of New York (each, a "Primary Treasury Dealer"); provided, that if any of them ceases to be a Primary Treasury Dealer, the City will substitute another Primary Treasury Dealer.

"Reference Treasury Dealer Quotation" means, with respect to each Reference Treasury Dealer and any redemption date for a particular Taxable Series 2013B Bond, the average, as determined by the Designated Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Designated Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the Valuation Date.

"Valuation Date" means the third Business Day preceding the redemption date.

I. Mandatory Sinking Fund Redemption of Series 2013A Bonds:

The Series 2013A Bonds maturing January 1, 20___ shall be redeemed in part on January 1 in each year listed below, commencing January 1, 20___, at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, without premium, in the principal amount set forth below next to such year:

Year	Amount

leaving the principal amount of $_____ due and payable on the stated maturity date of Januaary 1, 20___.

J. Mandatory Sinking Fund Redemption of Taxable Series 2013B Bonds:

The Taxable Series 2013B Bonds maturing January 1, 20___ shall be redeemed in part on January 1 in each year listed below, commencing January 1, 20___, at a redemption price equal

to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, without premium, in the principal amount set forth below next to such year:

Year	Amount

leaving the principal amount of $_____ due and payable on the stated maturity date of January 1, 20___.

K. Application of Proceeds of the Series 2013 Bonds:

Proceeds of the Series 2013A Bonds to be deposited to the Series 2013A Project Account: $_____ [, of which $_____ shall be applied to pay capitalized interest on the Series 2013A Bonds].

Proceeds of the Taxable Series 2013B Bonds to be deposited to the Taxable Series 2013B Project Account: $_____ [, of which $_____ shall be applied to pay capitalized interest on the Taxable Series 2013B Bonds].

Proceeds of the Series 2013A Bonds to be deposited to the Series 2013 Costs of Issuance Account: $_____.

Proceeds of the Taxable Series 2013B Bonds to be deposited to the Series 2013 Costs of Issuance Account: $_____.

Exhibit C
Form of Requisition Certificate

This Requisition is furnished pursuant to Section 5.02 of the Indenture of Trust (the "Indenture") dated as of [Date of Indenture], between the City of Chicago (the "City") and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"). Terms not defined herein shall have the meaning set forth in the Indenture.

1. Attached hereto is a Requisition Summary setting forth amounts to be paid, the name of the person, firm or corporation to whom payment is due and the purpose or general classification for which payout is to be made. Obligations in the stated amounts have been incurred by the City and each item specified on the Requisition Summary is a proper charge against the Project Fund and has not been the subject of a prior requisition from the Project Fund.

2. The portion of the work for which payments is being requisitioned has been satisfactorily performed in accordance with the construction agreement for the Project.

3. The obligations set forth on the Requisition Summary were incurred for Costs of the Project referred to in Section 5.02(c) of the Indenture. Such costs are proper expenditures from the Account of the Indenture identified in the Requisition Summary for payment thereof.

4. The undersigned has reviewed the provisions of the Tax Agreement and the payment of this Requisition will not result in any proceeds of the Series 2013A Bonds being expended in violation of the provisions of said Tax Agreement.

5. No obligation for which payment or reimbursement is sought was originally paid or incurred before _____, except to the extent that reimbursement of architectural, engineering and similar costs incurred prior to that date is permitted under Treasury Regulation Section 1.150-2(f)(n).

6. There has not been filed with or served upon the City any notice of any lien, right to lien, or attachment upon or claim affecting the right to receive payment of any of the moneys payable to any of the persons, firms or corporations named which have not been released or will not be released simultaneously with the payment of such obligations. [In the event that any assignment of right to receive payment has been made and notice thereof has been given to the City and the City has accepted such assignment, this Certificate shall recite that fact and direct the payment to be made to the assignee thereof as shown by the records of the City.]

7. The disbursement requested hereby is to be paid $_____ from the Series 2013A Project Account and $_____ from the Taxable Series 2013B Project Account.

CITY OF CHICAGO

By:_____
Its

Date:_____

[Attach Requisition Summary]

Exhibit D
Qualified Investments

"Qualified Investments" means and include any of the following securities:

(a) any direct obligation of, or any obligation the full and timely payment of principal of and interest on which is guaranteed by, the United States of America ("Federal Obligations");

(b) pre-refunded municipal obligations meeting the following conditions:

(i) the municipal obligations are not subject to redemption prior to maturity, or the trustee therefor has been given irrevocable instructions concerning their calling and redemption and the issuer thereof has covenanted not to redeem such obligations other than as set forth in such instructions;

(ii) the municipal obligations are secured by cash and/or Federal Obligations, which Federal Obligations may be applied only to interest, principal and premium payments of such municipal obligations;

(iii) the principal of and interest on the Federal Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the municipal obligations;

(iv) the Federal Obligations serving as security for the municipal obligations are held by an escrow agent or trustee;

(v) the Federal Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(vi) the municipal obligations are rated in the highest rating category by any two Rating Agencies without regard to any refinement or gradation of rating category by numerical modifier or otherwise;

(c) deposits in interest-bearing deposits or certificates of deposit or similar arrangements issued by any bank or national banking association, including the Trustee, which deposits, to the extent not insured by the Federal Deposit Insurance Corporation, shall be secured by Qualified Collateral having a current market value (exclusive of accrued interest) at least equal to the amount of such deposits, marked to market monthly, and which Qualified Collateral shall have been deposited in trust by such bank or national banking association with the trust department of the Trustee or with a Federal Reserve Bank or branch or, with the written approval of the City and the Trustee, with another bank, trust company or national banking association for the benefit of the City and the appropriate Fund or Account as collateral security for such deposits;

(d) direct and general obligations of any state of the United States of America or any political subdivision of the State of Illinois which are rated in one of the two highest rating categories by any two Rating Agencies without regard to any refinement or gradation of rating category by numerical modifier or otherwise;

(e) obligations issued by any of the following agencies: Banks for Cooperatives, Federal Intermediate Credit Banks, Federal Home Loan Banks System, Federal Land Banks, Export Import Bank, Tennessee Valley Authority, Government National Mortgage Association, Farmers Home Administration, United States Postal Service, Fannie Mae, Student Loan Marketing Association, Federal Farm Credit Bureau, Federal Home Loan Mortgage Corporation, Federal Housing Administration, any agency or instrumentality of the United States of America and any corporation controlled and supervised by, and acting as an agency or instrumentality of, the United States of America;

(f) any repurchase agreements collateralized by securities described in clauses (a) or (e) above with any registered broker/dealer subject to the Securities Investors' Protection Corporation jurisdiction or any commercial bank, if such broker/dealer or bank or parent holding company providing a guaranty has an uninsured, unsecured and unguaranteed rating in one of the three highest rating categories by any two Rating Agencies without regard to any refinement or gradation of rating category by numerical modifier or otherwise, provided;

(vii) a specific written agreement governs the transaction;

(viii) the securities are held by a depository acting solely as agent for the Trustee, and such third party is (x) a Federal Reserve Bank, or (y) a bank which is a member of the Federal Deposit Insurance Corporation and with combined capital, surplus and undivided profits of not less than $25,000,000, and the Trustee shall have received written confirmation from such third party that it holds such securities;

(ix) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 1 C.F.R 306.1 *et seq.* or 31 C.F.R 350.0 *et seq.* in such securities is created for the benefit of the Trustee;

(x) the repurchase agreement has a term of one year or less, or the collateral securities will be valued no less frequently than monthly and will be liquidated if any deficiency in the required collateral percentage is not restored within two business days of such valuation;

(xi) the repurchase agreement matures at least 10 days (or other appropriate liquidation period) prior to a Payment Date; and

(xii) the fair market value of the securities in relation to the amount of the repurchase obligations, including principal and interest, is equal to at least 100 percent;

(g) shares of an investment company, organized under the Investment Company Act of 1940, as amended, which invests its assets exclusively in obligations of the type described in clauses (a) to (e);

(h) investment agreements which represent the unconditional obligation of one or more banks, insurance companies or other financial institutions, or are guaranteed by a financial institution, in either case that has an unsecured rating, or which agreement is itself rated, as of the date of execution thereof, in one of the three highest rating categories by any two Rating Agencies without regard to any refinement or gradation of rating category by numerical modifier or otherwise;

(i) long-term or medium-term corporate debt instruments issued or guaranteed by any corporation that is rated in the highest rating category by any two Rating Agencies without regard to any refinement or gradation of rating category by numerical modifier or otherwise;

(j) prime commercial paper of a United States corporation, finance company or banking institution rated in the highest short-term rating category by any two Rating Agencies maintaining a rating on such paper; and

(k) any other type of investment in which the City directs the Trustee in writing to invest, provided that there is delivered to the Trustee a certificate of an Authorized Officer of the City stating that each Rating Agency has been informed of the proposal to invest in such investment and each Rating Agency has confirmed that such investment will not adversely affect the rating then assigned by such Rating Agency to any Bonds.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Merrill Lynch, Pierce, Fenner & Smith Incorporated

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: One Bryant Park, New York, NY 10036
c/o 540 W. Madison St., Chicago, IL 60661

C. Telephone: 312-537-6365 Fax: 312-537-6379 Email: susan.jun@baml.com

D. Name of contact person: Susan Jun

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[x] Privately held business corporation*
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

*wholly owned subsidiary of publicly registered business corporation

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Merrill Lynch & Co., Inc.	100 N. Tryon St. Charlotte, NC 28255	100% (direct)
Bank of America Corporation	100 N. Tryon St. Charlotte, NC 28255	100% (indirect)

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No Please see attachment.

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 E Monroe St Chicago, IL 60603	Underwriters' Counsel	Estimated fees: $131,250
McGaugh Law Group, LLC	233 S Wacker Dr Ste 5450, Chicago, IL 60606	Underwriters' Counsel	Estimated fees: $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see relevant attachment.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

none

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

none

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N.A.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No Please see attachment.

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__x__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. *To the best of my knowledge after reasonable inquiry. Please see relevant attachment.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Merrill Lynch, Pierce, Fenner & Smith Incorporated
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Edward S. Sisk
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at New York County, New York (state).

Grace Argano Notary Public.

Commission expires: Feb. 12, 2015.

GRACE ARGANO
Notary Public - State of New York
No. 01AR6054791
Qualified in Richmond County
My Commission Expires Feb. 12, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No *To the best of my knowledge after reasonable inquiry.

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Current Appointments

Board Positions

Name	Position
Darnell, David C.	Director
Montag,Thomas Kell	Director

Officers

Name	Position
Caccamise Jr., William	Chief Legal Officer & General Counsel
Darnell, David C.	Co-Chief Executive Officer
Greco, Gloria Regina	Co-Chief Compliance Officer/Broker Dealer and Chief Compliance Officer/Registered Investment Advisor
Hill, Jennifer Murphy	Chief Financial Officer
Montag, Thomas Kell	Co-Chief Executive Officer
Nenichka, Joseph Michael	Interim Chief Operations Officer
Radest, Michael Benjamin	Co-Chief Compliance Officer/Broker Dealer and Chief Compliance Officer/Futures Commission Merchant

Attachment for Section III:

Please note that the Disclosing Party is a subsidiary of Bank of America Corporation ("BAC"). BAC and its subsidiaries had 248,156 full-time employees as of December 31, 2012. Accordingly, it is not possible for BAC to perform due diligence across the full panoply of associates and BAC-related entities in preparing a response to business relationships with City of Chicago elected officials. In responding to this question, the Disclosing Party did perform due diligence within the Public Finance Group of Merrill Lynch, Pierce, Fenner & Smith Incorporated to determine whether any of the Public Finance Group's employees were aware of any such relationships between the City elected officials and the Disclosing Party within the past 12 months.

Attachment for Section V.B:

Disclosing Party (Merrill Lynch, Pierce, Fenner & Smith Incorporated) certifies, as set forth below, to the best of its knowledge and belief that with respect to V.B.2.a.:

Neither Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") nor its Executive Officers and Directors identified in Section II.B.1 of this EDS has had its authorization to act as a federal contractor revoked or suspended. No such information with respect to state or local entities is reported or to the best of our knowledge maintained separately.

V.B.2.b, c and e:

In the ordinary course of business, Merrill Lynch is subject to regulatory examinations, information gathering requests, inquiries, and investigations ("Regulatory Matters") by various federal or state securities regulatory agencies and attorneys general, other local, state, and federal agencies, and self-regulatory organizations (collectively, "Regulators"); and is routinely a defendant in or party to many pending and threatened legal actions and proceedings, including actions brought on behalf of various classes of claimants ("Legal Matters"), which may be based on alleged violations of securities, environmental, employment, and other laws. In connection with formal and informal Regulatory Matters, Merrill Lynch receives numerous requests, subpoenas and orders for documents, testimony and information in connection with various aspects of its regulated activities, and in some cases regulatory action has been taken against Merrill Lynch. Merrill Lynch believes that it has cooperated fully with the Regulators in all such inquiries to date and intends to continue to cooperate fully with the Regulators in all such inquiries involving Merrill Lynch in the future.

Merrill Lynch's parent is Merrill Lynch & Co., Inc. (the "Corporation"). The Corporation and its parent, Bank of America Corporation ("BAC"), make all required disclosures in their Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are updated in Reports on Form 8-K, all of which are filed with the Securities and Exchange Commission ("Regulatory Filings"). Merrill Lynch makes all required disclosures in its Form BD and ADV Filings ("Form BD and ADV Filings") with the Financial Industry Regulatory Authority ("FINRA"). Those Regulatory Filings and Form BD and ADV Filings include disclosures of Regulatory Matters and Legal Matters as required by federal law and applicable regulations, and are publicly available. The Corporation and BAC cannot confirm or deny the existence of any other, non-public Regulatory Matters conducted by any Regulator or Legal Matters unless required to do so by law. The Regulatory Filings are publicly available on the SEC's website at www.sec.gov. The Form BD Filings are publicly available on the FINRA BrokerCheck system at http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/index.htm. The Form ADV filings are publicly available on the SEC's Investment Adviser Search website at: http://www.adviserinfo.sec.gov/(S(cerr0u55hmrw5a45022y3vnz))/IAPD/Content/Search/iapd_Search.aspx.

Please let us know if you need any additional information.

V.B.2.d

The Disclosing Party performed due diligence within the Public Finance Group of Merrill Lynch to determine whether any Public Finance Group employees were aware of any public finance transactions (federal, state or local) having been terminated for cause or default within the last five years, and none of such employees were aware of any such terminations.

V.B.3.a, b and c - **Please see response to V.B.2. b, c and e above.**

In addition, in 2010, Douglass Campbell, a former Bank of America, N.A. ("BANA") employee, pled guilty to violating, among other statutes, 15 U.S.C. § 15. 15 U.S.C. § 15's elements are similar to 720 ILCS 5/33E-3. Although Mr. Campbell was not an employee of BANA or BAC at the time of his guilty plea, some of the conduct to which he pled guilty occurred while he was employed by BANA. Despite Mr. Campbell's conviction, Merrill Lynch believes that it should not be barred from contracting with the City.

Merrill Lynch believes that it is not ineligible under Section 1-23-020 of the Municipal Code of Chicago because neither Merrill Lynch (or any controlling person of Merrill Lynch) nor any entity that Merrill Lynch has been merged into (including BANA and Banc of America Securities LLC ("BAS")) have within the past 5 years been convicted of, admitted guilt to in any civil or criminal proceeding, or charged with or indicted for any felony or criminal offense for conduct outlined in Section 1-23-020(a). Finally, Merrill Lynch believes that it is not ineligible under Section 2-92-320 of the Municipal Code of Chicago because neither Merrill Lynch nor its current employees have within the past 5 years been convicted of or made an admission of guilt regarding the items outlined in 2-92-320 (a)(1)-(3) or violated the items identified in 2-92-320(a)(4). Moreover, Merrill Lynch is not aware of any former employees who have been convicted of or made an admission of guilt within the past 5 years regarding the items outlined in 2-92-320 (a)(1)-(3) or violated the items identified in 2-92-320(a)(4) based on conduct that took place while they were employed by Merrill Lynch. In addition, Merrill Lynch believes that, under Section 2-92-320, it should not be chargeable with any conduct of BANA or BAS (or their former employees, including Douglass Campbell) that occurred prior to January 1, 2009, because Merrill Lynch was not affiliated with BANA and BAS before that date.

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.3.d

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.4 - **Please see response to V.B.2. b, c and e above.**

In addition, Merrill Lynch believes that it is not barred from contracting with any unit of State or local government pursuant to 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 because neither Merrill Lynch nor its current employees have been convicted within the past 5 years of violating 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 or any similar offenses of any state or the United States which contains the same elements as these offenses. Moreover, Merrill Lynch is not aware of any former employees who have been convicted within the past 5 years of violating 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 or any similar offenses of any state or the United States which contains the same elements as these offenses based on

conduct that took place while they were employed by Merrill Lynch. Finally, at the time of the conduct at issue in Mr. Campbell's guilty plea, Merrill Lynch was not affiliated with BANA or BAS.

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.5.

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.6.

In response to question 6, BAC and its affiliates, including the Corporation and Merrill Lynch, maintain strict policies and procedures to ensure compliance with applicable local, state, and federal laws and regulations, including Chapter 2-156 of the Municipal Code. To the best of our knowledge, and upon reasonable inquiry, BAC and its affiliates are currently in compliance, and has policies and procedures in place to ensure continued compliance.

Attachment for Section V.D:

Please note that the Disclosing Party is a subsidiary of Bank of America Corporation ("BAC"). BAC and its subsidiaries had 248,156 full-time employees as of December 31, 2012. Accordingly, it is not possible for BAC to perform due diligence across the full panoply of associates and BAC-related entities in preparing a response to Section V.D.1 (Certification Regarding Interest in City Business). In responding to this question, the Disclosing Party did perform due diligence within the Public Finance Group of Merrill Lynch, Pierce, Fenner & Smith Incorporated to determine whether any of the Public Finance Group's employees were aware of any official or employee of the City having a financial interest in his or her own name or in the name of any other person or entity in the Matter.

Attachment for Section VII.F.1:

Bank of America, N.A., through its home loan servicing business units, currently maintains a large portfolio of residential units in foreclosure and others which are Bank-owned following foreclosure (REO) within the City of Chicago. Due to administrative and other challenges within and without the control of Bank of America associated with the process, from time to time bills payable to the City associated with specific residential properties may not be processed in the time required. The Bank is committed to ensuring that amounts duly payable by the Bank to the City are tracked effectively and paid in a timely manner. To that end, Bank of America representatives and agents meet with representatives of the City on a monthly or other regular basis to identify outstanding amounts properly attributable to the Bank and settle them accordingly.

Bank of America Corporation has processes and procedures to timely report and pay sales and use tax. In a recent review of our sales tax compliance process, we confirmed that Bank of America, N.A. has filed sales tax returns. However, we have discovered that certain City of Chicago use tax returns for Bank of America, N.A. are delinquent and need to be filed. We are in the process of preparing these delinquent use tax returns and anticipate filing and remitting any use tax due within the next 45 days. Additionally, the Disclosing Party's certification of delinquencies is limited to affiliates in which Bank of America Corporation has a 50% or greater ownership.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Merrill Lynch & Co., Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Merrill Lynch, Pierce, Fenner & Smith Incorporated
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 100 N. Tryon Street, Charlotte, NC 28255
c/o 540 W. Madison, Chicago, IL 60661

C. Telephone: 312-537-6365 Fax: 312-537-6379 Email: susan.jun@baml.com

D. Name of contact person: Susan Jun

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[x] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Bank of America Corporation	100 N. Tryon St. Charlotte, NC 28255	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No Please see attachment.

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see relevant attachment.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

none

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

none

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N.A.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No Please see attachment.

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__x__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. *To the best of my knowledge after reasonable inquiry. Please see relevant attachment.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Merrill Lynch & Co., Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Edward J. Sisk
(Print or type name of person signing)

Authorized Signatory
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013
at New York County, New York (state).

Grace Argano Notary Public.

Commission expires: Feb. 12, 2015.

GRACE ARGANO
Notary Public - State of New York
No. 01AR6054791
Qualified in Richmond County
My Commission Expires Feb. 12, 2015

Attachment for Section V.B:

Disclosing Party (Merrill Lynch, Pierce, Fenner & Smith Incorporated) certifies, as set forth below, to the best of its knowledge and belief that with respect to V.B.2.a.:

Neither Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") nor its Executive Officers and Directors identified in Section II.B.1 of this EDS has had its authorization to act as a federal contractor revoked or suspended. No such information with respect to state or local entities is reported or to the best of our knowledge maintained separately.

V.B.2.b, c and e:

In the ordinary course of business, Merrill Lynch is subject to regulatory examinations, information gathering requests, inquiries, and investigations ("Regulatory Matters") by various federal or state securities regulatory agencies and attorneys general, other local, state, and federal agencies, and self-regulatory organizations (collectively, "Regulators"); and is routinely a defendant in or party to many pending and threatened legal actions and proceedings, including actions brought on behalf of various classes of claimants ("Legal Matters"), which may be based on alleged violations of securities, environmental, employment, and other laws. In connection with formal and informal Regulatory Matters, Merrill Lynch receives numerous requests, subpoenas and orders for documents, testimony and information in connection with various aspects of its regulated activities, and in some cases regulatory action has been taken against Merrill Lynch. Merrill Lynch believes that it has cooperated fully with the Regulators in all such inquiries to date and intends to continue to cooperate fully with the Regulators in all such inquiries involving Merrill Lynch in the future.

Merrill Lynch's parent is Merrill Lynch & Co., Inc. (the "Corporation"). The Corporation and its parent, Bank of America Corporation ("BAC"), make all required disclosures in their Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are updated in Reports on Form 8-K, all of which are filed with the Securities and Exchange Commission ("Regulatory Filings"). Merrill Lynch makes all required disclosures in its Form BD and ADV Filings ("Form BD and ADV Filings") with the Financial Industry Regulatory Authority ("FINRA"). Those Regulatory Filings and Form BD and ADV Filings include disclosures of Regulatory Matters and Legal Matters as required by federal law and applicable regulations, and are publicly available. The Corporation and BAC cannot confirm or deny the existence of any other, non-public Regulatory Matters conducted by any Regulator or Legal Matters unless required to do so by law. The Regulatory Filings are publicly available on the SEC's website at www.sec.gov. The Form BD Filings are publicly available on the FINRA BrokerCheck system at http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/index.htm. The Form ADV filings are publicly available on the SEC's Investment Adviser Search website at: http://www.adviserinfo.sec.gov/(S(cerr0u55hmrw5a45022y3vnz))/IAPD/Content/Search/iapd_Search.aspx.

Please let us know if you need any additional information.

V.B.2.d

The Disclosing Party performed due diligence within the Public Finance Group of Merrill Lynch to determine whether any Public Finance Group employees were aware of any public finance transactions (federal, state or local) having been terminated for cause or default within the last five years, and none of such employees were aware of any such terminations.

V.B.3.a, b and c - **Please see response to V.B.2. b, c and e above.**

In addition, in 2010, Douglass Campbell, a former Bank of America, N.A. ("BANA") employee, pled guilty to violating, among other statutes, 15 U.S.C. § 15. 15 U.S.C. § 15's elements are similar to 720 ILCS 5/33E-3. Although Mr. Campbell was not an employee of BANA or BAC at the time of his guilty plea, some of the conduct to which he pled guilty occurred while he was employed by BANA. Despite Mr. Campbell's conviction, Merrill Lynch believes that it should not be barred from contracting with the City.

Merrill Lynch believes that it is not ineligible under Section 1-23-020 of the Municipal Code of Chicago because neither Merrill Lynch (or any controlling person of Merrill Lynch) nor any entity that Merrill Lynch has been merged into (including BANA and Banc of America Securities LLC ("BAS")) have within the past 5 years been convicted of, admitted guilt to in any civil or criminal proceeding, or charged with or indicted for any felony or criminal offense for conduct outlined in Section 1-23-020(a). Finally, Merrill Lynch believes that it is not ineligible under Section 2-92-320 of the Municipal Code of Chicago because neither Merrill Lynch nor its current employees have within the past 5 years been convicted of or made an admission of guilt regarding the items outlined in 2-92-320 (a)(1)-(3) or violated the items identified in 2-92-320(a)(4). Moreover, Merrill Lynch is not aware of any former employees who have been convicted of or made an admission of guilt within the past 5 years regarding the items outlined in 2-92-320 (a)(1)-(3) or violated the items identified in 2-92-320(a)(4) based on conduct that took place while they were employed by Merrill Lynch. In addition, Merrill Lynch believes that, under Section 2-92-320, it should not be chargeable with any conduct of BANA or BAS (or their former employees, including Douglass Campbell) that occurred prior to January 1, 2009, because Merrill Lynch was not affiliated with BANA and BAS before that date.

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.3.d

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.4 - **Please see response to V.B.2. b, c and e above.**

In addition, Merrill Lynch believes that it is not barred from contracting with any unit of State or local government pursuant to 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 because neither Merrill Lynch nor its current employees have been convicted within the past 5 years of violating 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 or any similar offenses of any state or the United States which contains the same elements as these offenses. Moreover, Merrill Lynch is not aware of any former employees who have been convicted within the past 5 years of violating 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 or any similar offenses of any state or the United States which contains the same elements as these offenses based on

conduct that took place while they were employed by Merrill Lynch. Finally, at the time of the conduct at issue in Mr. Campbell's guilty plea, Merrill Lynch was not affiliated with BANA or BAS.

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.5.

Please note that our responses are on behalf of the Disclosing Party only and not on behalf of any contractors or retained parties disclosed in Section IV.

V.B.6.

In response to question 6, BAC and its affiliates, including the Corporation and Merrill Lynch, maintain strict policies and procedures to ensure compliance with applicable local, state, and federal laws and regulations, including Chapter 2-156 of the Municipal Code. To the best of our knowledge, and upon reasonable inquiry, BAC and its affiliates are currently in compliance, and has policies and procedures in place to ensure continued compliance.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Bank of America Corporation

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [x] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Merrill Lynch, Pierce, Fenner & Smith Incorporated
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 100 N. Tryon Street, Charlotte, NC 28255
c/o 540 W. Madison, Chicago, IL 60661

C. Telephone: 312-537-6365 Fax: 312-537-6379 Email: susan.jun@baml.com

D. Name of contact person: Susan Jun

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[x] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No Please see attachment.

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see relevant attachment.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

none

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

A branded hat valued at $12.95 was given to Mayor Rahm Emanuel on October 7, 2012.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N.A.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No Please see attachment.

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__x__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. *To the best of my knowledge after reasonable inquiry. Please see relevant attachment.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Bank of America Corporation
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Edward J. Sisk
(Print or type name of person signing)

Authorized Signatory
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at New York County, New York (state).

Grace Argano Notary Public.

Commission expires: Feb. 12, 2015

GRACE ARGANO
Notary Public - State of New York
No. 01AR6054791
Qualified in Richmond County
My Commission Expires Feb. 12, 2015

*NOT APPLICABLE (Bank of America Corporation has an indirect ownership interest in the Applicant)

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Bank of America Corporation
Current Appointments

Board Positions

Name	Position
Allen, Sharon L.	Director (Outside)
Ambani, Mukesh D.	Director (Outside)
Bies, Susan S.	Director (Outside)
Bramble Sr., Frank P.	Director (Outside)
Bovender, Jr., Jack O.	Director (Outside)
Colbert, Virgis W.	Director (Outside)
Gifford, Charles K.	Director
Holliday Jr., Charles O.	Director (Outside)
Hudson, Linda P.	Director (Outside)
Lozano, Monica C.	Director (Outside)
May, Thomas J.	Director (Outside)
Moynihan, Brian T.	Director
Powell, Donald E.	Director (Outside)
Rossotti, Charles O.	Director (Outside)
Scully, Robert W.	Director (Outside)
Yost, David R.	Director (Outside)

Officers

Name	Position
Darnell, David C.	Co-Chief Operating Officer
Laughlin, Terrence P.	Chief Risk Officer
Lynch, Gary G.	Global General Counsel and Head of Compliance and Regulatory
Moynihan, Brian T.	Chief Executive Officer
Montag, Thomas Kell	Co-Chief Operating Officer
Thompson, Bruce R.	Chief Financial Officer

Attachment for Section III:

Please note that the Disclosing Party, Bank of America Corporation, and its subsidiaries, had 248,156 full-time employees as of December 31, 2012. Accordingly, it is not possible for BAC to perform due diligence across the full panoply of associates and BAC-related entities in preparing a response to business relationships with City of Chicago elected officials. In responding to this question, the Disclosing Party did perform due diligence within the Public Finance Group of Merrill Lynch, Pierce, Fenner & Smith Incorporated to determine whether any of the Public Finance Group's employees were aware of any such relationships between the City elected officials and the Disclosing Party within the past 12 months.

Attachment for Section V.B:

Disclosing Party (Bank of America Corporation) certifies, as set forth below, to the best of its knowledge and belief that with respect to V.B.2.a.:

Neither Bank of America Corporation ("BAC") nor its Executive Officers and Directors identified in Section II.B.1 of this EDS is subject to any order, judgment or decree by any court or government authority in which it is barred, suspended or otherwise limited from engaging in any type of business practice.

V.B.2.b, c and e:

BAC makes all required disclosures in its Form 10-K as filed with the Securities and Exchange Commission and its Annual Report as posted on its website at http://investor.bankofamerica.com/phoenix.zhtml?c=71595&p=irol-reportsannual. In addition, BAC's registered broker-dealer and investment adviser subsidiaries make all required disclosures on their Form BDs as filed with FINRA and their Form ADVs as filed with the SEC. These filings include disclosures of investigations and litigation as required by the SRO's and federal law, and are publicly available. BAC cannot confirm or deny the existence of any other non-public investigation conducted by any governmental agency unless required to do so by law.

Please let us know if you need any additional information.

V.B.2.d

The Disclosing Party performed due diligence within the Public Finance Group of Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") to determine whether any Public Finance Group employees were aware of any public finance transactions (federal, state or local) having been terminated for cause or default within the last five years, and none of such employees were aware of any such terminations.

V.B.3.a, b and c - **Please see response to V.B.2. b, c and e above.**

In addition, in 2010, Douglass Campbell, a former Bank of America, N.A. ("BANA") employee, pled guilty to violating, among other statutes, 15 U.S.C. § 15. 15 U.S.C. § 15's elements are similar to 720 ILCS 5/33E-3. Although Mr. Campbell was not an employee of BANA or BAC at the time of his guilty plea, some of the conduct to which he pled guilty occurred while he was employed by BANA. Despite Mr. Campbell's conviction, Merrill Lynch believes that it should not be barred from contracting with the City.

Merrill Lynch believes that it is not ineligible under Section 1-23-020 of the Municipal Code of Chicago because neither Merrill Lynch (or any controlling person of Merrill Lynch) nor any entity that Merrill Lynch has been merged into (including BANA and Banc of America Securities LLC ("BAS")) have within the past 5 years been convicted of, admitted guilt to in any civil or criminal proceeding, or charged with or indicted for any felony or criminal offense for conduct outlined in Section 1-23-020(a). Finally, Merrill Lynch believes that it is not ineligible under Section 2-92-320 of the Municipal Code of Chicago because neither Merrill Lynch nor its current employees have within the past 5 years been convicted of or made an admission of guilt regarding the items outlined in 2-92-320 (a)(1)-(3) or violated the items identified in 2-92-320(a)(4). Moreover, Merrill Lynch is not aware of any former

employees who have been convicted of or made an admission of guilt within the past 5 years regarding the items outlined in 2-92-320 (a)(1)-(3) or violated the items identified in 2-92-320(a)(4) based on conduct that took place while they were employed by Merrill Lynch. In addition, Merrill Lynch believes that, under Section 2-92-320, it should not be chargeable with any conduct of BANA or BAS (or their former employees, including Douglass Campbell) that occurred prior to January 1, 2009, because Merrill Lynch was not affiliated with BANA and BAS before that date.

V.B.4 - **Please see response to V.B.2. b, c and e above.**

In addition, Merrill Lynch believes that it is not barred from contracting with any unit of State or local government pursuant to 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 because neither Merrill Lynch nor its current employees have been convicted within the past 5 years of violating 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 or any similar offenses of any state or the United States which contains the same elements as these offenses. Moreover, Merrill Lynch is not aware of any former employees who have been convicted within the past 5 years of violating 720 ILCS 5/33E-3 or 720 ILCS 5/33E-4 or any similar offenses of any state or the United States which contains the same elements as these offenses based on conduct that took place while they were employed by Merrill Lynch. Finally, at the time of the conduct at issue in Mr. Campbell's guilty plea, Merrill Lynch was not affiliated with BANA or BAS.

V.B.6.

In response to question 6, BAC and its affiliates, including the Corporation and Merrill Lynch, maintain strict policies and procedures to ensure compliance with applicable local, state, and federal laws and regulations, including Chapter 2-156 of the Municipal Code. To the best of our knowledge, and upon reasonable inquiry, BAC and its affiliates are currently in compliance, and has policies and procedures in place to ensure continued compliance.

Attachment for Section V.D:

Please note that the Disclosing Party, Bank of America Corporation ("BAC"), and its subsidiaries had 248,156 full-time employees as of December 31, 2012. Accordingly, it is not possible for BAC to perform due diligence across the full panoply of associates and BAC-related entities in preparing a response to Section V.D.1 (Certification Regarding Interest in City Business). In responding to this question, the Disclosing Party did perform due diligence within the Public Finance Group of Merrill Lynch, Pierce, Fenner & Smith Incorporated to determine whether any of the Public Finance Group's employees were aware of any official or employee of the City having a financial interest in his or her own name or in the name of any other person or entity in the Matter.

Attachment for Section VII.F.1:

Bank of America, N.A., through its home loan servicing business units, currently maintains a large portfolio of residential units in foreclosure and others which are Bank-owned following foreclosure (REO) within the City of Chicago. Due to administrative and other challenges within and without the control of Bank of America associated with the process, from time to time bills payable to the City associated with specific residential properties may not be processed in the time required. The Bank is committed to ensuring that amounts duly payable by the Bank to the City are tracked effectively and paid in a timely manner. To that end, Bank of America representatives and agents meet with representatives of the City on a monthly or other regular basis to identify outstanding amounts properly attributable to the Bank and settle them accordingly.

Bank of America Corporation has processes and procedures to timely report and pay sales and use tax. In a recent review of our sales tax compliance process, we confirmed that Bank of America, N.A. has filed sales tax returns. However, we have discovered that certain City of Chicago use tax returns for Bank of America, N.A. are delinquent and need to be filed. We are in the process of preparing these delinquent use tax returns and anticipate filing and remitting any use tax due within the next 45 days. Additionally, the Disclosing Party's certification of delinquencies is limited to affiliates in which Bank of America Corporation has a 50% or greater ownership.

BANK OF AMERICA CORPORATION

LIMITED POWER OF ATTORNEY

BANK OF AMERICA CORPORATION, a Delaware corporation (the "Corporation"), hereby appoints **Edward J. Sisk** as Attorney-in-Fact for the Corporation acting for the Corporation and in the Corporation's name, place and stead, for the limited purpose of authorizing, preparing, revising or signing a City of Chicago Economic Disclosure Statement and Affidavits related to Merrill Lynch, Pierce, Fenner & Smith Incorporated's ("MLPF & S") participation in the offering and sale of the City of Chicago's O'Hare Customer Facility Charge Revenue Bonds, Series 2013 expected to be issued in 2013 (the "Disclosure Statement").

Any execution by the Attorney-in-Fact of the Disclosure Statement shall fully bind and commit the Corporation and the City of Chicago may rely upon the execution thereof by the Attorney-in-Fact as if executed by the Corporation and as the true and lawful act of the Corporation.

This Limited Power of Attorney shall automatically terminate as to the authority of the named Attorney-in-Fact upon the earlier of the execution of the Disclosure Statement or upon such Attorney-in-Fact's resignation or termination from MLPF & S or his realignment to a role outside of the Public Finance division of MLPF & S; however; such termination or realignment shall have no impact on the Disclosure Statement executed by the above named attorney-in-fact for the Corporation prior to such termination or realignment.

IN WITNESS WHEREOF, this Limited Power of Attorney has been executed and delivered by the Corporation to the Attorney-in-Fact on this 16th day of January, 2013.

BANK OF AMERICA CORPORATION

By: _____

Jennifer E. Bennett
Associate General Counsel and Assistant Secretary

MERRILL LYNCH & CO., INC.

LIMITED POWER OF ATTORNEY

MERRILL LYNCH & CO., INC., a Delaware corporation (the "Corporation"), does hereby make, constitute, and appoint **Edward J. Sisk** as Attorney-in-Fact for the Corporation acting for the Corporation and in the Corporation's name, place and stead, for the limited purpose of authorizing, preparing, revising or signing a City of Chicago Economic Disclosure Statement and Affidavits related to Merrill Lynch, Pierce, Fenner & Smith Incorporated's ("MLPF & S") participation in the offering and sale of the City of Chicago's O'Hare Customer Facility Charge Revenue Bonds, Series 2013 expected to be issued in 2013 (the "Disclosure Statement").

Any execution by the Attorney-in-Fact of the Disclosure Statement shall fully bind and commit the Corporation and the City of Chicago may rely upon the execution thereof by the Attorney-in-Fact as if executed by the Corporation and as the true and lawful act of the Corporation.

This Limited Power of Attorney shall automatically terminate as to the authority of the named Attorney-in-Fact upon such Attorney-in-Fact's resignation or termination from MLPF & S or his realignment to a role outside of the Public Finance division of MLPF & S; however; such termination or realignment shall have no impact on the Disclosure Statements executed by the above named attorney-in-fact for the Corporation prior to such termination or realignment.

IN WITNESS WHEREOF, this Power of Attorney has been executed and delivered by the Corporation to each Attorney-in-Fact on this 16th day of January, 2013.

MERRILL LYNCH & CO., INC.

By: _____

Ross E. Jeffries, Jr.
Associate General Counsel

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

X ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

Commission file number: 1-7182

MERRILL LYNCH & CO., INC.

(Exact name of Registrant as specified in its charter)

Delaware	13-2740599
(State or other jurisdiction of incorporation or organization)	(I R S Employer Identification No)
Bank of America Corporate Center 100 N. Tryon Street Charlotte, North Carolina	28255
(Address of principal executive offices)	(Zip Code)

(704) 386-5681

Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Trust Preferred Securities of Merrill Lynch Capital Trust I (and the guarantee of the Registrant with respect thereto), Trust Preferred Securities of Merrill Lynch Capital Trust II (and the guarantee of the Registrant with respect thereto), Trust Preferred Securities of Merrill Lynch Capital Trust III (and the guarantee of the Registrant with respect thereto) See the full list of securities listed on the NYSE Arca on the pages directly following this cover	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act

_ YES X NO

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act

_ YES X NO

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days

X YES _ NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232 405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files)

X YES _ NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K X

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one).

Large accelerated filer _ Accelerated filer _ Non-accelerated filer X (Do not check if a smaller reporting company) Smaller reporting company _

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

_ YES X NO

As of the close of business on June 30, 2011, there was no voting common equity of the Registrant ("Common Stock") held by non-affiliates The Registrant has no non-voting Common Stock.

As of the close of business on February 23, 2012, there were 1,000 shares of Common Stock outstanding, all of which were held by Bank of America Corporation

The Registrant is a wholly-owned subsidiary of Bank of America Corporation and meets the conditions set forth in General Instructions I(1)(a) and (b) of Form 10-K and is therefore filing this Form with a reduced disclosure format as permitted by Instruction I (2).

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Securities registered pursuant to Section 12(b) of the Act and listed on the NYSE ® Arca® are as follows:

Strategic Return Notes®
Strategic Return Notes Linked to the Select Ten Index due March 8, 2012
Strategic Return Notes Linked to the Select Ten Index due May 10, 2012
Strategic Return Notes Linked to the Select 10 Index due July 5, 2012
Strategic Return Notes Linked to the Merrill Lynch Factor Model® due November 7, 2012
Strategic Return Notes Linked to the Merrill Lynch Factor Model® due December 6, 2012

NYSE and Arca are registered service marks of NYSE Group, Inc. All other service marks are the property of Bank of America Corporation

ANNUAL REPORT ON FORM 10-K
FOR THE YEAR ENDED DECEMBER 31, 2011
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PART I

Item 1. Business

Merrill Lynch & Co , Inc ("ML & Co " and together with its subsidiaries, "Merrill Lynch", or the "Company") is a holding company that, through its subsidiaries, is one of the world's leading capital markets, advisory and wealth management companies The Company was founded in 1914 and became a publicly traded company on June 23, 1971. In 1973, the holding company ML & Co , a Delaware corporation, was created. Through our subsidiaries, we are a leading global trader and underwriter of securities and derivatives across a broad range of asset classes, and we serve as a strategic advisor to corporations, governments, institutions and individuals worldwide When used in this report, "we", "us" and "our" may refer to ML & Co individually, ML & Co. and its subsidiaries, or certain of ML & Co.'s subsidiaries or affiliates.

We are a wholly-owned subsidiary of Bank of America Corporation ("Bank of America") and meet the requirements to omit certain information from this Form 10-K as permitted by General Instruction I (2) of Form 10-K. We have also provided a brief description of our business activities in Item 1 as permitted by General Instruction I (2)

Pursuant to Accounting Standards Codification ("ASC") 280, *Segment Reporting* ("Segment Reporting"), operating segments represent components of an enterprise for which separate financial information is available that is regularly evaluated by the chief operating decision maker in determining how to allocate resources and in assessing performance The business activities of Merrill Lynch are included within certain of the operating segments of Bank of America Detailed financial information related to the operations of Merrill Lynch, however, is not provided to Merrill Lynch's chief operating decision maker As a result, Merrill Lynch does not contain any identifiable operating segments under Segment Reporting, and therefore the financial information of Merrill Lynch is presented as a single segment.

The following is a brief discussion of the nature and scope of our activities in 2011.

Capital Markets and Advisory Activities. We conduct sales and trading activities and act as a market maker in securities, derivatives, currencies, and other financial instruments to satisfy client demands. In addition, we distribute fixed income, currency, commodity and equity products, and derivatives We also provide clients with financing, securities clearing, settlement, and custody services, and engage in select principal investing activities.

We also assist clients in raising capital through underwritings and private placements of equity, debt and related securities, and loan syndications and offer advisory services to clients on strategic issues, valuation, mergers, acquisitions and restructurings.

In November 2010, Banc of America Securities LLC ("BAS"), a wholly-owned broker-dealer subsidiary of Bank of America, merged into Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a wholly-owned broker-dealer subsidiary of ML & Co , with MLPF&S as the surviving corporation. See Note 1 to the Consolidated Financial Statements in Part II, Item 8 of this Form 10-K for further information

Wealth and Investment Management Activities We provide brokerage, investment advisory and financial planning services, offering a broad range of both proprietary and third-party wealth management products and services globally to individuals, small- to mid-size businesses, and employee benefit plans We also create and manage wealth management products, including alternative investment products for clients

At December 31, 2010, we owned an approximately 7% economic interest in BlackRock, Inc ("BlackRock"), a publicly traded investment management company In June 2011, we sold our entire economic interest in BlackRock, and therefore as of December 31, 2011 we no longer held an economic interest in BlackRock. See Note 8 to the Consolidated Financial Statements in Part II, Item 8 of this Form 10-K for further information

Research We also provide a variety of research services on a global basis These services are at the core of the value proposition we offer to institutional and individual investor clients and are an integral component of our product offerings

For additional information about our business, see Note 1 to the Consolidated Financial Statements

Regulation

Certain aspects of our business, and the business of our competitors and the financial services industry in general, are subject to extensive regulation by United States ("U S ") federal and state regulatory agencies and securities exchanges and by various non-U S government agencies or regulatory bodies, securities exchanges, self-regulatory organizations and central banks

United States Regulatory Oversight and Supervision

Holding Company Supervision

As a wholly-owned subsidiary of Bank of America, a bank holding company that is also a financial holding company, we are subject to the oversight of, and inspection by, the Board of Governors of the Federal Reserve System (the "Federal Reserve")

Broker-Dealer Regulation

MLPF&S, Merrill Lynch Professional Clearing Corp ("ML Pro") and certain other subsidiaries of ML & Co are registered as broker-dealers with the Securities Exchange Commission ("SEC") and, as such, are subject to regulation by the SEC and by self-regulatory organizations, such as the Financial Industry Regulatory Authority Certain of our subsidiaries and affiliates, including MLPF&S, are registered as investment advisors with the SEC.

Our subsidiaries that are broker-dealers registered with the SEC are subject to Rule 15c3-1 under the Securities Exchange Act of 1934 ("Exchange Act") which is designed to measure the general financial condition and liquidity of a broker-dealer Under this rule, these entities are required to maintain the minimum net capital deemed necessary to meet broker-dealers' continuing commitments to customers and others Under certain circumstances, this rule limits the ability of such broker-dealers to allow withdrawal of such capital by ML & Co or other Merrill Lynch subsidiaries Additional information regarding certain net capital requirements is in Note 18 to the Consolidated Financial Statements in Part II, Item 8 of this Form 10-K

Financial Reform Act

On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Financial Reform Act") was signed into law. As a result of the Financial Reform Act, several significant regulatory developments occurred in 2011, and additional regulatory developments may occur in 2012 and beyond The Financial Reform Act has had, and will continue to have, a significant and negative impact on our earnings through revenue reductions, higher costs and new restrictions For a description of significant developments, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Executive Overview - Other Events - Financial Reform Act" in Part II, Item 7 of this Form 10-K

Non-U.S. Regulatory Oversight and Supervision

Our business is also subject to extensive regulation by various non-U S. regulators including governments, securities exchanges, central banks and regulatory bodies. Certain of our subsidiaries are regulated as broker-dealers under the laws of the jurisdictions in which they operate Subsidiaries engaged in banking and trust activities outside the U S are regulated by various government entities in the particular jurisdiction where they are chartered, incorporated and/or conduct their business activities. In some cases, the legislative and regulatory developments outside the U S applicable to these subsidiaries may have an impact on our business and results of operations Our financial services operations in the United Kingdom ("U K ") are subject to regulation by and supervision of the Financial Services Authority (the "FSA") In July of 2010, the U K proposed abolishing the FSA and replacing it with the Financial Policy Committee within the Bank of England (the "FPC") and two new regulators, the Prudential Regulatory Authority (the "PRA") and the Consumer Protection and Markets Authority (the "CPMA") Our U K regulated entities will be subject to the supervision of the FPC and the PRA for prudential matters and the CPMA for conduct of business matters The new financial regulatory structure is intended to be in place by the end of 2012 We continue to monitor the development and potential impact of this regulatory restructuring

Item 1A. Risk Factors

In the course of conducting our business operations, we are exposed to a variety of risks, some of which are inherent in the financial services industry and others of which are more specific to our own businesses The following discussion addresses the most significant factors that could affect our businesses, operations, and financial condition Additional factors that could affect our financial condition and operations are discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations — Forward-Looking Statements." However, other factors could also adversely affect our businesses, operations, and financial condition Therefore, the risk factors below should not be considered a complete list of potential risks that we may face

General Economic and Market Conditions Risk

Our businesses and results of operations have been, and may continue to be, materially and adversely affected by the U S and international financial markets and economic conditions generally. Our businesses and results of operations are materially affected by the financial markets and general economic conditions in the U.S. and abroad, including factors such as the level and volatility of short-term and long-term interest rates, inflation, home prices, unemployment and under-employment levels, bankruptcies, household income, consumer spending, fluctuations in both debt and equity capital markets, liquidity of the global financial markets, the availability and cost of capital and credit, investor sentiment and confidence in the financial markets, European sovereign debt risks and the strength of the U.S. economy and the non-U.S economies in which we operate. The deterioration of any of these conditions can adversely affect our business and securities portfolios, our level of charge-offs and provision for credit losses, the carrying value of our deferred tax assets, our capital levels and liquidity and our results of operations.

Although the U S. economy continued its modest recovery in 2011, elevated unemployment, under-employment and household debt, along with continued stress in the consumer real estate market and certain commercial real estate markets, pose challenges for domestic economic performance and the financial services industry The sustained high unemployment rate and the lengthy duration of unemployment have directly impaired consumer finances and pose risks to the financial services industry. The U.S. housing market remains weak and elevated levels of distressed and delinquent mortgages pose further risks to the housing market. In addition, the public perception of certain financial services firms and practices appeared to decline during 2011. The current environment of heightened scrutiny of financial institutions has resulted in increased public awareness of and sensitivity to financial services industry fees and practices. Each of these factors may adversely affect our fees and costs.

Liquidity Risk

Liquidity risk is the potential inability to meet our contractual and contingent financial obligations, on- or off-balance sheet, as they become due.

Adverse changes to Bank of America's or our credit ratings from the major credit rating agencies could have a material adverse effect on our liquidity, cash flows, competitive position, financial condition and results of operations by significantly limiting our access to funding or the capital markets, increasing our borrowing costs, or triggering additional collateral or funding requirements. Our borrowing costs and ability to raise funds are directly impacted by our credit ratings In addition, credit ratings may be important to customers or counterparties when we compete in certain markets and when we seek to engage in certain transactions, including over-the-counter ("OTC") derivatives.

Credit ratings and outlooks are opinions on our creditworthiness and that of our obligations or securities, including long-term debt, short-term borrowings and other securities, including asset securitizations Following the acquisition of Merrill Lynch by Bank of America, the major credit rating agencies have indicated that the primary drivers of Merrill Lynch's credit ratings are Bank of America's credit ratings. Bank of America's credit ratings are subject to ongoing review by the rating agencies, which consider a number of factors, including Bank of America's financial strength, performance, prospects and operations as well as factors not under Bank of America's control

On December 15, 2011, Fitch Ratings ("Fitch") downgraded Bank of America's and ML & Co 's long-term and short-term debt ratings as a result of Fitch's decision to lower its "support floor" for systemically important U S. financial institutions On November 29, 2011, Standard & Poor's Ratings Services ("S&P") downgraded Bank of America's and ML & Co 's long-term and short-term debt ratings as a result of S&P's implementation of revised methodologies for determining Banking Industry Country Risk Assessments and bank ratings On September 21, 2011, Moody's Investors Service, Inc. ("Moody's") downgraded Bank of America's and ML & Co 's long-term and short-term debt ratings as a result of Moody's lowering the amount of uplift for potential U S government support it incorporates into ratings. On February 15, 2012, Moody's placed Bank of America's long-term debt ratings on review for possible downgrade as part of their review of financial institutions with global capital markets operations Any adjustment to Bank of America's (and consequently, our) ratings will be determined based on Moody's review, however, the agency offered guidance that downgrades to Bank of America's ratings, if any, would likely be limited to one notch

Currently, Bank of America's and ML & Co 's long-term/short-term senior debt ratings and outlooks expressed by the rating agencies are as follows Baa1/P-2 (negative) by Moody's, A-/A-2 (negative) by S&P, and A/F1 (stable) by Fitch The rating agencies could make further adjustments to Bank of America's (and consequently, our) credit ratings at any time There can be no assurance that additional downgrades will not occur

A further reduction in certain of our credit ratings may have a material adverse effect on our liquidity, access to credit markets, the related cost of funds, our businesses and on certain trading revenues, particularly in those businesses where counterparty creditworthiness is critical. If Bank of America's or Merrill Lynch's (including our bank's or broker dealer subsidiaries') short-term credit ratings were downgraded by one or more levels, the potential loss of access to short-term funding sources such as repurchase agreement financing and the effect on our incremental cost of funds and earnings could be material

In addition, under the terms of certain OTC derivative contracts and other trading agreements, in the event of a further downgrade of the credit ratings of ML & Co or certain subsidiaries, counterparties to those agreements may require ML & Co or certain subsidiaries to provide additional collateral, terminate these contracts or agreements, or provide other remedies. At December 31, 2011, if the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by one incremental notch, the amount of additional collateral contractually required by derivative contracts and other trading agreements would have been approximately $0.4 billion If the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by a second incremental notch, approximately $0 3 billion in additional collateral would have been required.

Also, if the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by one incremental notch, the derivative liability that would be subject to unilateral termination by counterparties as of December 31, 2011 was $0.5 billion, against which $0 3 billion of collateral had been posted If the rating agencies had downgraded their long-term debt ratings for ML & Co. or certain subsidiaries by a second incremental notch, the derivative liability that would be subject to unilateral termination by the counterparties as of December 31, 2011 was an incremental $3 5 billion, against which $3 4 billion of collateral had been posted

While certain potential impacts are contractual and quantifiable, the full consequences of a credit ratings downgrade to a financial institution are inherently uncertain, as they depend upon numerous dynamic, complex and inter-related factors and assumptions, including whether any downgrade of a firm's long-term credit ratings precipitates downgrades to its short-term credit ratings, and assumptions about the potential behaviors of various customers, investors and counterparties

For a further discussion of our liquidity matters, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Funding and Liquidity "

Our liquidity, cash flows, financial condition and results of operations, and competitive position may be significantly adversely affected by the inability of us or Bank of America to access the capital markets or if there is an increase in our borrowing costs Liquidity is essential to our business We fund our assets primarily with a mix of secured and unsecured liabilities through a globally coordinated funding strategy with Bank of America We have established intercompany lending and borrowing arrangements to facilitate centralized liquidity management. As a

result, our liquidity risk is derived in large part from Bank of America's liquidity risk. Bank of America's and our liquidity could be significantly adversely affected by an inability to access the capital markets; illiquidity or volatility in the capital markets, unforeseen outflows of cash, including customer deposits, funding for commitments and contingencies, the ability to sell assets on favorable terms; increased liquidity requirements on our banking or nonbanking subsidiaries imposed by their home countries, or negative perceptions about Bank of America's and our short- or long-term business prospects, including downgrades of credit ratings Several of these factors may arise due to circumstances that neither we nor Bank of America may be able to control, such as a general market disruption, negative views about the financial services industry generally, changes in the regulatory environment, actions by credit rating agencies or an operational problem that affects third parties, us or Bank of America

Our and Bank of America's cost of obtaining funding is directly related to prevailing market interest rates and to credit spreads. Credit spreads are the amount in excess of the interest rate of U.S Treasury securities, or other benchmark securities, of the same maturity that we or Bank of America need to pay to funding providers Increases in interest rates and such credit spreads can significantly increase the cost of funding for us and Bank of America Changes in credit spreads are market-driven and may be influenced by market perceptions of the creditworthiness of us and Bank of America Changes to interest rates and credit spreads occur continuously and may be unpredictable and highly volatile

For additional information about our liquidity, including credit ratings and outlooks, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Funding and Liquidity."

Our dependence upon funds from our subsidiaries and our parent could adversely impact our liquidity ML & Co is a holding company that is a separate and distinct legal entity from its parent, Bank of America, and our broker-dealers and other subsidiaries We evaluate and manage liquidity on a legal entity basis. Legal entity liquidity is an important consideration as there are legal and other limitations on our ability to utilize liquidity from one legal entity to satisfy the liquidity requirements of another, including ML & Co. For instance, ML & Co. depends on dividends, distributions and borrowings or other payments from its subsidiaries and may depend in large part on financing from Bank of America to fund payments on our obligations, including debt obligations. Bank of America may, in some instances, be unable to provide us with the funding we need to fund payments on our obligations Many of our subsidiaries, including our broker-dealer subsidiaries, are subject to laws that restrict dividend payments to ML & Co In addition, our broker-dealer subsidiaries are subject to restrictions on their ability to lend or transact with affiliates and to minimum regulatory capital and liquidity requirements, as well as restrictions on their ability to use funds deposited with them in brokerage accounts to fund their businesses Additional restrictions on related party transactions, increased capital and liquidity requirements and additional limitations on the use of funds on deposit in brokerage accounts, as well as lower earnings, can reduce the amount of funds available to meet the obligations of ML & Co. and even require ML & Co. to provide additional funding to such subsidiaries Regulatory action of that kind could impede access to funds we need to make payments on our obligations. In addition, our right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization is subject to the prior claims of the subsidiary's creditors For additional information about regulatory capital requirements and limitations on our subsidiaries' ability to pay dividends, see Note 18 to the Consolidated Financial Statements in Part II, Item 8 of this Form 10-K.

Mortgage and Housing Market-Related Risk

We have been, and expect to continue to be, required to repurchase mortgage loans and/or reimburse whole loan buyers, Fannie Mae ("FNMA") and Freddie Mac (collectively, the "GSEs") and monolines for losses due to claims related to representations and warranties made in connection with sales of residential mortgage-backed securities and other loans, and have received similar claims, and may receive additional claims, from private-label securitization investors and private-label securitization trustees, monolines and others We have recorded provisions for certain of these exposures However, the ultimate resolution of these exposures could have a material adverse effect on our cash flows, financial condition and results of operations In connection with residential loans sold to investors other than the GSEs as well as to the GSEs, Merrill Lynch and certain of its subsidiaries made various representations and warranties. Breaches of these representations and warranties may result in a requirement that we repurchase mortgage loans, or indemnify or provide other remedies to counterparties

(collectively, "repurchases"). Merrill Lynch, including First Franklin Financial Corporation ("First Franklin"), sold loans originated from 2004 to 2008 (primarily subprime and alt-A) with an original principal balance of $132 billion through private-label securitizations or whole loan sales that were subject to representations and warranties liabilities. Most of the loans sold in the form of whole loans were subsequently pooled into private-label securitizations sponsored by the third-party buyer of the whole loans For the outstanding balance of these loans as of December 31, 2011 and December 31, 2010, see Management's Discussion and Analysis of Financial Condition and Results of Operations - Off-Balance Sheet Exposures - Representations and Warranties - Experience with Non-GSE Investors" in Part II, Item 7 of this Form 10-K. In addition, Merrill Lynch and First Franklin securitized first-lien residential mortgage loans, generally in the form of mortgage-backed securities ("MBS") guaranteed by the GSEs

The amount of our total outstanding repurchase claims from all sources totaled approximately $1.3 billion at December 31, 2011. The total amount of our recorded liability related to representations and warranties repurchase exposure was $2 8 billion at December 31, 2011 For information concerning the provisions recorded in 2011 and 2010 for our repurchase exposure on private-label securitizations, see Note 14 to the Consolidated Financial Statements in Part II, Item 8 of this Form 10-K.

Our estimated liability and range of possible loss with respect to non-GSE exposures is necessarily dependent on, and limited by, our historical claims and settlement experience and the experience of our affiliates with non-GSE counterparties and may materially change in the future based on factors beyond our control. Future provisions and/or estimated ranges of possible loss for non-GSE representations and warranties may be significantly impacted if actual experiences are different from our assumptions in our predictive models, including, without limitation, those regarding the ultimate resolution of the Bank of New York Mellon settlement, estimated repurchase rates, economic conditions, home prices, consumer and counterparty behavior, and a variety of judgmental factors In addition, we have not recorded any representations and warranties liability for certain potential monoline exposures and certain potential whole loan exposures We currently estimate that the range of possible loss related to non-GSE representations and warranties exposure as of December 31, 2011 could be up to $0 5 billion over existing accruals. This estimated range of possible loss for non-GSE representations and warranties does not represent a probable loss, and is based on currently available information, significant judgment, and a number of assumptions that are subject to change, including the assumption that the conditions of the BNY Mellon Settlement are satisfied.

Adverse developments with respect to one or more of the assumptions underlying the liability for non-GSE representations and warranties and the corresponding estimated range of possible loss could result in significant increases to future provisions and our estimated range of possible loss If future representations and warranties losses occur in excess of our recorded liability and estimated range of possible loss for non-GSE exposures and in excess of our recorded liability for GSE exposures, including as a result of the factors set forth below, such losses could have a material adverse effect on our cash flows, financial condition and results of operations

The liability for obligations under representations and warranties with respect to GSE and non-GSE exposures and the corresponding estimate of the range of possible loss for non-GSE representations and warranties exposures do not include any losses related to litigation matters disclosed in Note 14 to the Consolidated Financial Statements, nor do they include any potential securities law or fraud claims or potential indemnity or other claims against us Merrill Lynch is not able to reasonably estimate the amount of any possible loss with respect to any such securities law (except to the extent reflected in the aggregate range of possible loss for litigation and regulatory matters disclosed in Note 14 to the Consolidated Financial Statements), fraud or other claims against us, however, such loss could have a material adverse effect on our cash flows, financial condition and results of operations.

For additional information about our representations and warranties exposure, see "Management's Discussion and Analysis of Financial Condition and Results of Operations — Off-Balance Sheet Exposures — Representations and Warranties" and Note 14 to the Consolidated Financial Statements.

If final court approval is not obtained with respect to the BNY Mellon Settlement or if Bank of America and certain of its non-Merrill Lynch subsidiaries determine to withdraw from the settlement, Merrill Lynch's future representations and warranties losses could substantially exceed our existing accruals and the estimated range of possible loss over existing accruals, and consequently could have a material adverse effect on Merrill Lynch's cash flows, financial condition and results of operations On June 28, 2011, Bank of America and certain of its non-

Merrill Lynch subsidiaries entered into a settlement agreement with The Bank of New York Mellon ("BNY Mellon"), as trustee, to resolve, among other claims, all outstanding and potential claims related to alleged representations and warranties breaches (including repurchase claims) with respect to the 525 legacy first-lien and five second-lien non-GSE residential mortgage-backed securitization trusts containing loans principally originated between 2004 and 2008 and for which BNY Mellon acts as trustee or indenture trustee (the "BNY Mellon Settlement"). The BNY Mellon Settlement is subject to final court approval and certain other conditions. It is not currently possible to predict the timing or ultimate outcome of the court approval process, which can include appeals and could take a substantial period of time. There can be no assurance that final court approval of the settlement will be obtained, that all conditions will be satisfied (including the receipt of private letter rulings from the Internal Revenue Service (the "IRS") and other tax rulings and opinions) or that, if certain conditions to the BNY Mellon Settlement permitting withdrawal are met, Bank of America and certain of its non-Merrill Lynch subsidiaries will not determine to withdraw from the BNY Mellon Settlement agreement.

If final court approval is not obtained with respect to the BNY Mellon Settlement or if Bank of America and certain of its non-Merrill Lynch subsidiaries determine to withdraw from the BNY Mellon Settlement agreement in accordance with its terms, Merrill Lynch's future representations and warranties losses with respect to non-GSEs could substantially exceed our non-GSE reserve, together with our estimated range of possible loss related to non-GSE representations and warranties exposure of up to $0 5 billion over existing accruals at December 31, 2011. Developments with respect to one or more of the assumptions underlying the estimated range of possible loss for non-GSE representations and warranties (including the timing and ultimate outcome of the court approval process relating to the BNY Mellon Settlement) could result in significant increases in our non-GSE reserve and/or to this estimated range of possible loss, and such increases could have a material adverse effect on our cash flows, financial condition and results of operations. For additional information regarding the BNY Mellon Settlement, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Off-Balance Sheet Exposures - Representations and Warranties".

Further weakness in the U.S housing market, including home prices, may adversely affect our asset classes and have a significant adverse effect on our financial condition and results of operations Economic weakness in 2011 was accompanied by continued stress in the U S. housing market, including declines in home prices. These declines in the housing market, with falling home prices and elevated foreclosures, have negatively impacted the credit performance of certain of our portfolios Continued high unemployment rates in the U.S. have challenged U.S consumers and further compounded these stresses in the U S housing market as employment conditions may be compelling some consumers to delay new home purchases or miss payments on existing mortgages.

Conditions in the U S housing market have also resulted in significant write-downs of asset values in several asset classes, notably mortgage-backed securities and exposure to monolines These conditions may negatively affect the value of real estate, which could negatively affect our exposure to representations and warranties While there were continued indications throughout the past year that the U S. economy is stabilizing, the performance of our overall portfolios may not significantly improve in the near future A protracted continuation or worsening of these difficult U S housing market conditions may exacerbate the adverse effects outlined above and have a significant adverse effect on our financial condition and results of operations

Credit Risk

Credit risk is the risk of loss arising from a borrower, obligor or counterparty default when a borrower, obligor or counterparty does not meet its obligations.

Increased credit risk, due to economic or market disruptions, insufficient credit loss reserves or concentration of credit risk, may necessitate increased provisions for credit losses and could have an adverse effect on our financial condition and results of operations. When we buy debt securities, loan money, commit to loan money or enter into a letter of credit or other contract with a counterparty, we incur credit risk, or the risk of losses if our borrowers do not repay their loans or our counterparties fail to perform according to the terms of their agreements. A number of our products expose us to credit risk, including loans, lending commitments, derivatives, trading account assets and assets held-for-sale. The credit quality of our portfolios has a significant impact on our earnings

Global and U S economic conditions continue to weigh on our credit portfolios Economic or market disruptions are likely to increase our credit exposure to customers, obligors or other counterparties due to the increased risk that they may default on their obligations to us

We estimate and establish an allowance for credit losses for losses inherent in our lending activities (including unfunded lending commitments), excluding those measured at fair value, through a charge to earnings. The amount of allowance is determined based on our evaluation of the potential credit losses included within our loan portfolio The process for determining the amount of the allowance requires difficult, subjective and complex judgments Our ability to assess future economic conditions or the creditworthiness of our customers, obligors or other counterparties is imperfect We may suffer unexpected losses if the models and assumptions we use to establish reserves and make judgments in extending credit to our borrowers and other counterparties become less predictive of future events In such an event, we might need to increase the size of our allowance, which could adversely affect our financial condition and results of operations

In the ordinary course of our business, we also may be subject to a concentration of credit risk in a particular industry, country, counterparty, borrower or issuer. A deterioration in the financial condition or prospects of a particular industry or a failure or downgrade of, or default by, any particular entity or group of entities could have a material adverse effect on our businesses, and the processes by which we set limits and monitor the level of our credit exposure to individual entities, industries and countries may not function as we have anticipated. While our activities expose us to many different industries and counterparties, we routinely execute a high volume of transactions with counterparties in the financial services industry, including broker-dealers, commercial banks, investment funds and insurers. This has resulted in significant credit concentration with respect to this industry

In the ordinary course of business, we also enter into transactions with sovereign nations, U S states and U S municipalities Unfavorable economic or political conditions, disruptions to capital markets, currency fluctuations, social instability and changes in government policies could impact the operating budgets or credit ratings of sovereign nations, U S states and U S municipalities and expose us to credit risk

For additional information about our credit risk and credit risk management policies and procedures, see "Quantitative and Qualitative Disclosures about Market Risk — Credit Risk Management "

We could suffer losses as a result of the actions of, or deterioration in, the commercial soundness of our counterparties and other financial services institutions We could suffer losses and our ability to engage in routine trading and funding transactions could be adversely affected by the actions and commercial soundness of other market participants We have exposure to many different industries and counterparties, and we routinely execute transactions with counterparties in the financial services industry, including broker-dealers, commercial banks, investment banks, mutual and hedge funds and other institutional clients Financial services institutions and other counterparties are inter-related because of trading, funding, clearing or other relationships As a result, defaults by, or even rumors or questions about, one or more financial services institutions, or the financial services industry generally, have led to market-wide liquidity problems and could lead to significant future liquidity problems, including losses or defaults by us or by other institutions Many of these transactions expose us to credit risk in the event of default of a counterparty or client In addition, our credit risk may be impacted when the collateral held by us cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivatives exposure due us Any such losses could materially adversely affect our financial condition and results of operations

Our derivatives businesses may expose us to unexpected risks and potential losses We are party to a large number of derivatives transactions, including credit derivatives Our derivatives businesses may expose us to unexpected market, credit and operational risks that could cause us to suffer unexpected losses and have an adverse effect on our financial condition and results of operations Severe declines in asset values, unanticipated credit events or unforeseen circumstances that may cause previously uncorrelated factors to become correlated (and vice versa) may create losses resulting from risks not appropriately taken into account in the development, structuring or pricing of a derivative instrument The terms of certain of our OTC derivative contracts and other trading agreements provide that upon the occurrence of certain specified events, such as a change in our credit ratings, we may be required to provide additional collateral or to provide other remedies, or our counterparties may have the right to terminate or otherwise diminish our rights under these contracts or agreements.

Many derivative instruments are individually negotiated and non-standardized, which can make exiting, transferring or settling some positions difficult Many derivatives require that we deliver to the counterparty the underlying security, loan or other obligation in order to receive payment. In a number of cases, we do not hold, and may not be able to obtain, the underlying security, loan or other obligation.

Following the downgrade of the credit ratings of ML & Co and certain subsidiaries, we have engaged in discussions with certain derivative and other counterparties regarding their rights under these agreements In response to counterparties' inquiries and requests, we have discussed and in some cases substituted derivative contracts and other trading agreements, including naming our affiliate, Bank of America, N.A ("BANA") as the new counterparty. Our ability to substitute or make changes to these agreements to meet counterparties' requests may be subject to certain limitations, including counterparty willingness, regulatory limitations on naming BANA as the new counterparty, and the type or amount of collateral required It is possible that such limitations on our ability to substitute or make changes to these agreements, including naming BANA as the new counterparty, could adversely affect our results of operations

Derivatives contracts and other transactions entered into with third parties are not always confirmed by the counterparties or settled on a timely basis While a transaction remains unconfirmed or during any delay in settlement, we are subject to heightened credit and operational risk and in the event of default may find it more difficult to enforce the contract. In addition, as new and more complex derivatives products have been created, covering a wider array of underlying credit and other instruments, disputes about the terms of the underlying contracts may arise, which could impair our ability to effectively manage our risk exposures from these products and subject us to increased costs.

For additional information on our derivatives exposure, see Note 6 to the Consolidated Financial Statements

Market Risk

Market risk is the risk that values of assets and liabilities or revenues will be adversely affected by changes in market conditions such as market volatility. Market risk is inherent in the financial instruments associated with our operations and activities, including loans, deposits, securities, short-term borrowings, long-term debt, trading account assets and liabilities, and derivatives.

Our businesses and results of operations have been, and may continue to be, significantly adversely affected by changes in the levels of market volatility and by other financial or capital market conditions Our businesses and results of operations may be adversely affected by market risk factors such as changes in interest and currency exchange rates, equity and futures prices, the implied volatility of interest rates, credit spreads and other economic and business factors These market risks may adversely affect, among other things, (i) the value of our on- and off-balance sheet securities, trading assets, and other financial instruments, (ii) the cost of debt capital and our access to credit markets, (iii) the value of assets under management, which could reduce our fee income relating to those assets, (iv) customer allocation of capital among investment alternatives, (v) the volume of client activity in our trading operations, (vi) investment banking fees, and (vii) the general profitability and risk level of the transactions in which we engage Any of these developments could have a significant adverse impact on our financial condition and results of operations

We use various models and strategies to assess and control our market risk exposures but those are subject to inherent limitations Our models, which rely on historical trends and assumptions, may not be sufficiently predictive of future results due to limited historical patterns, extreme or unanticipated market movements and illiquidity, especially during severe market downturns or stress events The models that we use to assess and control our market risk exposures also reflect assumptions about the degree of correlation or lack thereof among prices of various asset classes or other market indicators.

In times of market stress or other unforeseen circumstances, such as the market conditions experienced in 2008 and 2009, previously uncorrelated indicators may become correlated, or previously correlated indicators may move in different directions These types of market movements have at times limited the effectiveness of our hedging strategies and have caused us to incur significant losses, and they may do so in the future These changes in correlation can be exacerbated where other market participants are using risk or trading models with assumptions or algorithms that are similar to ours In these and other cases, it may be difficult to reduce our risk positions due to the

activity of other market participants or widespread market dislocations, including circumstances where asset values are declining significantly or no market exists for certain assets To the extent that we own securities that do not have an established liquid trading market or are otherwise subject to restrictions on sale or hedging, we may not be able to reduce our positions and therefore reduce our risk associated with such positions In addition, challenging market conditions may also adversely affect our investment banking fees

For additional information about market risk and our market risk management policies and procedures, see "Quantitative and Qualitative Disclosures about Market Risk" in Part II, Item 7A of this Form 10-K

Further downgrades in the U S government's sovereign credit rating, or in the credit ratings of instruments issued, insured or guaranteed by related institutions, agencies or instrumentalities, could result in risks to Merrill Lynch and its credit ratings and general economic conditions that we are not able to predict

On August 2, 2011, Moody's affirmed the U.S. government's existing sovereign rating, but revised the rating outlook to negative On August 5, 2011, S&P downgraded the U S. government's long-term sovereign credit rating to AA+ from AAA and stated that the outlook on the long-term rating is negative On the same day, S&P affirmed its A-1+ short-term rating on the U S and removed it from CreditWatch negative On November 28, 2011, Fitch affirmed its AAA long-term rating on the U.S , but changed the outlook from stable to negative. On the same day, Fitch affirmed its F1+ short-term rating on the U.S All three rating agencies have indicated that they will continue to assess fiscal projections and consolidation measures, as well as the medium-term economic outlook for the U.S

There continues to be the perceived risk of a sovereign credit ratings downgrade of the U S. government, including the ratings of U S Treasury securities It is foreseeable that the ratings and perceived creditworthiness of instruments issued, insured or guaranteed by institutions, agencies or instrumentalities directly linked to the U S government could also be correspondingly affected by any such downgrade Instruments of this nature are key assets on the balance sheets of financial institutions, including Merrill Lynch, and are widely used as collateral by financial institutions to meet their day-to-day cash flows in the short-term debt market A downgrade of the sovereign credit ratings of the U S. government and perceived creditworthiness of U S government-related obligations could impact our ability to obtain funding that is collateralized by affected instruments, as well as affecting the pricing of that funding when it is available A downgrade may also adversely affect the market value of such instruments

We cannot predict if, when or how any changes to the credit ratings or perceived creditworthiness of these organizations will affect economic conditions Such ratings actions could result in a significant adverse impact to us The credit rating agencies' ratings for Bank of America (and consequently, Merrill Lynch) could be directly or indirectly impacted by a downgrade of the U S government's sovereign rating because the credit ratings of large systemically important financial institutions currently incorporate a degree of uplift due to assumptions concerning government support.

A downgrade of the sovereign credit ratings of the U S. government or the credit ratings of related institutions, agencies or instrumentalities would significantly exacerbate the other risks to which Merrill Lynch is subject and any related adverse effects on our business, financial condition and results of operations, including those described under "Risk Factors - Credit Risk - We could suffer losses as a result of the actions of or deterioration in the commercial soundness of our counterparties and other financial services institutions," "Risk Factors - Market Risk - Our business and results of operations have been, and may continue to be, significantly adversely affected by changes in the levels of market volatility and by other financial or capital market conditions" and "Risk Factors - Liquidity Risk - Our liquidity, cash flows, financial condition and results of operations, and competitive position may be significantly adversely affected by the inability of us or Bank of America to access capital markets, or if there is an increase in our borrowing costs "

Uncertainty about the financial stability of several countries in the European Union ("EU"), the increasing risk that those countries may default on their sovereign debt and related stresses on financial markets, the Euro and the EU could have a significant adverse effect on our business, financial condition and results of operations. In 2011, the financial crisis in Europe continued, triggered by high sovereign budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these EU countries to continue to service their sovereign debt obligations These conditions impacted financial markets and

resulted in credit ratings downgrades for, and high and volatile bond yields on, the sovereign debt of many EU countries Certain European countries continue to experience varying degrees of financial stress, and yields on government-issued bonds in Greece, Ireland, Italy, Portugal and Spain have risen and remain volatile Despite assistance packages to certain of these countries, the creation of a joint EU-IMF European Financial Stability Facility and additional expanded financial assistance to Greece, uncertainty over the outcome of the EU governments' financial support programs and worries about sovereign finances and the stability of the Euro and the EU persist. Market concerns over the direct and indirect exposure of certain European banks and insurers to these EU countries resulted in a widening of credit spreads and increased costs of funding for these financial institutions While we have reduced our exposure to European financial institutions, the insolvency of one or more major European financial institutions could adversely impact financial markets and, consequently, our results of operations

Risks and ongoing concerns about the debt crisis in Europe could have a detrimental impact on the global economic recovery, sovereign and non-sovereign debt in these countries and the financial condition of European financial institutions, and international financial institutions with exposure to the region, including us Market and economic disruptions have affected, and may continue to affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and residential mortgages, and housing prices, among other factors There can be no assurance that the market disruptions in Europe, including the increased cost of funding for certain governments and financial institutions, will not spread, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilize the affected countries and markets in Europe or elsewhere. To the extent uncertainty regarding the European economic recovery continues to negatively impact consumer confidence and consumer credit factors, or should the EU enter a deep recession, both the U S economy and our business and results of operations could be significantly and adversely affected Global economic uncertainty, regulatory initiatives and reform have impacted, and will likely continue to impact, non-U.S. credit and trading portfolios We are seeking to address this risk but there can be no assurance our efforts in this respect will be sufficient or successful Our total sovereign and non-sovereign exposure to Greece, Italy, Ireland, Portugal, and Spain was $2 7 billion at December 31, 2011 Our total net sovereign and non-sovereign exposure to these countries was $1 1 billion at December 31, 2011, after taking into account net credit default protection At December 31, 2011, the fair value of net credit default protection purchased was $1.6 billion. Losses could still result because our credit protection contracts pay out only under certain scenarios

For additional information regarding our direct sovereign and non-sovereign exposures in Europe, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Executive Overview - Other Events - European Union Sovereign Credit Risks" and "Quantitative and Qualitative Disclosures about Market Risk-Credit Risk Management" in Part II, Item 7A of this Form 10-K.

Declines in the value of certain of our assets could have an adverse effect on our results of operations We have a large portfolio of financial instruments, including, among others, certain corporate loans and loan commitments, loans held-for-sale, repurchase agreements, long-term deposits, trading assets and liabilities, derivatives assets and liabilities, available-for-sale securities and certain other assets and liabilities that we measure at fair value. We determine the fair values of these instruments based on the fair value hierarchy under applicable accounting guidance The fair values of these financial instruments include adjustments for market liquidity, credit quality and other transaction-specific factors, where appropriate

Gains or losses on these instruments can have a direct and significant impact on our results of operations, unless we have effectively hedged our exposures Fair values may be impacted by declining values of the underlying assets or the prices at which observable market transactions occur and the continued availability of these transactions. The financial strength of counterparties, such as monolines, with whom we have economically hedged some of our exposure to these assets, also will affect the fair value of these assets Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading activity for these assets, which may make it very difficult to sell, hedge or value such assets The inability to sell or effectively hedge assets reduces our ability to limit losses in such positions and the difficulty in valuing assets may increase our risk-weighted assets, which requires us to maintain additional capital and increases our funding costs

Asset values also directly impact revenues in our asset management businesses We receive asset-based

management fees based on the value of our clients' portfolios or investments in funds managed by us and, in some cases, we also receive incentive fees based on increases in the value of such investments. Declines in asset values can reduce the value of our clients' portfolios or fund assets, which in turn can result in lower fees earned for managing such assets

For additional information about fair value measurements, see Note 4 and Note 5 to the Consolidated Financial Statements

Regulatory and Legal Risk

Government measures to regulate the financial services industry, including the Financial Reform Act, either individually, in combination or in the aggregate, have increased and will continue to increase our compliance costs and could require us to change certain of our business practices, impose significant additional costs on us, limit the products that we offer, limit our ability to pursue business opportunities in an efficient manner, require us to increase our capital, impact the value of assets that we hold, significantly reduce our revenues or otherwise materially and adversely affect our businesses, financial condition and results of operations As a financial institution, we are heavily regulated at the state, federal and international levels As a result of the 2008-2009 financial crisis and related global economic downturn, we have faced and expect to continue to face increased public and legislative scrutiny as well as stricter and more comprehensive regulation of our businesses These regulatory and legislative measures, either individually, in combination or in the aggregate, could require us to further change certain of our business practices, impose significant additional costs on us, limit the products that we offer, limit our ability to pursue business opportunities in an efficient manner, require us to increase our capital, impact the value of assets that we hold, significantly reduce our revenues or otherwise materially and adversely affect our businesses, financial condition and results of operations.

On October 11, 2011, the Federal Reserve, the Office of the Comptroller of the Currency (the "OCC"), the Federal Deposit Insurance Corporation (the "FDIC") and the SEC, four of the five regulatory agencies charged with promulgating regulations implementing limitations on proprietary trading as well as the sponsorship of or investment in hedge funds and private equity funds (the "Volcker Rule") established by the Financial Reform Act, released for comment proposed implementing regulations. On January 11, 2012, the Commodities Futures Trading Commission (the "CFTC"), the fifth agency, released for comment its proposed regulations under the Volcker Rule. The proposed regulations include clarifications to the definition of proprietary trading and distinctions between permitted and prohibited activities. The comment period for the first regulations proposed ended on February 13, 2012 and the comment period for the CFTC regulations will end in March 2012

The statutory provisions of the Volcker Rule will become effective on July 21, 2012, whether or not the final regulations are adopted, and it gives certain financial institutions two years from the effective date, with opportunities for additional extensions, to bring activities and investments into compliance Although Merrill Lynch exited its stand-alone proprietary trading business as of June 30, 2011 in anticipation of the Volcker Rule and to further our initiative to optimize our balance sheet, the ultimate impact of the Volcker Rule on us remains uncertain However, based on the content of the proposed regulations, it is possible that the implementation of the Volcker Rule could limit or restrict our remaining trading activities Implementation of the Volcker Rule could also limit or restrict our ability to sponsor and hold ownership interests in hedge funds, private equity funds and other subsidiary operations Additionally, implementation of the Volcker Rule could increase our operational and compliance costs, reduce our trading revenues and adversely affect our results of operations The date by which final regulations will be issued is uncertain

Additionally, the Financial Reform Act includes measures to broaden the scope of derivative instruments subject to regulation by requiring clearing and exchange trading of certain derivatives, imposing new capital, margin, reporting, registration and business conduct requirements for certain market participants, and imposing position limits on certain OTC derivatives The Financial Reform Act grants the CFTC and the SEC substantial new authority and requires numerous rulemakings by these agencies The Financial Reform Act required regulators to promulgate the rulemakings necessary to implement these regulations by July 16, 2011 However, the rulemaking process was not completed as of that date, and is not expected to conclude until well into 2012 Further, the regulators granted temporary relief from certain requirements that would have taken effect on July 16, 2011 absent any rulemaking The SEC temporary relief is effective until final rules relevant to each requirement become

effective The CFTC temporary relief is effective until the earlier of July 16, 2012 or the date on which final rules relevant to each requirement become effective The ultimate impact of these derivatives regulations, and the time it will take to comply, continue to remain uncertain The final regulations will impose additional operational and compliance costs on us and may require us to restructure certain businesses, thereby negatively impacting our revenues and results of operations

Similarly, in the U.K., the FSA has issued proposed rules requiring the submission of significant information about certain U.K. incorporated subsidiaries (including information on intra-group dependencies and legal entity separation) to allow the FSA to develop resolution plans As a result of the FSA review, we could be required to take certain actions over the next several years, which could impose operational costs and potentially could result in the restructuring of certain businesses and subsidiaries

Many of the provisions under the Financial Reform Act have begun to be phased in or will be phased in over the next several months or years and will be subject both to further rulemaking and the discretion of applicable regulatory bodies The Financial Reform Act will continue to have a significant and negative impact on our earnings through revenue reductions, higher costs and new restrictions The ultimate impact of the Financial Reform Act on our businesses and results of operations will depend on regulatory interpretation and rulemaking, as well as the success of any of our actions to mitigate the negative earnings impact of certain provisions.

Changes in the structure of the GSEs and the relationship among the GSEs, the government and the private markets, or the conversion of the current conservatorship of the GSEs into receivership, could adversely impact certain of our operations. Each GSE is currently in a conservatorship, with its primary regulator, the Federal Housing Finance Agency (the "FHFA"), acting as conservator. During these conservatorships the FHFA may
increasingly converge certain risk management and other standards and practices of each enterprise, which could result in a more uniform market for delivering agency conforming mortgage loans We cannot predict if, when or how the conservatorships will end, or any associated changes to the GSEs' business structure that could result. We also cannot predict whether the conservatorships will end in receivership There are several proposed approaches to reform the GSEs which, if enacted, could change the structure of the GSEs and the relationship among the GSEs, the government and the private markets, including the trading markets for agency conforming mortgage loans and markets for mortgage-related securities in which we participate We cannot predict the prospects for the enactment, timing or content of legislative or rulemaking proposals regarding the future status of the GSEs Accordingly, there continues to be uncertainty regarding the future of the GSEs, including whether they will continue to exist in their current form. GSE reform, if enacted, could adversely impact certain of our operations

We face substantial potential legal liability and significant regulatory action, which could have material adverse effects on our cash flows, financial condition and results of operations or cause significant reputational harm to us We face significant legal risks in our businesses, and the volume of claims and amount of damages and penalties claimed in litigation and regulatory proceedings against us and other financial institutions remain high and are increasing Increased litigation costs, substantial legal liability or significant regulatory action against us could have material adverse effects on our financial condition and results of operations or cause significant reputational harm to us, which in turn could adversely impact our business prospects In addition, we continue to face increased litigation risk and regulatory scrutiny We have continued to experience increased litigation and other disputes with counterparties regarding relative rights and responsibilities. Consumers, clients and other counterparties have grown more litigious Our experience with certain regulatory authorities suggests a migration towards an increasing supervisory focus on enforcement, including in connection with alleged violations of law and customer harm The current environment of additional regulation, increased regulatory compliance burdens, and enhanced regulatory enforcement, combined with ongoing uncertainty related to the continuing evolution of the regulatory environment, has resulted in significant operational and compliance costs and may limit our ability to continue providing certain products and services

These litigation and regulatory matters and any related settlements could have a material adverse effect on our cash flows, financial condition and results of operations They could also negatively impact our reputation For information concerning certain litigation-related expenses recognized for 2011 and 2010, the estimated aggregate range of possible losses in excess of the accrued liability (if any) related to litigation matters (where an estimate is possible) at December 31, 2011, as well as a further discussion of litigation risks, see Note 14 to the Consolidated

Financial Statements in Part II, Item 8 of this Form 10-K.

Changes in governmental fiscal and monetary policy could adversely affect our financial condition and results of operations. Our businesses and earnings are affected by domestic and international fiscal and monetary policy. The Federal Reserve regulates the supply of money and credit in the U S and its policies determine in large part our cost of funds for lending, investing and capital raising activities and the return we earn on those loans and investments, both of which affect our net interest revenue The actions of the Federal Reserve also can materially affect the value of financial instruments and other assets, such as debt securities, and its policies also can affect our borrowers, potentially increasing the risk that they may fail to repay their loans Our businesses and earnings are also affected by the fiscal or other policies that are adopted by the U S government, various U S regulatory authorities and non-U.S governments and regulatory authorities Changes in domestic and international fiscal and monetary policies are beyond our control and difficult to predict, but could have an adverse impact on our capital requirements and the costs of running our businesses, in turn adversely impacting our financial condition and results of operations

Changes in U S and non-U S tax and other laws and regulations could adversely affect our financial condition and results of operations The U S Congress and the Administration have signaled growing interest in reforming the U S corporate income tax While the timing of such reform is unclear, possible approaches include lowering the 35% corporate tax rate, modifying the taxation of income earned outside of the U S and limiting or eliminating various other deductions, tax credits and/or other tax preferences. It is not possible at this time to quantify either the one-time impact from remeasuring deferred tax assets and liabilities that might result upon enactment of tax reform or the ongoing impact reform might have on income tax expense, but either of these impacts could adversely affect our financial condition and results of operations.

In addition, the income from certain non-U S. subsidiaries has not been subject to U S income tax as a result of long-standing deferral provisions applicable to income that is derived in the active conduct of a banking and financing business (active finance income). The U.S Congress has extended the application of these deferral provisions several times, most recently in 2010 These provisions now are set to expire for taxable years beginning on or after January 1, 2012 Absent an extension of these provisions, active financing income earned by certain non-U.S subsidiaries will generally be subject to a tax provision that considers incremental U S income tax The impact of the expiration of these provisions would depend upon the amount, composition and geographic mix of our future earnings.

Other countries have also proposed and, in some cases, adopted certain regulatory changes targeted at financial institutions or that otherwise affect us. The EU has adopted increased capital requirements and the U K has (i) increased liquidity requirements for local financial institutions, including regulated U K subsidiaries of non-U K bank holding companies and other financial institutions as well as branches of non-U K banks located in the U K, (ii) adopted a Bank Tax Levy which will apply to the aggregate balance sheet of branches and subsidiaries of non-U K banks and banking groups operating in the U K , and (iii) proposed the creation and production of recovery and resolution plans by U K.-regulated entities.

On July 19, 2011, the U K. 2011 Finance Bill was enacted, which reduced the corporate income tax rate by one percent to 26% beginning on April 1, 2011, and then to 25% effective April 1, 2012. These rate reductions will favorably affect income tax expense on future U.K. earnings but also required us to remeasure our U.K net deferred tax assets using the lower tax rates The income tax benefit for the year ended December 31, 2011 included a $774 million charge for the remeasurement If U.K. corporate income tax rates were to be reduced to 23% by 2014, as suggested in U K Treasury announcements and assuming no change in the deferred tax asset balance, a charge to income tax expense of approximately $400 million for each one percent reduction in the rate would result in each period of enactment (for a total of approximately $800 million) We are also monitoring other international legislative proposals that could materially impact us, such as changes to corporate income tax laws Currently, in the U K , net operating loss carryforwards ("NOLs") have an indefinite life. Were the U.K taxing authorities to introduce limitations on the future utilization of NOLs and we were unable to document our continued ability to fully utilize our NOLs, we would be required to establish a valuation allowance by a charge to income tax expense. Depending upon the nature of the limitations, such a charge could be material to our results of operations in the period of enactment

Risk of the Competitive Environment In Which We Operate

We face significant and increasing competition in the financial services industry We operate in a highly competitive environment. Over time, there has been substantial consolidation among companies in the financial services industry, and this trend accelerated in recent years This trend has also hastened the globalization of the securities and financial services markets. We will continue to experience intensified competition as consolidation and globalization of the financial services industry may produce larger, better-capitalized and more geographically diverse companies that are capable of offering a wider array of financial products and services at more competitive prices. To the extent we expand into new business areas and new geographic regions, we may face competitors with more experience and more established relationships with clients, regulators and industry participants in the relevant market, which could adversely affect our ability to compete In addition, technological advances and the growth of e-commerce have made it possible for non-depository institutions to offer products and services that traditionally were banking products, and for financial institutions to compete with technology companies in providing electronic and internet-based financial solutions. Increased competition may negatively affect our results of operations by creating pressure to lower prices on our products and services and reducing market share.

Damage to our reputation could significantly harm our businesses, including our competitive position and business prospects Our ability to attract and retain customers, clients, investors and employees is impacted by our reputation. Public perception of us and others in the financial services industry appeared to decline in 2011. We continue to face increased public and regulatory scrutiny resulting from the financial crisis and economic downturn, as well as our acquisition by Bank of America and the suitability or reasonableness of recommending particular trading or investment strategies.

Significant harm to our reputation can also arise from other sources, including indirectly as a result of actions by Bank of America or damage to its reputation, employee misconduct, litigation or regulatory outcomes, failing to deliver minimum or required standards of service and quality, compliance failures, unethical behavior, unintended disclosure of confidential information, and the activities of our clients, customers and counterparties, including vendors Actions by the financial services industry generally or by certain members or individuals in the industry also can significantly adversely affect our reputation.

We are subject to complex and evolving laws and regulations regarding privacy, data protections and other matters.
Principles concerning the appropriate scope of consumer and commercial privacy vary considerably in different jurisdictions, and regulatory and public expectations regarding the definition and scope of consumer and commercial privacy may remain fluid into the future. It is possible that these laws may be interpreted and applied by various jurisdictions in a manner that is inconsistent with our current or future practices, or that is inconsistent with one another We face regulatory, reputational and operational risks if personal, confidential or proprietary information of customers or clients in our possession is mishandled or misused

We could suffer significant reputational harm if we fail to properly identify and manage potential conflicts of interest. Management of potential conflicts of interest has become increasingly complex as we expand our business activities through more numerous transactions, obligations and interests with and among our clients. The failure to adequately address, or the perceived failure to adequately address, conflicts of interest could affect the willingness of clients to deal with us, or give rise to litigation or enforcement actions, which could adversely affect our businesses

Our actual or perceived failure to address these and other issues gives rise to reputational risk that could cause significant harm to us and our business prospects, including failure to properly address operational risks Failure to appropriately address any of these issues could also give rise to additional regulatory restrictions, legal risks and reputational harm, which could, among other consequences, increase the size and number of litigation claims and damages asserted or subject us to enforcement actions, fines and penalties and cause us to incur related costs and expenses

Our ability to attract and retain qualified employees is critical to the success of our businesses and failure to do so could adversely affect our business prospects, including our competitive position and results of operations. Our performance is heavily dependent on the talents and efforts of highly skilled individuals. Competition for qualified personnel within the financial services industry and from businesses outside the financial services industry has

been, and is expected to continue to be, intense Our competitors include non-U S -based institutions and institutions otherwise not subject to compensation and hiring regulations imposed on U S institutions and financial institutions in particular The difficulty we face in competing for key personnel is exacerbated in emerging markets, where we are often competing for qualified employees with entities that may have a significantly greater presence or more extensive experience in the region

In order to attract and retain qualified personnel, we must provide market-level compensation As a subsidiary of Bank of America, we may be subject to limitations on compensation practices (which may or may not affect our competitors) by regulators in the U S or around the world Any future limitations on executive compensation imposed by legislation or regulation could adversely affect our ability to attract and maintain qualified employees Furthermore, a substantial portion of our annual bonus compensation paid to our senior employees has in recent years taken the form of long-term equity awards The value of long-term equity awards to senior employees generally has been negatively affected by the significant decline in the market price of Bank of America's common stock If we are unable to continue to attract and retain qualified individuals, our business prospects, including our competitive position and results of operations, could be adversely affected

In addition, if we fail to retain the wealth advisors that we employ in our wealth and investment management business, particularly those with significant client relationships, such failure could result in a significant loss of clients or the withdrawal of significant client assets Any such loss or withdrawal could adversely impact our wealth and investment management business activities and our financial condition, results of operations and cash flows

We may not be able to achieve expected cost savings from cost-saving initiatives, including from Project New BAC, or in accordance with currently anticipated time frames We are currently engaged in numerous efforts to achieve certain cost savings, including, among other things, Project New BAC.

Project New BAC is a two-phase, enterprise-wide initiative to simplify and streamline workflows and processes, align businesses and costs more closely with Bank of America's overall strategic plan and operating principles, and increase revenues. Phase 1 focused on Bank of America's consumer businesses and related support, technology and operations functions Phase 2 focuses on businesses and related support, technology and operations functions not subject to evaluation in Phase 1 All aspects of Project New BAC are expected to be implemented by the end of 2014

We may be unable to fully realize the cost savings and other anticipated benefits from our cost saving initiatives, or in accordance with currently anticipated timeframes

Our inability to adapt our products and services to evolving industry standards and consumer preferences could harm our businesses Our success depends, in part, on our ability to adapt our products and services to evolving industry standards There is increasing pressure by competitors to provide products and services at lower prices This can reduce our revenues from our fee-based products and services In addition, the widespread adoption of new technologies, including internet services, could require us to incur substantial expenditures to modify or adapt our existing products and services We might not be successful in developing or introducing new products and services, responding or adapting to changes in consumer spending and saving habits, achieving market acceptance of our products and services, or sufficiently developing and maintaining loyal customers

Risks Related to Risk Management

Our risk management framework may not be effective in mitigating risk and reducing the potential for significant losses Our risk management framework is designed to minimize risk and loss to us We seek to identify, measure, monitor, report and control our exposure to the types of risk to which we are subject, including strategic, credit, market, liquidity, compliance, operational and reputational risks, among others While we employ a broad and diversified set of risk monitoring and mitigation techniques, those techniques are inherently limited because they cannot anticipate the existence or future development of currently unanticipated or unknown risks Recent economic conditions, heightened legislative and regulatory scrutiny of the financial services industry and increases in the overall complexity of our operations, among other developments, have resulted in a heightened level of risk for us Accordingly, we could suffer losses as a result of our failure to properly anticipate and manage these risks, including all correlations and downstream secondary or follow-on effects that occur

A failure in or breach of our operational or security systems or infrastructure, or those of third parties with which we do business, including as a result of cyber attacks, could disrupt our businesses, result in the disclosure or misuse of confidential or proprietary information, damage our reputation, increase our costs and cause losses Any such failure also could have a material adverse effect on our business, financial condition and results of operations Our business is highly dependent on our ability to process, record and monitor, on a continuous basis, a large number of transactions, many of which are highly complex, across numerous and diverse markets in many currencies The potential for operational risk exposure exists throughout our organization, including losses resulting from unauthorized trades by any employees

Integral to our performance is the continued efficacy of our internal processes, systems, relationships with third parties and the vast array of employees and key executives in our day-to-day and ongoing operations With regard to the physical infrastructure and systems that support our operations, we have taken measures to implement backup systems and other safeguards, but our ability to conduct business may be adversely affected by any significant and widespread disruption to our infrastructure or systems. Our financial, accounting, data processing, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control and adversely affect our ability to process these transactions or provide these services. There could be sudden increases in customer transaction volume; electrical or telecommunications outages, natural disasters such as earthquakes, tornadoes and hurricanes, disease pandemics, events arising from local or larger scale political or social matters, including terrorist acts, and cyber attacks We continuously update these systems to support our operations and growth This updating entails significant costs and creates risks associated with implementing new systems and integrating them with existing ones.

Information security risks for large financial institutions such as Bank of America and Merrill Lynch have significantly increased in recent years in part because of the proliferation of new technologies, the use of the Internet and telecommunications technologies to conduct financial transactions, and the increased sophistication and activities of organized crime, hackers, terrorists and other external parties, including foreign state actors Our operations rely on the secure processing, transmission and storage of confidential, proprietary and other information in our computer systems and networks We rely on our digital technologies, computer and email systems, software, and networks to conduct our operations. In addition, to access our products and services, our customers may use personal smartphones, tablet PCs, and other mobile devices that are beyond our control systems Our technologies, systems, networks, and our customers' devices have been subject to, and are likely to continue to be the target of, cyber attacks, computer viruses, malicious code, phishing attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of our or our customers' confidential, proprietary and other information, or otherwise disrupt our or our customers' or other third parties' business operations. Because of our prominence, we believe that such attacks may continue

Although to date we have not experienced any material losses relating to cyber attacks or other information security breaches, there can be no assurance that we will not suffer such losses in the future Our risk and exposure to these matters remains heightened because of, among other things, the evolving nature of these threats, the prominent size and scale of Bank of America and Merrill Lynch and their roles in the financial services industry, their expanded geographic footprint and international presence, the outsourcing of some of their business operations, the continued uncertain global economic environment, and system and customer account conversions As a result, cybersecurity and the continued development and enhancement of our controls, processes and practices designed to protect our systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority for us As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities

In addition, we also face the risk of operational failure, termination or capacity constraints of any of the third parties with which we do business or that facilitate our business activities, including clearing agents, exchanges, clearing houses or other financial intermediaries we use to facilitate our securities transactions In recent years, there has been significant consolidation among clearing agents, exchanges and clearing houses and increased interconnectivity of multiple financial institutions with central agents, exchanges and clearing houses This consolidation and interconnectivity increases the risk of operational failure, on both individual and industry-wide

bases, as disparate complex systems need to be integrated, often on an accelerated basis Any such failure, termination or constraint could adversely affect our ability to effect transactions, service our clients, manage our exposure to risk or expand our businesses and could have a significant adverse impact on our liquidity, financial condition and results of operations

Disruptions or failures in the physical infrastructure or operating systems that support our business and customers, or cyber attacks or security breaches of the networks, systems or devices that our customers use to access our products and services could result in the loss of customers and business opportunities, legal liability, regulatory fines, penalties or intervention, reputational damage, reimbursement or other compensatory costs, and additional compliance costs, any of which could materially adversely affect our business, financial condition and results of operations

Risk of Being an International Business

We are subject to numerous political, economic, market, reputational, operational, legal, regulatory and other risks in the non-U.S jurisdictions in which we operate which could adversely impact our businesses, financial condition and results of operations We do business throughout the world, including in developing regions of the world commonly known as emerging markets. Our businesses and revenues derived from non-U.S. jurisdictions are subject to risk of loss from currency fluctuations, social or judicial instability, changes in governmental policies or policies of central banks, expropriation, nationalization and/or confiscation of assets, price controls, capital controls, exchange controls, other restrictive actions, unfavorable political and diplomatic developments and changes in legislation These risks are especially acute in emerging markets Many non-U S jurisdictions in which we do business have been negatively impacted by recessionary conditions While a number of these jurisdictions are showing signs of recovery, others continue to experience increasing levels of stress In addition, the increasing potential risk of default on sovereign debt in some non-U.S. jurisdictions could expose us to substantial losses. Risks in one country can affect our operations in another country or countries, including our operations in the U.S As a result, any such unfavorable conditions or developments could have an adverse impact on our businesses, financial condition and results of operations.

Our non-U S businesses are also subject to extensive regulation by various non-U S regulators, including governments, securities exchanges, central banks and other regulatory bodies, in the jurisdictions in which those businesses operate In many countries, the laws and regulations applicable to the financial services and securities industries are uncertain and evolving, and it may be difficult for us to determine the exact requirements of local laws in every market or manage our relationships with multiple regulators in various jurisdictions Our inability to remain in compliance with local laws in a particular market and manage our relationships with regulators could have a significant and adverse effect not only on our businesses in that market but also on our reputation generally.

We also invest or trade in the securities of corporations and governments located in non-U S jurisdictions, including emerging markets Revenues from the trading of non-U S securities may be subject to negative fluctuations as a result of the above factors Furthermore, the impact of these fluctuations could be magnified because non-U S trading markets, particularly in emerging market countries, are generally smaller, less liquid and more volatile than U.S. trading markets.

We are subject to geopolitical risks, including acts or threats of terrorism, and actions taken by the U S or other governments in response thereto and/or military conflicts that could adversely affect business and economic conditions abroad as well as in the U S

Risk from Accounting Changes

Changes in accounting standards or inaccurate estimates or assumptions in the application of accounting policies could adversely affect our financial condition and results of operations. Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations Some of these policies require use of estimates and assumptions that may affect the reported value of our assets or liabilities and results of operations and are critical because they require management to make difficult, subjective and complex judgments about matters that are inherently uncertain If those assumptions, estimates or judgments were incorrectly made, we could be required to correct and restate prior-period financial statements.

Accounting standard-setters and those who interpret the accounting standards (such as the Financial Accounting Standards Board, the SEC and our independent registered public accounting firm) may also amend or even reverse their previous interpretations or positions on how various standards should be applied These changes can be difficult to predict and can materially impact how we record and report our financial condition and results of operations In some cases, we could be required to apply a new or revised standard retroactively, resulting in Merrill Lynch needing to revise and republish prior-period financial statements For further information on some of our critical accounting policies and standards and recent accounting changes, see Note 1 to the Consolidated Financial Statements

Risk of Being a Wholly-Owned Subsidiary

We are a direct wholly-owned subsidiary of Bank of America and therefore are subject to strategic decisions of Bank of America and affected by Bank of America's performance We are fundamentally affected by our relationship with Bank of America As a direct wholly-owned subsidiary of Bank of America, we are subject to a wide range of possible strategic decisions that Bank of America may make from time to time. Those strategic decisions could include the level and types of financing and other support made available to us by Bank of America. In addition, circumstances and events affecting Bank of America can significantly affect us For example, the primary drivers of our credit ratings are Bank of America's credit ratings, and when rating agencies take actions regarding Bank of America's credit ratings and outlooks, they generally take the same actions with respect to our ratings and outlooks. Also, we have several borrowing arrangements and a globally coordinated funding strategy with Bank of America. Significant changes in Bank of America's strategy or its relationship with us could have a material adverse effect on our business Material adverse changes in the performance of Bank of America or its other subsidiaries could have a material adverse effect on our results of operations, financial condition and liquidity. We are indirectly exposed, therefore, to many of the risks to which Bank of America is directly exposed Bank of America has not assumed or guaranteed the long-term debt that was issued or guaranteed by ML & Co or its subsidiaries prior to the acquisition of Merrill Lynch by Bank of America.

As a wholly-owned subsidiary of Bank of America, a bank holding company that is also a financial holding company, we are subject to the oversight of, and inspection by, the Federal Reserve. If Bank of America does not comply with regulatory requirements applicable to banking institutions with respect to regulatory capital, capital ratios and liquidity and required increases in the foregoing, our liquidity would be adversely affected In order to comply with such requirements, Bank of America may be required to liquidate company assets, among other actions Our activities are limited to those that are permissible for Bank of America under applicable laws and regulations. As a financial holding company, Bank of America (directly or through its subsidiaries) may engage in activities that are "financial in nature." Bank of America's status as a financial holding company requires, among other conditions, that each of its subsidiary insured depository institutions be well-capitalized and well-managed. Failure to satisfy these conditions may result in the Federal Reserve limiting the activities of Bank of America, which thereby could restrict our current business activities, require divestiture of certain of our assets and operations or limit potential future strategic plans.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

As of December 31, 2011, our principal offices and other materially important properties consisted of the following

Facility Name	Location	General Character of the Physical Property	Property Status	Property Sq. Ft. (1)
4 World Financial Center	New York, NY	34 Story Building	Leased	1,806,365
2 World Financial Center	New York, NY	44 Story Building	Leased	504,896
Hopewell Campus	Hopewell, NJ	8 Building Campus with 4 Ancillary Buildings	Owned	1,787,811
Jacksonville Campus	Jacksonville, FL	4 Building Campus	Owned	577,402
Merrill Lynch Financial Center	London, UK	4 Building Campus	Leased	568,307
Nihonbashi 1-Chome Building	Tokyo, Japan	24 Story Building	Leased	263,723

(1) For leased properties, Property Sq. Ft represents the square footage occupied by Merrill Lynch

Our principal executive offices are located at Bank of America Corporate Center in Charlotte, North Carolina, which is owned by one of Bank of America's subsidiaries In addition, we have employees located at Bank of America Tower at One Bryant Park in New York, New York

We believe our owned and leased properties are adequate for our business needs and are well maintained We continue to evaluate our owned and leased real estate and may determine from time to time that certain of our premises and facilities, or ownership structures, are no longer necessary for our operations In connection therewith, we are evaluating the sale or sale / leaseback of certain properties and we may incur costs in connection with any such transactions

Item 3. Legal Proceedings

Refer to "Litigation and Regulatory Matters" in Note 14 to the Consolidated Financial Statements in Part II, Item 8, which is incorporated herein by reference.

Item 4. Mine Safety Disclosures

None

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

ML & Co made no purchases of its common stock during the year ended December 31, 2011 There were 1,000 shares of ML & Co. common stock outstanding as of December 31, 2011, all of which were held by Bank of America Corporation.

Dividends Per Common Share

As of the date of this report, Bank of America is the sole holder of the outstanding common stock of ML & Co There is no trading market for ML & Co common stock No cash dividends were declared or paid for the years ended December 31, 2011 and 2010 With the exception of regulatory restrictions on subsidiaries' abilities to pay dividends, there were no restrictions on ML & Co.'s present ability to pay dividends on common stock, other than ML & Co 's obligation to make payments on its junior subordinated debt related to trust preferred securities, and the governing provisions of Delaware General Corporation Law.

Securities Authorized for Issuance under Equity Compensation Plans

There are no equity securities of ML & Co that are authorized for issuance under any equity compensation plans. Refer to Note 15 and Note 16 of the Consolidated Financial Statements for further information on employee benefit and equity compensation plans.

Item 6. Selected Financial Data

Not required pursuant to General Instruction I (2).

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This report on Form 10-K, the documents that it incorporates by reference and the documents into which it may be incorporated by reference may contain, and from time to time Merrill Lynch & Co., Inc. ("ML & Co and, together with its subsidiaries, "Merrill Lynch," the "Company," "we," "our" or "us") and its management may make certain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this report, "we," "us" and "our" may refer to ML & Co individually, ML & Co and its subsidiaries, or certain of ML & Co 's subsidiaries or affiliates These statements can be identified by the fact that they do not relate strictly to historical or current facts Forward-looking statements often use words such as "expects," "anticipates," "believes," "estimates," "targets," "intends," "plans," "goal" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could " The forward-looking statements made represent the current expectations, plans or forecasts of Merrill Lynch regarding its future results and revenues and future business and economic conditions more generally, including statements concerning: the potential impacts of the European Union ("EU") sovereign debt crisis, the impact of the United Kingdom (the "U K ") 2011 Finance Bill and review by the U K Financial Services Authority, the charge to income for each one percent reduction in the U K corporate income tax rate, the planned schedule and details for implementation and completion of, and the expected impact from, Phase 1 and Phase 2 of Project New BAC, including expected reductions in employment levels, the belief that the representations and warranties provision recorded in the year ended December 31, 2011 has provided for a substantial portion of Merrill Lynch's non-government sponsored enterprises ("GSEs") repurchase claims, the estimated range of possible loss for non-GSE representations and warranties exposure as of December 31, 2011 of up to $0 5 billion over existing accruals, Merrill Lynch's intention to vigorously contest any requests for repurchase for which it concludes that a valid basis does not exist, the net recovery projections for credit default swaps with monoline financial guarantors; the impact on economic conditions and Merrill Lynch arising from further changes to the credit rating or perceived creditworthiness of instruments issued, insured or guaranteed by the U S government, or of institutions, agencies or instrumentalities directly linked to the U S government, the realizability of deferred tax assets prior to expiration of any carryforward periods, credit trends and conditions, including credit losses, credit reserves, charge-offs, delinquency trends and nonperforming asset levels, investment banking fees, sales and trading revenues, liquidity, the revenue impact resulting from, and any mitigation actions taken in response to, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Financial Reform Act"), including, but not limited to, the Volcker Rule, that it is our objective to maintain high-quality credit ratings, the estimated range of possible loss from and the impact on Merrill Lynch of various legal proceedings discussed in Note 14 to the Consolidated Financial Statements; our estimates of contributions to be made to pension plans; our interest rate risk management strategies and models; our trading risk management processes, and other matters relating to Merrill Lynch The foregoing is not an exclusive list of all forward-looking statements we make These statements are not guarantees of future results or performance and involve certain risks, uncertainties and assumptions that are difficult to predict and often are beyond our control. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements.

You should not place undue reliance on any forward-looking statement and should consider the following uncertainties and risks, as well as the risks and uncertainties more fully discussed elsewhere in this report, under Item 1A "Risk Factors" of this report, and in any of ML & Co 's subsequent Securities and Exchange Commission ("SEC") filings. Merrill Lynch's ability to resolve its representations and warranties obligations, and any related servicing, securities, fraud, indemnity or other claims with monolines, and private-label investors and other investors, including those monolines and investors from whom Merrill Lynch has not yet received claims or with whom it has not yet reached any resolutions; the identification and effectiveness of any initiatives to mitigate the negative impact of the Financial Reform Act, and decisions to downsize, sell or close units or otherwise change the business mix of Merrill Lynch.

Forward-looking statements speak only as of the date they are made, and Merrill Lynch undertakes no obligation to

update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.

The Notes to the Consolidated Financial Statements referred to in Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") are incorporated by reference into MD&A. Certain prior-period amounts have been reclassified in order to conform with the current year's presentation

Introduction

Merrill Lynch was founded in 1914 and became a publicly traded company on June 23, 1971 In 1973, the holding company ML & Co was created Through our subsidiaries, we are one of the world's leading capital markets, advisory and wealth management companies We are a leading global trader and underwriter of securities and derivatives across a broad range of asset classes, and we serve as a strategic advisor to corporations, governments, institutions and individuals worldwide

Bank of America Acquisition and Basis of Presentation

On January 1, 2009, Merrill Lynch was acquired by Bank of America Corporation ("Bank of America") through the merger of a wholly-owned subsidiary of Bank of America with and into ML & Co with ML & Co. continuing as the surviving corporation and a wholly-owned subsidiary of Bank of America Upon completion of the acquisition, each outstanding share of ML & Co common stock was converted into 0 8595 shares of Bank of America common stock As of the completion of the acquisition, ML & Co Series 1 through Series 8 preferred stock were converted into Bank of America preferred stock with substantially identical terms to the corresponding series of Merrill Lynch preferred stock (except for additional voting rights provided to the Bank of America securities) The Merrill Lynch 9 00% Mandatory Convertible Non-Cumulative Preferred Stock, Series 2, and 9 00% Mandatory Convertible Non-Cumulative Preferred Stock, Series 3 that remained issued and outstanding subsequent to the completion of the acquisition were automatically converted into Bank of America common stock on October 15, 2010 in accordance with the terms of these securities

As discussed below, on November 1, 2010, Banc of America Securities Holdings Corporation ("BASH"), a wholly-owned subsidiary of Bank of America, merged into ML & Co., with ML & Co as the surviving corporation (the "BASH Merger"). In accordance with Accounting Standards Codification ("ASC") 805-10, *Business Combinations*, Merrill Lynch's Consolidated Financial Statements appearing in Part II, Item 8 of this Form 10-K include the historical results of BASH and subsidiaries as if the BASH Merger had occurred as of January 1, 2009, the date at which both entities were first under the common control of Bank of America Merrill Lynch has recorded the assets and liabilities acquired in connection with the BASH Merger at their historical carrying values

Merger With BASH

As a result of the BASH Merger, Banc of America Securities LLC ("BAS"), a wholly-owned broker-dealer subsidiary of BASH, became a wholly-owned broker-dealer subsidiary of ML & Co. Subsequently, on November 1, 2010, BAS was merged into Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a wholly-owned broker-dealer subsidiary of ML & Co., with MLPF&S as the surviving corporation in the merger (the "MLPF&S Merger") As a result of the MLPF&S Merger, MLPF&S remained a direct wholly-owned broker-dealer subsidiary of ML & Co and an indirect wholly-owned broker-dealer subsidiary of Bank of America

Business Segments

Pursuant to ASC 280, *Segment Reporting*, operating segments represent components of an enterprise for which separate financial information is available that is regularly evaluated by the chief operating decision maker in determining how to allocate resources and in assessing performance. The business activities of Merrill Lynch are included within certain of the operating segments of Bank of America Detailed financial information related to the operations of Merrill Lynch, however, is not provided to Merrill Lynch's chief operating decision maker As a result, Merrill Lynch does not contain any identifiable operating segments under Segment Reporting, and therefore the

financial information of Merrill Lynch is presented as a single segment

Form 10-K Presentation

As a result of the acquisition of Merrill Lynch by Bank of America, certain information is not required in this Form 10-K as permitted by General Instruction I (2) of Form 10-K We have also abbreviated MD&A as permitted by General Instruction I (2)

Executive Overview

We reported a net loss of $1 7 billion for the year ended December 31, 2011 as compared with net earnings of $3.8 billion in the year ended December 31, 2010 Revenues, net of interest expense ("net revenues") for 2011 were $24 3 billion compared with $27 8 billion in 2010. Our pre-tax loss was $4 7 billion in 2011 compared with pre-tax earnings of $3.9 billion in 2010.

Our results for the year ended December 31, 2011 primarily reflected lower principal transactions revenues associated with our trading activities, lower other revenues, and higher non-interest expenses, including higher intercompany service fees from Bank of America and higher compensation and benefits expense

Our results for the year ended December 31, 2011 were also adversely affected by a $2 7 billion representations and warranties provision On June 28, 2011, Bank of America and certain of its non-Merrill Lynch subsidiaries entered into a settlement agreement (that is subject to final court approval and certain other conditions) to resolve, among other claims, all outstanding and potential claims related to alleged representations and warranties breaches (including repurchase claims) with respect to a number of non-GSE residential mortgage-backed securitization trusts. As a result of the experience gained by Bank of America and certain of its non-Merrill Lynch affiliates from this settlement agreement, Merrill Lynch determined that it had sufficient experience to record the $2.7 billion liability for representations and warranties related to its repurchase exposure on private-label securitizations during the quarter ended June 30, 2011. See "Off-Balance Sheet Exposures - Representations and Warranties" for further information.

The declines in net earnings and net revenues for the year ended December 31, 2011 were partially offset by higher managed account and other fee-based revenues There was also an increase in revenues associated with the valuation of certain of our long-term debt liabilities as compared with the prior year During the year ended December 31, 2011, we recorded net gains of $2 0 billion due to the impact of the widening of Merrill Lynch's credit spreads on the carrying value of certain of our long-term debt liabilities, primarily structured notes, while in the year ended December 31, 2010, we recorded net losses of $0 1 billion due to the narrowing of our credit spreads.

Our net loss applicable to our common shareholder was $1 7 billion for the year ended December 31, 2011 compared with net earnings of $3.6 billion in the prior year. On October 15, 2010, all of ML & Co.'s outstanding Series 2 and Series 3 Mandatory Convertible Non-Cumulative Preferred Stock automatically converted into Bank of America common stock in accordance with the terms of those securities. Immediately upon conversion, dividends on such shares of preferred stock ceased to accrue, the rights of holders of such preferred stock ceased, and the persons entitled to receive the shares of Bank of America common stock were treated for all purposes as having become the record and beneficial owners of shares of Bank of America common stock. As a result of the conversion, there were no preferred stock dividends recorded during the year ended December 31, 2011 Preferred stock dividends of $134 million were recorded in the year ended December 31, 2010. See Note 13 to the Consolidated Financial Statements for further information.

Transactions with Bank of America

We have entered into various transactions with Bank of America, including transactions in connection with certain sales and trading and financing activities as well as the allocation of certain shared services Total net revenues and non-interest expenses related to transactions with Bank of America for the year ended December 31, 2011 were $1.3 billion and $2.5 billion, respectively. Such net revenues and non-interest expenses for the year ended December 31, 2010 were $906 million and $807 million, respectively. Net revenues and non-interest expenses for the year ended December 31, 2011 reflect increased intercompany service fee revenues and expenses from Bank of America resulting from the integration of Bank of America's and Merrill Lynch's methodologies for allocating revenues and expenses associated with shared services to their subsidiaries The net revenues related to transactions with Bank of America for the year ended December 31, 2010 included a gain of $280 million from the sale of approximately $11 billion of available-for-sale securities to Bank of America. These transfers were made to enable Bank of America or

its non-Merrill Lynch subsidiaries to more efficiently manage the existing portfolio of similar available-for-sale securities In addition, as discussed below, net revenues for the year ended December 31, 2010 included a gain of approximately $600 million from the sale of Bloomberg Inc. notes to Bank of America See Note 2 to the Consolidated Financial Statements for further information

Merger with BASH

See "Introduction - Merger With BASH" for further information on this transaction

Sale of Bloomberg Inc. Notes

In July 2008, Merrill Lynch sold its 20% ownership stake in Bloomberg, L P to Bloomberg Inc. A portion of the consideration we received was notes issued by Bloomberg Inc , the general partner and owner of substantially all of Bloomberg, L P The notes represent senior unsecured obligations of Bloomberg Inc In December 2010, Merrill Lynch sold the Bloomberg Inc notes to a subsidiary of Bank of America at fair value As a result of the sale, we recorded a gain of approximately $600 million, which is included within Other revenues in the Consolidated Statement of (Loss) Earnings for the year ended December 31, 2010

Other Events

Credit Ratings

On December 15, 2011, Fitch Ratings ("Fitch") downgraded Bank of America's and ML & Co 's long-term and short-term debt ratings as a result of Fitch's decision to lower its "support floor" for systemically important U.S. financial institutions On November 29, 2011, Standard & Poor's Ratings Services ("S&P") downgraded Bank of America's and ML & Co 's long-term and short-term debt ratings as a result of S&P's implementation of revised methodologies for determining Banking Industry Country Risk Assessments and bank ratings On September 21, 2011, Moody's Investors Service, Inc ("Moody's") downgraded Bank of America's and ML & Co 's long-term and short-term debt ratings as a result of Moody's lowering the amount of uplift for potential U S government support it incorporates into ratings. On February 15, 2012, Moody's placed Bank of America's long-term debt ratings on review for possible downgrade as part of their review of financial institutions with global capital markets operations Any adjustment to Bank of America's (and consequently, our) ratings will be determined based on Moody's review; however, the agency offered guidance that downgrades to Bank of America's ratings, if any, would likely be limited to one notch

Currently, Bank of America's and ML & Co 's long-term/short-term senior debt ratings and outlooks expressed by the rating agencies are as follows Baa1/P-2 (negative) by Moody's, A-/A-2 (negative) by S&P; and A/F1 (stable) by Fitch The rating agencies could make further adjustments to Bank of America's (and consequently, our) credit ratings at any time and there can be no assurance that additional downgrades will not occur

Under the terms of certain OTC derivative contracts and other trading agreements, in the event of a downgrade of our credit ratings or certain subsidiaries' credit ratings, counterparties to those agreements may require us or certain subsidiaries to provide additional collateral, terminate these contracts or agreements, or provide other remedies.

For information regarding the risks associated with adverse changes in our credit ratings, see "Executive Overview - Other Events - Transactions with Affiliates", "Funding and Liquidity - Credit Ratings", Note 6 to the Consolidated Financial Statements, and Item 1A "Risk Factors" of this Annual Report on Form 10-K

Retirement of Certain Debt Instruments

As credit spreads for many financial institutions, including Merrill Lynch, have widened during the past year due to uncertainty and volatility in the global financial markets, the fair value of debt previously issued by financial institutions has decreased. This uncertainty in the market, evidenced by, among other things, volatility in credit spreads, makes it

economically advantageous to consider purchasing and retiring certain of our outstanding debt instruments. In 2012, we completed a tender offer to purchase and retire certain subordinated notes for approximately $1 2 billion in cash and will consider additional purchases in the future depending upon prevailing market conditions, liquidity and other factors. If the purchase of any debt instruments are at an amount less than the carrying value, such purchases would be accretive to earnings

European Union Sovereign Credit Risks

Certain European countries, including Greece, Ireland, Italy, Portugal and Spain, continue to experience varying degrees of financial stress Uncertainty in the progress of debt restructuring negotiations and the lack of a clear resolution to the crisis has led to continued volatility in European as well as global financial markets, and if the situation worsens, may further adversely affect these markets. In December 2011, the European Central Bank (the "ECB") announced initiatives to address European bank liquidity and funding concerns by providing low-cost, three-year loans to banks, and expanding collateral eligibility While reducing systemic risk, there remains considerable uncertainty as to future developments regarding the European debt crisis In early 2012, S&P, Fitch and Moody's downgraded the credit ratings of several European countries, and S&P downgraded the credit rating of the European Financial Stability Facility (the "EFSF"), adding to concerns about investor appetite for continued support in stabilizing the affected countries. Our total sovereign and non-sovereign exposure to Greece, Italy, Ireland, Portugal and Spain was $2 7 billion at December 31, 2011. Our total net sovereign and non-sovereign exposure to these countries was $1 1 billion at December 31, 2011, after taking into account net credit default protection. At December 31, 2011, the fair value of net credit default protection purchased was $1.6 billion. Losses could still result because our credit protection contracts pay out only under certain scenarios. For further discussion of our direct sovereign and non-sovereign exposures in Europe, see Item 7A "Quantitative and Qualitative Disclosures About Market Risk - Credit Risk Management" and for more information about the risks associated with our non-sovereign exposures in Europe, see Item 1A. "Risk Factors"

Project New BAC

Project New BAC is a two-phase, enterprise-wide initiative to simplify and streamline workflows and processes, align businesses and expenses more closely with Bank of America's overall strategic plan and operating principles, and increase revenues Phase 1 evaluations, which were completed in September 2011, focused on Bank of America's consumer businesses and related support, technology and operations functions. Phase 2 evaluations began in October 2011 and are focused on businesses and related support, technology and operations functions not subject to evaluation in Phase 1. Phase 2 evaluations are expected to continue through April 2012.

Implementation of Phase 1 recommendations began in late 2011. Reductions in the areas subject to evaluation for Phase 2 have not yet been fully identified, and accordingly, potential cost savings are currently uncertain, however, they are expected to be lower than Phase 1. All aspects of New BAC are expected to be implemented by the end of 2014.

When reductions in employment levels associated with the implementation of New BAC are probable of occurring and the amounts can be reasonably estimated, the associated severance costs will be recognized. There were no material expenses related to New BAC recorded in the year ended December 31, 2011.

For further information about the risks associated with New BAC, see Item 1A. "Risk Factors"

U.K. Corporate Income Tax Rate Change

On July 19, 2011, the U K. 2011 Finance Bill was enacted, which reduced the corporate income tax rate As a result of the reduction, we recorded a charge of $774 million due to the remeasurement of our U K. net deferred tax assets. For additional information, see "Results of Operations - Year Ended December 31, 2011 Compared With Year Ended December 31, 2010."

U.K. Bank Levy

The U K government bank levy legislation was enacted on July 19, 2011 The rate on banks operating in the U K has been set at 7 5 basis points ("bps") for short-term liabilities and 3 75 bps for long-term liabilities for 2011 and will increase to 8 8 bps for short-term liabilities and 4 4 bps for long-term liabilities beginning in 2012 The cost of the bank levy was approximately $53 million for 2011, which is non-deductible for U K. tax purposes.

Financial Reform Act

The Financial Reform Act, which was signed into law on July 21, 2010, enacts sweeping financial regulatory reform and has altered and will continue to alter the way in which we conduct certain businesses, increase our costs and reduce our revenues Many aspects of the Financial Reform Act remain subject to final rulemaking and will take effect over several years, making it difficult to anticipate the precise impact on Merrill Lynch, our customers or the financial services industry

Limitations on Proprietary Trading

On October 11, 2011, the Board of Governors of the Federal Reserve System (the "Federal Reserve"), the Office of the Comptroller of the Currency (the "OCC"), the Federal Deposit Insurance Corporation (the "FDIC") and the SEC, representing four of the five regulatory agencies charged with promulgating regulations implementing limitations on proprietary trading as well as the sponsorship of or investment in hedge funds and private equity funds (the "Volcker Rule") established by the Financial Reform Act, released for comment proposed implementing regulations On January 11, 2012, the Commodity Futures Trading Commission (the "CFTC"), the fifth agency, released for comment its proposed regulations under the Volcker Rule The proposed regulations include clarifications to the definition of proprietary trading and distinctions between permitted and prohibited activities. The comment period for the first regulations proposed ended on February 13, 2012 and the comment period for the CFTC regulations will end in March 2012 However, in light of the complexity of the proposed regulations and the large volume of comments received (the proposal requested comments on over 1,300 questions on 400 different topics), it is not possible to predict the content of the final regulations or when they will be issued

The statutory provisions of the Volcker Rule will become effective on July 21, 2012, whether or not the final regulations are adopted, and it gives certain financial institutions two years from the effective date, with opportunities for additional extensions, to bring activities and investments into compliance Although we exited our stand-alone proprietary trading business as of June 30, 2011 in anticipation of the Volcker Rule and further to our initiative to optimize our balance sheet, the ultimate impact of the Volcker Rule on us remains uncertain However, based upon the content of the proposed regulations, it is possible that the implementation of the Volcker Rule could limit or restrict our remaining trading activities Implementation of the Volcker Rule could also limit or restrict our ability to sponsor and hold ownership interests in hedge funds, private equity funds and other subsidiary operations, increase our operational and compliance costs, reduce our trading revenues and adversely affect our results of operations. For additional information about our trading business, see "Results of Operations - Year Ended December 31, 2011 Compared With Year Ended December 31, 2010."

Derivatives

The Financial Reform Act includes measures to broaden the scope of derivative instruments subject to regulation by requiring clearing and exchange trading of certain derivatives, imposing new capital, margin, reporting, registration and business conduct requirements for certain market participants, and imposing position limits on certain OTC derivatives The Financial Reform Act required regulators to promulgate the rulemakings necessary to implement these regulations by July 16, 2011 However, the rulemaking process was not completed as of this date, and is not expected to conclude until well into 2012 Further, the regulators granted temporary relief from certain requirements that would have taken effect on July 16, 2011 absent any rulemaking The SEC temporary relief is effective until final rules relevant to each requirement become effective The CFTC temporary relief is effective until the earlier of July 16, 2012 or the date on which final rules relevant to each requirement become effective The ultimate impact of these derivatives regulations, and the time it will take to comply, continues to remain uncertain. The final

regulations will impose additional operational and compliance costs on us and may require us to restructure certain businesses, thereby negatively impacting our revenues and results of operations.

The Financial Reform Act will continue to have a significant and negative impact on our earnings through revenue reductions, higher costs and new restrictions, as well as reductions to available capital The ultimate impact of the Financial Reform Act on our businesses and results of operations will depend on regulatory interpretation and rulemaking, as well as the success of any of our actions to mitigate the negative earnings impact of certain provisions

Transactions with Affiliates

The terms of certain of our OTC derivative contracts and other trading agreements provide that upon the occurrence of certain specified events, such as a change in our credit ratings, we may be required to provide additional collateral or to provide other remedies, or our counterparties may have the right to terminate or otherwise diminish our rights under these contracts or agreements Following the recent downgrade of our and other non-bank affiliates' credit ratings, we have engaged in discussions with certain derivative and other counterparties regarding their rights under these agreements. In response to counterparties' inquiries and requests, we have discussed and in some cases substituted derivative contracts and other trading agreements, including naming our affiliate, Bank of America, N A ("BANA") as the new counterparty Our ability to substitute or make changes to these agreements to meet counterparties' requests may be subject to certain limitations, including counterparty willingness, regulatory limitations on naming BANA as the new counterparty, and the type or amount of collateral required. It is possible that such limitations on our ability to substitute or make changes to these agreements, including naming BANA as the new counterparty, could adversely affect our results of operations

Other Matters

Bank of America and Merrill Lynch have established guidelines and policies for managing capital across their respective subsidiaries The guidance for our subsidiaries with regulatory capital requirements, including branch operations of banking subsidiaries, requires each entity to maintain satisfactory capital levels In the U K , the Financial Services Authority (the "FSA") has issued proposed rules requiring the submission of significant information about certain U.K. incorporated subsidiaries (including information on intra-group dependencies and legal entity separation) to allow the FSA to develop resolution plans. As a result of the FSA review, we could be required to take certain actions over the next several years, which could impose operational costs and potentially could result in the restructuring of certain businesses and subsidiaries

Results Of Operations

(dollars in millions except per share amounts)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	% Change between the Year Ended December 31, 2011 and the Year Ended December 31, 2010
Revenues			
Principal transactions	$ 5,928	$ 7,074	(16)%
Commissions	5,698	5,760	(1)
Managed account and other fee-based revenues	5,203	4,516	15
Investment banking	5,179	5,313	(3)
Earnings from equity method investments	347	898	(61)
Intercompany service fee revenue from BAC	925	279	N/M
Other revenues[1]	1,796	4,324	(58)
Subtotal	25,076	28,164	(11)
Interest and dividend revenues	8,003	9,303	(14)
Less interest expense	8,785	9,621	(9)
Net interest expense	(782)	(318)	N/M
Revenues, net of interest expense	24,294	27,846	(13)
Non-interest expenses:			
Compensation and benefits	15,773	15,069	5
Communications and technology	1,771	1,993	(11)
Occupancy and related depreciation	1,367	1,395	(2)
Brokerage, clearing, and exchange fees	1,121	1,022	10
Advertising and market development	500	444	13
Professional fees	1,029	986	4
Office supplies and postage	126	157	(20)
Provision for representations and warranties	2,731	(120)	N/M
Intercompany service fee expense from BAC	2,320	538	N/M
Other	2,250	2,439	(8)
Total non-interest expenses	28,988	23,923	21
Pre-tax (loss) earnings	(4,694)	3,923	N/M
Income tax (benefit) expense	(2,946)	147	N/M
Net (loss) earnings	$ (1,748)	$ 3,776	N/M
Preferred stock dividends	—	134	N/M
Net (loss) earnings applicable to common stockholder	$ (1,748)	$ 3,642	N/M

(1) Amounts include other income and other-than-temporary impairment losses on available-for-sale debt securities. The other-than-temporary impairment losses were $59 million and $172 million for the years ended December 31, 2011 and December 31, 2010, respectively

N/M = Not meaningful

Consolidated Results of Operations

Our net loss for the year ended December 31, 2011 was $1.7 billion compared with net earnings of $3.8 billion for the year ended December 31, 2010. Net revenues for 2011 were $24.3 billion compared with $27.8 billion in 2010.

Year Ended December 31, 2011 Compared With Year Ended December 31, 2010

Principal transactions revenues include both realized and unrealized gains and losses on trading assets and trading liabilities and investment securities classified as trading. Principal transactions revenues were $5.9 billion for the year ended December 31, 2011 compared with $7.1 billion for the year ended December 31, 2010. The decrease primarily reflected lower trading revenues across most of our businesses as compared with the prior year, primarily in our mortgage, credit and rates and currencies businesses, as well as a decline in proprietary trading revenues due to the exit of our stand-alone proprietary trading business. Market conditions were generally difficult throughout 2011 as a result of concerns over global and U.S. economic conditions, regulatory uncertainty and the implications of the European sovereign debt crisis. Such conditions contributed to heightened market volatility and increased

risk aversion among investors. Revenues from mortgage products declined as a result of losses due to the difficult market conditions that existed during the year ended December 31, 2011, as well as from credit valuation adjustments related to financial guarantors. Revenues from credit products decreased and reflected the more difficult trading environment in 2011, including widening credit spreads, significant levels of volatility in the credit markets and decreased liquidity and client activity as a result of the European sovereign debt crisis. Revenues from rates and currency products declined and were also impacted by the difficult market conditions that existed during the year, including the European sovereign debt crisis and continued concerns about the economic recovery in the U.S. and globally. In addition, as discussed below, principal transaction revenues from proprietary trading declined by $0.8 billion due to the exit of our stand-alone proprietary trading business as of June 30, 2011. These declines in principal transactions revenues were partially offset by an increase in revenue associated with the valuation of certain of our liabilities. In the year ended December 31, 2011, we recorded net gains of $2.0 billion due to the impact of the widening of Merrill Lynch's credit spreads on the carrying value of certain of our long-term debt liabilities, primarily structured notes, as compared with net losses of $0.1 billion from such long-term debt liabilities recorded in the year ended December 31, 2010 due to the narrowing of our credit spreads. In addition, we recorded revenues of $0.5 billion in the year ended December 31, 2011 due to valuation adjustments associated with the consideration of our own creditworthiness in the fair value of certain derivative liabilities, an increase of $0.4 billion from the prior year as our credit spreads widened during 2011.

Included in principal transactions revenues are net revenues associated with activities we have identified as "proprietary trading," which was conducted separately from our customer trading activities. Our stand-alone proprietary trading operations engaged in trading activities in a variety of products, including stocks, bonds, currencies and commodities. In response to developments relating to the Volcker Rule, we have exited our stand-alone proprietary trading business as of June 30, 2011. The revenues from these operations for the year ended December 31, 2011 were $442 million, of which $418 million were included within principal transactions revenues. The revenues from these operations for the year ended December 31, 2010 were $1.4 billion, of which $1.2 billion were included within principal transactions revenues. The remainder of the revenues for these operations were primarily recorded within net interest revenues. See also "Executive Overview - Other Events - Financial Reform Act - Limitations on Proprietary Trading."

Net interest income (expense) is a function of (i) the level and mix of total assets and liabilities, including trading assets, deposits, financing and lending transactions, and trading strategies associated with our businesses, and (ii) the prevailing level, term structure and volatility of interest rates. Net interest income (expense) is an integral component of trading activity. In assessing the profitability of our client facilitation and trading activities, we view principal transactions and net interest income (expense) in the aggregate as net trading revenues. Changes in the composition of trading inventories and hedge positions can cause the mix of principal transactions and net interest income (expense) to fluctuate from period to period. Net interest expense was $782 million for the year ended December 31, 2011 as compared with net interest expense of $318 million in the year ended December 31, 2010. The increase in net interest expense was primarily due to lower net interest revenues generated from our trading activities, partially offset by lower financing costs.

Commissions revenues primarily arise from agency transactions in listed and OTC equity securities and commodities and options. Commissions revenues also include distribution fees for promoting and distributing mutual funds. Commissions revenues were $5.7 billion for the year ended December 31, 2011, a decrease of 1% from the prior year. The decline reflected marginally lower revenues from both our global markets and global wealth management businesses.

Managed account and other fee-based revenues primarily consist of asset-priced portfolio service fees earned from the administration of separately managed and other investment accounts for retail investors, annual account fees, and certain other account-related fees. Managed account and other fee-based revenues were $5.2 billion for the year ended December 31, 2011, an increase of 15% from the prior year period. The increase was driven by higher fee-based revenues from our global wealth management activities, reflecting higher levels of fee-based assets from which such revenues are generated as well as increased revenues from fees on new accounts and asset management fees. The increase in fee-based assets was due to both strong client flows into long-term products and market appreciation.

Investment banking revenues include (i) origination revenues representing fees earned from the underwriting of debt, equity and equity-linked securities, as well as loan syndication and commitment fees and (ii) advisory services revenues including merger and acquisition and other investment banking advisory fees Total investment banking revenues were $5 2 billion for the year ended December 31, 2011, a decrease of 3% from the prior year Underwriting revenues decreased 8% to $4 0 billion, largely driven by lower fees from debt capital markets, particularly in leveraged finance Revenues from equity issuances also declined due to difficult market conditions
Revenues from advisory services increased 22% to $1 2 billion Investment banking revenues from transactions involving Bank of America were $322 million in the year ended December 31, 2011 and $212 million in the year ended December 31, 2010

In 2012, our sales and trading revenue and investment banking fees may continue to be adversely affected by lower client activity and challenging market conditions as a result of, among other things, the European sovereign debt crisis, uncertainty regarding the outcome of the evolving domestic regulatory landscape, our credit ratings and market volatility

Earnings from equity method investments include our pro rata share of income and losses associated with investments accounted for under the equity method of accounting. Earnings from equity method investments were $347 million for the year ended December 31, 2011 compared with $898 million for the year ended December 31, 2010 The decrease reflected lower revenues from certain equity method investments, primarily BlackRock, Inc ("BlackRock") In November 2010, we sold a substantial portion of our investment in BlackRock, which reduced our economic interest in BlackRock from approximately 34% to approximately 7%. As a result of this transaction, we no longer accounted for our investment in BlackRock under the equity method Earnings from equity method investments in 2010 included a gain of $90 million associated with this sale Refer to Note 8 to the Consolidated Financial Statements for further information on equity method investments

Intercompany service fee revenues from Bank of America include revenues associated with the provision of certain shared business activities with Bank of America Intercompany service fee revenues from Bank of America were $925 million in the year ended December 31, 2011 compared with $279 million in the prior year The increase was driven by higher fees earned from Bank of America in connection with certain shared brokerage and trading activities

Other revenues include gains and losses on investment securities, including certain available-for-sale securities, gains and losses on private equity investments, and gains and losses on loans and other miscellaneous items Other revenues were $1 8 billion in the year ended December 31, 2011 as compared with $4 3 billion in the year ended December 31, 2010 The decrease included lower gains from certain private equity and other investments, as well as lower gains associated with the sale of certain available-for-sale securities In addition, the results for 2010 included a gain of approximately $600 million associated with the sale of Bloomberg Inc notes to Bank of America These decreases were partially offset by a pre-tax gain of $377 million resulting from the June 2011 sale of our remaining investment in BlackRock

Compensation and benefits expenses were $15 8 billion in the year ended December 31, 2011, an increase of 5% from the prior year period The increase included higher amortization expense associated with stock-based compensation awards, including awards granted to retirement-eligible employees, as compared with the prior year. Salary and other compensation costs also increased, which was related to investments in infrastructure These increases were partially offset by lower incentive-based compensation expense as compared with the prior year, reflecting a decline in net revenues (adjusted for net revenues associated with the impact of changes in our credit spreads on the valuation of certain of our long-term debt and derivative liabilities) The increase was also partially offset by a charge for an incremental U K employer payroll tax that was recorded in 2010 In April 2010, the U K. enacted into law a one-time employer payroll tax on bonuses awarded to employees of applicable banking entities between December 9, 2009 and April 5, 2010 The impact of this tax was approximately $330 million and was included in our compensation and benefits expense for the year ended December 31, 2010

Non-compensation expenses were $13 2 billion in the year ended December 31, 2011 compared with $8 9 billion in

the prior year period Non-compensation expenses in 2011 included a $2 7 billion provision for representations and warranties See "Off-Balance Sheet Exposures - Representations and Warranties" for further information Communications and technology expenses were $1.8 billion, a decrease of 11% primarily due to lower costs for technology equipment and systems consulting Brokerage, clearing and exchange fees were $1 1 billion, an increase of 10%, due primarily to higher brokerage and other fees associated with the global markets business. Advertising and market development expenses were $500 million, an increase of 13%, due primarily to higher travel and entertainment and marketing and promotional costs Intercompany service fee expenses from Bank of America were $2.3 billion in the year ended December 31, 2011 compared with $0 5 billion in the prior year Beginning in 2011, Bank of America and Merrill Lynch integrated their methodologies for allocating expenses associated with shared services to their subsidiaries As a result of this integration, during 2011 Merrill Lynch incurred a higher level of intercompany service fees from Bank of America as compared with the prior year Other expenses were $2.3 billion, a decrease of 8% from the prior year The decrease included lower expense associated with non-controlling interests of certain principal investments as well as a prior year loss of $190 million associated with a real estate private equity fund that we deconsolidated during the fourth quarter of 2010, partially offset by higher litigation-related expenses.

The income tax benefit for the year ended December 31, 2011 was $2.9 billion compared with an income tax expense of $147 million for the year ended December 31, 2010, resulting in effective tax rates of 62.8% and 3.8%, respectively. The 2011 effective tax rate was higher than for 2010 as the impact of net tax benefit items described below increased the income tax benefit recorded on the 2011 pre-tax loss whereas for 2010 net tax benefits decreased tax expense recorded on pre-tax income

The income tax rate for 2011 was driven by a $1 0 billion release of the remaining valuation allowance provided for capital loss carryforward tax benefits and a benefit of $593 million for planned realization of previously unrecognized deferred tax assets related to the tax basis in certain subsidiaries These benefits were partially offset by the $774 million charge due to the U K. corporate income tax rate reduction discussed below and by a $258 million charge to establish a valuation allowance for a portion of certain non-U.S. deferred tax assets

The 2010 income tax rate was driven by a $1 7 billion release of a valuation allowance provided for capital loss carryforward tax benefits and recurring tax preference items, partially offset by a $386 million charge for a one percent reduction to the U K. tax rate enacted during 2010

On July 19, 2011, the U.K. 2011 Finance Bill was enacted, which reduced the U.K. corporate income tax rate by one percent to 26% beginning on April 1, 2011, and then to 25% effective April 1, 2012 These rate reductions will favorably affect income tax expense on future U K earnings but also required us to remeasure our U K net deferred tax assets using the lower tax rates As noted above, the income tax expense for 2011 included a $774 million charge for the remeasurement If U K corporate income tax rates were to be reduced to 23% by 2014, as suggested in U K Treasury announcements and assuming no change in the deferred tax asset balance, a charge to income tax expense of approximately $400 million for each one percent reduction in the rate would result in each period of enactment (for a total of approximately $800 million)

Off-Balance Sheet Exposures

As a part of our normal operations, we enter into various off-balance sheet arrangements that may require future payments The table and discussion below outline our significant off-balance sheet arrangements, as well as their future expirations, as of December 31, 2011 Refer to Note 14 to the Consolidated Financial Statements for further information

(dollars in millions)

	Expiration				
	Maximum Payout	Less than 1 Year	1 - 3 Years	3 - 5 Years	Over 5 Years
Standby liquidity facilities	$ 761	$ 186	$ 555	$ 1	$ 17
Residual value guarantees	320	—	320	—	—
Standby letters of credit and other guarantees	429	280	99	31	19

Standby Liquidity Facilities

We provide standby liquidity facilities primarily to certain unconsolidated municipal bond securitization variable interest entities ("VIEs") In these arrangements, we are required to fund these standby liquidity facilities if certain contingent events take place (e g , a failed remarketing) and in certain cases if the fair value of the assets held by the VIE declines below the stated amount of the liquidity obligation The potential exposure under the facilities is mitigated by economic hedges and/or other contractual arrangements entered into by Merrill Lynch Refer to Note 9 to the Consolidated Financial Statements for further information

Residual Value Guarantees

At December 31, 2011, residual value guarantees of $320 million consist of amounts associated with certain power plant facilities. Payments under these guarantees would only be required if the fair value of such assets declined below their guaranteed value As of December 31, 2011, no payments have been made under these guarantees and the carrying value of the associated liabilities was not material, as Merrill Lynch believes that the estimated fair value of such assets was in excess of their guaranteed value

Standby Letters of Credit

At December 31, 2011, we provided guarantees to certain counterparties in the form of standby letters of credit in the amount of $0 4 billion

Representations and Warranties

In prior years, Merrill Lynch and certain of its subsidiaries, including First Franklin Financial Corporation ("First Franklin"), sold pools of first-lien residential mortgage loans and home equity loans as private-label securitizations (in a limited number of these securitizations, monolines insured all or some of the securities), or in the form of whole loans Most of the loans sold in the form of whole loans were subsequently pooled into private-label securitizations sponsored by the third-party buyer of the whole loans In addition, Merrill Lynch and First Franklin securitized first-lien residential mortgage loans generally in the form of mortgage-backed securities guaranteed by the GSEs In connection with these transactions, Merrill Lynch made various representations and warranties Breaches of these representations and warranties may result in the requirement to repurchase mortgage loans or to otherwise make whole or provide other remedies to the GSEs, whole-loan buyers, securitization trusts or monoline insurers (collectively, "repurchases") In such cases, Merrill Lynch would be exposed to any credit loss on the repurchased mortgage loans after accounting for any mortgage insurance or mortgage guaranty payments that it may receive

Subject to the requirements and limitations of the applicable sales and securitization agreements, these representations and warranties can be enforced by the GSEs, the whole-loan buyer, the securitization trustee, or others as governed by the applicable agreement or, in a limited number of first-lien and home equity securitizations where monoline insurers have insured all or some of the securities issued, by the monoline insurer In the case of loans sold to parties other than the GSEs, the contractual liability to repurchase typically arises only if there is a breach of the representations and warranties that materially and adversely affects the interest of the investor or investors in the loan or of the monoline insurer (as applicable) Contracts with the GSEs do not contain equivalent language

For additional information about accounting for representations and warranties and our representations and warranties claims and exposures, see Note 14 to the Consolidated Financial Statements.

Merrill Lynch has vigorously contested any request for repurchase when it has concluded that a valid basis for repurchase does not exist and will continue to do so in the future. Merrill Lynch may reach settlements in the future if opportunities arise on terms it believes to be advantageous to Merrill Lynch

Bank of America BNY Mellon Settlement

On June 28, 2011, Bank of America and certain of its non-Merrill Lynch subsidiaries entered into a settlement agreement (subject to final court approval and certain other conditions) with The Bank of New York Mellon ("BNY Mellon"), as trustee, to resolve, among other claims, all outstanding and potential claims related to alleged representations and warranties breaches (including repurchase claims) with respect to the 525 legacy first-lien and five second-lien non-GSE residential mortgage-backed securitization trusts containing loans principally originated between 2004 and 2008 and for which BNY Mellon acts as trustee or indenture trustee (the "BNY Mellon Settlement") As a result of the experience gained by Bank of America and certain of its non-Merrill Lynch affiliates in the BNY Mellon Settlement, Merrill Lynch determined that it had sufficient experience to record a $2 7 billion liability for representations and warranties related to its repurchase exposure on private-label securitizations in the year ended December 31, 2011

There can be no assurance that final court approval of the BNY Mellon Settlement will be obtained, that all conditions to the BNY Mellon Settlement will be satisfied or, if certain conditions to the BNY Mellon Settlement permitting withdrawal are met, that Bank of America and certain of its non-Merrill Lynch subsidiaries will not determine to withdraw from the settlement. If final court approval is not obtained or if Bank of America and such subsidiaries determine to withdraw from the BNY Mellon Settlement in accordance with its terms, although Merrill Lynch is not a party to the proceedings, our future representations and warranties losses could be substantially different than existing accruals and the estimated range of possible losses over existing accruals described above. Under an order entered by the court in connection with the BNY Mellon Settlement, potentially interested persons had the opportunity to give notice of an intent to object to the settlement (including on the basis that more information was needed) until August 30, 2011 Approximately 44 groups or entities appeared prior to the deadline, two of those groups or entities have subsequently withdrawn from the proceeding and one motion to intervene was denied Certain of these groups or entities filed notices of intent to object, made motions to intervene or both filed notices of intent to object and made motions to intervene.

An investor opposed to the settlement removed the proceeding to federal court. On October 19, 2011, the federal court denied BNY Mellon's motion to remand the proceeding to state court. BNY Mellon, as well as the investors that have intervened in support of the BNY Mellon Settlement, petitioned to appeal the denial of this motion. On November 4, 2011, the district court entered a written order setting a discovery schedule, and discovery is ongoing. On December 27, 2011, the U S Court of Appeals for the Second Circuit accepted the appeal, and stated in an amended scheduling order that, pursuant to statute, it would rule on the appeal by February 27, 2012.

It is not currently possible to predict how many of the parties who have appeared in the court proceeding will ultimately object to the BNY Mellon Settlement, whether the objections will prevent receipt of final court approval or the ultimate outcome of the court approval process, which can include appeals and could take a substantial period of time. In particular, conduct of discovery and the resolution of the objections to the settlement and any appeals could take a substantial period of time and these factors could materially delay the timing of final court approval Accordingly, it is not possible to predict when the court approval process will be completed.

Outstanding Claims

The table below presents outstanding repurchase claims by counterparty at December 31, 2011 and December 31, 2010.

Outstanding Claims by Counterparty

(dollars in millions)

	December 31,	
	2011	2010
GSEs	$ 65	$ 59
Monoline	136	48
Others[1]	1,101	517
Total	$ 1,302	$ 624

(1) The majority of these repurchase claims are from whole-loan buyers of subprime loans or trustees of private-label securitization trusts through which First Franklin sold subprime loans

Of the $1 3 billion of outstanding claims as of December 31, 2011, we believe that for $620 million, a valid defect has not been identified which would constitute an actionable breach of representations and warranties The remaining $682 million of claims are in the process of review

In 2011, we received $665 million of new repurchase claims from whole-loan and private-label securitization investors, predominately from private-label securitization trustees received in the fourth quarter of 2011 These claims from private-label securitization trustees are still in the process of being evaluated, although we believe it is likely that some of the claims will meet the required standards When a claim has been denied and there has not been communication with the counterparty for six months, Merrill Lynch views these claims as inactive, however, they remain in the unresolved claims balance until resolution

As presented in the table below, Merrill Lynch paid $58 million during both the year ended December 31, 2011 and December 31, 2010 to resolve $62 million and $68 million, respectively, of repurchase claims through repurchase or indemnification payments to investors, resulting in a loss on the related loans at the time of repurchase or indemnification payment of $48 million in both periods Cash paid for loan repurchases includes the unpaid principal balance of the loan plus past due interest The amount of loss for loan repurchases is reduced by the fair value of the underlying loan collateral The repurchase of loans and indemnification payments related to repurchase claims generally resulted from material breaches of representations and warranties related to the loans' material compliance with the applicable underwriting standards, including borrower misrepresentation, credit exceptions without sufficient compensating factors and non-compliance with underwriting procedures, although the actual representations and warranties made in a sales transaction and the resulting repurchase and indemnification activity can vary by transaction or investor A direct relationship between the type of defect that causes the breach of representations and warranties and the severity of the realized loss has not been observed

dollars in millions

	Year Ended December 31,	
	2011	2010
Claims resolved [1]	$ 62	$ 68
Repurchases	12	13
Indemnification payments	46	45
Total	$ 58	$ 58

(1) Represents unpaid principal balance

Liability for Representations and Warranties

The liability for representations and warranties is included in Interest and other payables on the Consolidated Balance Sheets, and the related provision is included in Non-interest expenses on the Consolidated Statements of (Loss) Earnings. The methodology used to estimate the liability for representations and warranties is a function of

the representations and warranties given and considers a variety of factors, which include, depending on the counterparty, actual defaults, estimated future defaults, historical loss experience, estimated home prices, other economic conditions, estimated probability that a repurchase claim will be received, consideration of whether presentation thresholds will be met, number of payments made by the borrower prior to default and estimated probability that a loan will be required to be repurchased as well as other relevant facts and circumstances, such as bulk settlements and identity of the counterparty or type of counterparty, with whom a sale was made. The estimate of the liability for representations and warranties is based on currently available information, significant judgment and a number of factors, including those set forth above, that are subject to change. Changes to any one of these factors could significantly impact the estimate of the liability and could have a material adverse impact on our results of operations for any particular period

At December 31, 2011 and December 31, 2010, the liability for representations and warranties was $2.8 billion and $213 million, respectively. As noted above, in the year ended December 31, 2011, we recorded a provision for representations and warranties related to our repurchase exposure on private-label securitizations of $2 7 billion.

Estimated Range of Possible Loss for Non-GSEs

We believe it is probable that additional claimants in certain types of securitizations may come forward with credible claims that meet the requirements of the terms of the securitizations As a result of the BNY Mellon Settlement in the second quarter of 2011, we determined that we had sufficient experience to record a liability related to our exposure on certain private-label securitizations. We believe that with the additional $2 7 billion non-GSE representations and warranties provision recorded in the year ended December 31, 2011, we have provided for a substantial portion of our non-GSE representations and warranties exposures.

However, it is reasonably possible that future representations and warranties losses may occur in excess of the amounts recorded for these exposures In addition, the BNY Mellon Settlement did not provide sufficient experience related to certain private-label securitizations sponsored by third-party whole-loan investors As it relates to certain private-label securitizations sponsored by third-party whole-loan investors and certain whole loan sales, it is not possible to determine whether a loss has occurred or is probable and, therefore, no representations and warranties liability has been recorded in connection with these transactions

We currently estimate that the range of possible loss for non-GSE representations and warranties exposure as of December 31, 2011 could be up to $0 5 billion over existing accruals. This estimated range of possible loss for non-GSE representations and warranties does not represent a probable loss, and is based on currently available information, significant judgment, and a number of assumptions, including those set forth below, that are subject to change

The methodology used to estimate the non-GSE representations and warranties liability and the corresponding range of possible loss considers a variety of factors including Merrill Lynch's experience related to actual defaults, projected future defaults, historical loss experience, estimated home prices, other economic conditions and the experience of Merrill Lynch's affiliates Among the factors that impact the non-GSE representations and warranties liability and the corresponding estimated range of possible loss are (1) contractual material adverse effect requirements, (2) the representations and warranties provided, and (3) the requirement to meet certain presentation thresholds The first factor is based on our belief that a non-GSE contractual liability to repurchase a loan generally arises only if the counterparties prove there is a breach of representations and warranties that materially and adversely affects the interest of the investor or all investors, or the monoline insurer (as applicable), in a securitization trust and, accordingly, we believe that the repurchase claimants must prove that the alleged representations and warranties breach was the cause of the loss The second factor is related to the fact that non-GSE securitizations include different types of representations and warranties than those provided to the GSEs We believe the non-GSE securitizations' representations and warranties are less rigorous and actionable than the explicit provisions of comparable agreements with the GSEs without regard to any variations that may have arisen as a result of dealings with the GSEs The third factor is related to the fact that certain presentation thresholds need to be met in order for any repurchase claim to be asserted on the initiative of investors under the non-GSE agreements. A securitization trustee may investigate or demand repurchase on its own action, and most agreements contain a

threshold, for example 25% of the voting rights per trust, that allows investors to declare a servicing event of default under certain circumstances or to request certain action, such as requesting loan files, that the trustee may choose to accept and follow, exempt from liability, provided the trustee is acting in good faith If there is an uncured servicing event of default, and the trustee fails to bring suit during a 60-day period, then, under most agreements, investors may file suit In addition to this, most agreements also allow investors to direct the securitization trustee to investigate loan files or demand the repurchase of loans, if security holders hold a specified percentage, for example, 25%, of the voting rights of each tranche of the outstanding securities.

Although we continue to believe that presentation thresholds are a factor in the determination of probable loss, given the BNY Mellon Settlement, the estimated range of possible loss assumes that the presentation threshold can be met for all of the non-GSE securitization transactions.

In addition, in the case of private-label securitizations, the methodology used to estimate the non-GSE representations and warranties liability and the corresponding range of possible loss considers the experience resulting from the BNY Mellon Settlement and assumes that the conditions to the BNY Mellon Settlement will be satisfied Since the non-GSE transactions that were included in the BNY Mellon Settlement differ from those that were not included in the BNY Mellon Settlement, Merrill Lynch adjusted the experience implied in the settlement in order to determine the estimated non-GSE representations and warranties liability and corresponding range of possible loss The judgmental adjustments made include consideration of the differences in the mix of products in the securitizations, loan originator, likelihood of claims differences, the differences in the number of payments that the borrower has made prior to default, and the sponsor of the securitization

Future provisions and/or ranges of possible loss for non-GSE representations and warranties may be significantly impacted if actual experience is different from our assumptions in our predictive models, including, without limitation, those regarding the ultimate resolution of the BNY Mellon Settlement, estimated repurchase rates, economic conditions, home prices, consumer and counterparty behavior, and a variety of judgmental factors Adverse developments with respect to one or more of the assumptions underlying the liability for representations and warranties and the corresponding estimated range of possible loss could result in significant increases to future provisions and/or this range of possible loss estimate For example, if courts were to disagree with our interpretation that the underlying agreements require a claimant to prove that the representations and warranties breach was the cause of the loss, it could significantly impact this estimated range of possible loss. Additionally, if recent court rulings related to monoline litigation, including one related to an affiliate of ours, that have allowed sampling of loan files instead of requiring a loan-by-loan review to determine if a representations and warranties breach has occurred are followed generally by the courts, private-label securitization investors may view litigation as a more attractive alternative as compared to a loan-by-loan review Finally, although Merrill Lynch believes that the representations and warranties typically given in non-GSE transactions are less rigorous and actionable than those given in GSE transactions, Merrill Lynch does not have significant loan-level experience in non-GSE transactions to measure the impact of these differences on the probability that a loan will be required to be repurchased

The liability for obligations under representations and warranties with respect to GSE and non-GSE exposures and the corresponding estimated range of possible loss for non-GSE representations and warranties exposures do not include any losses related to litigation matters disclosed in Note 14 to the Consolidated Financial Statements, nor do they include any potential securities law or fraud claims or potential indemnity or other claims against us. Merrill Lynch is not able to reasonably estimate the amount of any possible loss with respect to any such securities law (except to the extent reflected in the aggregate range of possible loss for litigation and regulatory matters disclosed in Note 14 to the Consolidated Financial Statements), fraud or other claims against us, however, such loss could be material

Experience with Non-GSE Investors

As presented in the table below, Merrill Lynch, including First Franklin, sold loans originated from 2004 to 2008 (primarily subprime and alt-A) with an original principal balance of $132 billion to investors other than the GSEs (although the GSEs are investors in certain private-label securitizations), of which approximately $62 billion in principal has been paid off and $46 billion has defaulted or is severely delinquent (i.e., 180 days or more past due)

at December 31, 2011

As it relates to private-label securitizations, a contractual liability to repurchase mortgage loans generally arises only if counterparties prove there is a breach of the representations and warranties that materially and adversely affects the interest of the investor or all investors in a securitization trust or of the monoline insurer (as applicable) Merrill Lynch believes that the longer a loan performs, the less likely it is that an alleged representations and warranties breach had a material impact on the loan's performance or that a breach even exists Because the majority of the borrowers in this population would have made a significant number of payments if they are not yet 180 days or more past due, we believe that the principal balance at the greatest risk for repurchase claims in this population of private-label securitization investors is a combination of loans that have already defaulted and those that are currently severely delinquent. Additionally, the obligation to repurchase loans also requires that counterparties have the contractual right to demand repurchase of the loans (presentation thresholds) Private-label securitization investors generally do not have the contractual right to demand repurchase of loans directly or the right to access loan files.

While we believe the agreements for private-label securitizations generally contain less rigorous representations and warranties and place higher burdens on investors seeking repurchases than the explicit provisions of the comparable agreements with the GSEs without regard to any variations that may have arisen as a result of dealings with the GSEs, the agreements generally include a representation that underwriting practices were prudent and customary.

The following table details the population of loans originated between 2004 and 2008 and the population of loans sold as whole loans or in non-GSE private-label securitizations by entity together with the defaulted and severely delinquent loans stratified by the number of payments the borrower made prior to default or becoming severely delinquent at December 31, 2011 In connection with these transactions, we provided representations and warranties, and the whole loan investors may retain those rights even when the whole loans were aggregated with other collateral into private-label securitizations sponsored by the whole loan investors. At least 25 payments have been made on approximately 63% of the defaulted and severely delinquent loans. Merrill Lynch believes many of the defaults observed in these securitizations have been, and continue to be, driven by external factors, such as the substantial depreciation in home prices, persistently high unemployment and other negative economic trends, diminishing the likelihood that any loan defect (assuming one exists at all) was the cause of a loan's default. As of December 31, 2011, approximately 35% of the loans sold to non-GSEs that were originated between 2004 and 2008 have defaulted or are severely delinquent.

(dollars in billions)

	Principal Balance					Principal at Risk			
Entity	Original Principal Balance	Outstanding Principal Balance December 31, 2011	Outstanding Principal Balance Over 180 Days	Defaulted Principal Balance	Defaulted or Severely Delinquent	Borrower Made Less than 13 Payments	Borrower Made 13 to 24 Payments	Borrower Made 25 to 36 Payments	Borrower Made More Than 36 Payments
Merrill Lynch (excluding First Franklin)	$ 50	$ 16	$ 6	$ 12	$ 18	$ 3	$ 4	$ 3	$ 8
First Franklin	82	21	7	21	28	4	6	5	13
Total[1]	$ 132	$ 37	$ 13	$ 33	$ 46	$ 7	$ 10	$ 8	$ 21

(1) Excludes transactions sponsored by Merrill Lynch where no representations or warranties were made

Prior to 2011, the majority of the claims that we received were from third-party whole-loan investors In 2011, we received $665 million of new repurchase claims from whole-loan and private-label securitization investors, predominately from private-label securitization trustees received in the fourth quarter of 2011 In addition, there has been an increase in requests for loan files from private-label securitization trustees We believe it is likely that these requests will lead to an increase in repurchase claims from private-label securitization trustees that meet the required standards.

Legal Matters

Merrill Lynch has been named as a defendant in various legal actions, including arbitrations, class actions, and other litigation arising in connection with its activities as a global diversified financial services institution Refer to Note 14 to the Consolidated Financial Statements for further information, including the estimated aggregate range of possible loss

Derivatives

We record all derivative transactions at fair value on our Consolidated Balance Sheets We do not monitor our exposure to derivatives based on the notional amount because that amount is not a relevant indicator of our risk to these contracts, as it is generally not indicative of the amount that we would owe on the contract. Instead, a risk framework is used to define risk tolerances and establish limits to help to ensure that certain risk-related losses occur within acceptable, predefined limits Derivatives that meet the accounting definition of a guarantee and credit derivatives are included in Note 6 to the Consolidated Financial Statements

Involvement with VIEs

We transact with VIEs in a variety of capacities, including those that we help establish as well as those initially established by third parties We utilize VIEs in the ordinary course of business to support our own and our customers' financing and investing needs. Merrill Lynch securitizes loans and debt securities using VIEs as a source of funding and a means of transferring the economic risk of the loans or debt securities to third parties We also administer, structure or invest in or enter into derivatives with other VIEs, including multi-seller conduits, municipal bond trusts, collateralized debt obligations ("CDOs") and other entities, as described in more detail below Our involvement with VIEs can vary and we are required to continuously reassess prior consolidation and disclosure conclusions Refer to Note 1 to the Consolidated Financial Statements for a discussion of our consolidation accounting policy and for information regarding new VIE accounting rules that became effective on January 1, 2010 Types of VIEs with which we have historically transacted include

- **Municipal bond securitization VIEs:** VIEs that issue medium-term paper, purchase municipal bonds as collateral and purchase a guarantee to enhance the creditworthiness of the collateral
- **Asset-backed securities VIEs:** VIEs that issue different classes of debt, from super senior to subordinated, and equity and purchase assets as collateral, including residential mortgages, commercial mortgages, auto leases and credit card receivables
- **CDOs:** VIEs that issue different classes of debt, from super senior to subordinated, and equity and purchase securities, including asset-backed securities collateralized by residential mortgages, commercial mortgages, auto leases and credit card receivables as well as corporate bonds.
- **Synthetic CDOs:** VIEs that issue different classes of debt, from super senior to subordinated, and equity, purchase high-grade assets as collateral and enter into a portfolio of credit default swaps to synthetically create the credit risk of the issued debt.
- **Credit-linked note VIEs:** VIEs that issue notes linked to the credit risk of a company, purchase high-grade assets as collateral and enter into credit default swaps to synthetically create the credit risk to pay the return on the notes
- **Trust preferred security VIEs:** These VIEs hold junior subordinated debt issued by ML & Co or our subsidiaries, and issue preferred stock on substantially the same terms as the junior subordinated debt to third party investors We also provide a parent guarantee, on a junior subordinated basis, of the distributions and other payments on the preferred stock to the extent that the VIEs have funds legally available The debt we issue into the VIE is classified as long-term borrowings on our Consolidated Balance Sheets The ML & Co parent guarantees of its own subsidiaries are not required to be recorded in the Consolidated Financial Statements

Contractual Obligations

We have contractual obligations to make future payments of debt, lease and other agreements. Additionally, in the normal course of business, we enter into contractual arrangements whereby we commit to future purchases of products or services from unaffiliated parties Other obligations include our contractual funding obligations related to our employee benefit plans See Notes 12, 14 and 15 to the Consolidated Financial Statements.

FUNDING AND LIQUIDITY

Funding

We fund our assets primarily with a mix of secured and unsecured liabilities through a globally coordinated funding strategy with Bank of America We fund a portion of our trading assets with secured liabilities, including repurchase agreements, securities loaned and other short-term secured borrowings, which are less sensitive to our credit ratings due to the underlying collateral. Refer to Note 12 to the Consolidated Financial Statements for additional information regarding our borrowings.

Beginning late in the third quarter of 2009, in connection with the update or renewal of certain Merrill Lynch international securities offering programs, Bank of America agreed to guarantee debt securities, warrants and/or certificates issued by certain subsidiaries of ML & Co on a going forward basis. All existing ML & Co guarantees of securities issued by those same Merrill Lynch subsidiaries under various international securities offering programs will remain in full force and effect as long as those securities are outstanding, and Bank of America has not assumed any of those prior ML & Co guarantees or otherwise guaranteed such securities. There were approximately $5.2 billion of securities guaranteed by Bank of America at December 31, 2011 In addition, Bank of America has guaranteed the performance of Merrill Lynch on certain derivative transactions The aggregate amount of such derivative liabilities was approximately $0 6 billion at December 31, 2011

Following the completion of Bank of America's acquisition of Merrill Lynch, ML & Co became a subsidiary of Bank of America and established intercompany lending and borrowing arrangements to facilitate centralized liquidity management. Included in these intercompany agreements is a $75 billion one-year revolving unsecured line of credit that allows ML & Co. to borrow funds from Bank of America at a spread to the London Interbank Offered Rate ("LIBOR") that is reset periodically and is consistent with other intercompany agreements This credit line was renewed effective January 1, 2012 with a maturity date of January 1, 2013 The credit line will automatically be extended by one year to the succeeding January 1st unless Bank of America provides written notice not to extend at least 45 days prior to the maturity date The agreement does not contain any financial or other covenants There were no outstanding borrowings against the line of credit at December 31, 2011.

In addition to the $75 billion unsecured line of credit, a $25 billion 364-day revolving unsecured line of credit that allows ML & Co to borrow funds from Bank of America was established on February 15, 2011 Interest on the line of credit is based on prevailing short-term market rates The agreement does not contain any financial or other covenants. The line of credit matures on February 12, 2013 There were no outstanding borrowings against the line of credit at December 31, 2011.

Following the merger of BAS into MLPF&S, Bank of America agreed to guarantee the short-term, senior unsecured obligations issued by MLPF&S under its short-term master note program on a going forward basis During 2011, Merrill Lynch decided to reduce short-term unsecured obligations At December 31, 2011, there were no longer any borrowings outstanding under this program.

Also in connection with the merger of BAS into MLPF&S, MLPF&S either assumed or established the following agreements:

- MLPF&S assumed an approximately $1.5 billion subordinated loan agreement with Bank of America, which bears interest based on a spread to LIBOR, and has a scheduled maturity date of December 31, 2013. The

loan agreement contains a provision that automatically extends the loan's maturity by one year unless Bank of America provides 13 months written notice not to extend prior to the scheduled maturity date.

- MLPF&S assumed a $7 billion revolving subordinated line of credit with Bank of America. The subordinated line of credit bears interest based on a spread to LIBOR, and has a scheduled maturity date of October 1, 2013 The revolving subordinated line of credit contains a provision that automatically extends the maturity by one year unless Bank of America provides 13 months written notice not to extend prior to the scheduled maturity date At December 31, 2011, $1 1 billion was outstanding on the subordinated line of credit

- On November 1, 2010, a $4 billion one-year revolving unsecured line of credit that allows MLPF&S to borrow funds from Bank of America was established Interest on the line of credit is based on prevailing short-term market rates The credit line will mature on November 1, 2012 and may automatically be extended by one year to the succeeding November 1st unless Bank of America provides written notice not to extend at least 45 days prior to the maturity date At December 31, 2011, there were no borrowings outstanding on the line of credit

- On February 22, 2011, a $15 billion 364-day revolving unsecured line of credit that allows MLPF&S to borrow funds from Bank of America was established Interest on the line of credit is based on prevailing short-term market rates The line of credit matures on February 19, 2013 At December 31, 2011, approximately $1 5 billion was outstanding on the line of credit.

Bank of America and Merrill Lynch have entered into certain intercompany lending and borrowing arrangements to facilitate centralized liquidity management Included in these arrangements is a $50 billion extendible one-year revolving credit facility that allows Bank of America to borrow funds from Merrill Lynch at a spread to LIBOR that is reset periodically and is consistent with other intercompany agreements The credit facility matures on January 1, 2013 and will automatically be extended by one year to the succeeding January 1st unless Merrill Lynch provides written notice not to extend at least 45 days prior to the maturity date. There were no amounts outstanding at December 31, 2011 and approximately $6 1 billion outstanding at December 31, 2010 under this credit facility In addition, in October 2011, Merrill Lynch entered into a short-term revolving credit facility that will allow Bank of America to borrow up to an additional $25 billion Interest on borrowings under the credit facility is based on prevailing short-term market rates At December 31, 2011, approximately $3 7 billion was outstanding under this credit facility

Credit Ratings

Our borrowing costs and ability to raise funds are directly impacted by our credit ratings In addition, credit ratings may be important to customers or counterparties when we compete in certain markets and when we seek to engage in certain transactions, including OTC derivatives Thus, it is our objective to maintain high-quality credit ratings.

Credit ratings and outlooks are opinions on our creditworthiness and that of our obligations or securities, including long-term debt, short-term borrowings and other securities, including asset securitizations Following the acquisition of Merrill Lynch by Bank of America, the primary credit rating agencies have indicated that the major drivers of Merrill Lynch's credit ratings are Bank of America's credit ratings Bank of America's credit ratings are subject to ongoing review by the rating agencies, which consider a number of factors, including Bank of America's financial strength, performance, prospects and operations as well as factors not under Bank of America's control

Other factors that influence Bank of America's and our credit ratings include changes to the rating agencies' methodologies for our industry or certain security types, the rating agencies' assessment of the general operating environment for financial services companies, our mortgage exposures, our relative positions in the markets in which we compete, reputation, liquidity position, diversity of funding sources, funding costs, the level and volatility of earnings, corporate governance and risk management policies, capital position, capital management practices and current or future regulatory and legislative initiatives

Each of the three primary rating agencies, Moody's, S&P and Fitch, downgraded Bank of America's and ML & Co 's ratings in late 2011. They have each also indicated that, as a systemically important financial institution, Bank of America's (and consequently ML & Co.'s) credit ratings currently reflect their expectation that, if necessary, Bank of America would receive significant support from the U S government. They have indicated that they will continue to assess this view of support as financial services regulations and legislation evolve On December 15, 2011, Fitch downgraded Bank of America's and ML & Co 's long-term and short-term debt ratings as a result of Fitch's decision to lower its "support floor" for systemically important U S financial institutions. This downgrade resolves the Rating Watch Negative that Fitch placed on Bank of America's and ML & Co 's ratings on October 22, 2010 On November 29, 2011, S&P downgraded Bank of America's and ML & Co.'s long-term and short-term debt ratings as a result of S&P's implementation of revised methodologies for determining Banking Industry Country Risk Assessments and bank ratings. On September 21, 2011, Moody's downgraded Bank of America's and ML & Co.'s long-term and short-term debt ratings as a result of Moody's lowering the amount of uplift for potential U S government support it incorporates into ratings On February 15, 2012, Moody's placed Bank of America's long-term debt ratings on review for possible downgrade as part of their review of financial institutions with global capital markets operations Any adjustment to Bank of America's (and consequently, our) ratings will be determined based on Moody's review, however, the agency offered guidance that downgrades to Bank of America's ratings, if any, would likely be limited to one notch. The rating agencies could make further adjustments to Bank of America's (and consequently, our) ratings at any time and provide no assurances that they will maintain our ratings at current levels.

Currently, Bank of America's and ML & Co 's long-term/short-term senior debt ratings and outlooks expressed by the rating agencies are as follows: Baa1/P-2 (negative) by Moody's, A-/A-2 (negative) by S&P; and A/F1 (stable) by Fitch. MLPF&S's long-term/short-term senior debt ratings and outlooks are A/A-1 (negative) by S&P and A/F1 (stable) by Fitch. Merrill Lynch International, a U K.-based registered investment firm and subsidiary of ML & Co., has a long-term/short-term senior debt rating and outlook of A/A-1 (negative) by S&P. Merrill Lynch International Bank Limited, an Ireland-based bank subsidiary of ML & Co., has a long-term/short-term senior debt rating and outlook of A/F1 (stable) by Fitch.

A further reduction in certain of our credit ratings may have a material adverse effect on our liquidity, access to credit markets, the related cost of funds, our businesses and on certain trading revenues, particularly in those businesses where counterparty creditworthiness is critical. In addition, under the terms of certain OTC derivative contracts and other trading agreements, the counterparties to those agreements may require us to provide additional collateral, or to terminate these contracts or agreements, which could cause us to sustain losses and/or adversely impact our liquidity. If Bank of America's or ML & Co's short-term credit ratings, or those of our bank or broker-dealer subsidiaries, were downgraded by one or more levels, the potential loss of access to short-term funding sources such as repurchase agreement financing, and the effect on our incremental cost of funds and earnings could be material.

At December 31, 2011, if the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by one incremental notch, the amount of additional collateral contractually required by derivative contracts and other trading agreements would have been approximately $0.4 billion. If the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by a second incremental notch, approximately $0.3 billion in additional collateral would have been required

Also, if the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by one incremental notch, the derivative liability that would be subject to unilateral termination by counterparties as of December 31, 2011 was $0 5 billion, against which $0.3 billion of collateral had been posted Further, if the rating agencies had downgraded their long-term debt ratings for ML & Co or certain subsidiaries by a second incremental notch, the derivative liability that would be subject to unilateral termination by the counterparties as of December 31, 2011 was an incremental $3 5 billion, against which $3.4 billion of collateral had been posted.

While certain potential impacts are contractual and quantifiable, the full consequences of a credit ratings downgrade to a financial institution are inherently uncertain, as they depend upon numerous dynamic, complex and inter-

related factors and assumptions, including whether any downgrade of a firm's long-term credit ratings precipitates downgrades to its short-term credit ratings, and assumptions about the potential behaviors of various customers, investors and counterparties

During the third quarter of 2011, Moody's and S&P placed the sovereign rating of the U S on review for possibility of a default on the government's debt obligations because of a failure to increase the debt limit. On August 2, 2011, Moody's affirmed its Aaa rating and revised its outlook to negative On August 5, 2011, S&P downgraded the long-term sovereign credit rating of the U S to AA+, and affirmed the short-term sovereign credit rating, the outlook is negative On November 28, 2011, Fitch affirmed its AAA long-term rating of the U S , but changed the outlook from stable to negative On the same day, Fitch affirmed its F1+ short-term rating of the U S All three rating agencies have indicated that they will continue to assess fiscal projections and consolidation measures, as well as the medium-term economic outlook for the U S

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market Risk Management

Merrill Lynch defines market risk as the potential change in value of financial instruments caused by fluctuations in interest rates, exchange rates, equity and commodity prices, credit spreads, and related risks

Control and Governance Structure

On January 1, 2009, pursuant to the acquisition of Merrill Lynch by Bank of America, Merrill Lynch adopted Bank of America's risk management and governance practices to maintain consistent risk measurement and disciplined risk taking. Bank of America's risk management structure as applicable to Merrill Lynch is described below.

The Global Markets Risk Committee ("GRC"), chaired by the Global Markets Risk Executive, has been designated by the Asset, Liability and Market Risk Committee ("ALMRC") as the primary governance authority for global markets risk management including trading risk management The GRC's focus is to take a forward-looking view of the primary credit and market risks impacting Bank of America's Global Banking and Markets business (which includes Merrill Lynch's sales and trading businesses) and prioritize those that need a proactive risk mitigation strategy. Market risks that impact businesses outside of the Global Banking and Markets business are monitored and governed by their respective governance authorities

The GRC monitors significant daily revenues and losses by business and the primary drivers of the revenues or losses Thresholds are in place for each of our businesses in order to determine if the revenue or loss is considered to be significant for that business. If any of the thresholds are exceeded, an explanation of the variance is provided to the GRC The thresholds are developed in coordination with the respective risk managers to highlight those revenues or losses that exceed what is considered to be normal daily income statement volatility.

Value-at-Risk ("VaR")

To evaluate risk in our trading activities, we focus on the actual and potential volatility of individual positions as well as portfolios VaR is a key statistic used to measure market risk. In order to manage day-to-day risks, VaR is subject to trading limits both for our overall trading portfolio and within individual businesses All limit excesses are communicated to management for review.

A VaR model simulates the value of a portfolio under a range of hypothetical scenarios in order to generate a distribution of potential gains and losses. VaR represents the worst loss the portfolio is expected to experience based on historical trends with a given level of confidence and depends on the volatility of the positions in the portfolio and on how strongly their risks are correlated. Within any VaR model, there are significant and numerous assumptions that will differ from company to company. In addition, the accuracy of a VaR model depends on the availability and quality of historical data for each of the positions in the portfolio. A VaR model may require additional modeling assumptions for new products that do not have extensive historical price data or for illiquid positions for which accurate daily prices are not consistently available

A VaR model is an effective tool in estimating ranges of potential gains and losses on our trading portfolios There are, however, many limitations inherent in a VaR model as it utilizes historical results over a defined time period to estimate future performance. Historical results may not always be indicative of future results and changes in market conditions or in the composition of the underlying portfolio could have a material impact on the accuracy of the VaR model. In order for the VaR model to reflect current market conditions, we update the historical data underlying our VaR model on a bi-weekly basis and regularly review the assumptions underlying the model Our VaR model utilizes three years of historical data. This time period was chosen to ensure that the VaR reflects both a broad range of market movements as well as being sensitive to recent changes in market volatility.

We continually review, evaluate and enhance our VaR model to ensure that it reflects the material risks in our trading portfolio Nevertheless, due to the limitations previously discussed, we have historically used the VaR model as only one of the components in managing our trading risk and also use other techniques such as stress

testing and desk level limits Periods of extreme market stress influence the reliability of these techniques to various degrees

The accompanying table presents year-end, average, high and low daily trading VaR for the year ended December 31, 2011, as well as a comparison to the year-end VaR as of December 31, 2010

2011 Trading Activities Market Risk VaR

(dollars in millions)

	2011 Year End	2011 Quarterly Average[3]	2011 High	2011 Low	2010 Year End
Trading value-at-risk[1]					
Foreign exchange	$ 14	$ 15	$ 23	$ 10	$ 18
Interest rate	39	40	48	31	37
Credit	56	102	132	56	128
Real estate/mortgage	32	64	90	32	69
Commodities	14	18	28	14	19
Equities	18	33	43	18	30
Subtotal[2]	173	272			301
Diversification benefit	(93)	(130)			(127)
Overall	$ 80	$ 142			$ 174

(1) *Based on a 99% confidence level and a one-day holding period.*
(2) *Subtotals are not provided for highs and lows as they are not meaningful*
(3) *Amounts represent the average of the quarter-end VaR results for 2011.*

The decrease in average VaR during 2011 was primarily due to risk reductions during the year across the major asset classes.

Credit Risk Management

Counterparty Credit Risk

Credit risk is the risk of loss arising from the inability or failure of a borrower or counterparty to meet its obligations Credit risk can also arise from operational failures that result in an erroneous advance, commitment or investment of funds. Merrill Lynch defines the credit exposure to a borrower or counterparty as the loss potential arising from all product classifications, including loans, derivatives, assets held-for-sale and unfunded lending commitments, which include loan commitments, letters of credit and financial guarantees. Derivative positions are recorded at fair value and assets held-for-sale are recorded at either the lower of cost or fair value Certain loans and unfunded commitments are accounted for under the fair value option election. Credit risk for these categories of assets is not accounted for as part of the allowance for credit losses but as part of the fair value adjustments recorded in earnings. For derivative positions, our credit risk is measured as the net cost in the event the counterparties with contracts in a gain position to us fail to perform under the terms of those contracts We use the current mark-to-market value to represent credit exposure without giving consideration to future mark-to-market changes The credit risk amounts take into consideration the effects of legally enforceable master netting agreements and cash collateral Our consumer and commercial credit extension and review procedures take into account funded and unfunded credit exposures

We manage credit risk based on the risk profile of the borrower or counterparty, repayment sources, the nature of underlying collateral, and other support given current events, conditions and expectations

Commercial Portfolio

Credit risk management for the commercial portfolio begins with an assessment of the credit risk profile of the borrower or counterparty based on an analysis of its financial position As part of the overall credit risk assessment, our commercial credit exposures are assigned a risk rating and are subject to approval based on defined credit approval standards Subsequent to loan origination, risk ratings are monitored on an ongoing basis, and if necessary, adjusted to reflect changes in the financial condition, cash flow, risk profile or outlook of a borrower or counterparty In making credit decisions, we consider risk rating, collateral, country, industry and single name concentration limits while also balancing the total borrower or counterparty relationship Our business and risk management personnel use a variety of tools to continuously monitor the ability of a borrower or counterparty to perform under its obligations We use risk rating aggregations to measure and evaluate concentrations within portfolios In addition, risk ratings are a factor in determining the level of assigned economic capital and the allowance for credit losses.

Commercial credit risk is evaluated and managed with the goal that concentrations of credit exposure do not result in undesirable levels of risk We review, measure and manage concentrations of credit exposure by industry, product, geography, customer relationship and loan size We also review, measure and manage commercial real estate loans by geographic location and property type In addition, within our international portfolio, we evaluate exposures by region and by country. We also utilize syndications of exposure to third parties, loan sales, hedging and other risk mitigation techniques to manage the size and risk profile of the commercial credit portfolio

We account for certain large corporate loans and loan commitments (including issued but unfunded letters of credit which are considered utilized for credit risk management purposes) that exceed our single name credit risk concentration guidelines under the fair value option. Lending commitments, both funded and unfunded, are actively managed and monitored, and as appropriate, credit risk for these lending relationships may be mitigated through the use of credit derivatives, with our credit view and market perspectives determining the size and timing of the hedging activity. In addition, we purchase credit protection to cover the funded portion as well as the unfunded portion of certain other credit exposures. To lessen the cost of obtaining our desired credit protection levels, credit exposure may be added within an industry, borrower or counterparty group by selling protection. These credit derivatives do not meet the requirements for treatment as accounting hedges. They are carried at fair value with changes in fair value recorded in earnings

Consumer Portfolio

Credit risk management for the consumer portfolio begins with initial underwriting and continues throughout a borrower's credit cycle Statistical techniques in conjunction with experiential judgment are used in all aspects of portfolio management including underwriting, product pricing, risk appetite, setting credit limits, and establishing operating processes and metrics to quantify and balance risks and returns. Statistical models are built using detailed behavioral information from external sources such as credit bureaus and/or internal historical experience. These models are a component of our consumer credit risk management process and are used in part to help make both new and existing credit decisions and portfolio management strategies, including authorizations and line management, collection practices and strategies, determination of the allowance for loan losses, and economic capital allocations for credit risk.

European Exposures

Certain European countries, including Greece, Ireland, Italy, Portugal and Spain, continue to experience varying degrees of financial stress Risks from the continued debt crisis in Europe could continue to disrupt the financial markets which could have a detrimental impact on global economic conditions and sovereign and non-sovereign debt in these countries Uncertainty in the progress of debt restructuring negotiations and the lack of a clear resolution to the crisis has led to continued volatility in European as well as global financial markets. In December 2011, the ECB announced initiatives to address European bank liquidity and funding concerns by providing low-cost, three-year loans to banks, and expanding collateral eligibility. In early 2012, S&P, Fitch and Moody's

downgraded the credit ratings of several European countries, and S&P downgraded the credit rating of the EFSF, adding to concerns about investor appetite for continued support in stabilizing the affected countries

The table below presents our direct sovereign and non-sovereign exposures in these countries at December 31, 2011

Select European Countries

(dollars in millions)	Funded Loans and Loan Equivalents	Unfunded Commitments	Derivative Assets [1]	Securities/Other Investments [2]	Country Exposure December 31, 2011	Hedges and Credit Default Protection [3]	Net Country Exposure December 31, 2011 [4]
Country							
Greece							
Sovereign	$ —	$ —	$ —	$ 101	$ 101	$ 43	$ 144
Financial Institutions	—	—	1	—	1	(23)	(22)
Corporates	—	—	1	23	24	(1)	23
Total Greece	$ —	$ —	$ 2	$ 124	$ 126	$ 19	$ 145
Ireland							
Sovereign	$ —	$ —	$ 8	$ —	$ 8	$ —	$ 8
Financial Institutions	46	—	108	16	170	(11)	159
Corporates	—	9	11	29	49	(9)	40
Total Ireland	$ 46	$ 9	$ 127	$ 45	$ 227	$ (20)	$ 207
Italy							
Sovereign	$ —	$ —	$ 650	$ 20	$ 670	$ (947)	$ (277)
Financial Institutions	3	—	109	117	229	(89)	140
Corporates	67	—	243	185	495	(198)	297
Total Italy	$ 70	$ —	$ 1,002	$ 322	$ 1,394	$ (1,234)	$ 160
Portugal							
Sovereign	$ —	$ —	$ 41	$ 1	$ 42	$ (29)	$ 13
Financial Institutions	—	—	2	4	6	(17)	(11)
Corporates	—	—	21	116	137	(138)	(1)
Total Portugal	$ —	$ —	$ 64	$ 121	$ 185	$ (184)	$ 1
Spain							
Sovereign	$ —	$ —	$ 70	$ 1	$ 71	$ (97)	$ (26)
Financial Institutions	6	—	47	453	506	(64)	442
Corporates	—	—	42	189	231	(41)	190
Total Spain	$ 6	$ —	$ 159	$ 643	$ 808	$ (202)	$ 606
Total							
Sovereign	$ —	$ —	$ 769	$ 123	$ 892	$ (1,030)	$ (138)
Financial Institutions	55	—	267	590	912	(204)	708
Corporates	67	9	318	542	936	(387)	549
Total	$ 122	$ 9	$ 1,354	$ 1,255	$ 2,748	$ (1,621)	$ 1,119

(1) Derivative assets are carried at fair value and have been reduced by the amount of cash collateral applied of $945 million at December 31, 2011. At December 31, 2011, there was $59 million of other marketable securities collateralizing derivative assets

(2) Includes $369 million of reverse repurchase agreements, which are presented based on the domicile of the counterparty consistent with Federal Financial Institutions Examination Council reporting requirements. Cross-border resale agreements where the underlying collateral is U.S. Treasury Securities are excluded from this presentation. Securities exposures are reduced by hedges and short positions on a single name basis to, but not less than $0.

(3) Represents the fair value of credit default protection purchased, including ($979) million in net credit default protection and other short positions, and ($642) million in additional credit default protection to hedge derivative assets.

(4) Represents country exposure less the fair value of hedges and credit default protection.

We hedge certain of our selected European country exposure with credit default swaps ("CDS"). The majority of our CDS contracts are with highly-rated financial institutions primarily outside of the Eurozone and we work to limit or eliminate correlated CDS. Due to our engagement in market-making activities, our CDS portfolio contains contracts with various maturities to a diverse set of counterparties.

In addition to our direct sovereign and non-sovereign exposures, a significant deterioration of the European debt crisis could result in material reductions in the value of sovereign debt and other asset classes, disruptions in capital markets, widening of credit spreads, loss of investor confidence in the financial services industry, a slowdown in global economic activity and other adverse developments. For additional information on the debt crisis in Europe, see Item 1A. "Risk Factors".

Losses could still result even if there is credit default protection purchased because the purchased credit protection contracts only pay out under certain scenarios and thus not all losses may be covered by the credit protection contracts. The effectiveness of our CDS protection as a hedge of these risks is influenced by a number of factors, including the contractual terms of the CDS. Generally, only the occurrence of a credit event as defined by the CDS terms (which may include, among other events, the failure to pay by, or restructuring of, the reference entity) results in a payment under the purchased credit protection contracts. The determination as to whether a credit event has occurred is made by the relevant International Swaps and Derivatives Association, Inc. ("ISDA") Determination Committee (comprised of various ISDA member firms) based on the terms of the CDS and facts and circumstances for the event. Accordingly, uncertainties exist as to whether any particular strategy or policy action for addressing the European debt crisis would constitute a credit event under the CDS. A voluntary restructuring may not trigger a credit event under CDS terms and consequently may not trigger a payment under the CDS contract.

Derivatives

We enter into ISDA master netting agreements or their equivalent ("master netting agreements") with almost all of our derivative counterparties. Master netting agreements provide protection in bankruptcy in certain circumstances and, in some cases, enable receivables and payables with the same counterparty to be offset for risk management purposes. Master netting agreements are generally negotiated bilaterally and can require complex terms. While we make reasonable efforts to execute such agreements, it is possible that a counterparty may be unwilling to sign such an agreement and, as a result, would subject us to additional credit risk. The enforceability of master netting agreements under bankruptcy laws in certain countries or in certain industries is not free from doubt, and receivables and payables with counterparties in these countries or industries are accordingly recorded on a gross basis.

To reduce the risk of loss, we require collateral, principally cash and U.S. government and agency securities, on certain derivative transactions. From an economic standpoint, we evaluate risk exposures net of related collateral that meets specified standards. In addition to obtaining collateral, we attempt to mitigate counterparty default risk on derivatives whenever possible by entering into transactions with provisions that enable us to terminate or reset the terms of our derivative contracts.

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of Merrill Lynch & Co., Inc.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of (loss) earnings, comprehensive (loss) income, changes in stockholder's equity and cash flows present fairly, in all material respects, the financial position of Merrill Lynch & Co., Inc. and its subsidiaries (the "Company") at December 31, 2011 and December 31, 2010, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2011 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP
New York, New York
February 23, 2012

Merrill Lynch & Co., Inc. and Subsidiaries
Consolidated Statements of (Loss) Earnings

(dollars in millions)	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Revenues			
Principal transactions	$ 5,928	$ 7,074	$ 5,121
Commissions	5,698	5,760	6,008
Managed account and other fee-based revenues	5,203	4,516	4,317
Investment banking	5,179	5,313	5,558
Earnings from equity method investments	347	898	1,679
Intercompany service fee revenue from BAC	925	279	200
Other revenues	1,855	4,496	3,622
Other-than-temporary impairment losses on available-for-sale debt securities			
Total other-than-temporary impairment losses on AFS debt securities	(69)	(174)	(660)
Less: Portion of other-than-temporary impairment losses recognized in OCI on AFS debt securities	10	2	4
Subtotal	25,076	28,164	25,849
Interest and dividend revenues	8,003	9,303	15,476
Less interest expense	8,785	9,621	12,041
Net interest (expense) income	(782)	(318)	3,435
Revenues, net of interest expense	24,294	27,846	29,284
Non-interest expenses			
Compensation and benefits	15,773	15,069	13,333
Communications and technology	1,771	1,993	2,015
Occupancy and related depreciation	1,367	1,395	1,316
Brokerage, clearing, and exchange fees	1,121	1,022	1,087
Advertising and market development	500	444	396
Professional fees	1,029	986	769
Office supplies and postage	126	157	173
Provision for representations and warranties	2,731	(120)	(235)
Intercompany service fee expense from BAC	2,320	538	573
Other	2,250	2,439	1,868
Total non-interest expenses	28,988	23,923	21,295
Pre-tax (loss) earnings	(4,694)	3,923	7,989
Income tax (benefit) expense	(2,946)	147	649
Net (loss) earnings	$ (1,748)	$ 3,776	$ 7,340
Preferred stock dividends	—	134	153
Net (loss) earnings applicable to common stockholder	$ (1,748)	$ 3,642	$ 7,187

See Notes to Consolidated Financial Statements

Merrill Lynch & Co., Inc. and Subsidiaries
Consolidated Statements of Changes in Comprehensive (Loss) Income

(dollars in millions)	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Net (Loss) Earnings	$ (1,748)	$ 3,776	$ 7,340
Other comprehensive income (loss)			
Foreign currency translation adjustment			
Foreign currency translation gains (losses)	50	(197)	(597)
Income tax (expense) benefit	(166)	240	691
Total	(116)	43	94
Net unrealized gains (losses) on investment securities available-for-sale			
Net unrealized holding gains (losses) arising during the period	57	(168)	91
Reclassification adjustment for realized (gains) losses included in net (loss) earnings	(3)	9	14
Net unrealized gains (losses) on investment securities available-for-sale	54	(159)	105
Income tax (expense) benefit	(21)	46	(58)
Total	33	(113)	47
Deferred (losses) gains on cash flow hedges			
Deferred (losses) gains on cash flow hedges	(3)	32	72
Reclassification adjustment for realized gains included in net (loss) earnings	(6)	(25)	(71)
Income tax benefit (expense)	4	(3)	(1)
Total	(5)	4	—
Defined benefit pension and postretirement plans			
Net actuarial gains (losses)	111	(56)	(417)
Prior service credit (cost)	24	(59)	—
Income tax (expense) benefit	(28)	39	164
Total	107	(76)	(253)
Total other comprehensive income (loss)	19	(142)	(112)
Comprehensive (Loss) Income	$ (1,729)	$ 3,634	$ 7,228

See Notes to Consolidated Financial Statements.

Merrill Lynch & Co., Inc. and Subsidiaries
Consolidated Balance Sheets

(dollars in millions)	December 31, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	$ 13,731	$ 17,220
Cash and securities segregated for regulatory purposes or deposited with clearing organizations	11,757	12,424
Securities financing transactions		
Receivables under resale agreements (includes $85,652 in 2011 and $74,255 in 2010 measured at fair value in accordance with the fair value option election)	143,491	138,219
Receivables under securities borrowed transactions (includes $259 in 2011 and $1,672 in 2010 measured at fair value in accordance with the fair value option election)	58,109	60,458
	201,600	198,677
Trading assets, at fair value (includes securities pledged as collateral that can be sold or repledged of $34,932 in 2011 and $33,933 in 2010)		
Derivative contracts	35,013	39,371
Equities and convertible debentures	25,619	34,204
Non-U.S. governments and agencies	30,239	22,248
Corporate debt and preferred stock	17,305	27,703
Mortgages, mortgage-backed, and asset-backed	8,254	10,994
U.S. Government and agencies	43,003	41,378
Municipals, money markets, physical commodities and other	13,044	14,759
	172,477	190,657
Investment securities (includes $244 in 2011 and $310 in 2010 measured at fair value in accordance with the fair value option election)	6,684	17,769
Securities received as collateral, at fair value	13,716	20,363
Receivables from Bank of America	50,972	60,655
Other receivables		
Customers (net of allowance for doubtful accounts of $15 in 2011 and $8 in 2010)	20,512	22,080
Brokers and dealers	8,691	16,483
Interest and other	9,130	10,633
	38,333	49,196
Loans, notes, and mortgages (net of allowances for loan losses of $72 in 2011 and $170 in 2010) (includes $2,322 in 2011 and $3,190 in 2010 measured at fair value in accordance with the fair value option election)	20,574	25,803
Equipment and facilities, net	1,385	1,712
Goodwill and intangible assets	9,404	9,714
Other assets	15,155	17,436
Total Assets	$ 555,788	$ 621,626
Assets of Consolidated VIEs Included in Total Assets Above (pledged as collateral)		
Trading assets, excluding derivative contracts	$ 8,800	$ 10,838
Derivative contracts	—	41
Investment securities	162	309
Loans, notes, and mortgages (net)	94	221
Other assets	3,022	1,597
Total Assets of Consolidated VIEs	$ 12,078	$ 13,006

See Notes to Consolidated Financial Statements

Merrill Lynch & Co., Inc. and Subsidiaries
Consolidated Balance Sheets

(dollars in millions)	December 31, 2011	December 31, 2010
LIABILITIES		
Securities financing transactions		
Payables under repurchase agreements (includes $34,235 in 2011 and 37,394 in 2010 measured at fair value in accordance with the fair value option election)	$ 173,767	$ 183,758
Payables under securities loaned transactions	11,460	15,251
	185,227	199,009
Short-term borrowings (includes $5,908 in 2011 and $6,472 in 2010 measured at fair value in accordance with the fair value option election)	6,051	15,248
Deposits	12,364	12,826
Trading liabilities, at fair value		
Derivative contracts	26,239	32,197
Equities and convertible debentures	12,223	14,026
Non-U.S. governments and agencies	16,554	15,705
Corporate debt and preferred stock	7,084	9,500
U.S. Government and agencies	16,976	24,747
Municipals, money markets and other	645	571
	79,721	96,746
Obligation to return securities received as collateral, at fair value	13,716	20,363
Payables to Bank of America	31,779	23,021
Other payables		
Customers	40,153	39,045
Brokers and dealers	8,667	12,895
Interest and other (includes $173 in 2011 and $165 in 2010 measured at fair value in accordance with the fair value option election)	18,099	19,900
	66,919	71,840
Long-term borrowings (includes $30,325 in 2011 and $39,214 in 2010 measured at fair value in accordance with the fair value option election)	107,118	128,851
Junior subordinated notes (related to trust preferred securities)	3,600	3,576
Total Liabilities	506,495	571,480
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDER'S EQUITY		
Common stock (par value $1.33 1/3 per share; authorized 3,000,000,000 shares; issued 2011 and 2010 — 1,000 shares)	—	—
Paid-in capital	41,292	40,416
Accumulated other comprehensive loss (net of tax)	(235)	(254)
Retained earnings	8,236	9,984
Total Stockholder's Equity	49,293	50,146
Total Liabilities and Stockholder's Equity	$ 555,788	$ 621,626
Liabilities of Consolidated VIEs Included in Total Liabilities Above		
Short-term borrowings	$ 4,939	$ 4,642
Derivative contracts	4	1
Payables to Bank of America	—	2
Other payables	186	53
Long-term borrowings	6,595	6,674
Total Liabilities of Consolidated VIEs	$ 11,724	$ 11,372

See Notes to Consolidated Financial Statements.

Merrill Lynch & Co. Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholder's Equity

(dollars in millions)	Preferred Stock	Common Stock	Additional Paid-in-Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Treasury Stock, at Cost	Total Stockholder's Equity
Balance December 31, 2008	$ 8,605	$ 2,709	$ 47,232	$ (8,756)	$ (6,318)	$ (23,622)	$ 19,850
Effect of BAC acquisition	(7,064)	(2,709)	—	8,756	6,318	23,622	28,923
Effect of purchase accounting adjustments	—	—	(19,669)	—	—	—	(19,669)
Cash capital contribution from BAC	—	—	6,850	—	—	—	6,850
BAC contribution of BASH	—	—	3,677	—	—	—	3,677
BAC contribution of BAI	—	—	263	—	—	—	263
Capital contribution associated with stock-based compensation awards	—	—	388	—	—	—	388
Foreign currency translation adjustment	—	—	—	—	94	—	94
Net unrealized gains on investment securities available-for-sale	—	—	—	—	47	—	47
Change in funded status of defined benefit pension and post retirement plans	—	—	—	—	(253)	—	(253)
Net earnings	—	—	—	7,340	—	—	7,340
Preferred stock dividends declared	—	—	—	(153)	—	—	(153)
Cash dividends paid to BAC	—	—	—	(700)	—	—	(700)
Balance December 31, 2009	1,541	—	38,741	6,487	(112)	—	46,657
Mandatory conversion of preferred stock	(1,541)	—	—	—	—	—	(1,541)
Capital contribution associated with stock-based compensation awards	—	—	1,447	—	—	—	1,447
Other capital contributions from BAC	—	—	228	—	—	—	228
Foreign currency translation adjustment	—	—	—	—	43	—	43
Net unrealized losses on investment securities available-for-sale	—	—	—	—	(113)	—	(113)
Net deferred gains on cash flow hedges	—	—	—	—	4	—	4
Change in funded status of defined benefit pension and post retirement plans	—	—	—	—	(76)	—	(76)
Cumulative adjustments for accounting changes							
Consolidation of certain variable interest entities	—	—	—	(145)	—	—	(145)
Net earnings	—	—	—	3,776	—	—	3,776
Preferred stock dividends declared	—	—	—	(134)	—	—	(134)
Balance December 31, 2010	—	—	40,416	9,984	(254)	—	50,146
Capital contribution associated with stock-based compensation awards	—	—	876	—	—	—	876
Foreign currency translation adjustment	—	—	—	—	(116)	—	(116)
Net unrealized gains on investment securities available-for-sale	—	—	—	—	33	—	33
Net deferred losses on cash flow hedges	—	—	—	—	(5)	—	(5)
Change in funded status of defined benefit pension and post retirement plans	—	—	—	—	107	—	107
Net loss	—	—	—	(1,748)	—	—	(1,748)
Balance December 31, 2011	$ —	$ —	$ 41,292	$ 8,236	$ (235)	$ —	$ 49,293

See Notes to Consolidated Financial Statements

Merrill Lynch & Co., Inc. and Subsidiaries
Consolidated Statements of Cash Flows

(dollars in millions)	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Cash flows from operating activities			
Net (loss) earnings	$ (1,748)	$ 3,776	$ 7,340
Adjustments to reconcile net (loss) earnings to cash provided by operating activities			
Provision for representations and warranties	2,733	(120)	(235)
Depreciation and amortization	731	980	1,080
Share-based compensation expense	1,919	1,483	1,433
Deferred taxes	3,081	637	578
Earnings from equity method investments	(347)	(625)	(1,443)
Other	2,833	(139)	(167)
Changes in operating assets and liabilities			
Trading assets	16,588	7,770	33,683
Cash and securities segregated for regulatory purposes or deposited with clearing organizations	667	2,906	5,679
Receivables from Bank of America	9,683	6,990	(96,132)
Receivables under resale agreements	(5,272)	(37,956)	99,304
Receivables under securities borrowed transactions	2,349	17,598	(2,050)
Customer receivables	1,561	12,205	1,966
Brokers and dealers receivables	7,704	(3,226)	5,180
Proceeds from loans, notes, and mortgages held for sale	4,455	8,456	9,237
Other changes in loans, notes, and mortgages held for sale	(2,665)	(4,652)	(7,212)
Trading liabilities	(17,061)	11,561	(21,266)
Payables under repurchase agreements	(9,991)	(1,880)	(31,977)
Payables under securities loaned transactions	(3,791)	(10,324)	(9,577)
Payables to Bank of America	8,758	(9,600)	22,661
Customer payables	1,108	(7,413)	(7,569)
Brokers and dealers payables	(4,228)	(6,008)	1,345
Other, net	(4,679)	7,038	2,834
Cash provided by operating activities	13,828	5,019	4,709
Cash flows from investing activities			
Proceeds from (payments for):			
Maturities of available-for-sale securities	1,734	1,615	6,900
Sales of available-for-sale securities	4,298	19,472	11,311
Purchases of available-for-sale securities	(1,672)	(5,136)	(1,902)
Sales and maturities of held-to-maturity securities	250	—	—
Equipment and facilities, net	(95)	(377)	(264)
Loans, notes, and mortgages held for investment	2,793	6,927	3,460
Sale of MLBT-FSB to Bank of America	—	—	6,450
Other investments	6,149	11,787	4,080
Cash provided by investing activities	13,466	30,288	28,024
Cash flows from financing activities			
Proceeds from (payments for):			
Commercial paper and short-term borrowings	(9,197)	(4,623)	(33,229)
Issuance and resale of long-term borrowings	9,169	8,553	7,555
Settlement and repurchases of long-term borrowings	(29,876)	(34,914)	(56,080)
Capital contributions from Bank of America	—	—	6,850
Deposits	(662)	(2,361)	8,048
Derivative financing transactions	36	11	10
Other common stock transactions	—	—	(81)
Dividends	—	(134)	(853)
Cash used for financing activities	(30,530)	(33,468)	(67,659)
Effect of exchange rate changes on cash and cash equivalents	(516)	251	209
(Decrease) increase in cash and cash equivalents	(3,489)	2,878	(34,976)
Cash and cash equivalents, beginning of period	17,220	15,142	50,118
Cash and cash equivalents, end of period	$ 13,731	$ 17,220	$ 15,142

Supplemental Disclosure of Cash Flow Information:

Income taxes paid	$ 428	$ 2,577	$ 808
Income taxes refunded	(2,067)	(4,232)	(315)
Interest paid	7,399	7,666	11,115

Non-cash investing and financing activities

For the year ended December 31, 2010, Merrill Lynch received a non-cash capital contribution of approximately $1.0 billion from Bank of America associated with certain employee stock awards. In addition, as of January 1, 2010, Merrill Lynch consolidated assets and liabilities in connection with the consolidation of certain VIEs. See Note 9. In October 2010, Merrill Lynch's mandatory convertible preferred stock was automatically converted to Bank of America common stock. The redemption was settled through a non-cash intercompany transaction.

In connection with the acquisition of Merrill Lynch by Bank of America, Merrill Lynch recorded purchase accounting adjustments in the year ended December 31, 2009, which were recorded as non-cash capital contributions. In addition, during 2009 Bank of America contributed the net assets of Banc of America Investment Services, Inc. to Merrill Lynch. See Note 2.

Effective January 1, 2009, Bank of America contributed the net assets of Bank of America Securities Holdings Corporation totaling approximately $3.9 billion to Merrill Lynch. This was recorded as a non-cash capital contribution. See Note 1.

In connection with the sale of Merrill Lynch Bank USA to a subsidiary of Bank of America during 2009, Merrill Lynch received a note receivable as consideration for the net book value of the assets and liabilities transferred to Bank of America. See Note 3.

See Notes to Consolidated Financial Statements

Merrill Lynch & Co., Inc. and Subsidiaries
Notes to Consolidated Financial Statements
December 31, 2011

Note 1. Summary of Significant Accounting Policies

Description of Business

Merrill Lynch & Co. Inc. ("ML & Co") and together with its subsidiaries ("Merrill Lynch"), provides investment, financing and other related services to individuals and institutions on a global basis through its broker, dealer, banking and other financial services subsidiaries. On January 1, 2009, ML & Co was acquired by Bank of America Corporation ("Bank of America") in exchange for common and preferred stock with a value of $29.1 billion. ML & Co. is a wholly-owned subsidiary of Bank of America.

Its principal subsidiaries include

- Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a U.S.-based broker-dealer in securities and futures commission merchant;
- Merrill Lynch International ("MLI"), a United Kingdom ("U.K.")-based regulated investment firm;
- Merrill Lynch Capital Services, Inc., a U.S.-based dealer in interest rate, currency, commodity and credit derivatives,
- Merrill Lynch International Bank Limited ("MLIB"), an Ireland-based bank,
- Merrill Lynch Japan Securities Co., Ltd. ("MLJS"), a Japan-based broker-dealer; and
- Merrill Lynch Derivative Products, AG, a Switzerland-based derivatives dealer

Services provided to clients by Merrill Lynch and other activities include.

- Securities brokerage, trading and underwriting,
- Investment banking, advisory services (including mergers and acquisitions) and other corporate finance activities,
- Wealth management products and services, including financial, retirement and generational planning,
- Investment management and advisory and related record-keeping services;
- Origination, brokerage, dealer, and related activities in swaps, options, forwards, exchange-traded futures, other derivatives, commodities and foreign exchange products,
- Securities clearance, settlement financing services and prime brokerage; and
- Research services on a global basis.

Bank of America Acquisition

On January 1, 2009, Merrill Lynch was acquired by Bank of America through the merger of a wholly-owned subsidiary of Bank of America with and into ML & Co with ML & Co continuing as the surviving corporation and a wholly-owned subsidiary of Bank of America. Upon completion of the acquisition, each outstanding share of ML & Co. common stock was converted into 0.8595 shares of Bank of America common stock. As of the completion of the acquisition, ML & Co Series 1 through Series 8 preferred stock were converted into Bank of America preferred stock with substantially identical terms to the corresponding series of Merrill Lynch preferred stock (except for additional voting rights provided to the Bank of America securities). The Merrill Lynch 9.00% Mandatory Convertible Non-Cumulative Preferred Stock, Series 2, and 9.00% Mandatory Convertible Non-Cumulative Preferred Stock, Series 3 that remained issued and outstanding subsequent to the completion of the acquisition were automatically converted into Bank of America common stock on October 15, 2010 in accordance with the terms of these securities (see Note 13).

Merger with Banc of America Securities Holdings Corporation ("BASH")

On November 1, 2010, ML & Co. merged with BASH, a wholly-owned subsidiary of Bank of America, with ML &

Co as the surviving corporation in the merger (the "BASH Merger"). In accordance with Accounting Standards Codification ("ASC") 805-10, *Business Combinations* ("Business Combinations Accounting"), the Consolidated Financial Statements of Merrill Lynch include the historical results of BASH and subsidiaries as if the BASH Merger had occurred on January 1, 2009, the date at which both entities were first under the common control of Bank of America Merrill Lynch has recorded the assets and liabilities acquired in connection with the BASH Merger at their historical carrying values.

As a result of the BASH Merger, Banc of America Securities LLC ("BAS"), a wholly-owned broker-dealer subsidiary of BASH, became a wholly-owned broker-dealer subsidiary of ML & Co Subsequently, on November 1, 2010, BAS was merged into MLPF&S, a wholly-owned broker-dealer subsidiary of ML & Co , with MLPF&S as the surviving corporation in the merger As a result, MLPF&S remained a direct wholly-owned broker-dealer subsidiary of ML & Co and an indirect wholly-owned broker-dealer subsidiary of Bank of America

Basis of Presentation

The Consolidated Financial Statements include the accounts of Merrill Lynch The Consolidated Financial Statements are presented in accordance with U S. Generally Accepted Accounting Principles ("U S GAAP") Intercompany transactions and balances within Merrill Lynch have been eliminated Transactions and balances with Bank of America have not been eliminated Certain prior-period amounts have been reclassified in order to conform with the current year's presentation

The Consolidated Financial Statements are presented in U S dollars Many non-U S subsidiaries have a functional currency (i e , the currency in which activities are primarily conducted) that is other than the U.S. dollar, often the currency of the country in which a subsidiary is domiciled Subsidiaries' assets and liabilities are translated to U S dollars at year-end exchange rates, while revenues and expenses are translated at average exchange rates during the year Adjustments that result from translating amounts in a subsidiary's functional currency and related hedging, net of related tax effects, are reported in stockholder's equity as a component of accumulated other comprehensive (loss) income All other translation adjustments are included in earnings Merrill Lynch uses derivatives to manage the currency exposure arising from activities in non-U S subsidiaries See the Derivatives section for additional information on accounting for derivatives

Merrill Lynch offers a broad array of products and services to its diverse client base of individuals, small to mid-size businesses, employee benefit plans, corporations, financial institutions, and governments around the world These products and services are offered from a number of locations globally In some cases, the same or similar products and services may be offered to both individual and institutional clients, utilizing the same infrastructure In other cases, a single infrastructure may be used to support multiple products and services offered to clients When Merrill Lynch analyzes its profitability, it does not focus on the profitability of a single product or service Instead, Merrill Lynch views the profitability of businesses offering an array of products and services to various types of clients The profitability of the products and services offered to individuals, small to mid-size businesses, and employee benefit plans is analyzed separately from the profitability of products and services offered to corporations, financial institutions, and governments, regardless of whether there is commonality in products and services infrastructure As such, Merrill Lynch does not separately disclose the costs associated with the products and services sold or general and administrative costs either in total or by product.

When determining the prices for products and services, Merrill Lynch considers multiple factors, including prices being offered in the market for similar products and services, the competitiveness of its pricing compared to competitors, the profitability of its businesses and its overall profitability, as well as the profitability, creditworthiness, and importance of the overall client relationships Shared expenses that are incurred to support products and services and infrastructures are allocated to the businesses based on various methodologies, which may include headcount, square footage, and certain other criteria. Similarly, certain revenues may be shared based upon agreed methodologies When evaluating the profitability of various businesses, Merrill Lynch considers all expenses incurred, including overhead and the costs of shared services, as all are considered integral to the operation of the businesses.

Consolidation Accounting

Merrill Lynch determines whether it is required to consolidate an entity by first evaluating whether the entity qualifies as a voting rights entity ("VRE") or as a variable interest entity ("VIE").

The Consolidated Financial Statements include the accounts of Merrill Lynch, whose subsidiaries are generally controlled through a majority voting interest or a controlling financial interest On January 1, 2010, Merrill Lynch adopted accounting guidance on consolidation of VIEs, which has been deferred for certain investment funds managed on behalf of third parties if Merrill Lynch does not have an obligation to fund losses that could potentially be significant to these funds Any funds meeting the deferral requirements will continue to be evaluated for consolidation in accordance with the prior guidance

VREs — VREs are defined to include entities that have both equity at risk that is sufficient to fund future operations and have equity investors that have a controlling financial interest in the entity through their equity investments In accordance with ASC 810, *Consolidation* ("Consolidation Accounting"), Merrill Lynch generally consolidates those VREs where it has the majority of the voting rights. For investments in limited partnerships and certain limited liability corporations that Merrill Lynch does not control, Merrill Lynch applies ASC 323, *Investments — Equity Method and Joint Ventures* ("Equity Method Accounting"), which requires use of the equity method of accounting for investors that have more than a minor influence, which is typically defined as an investment of greater than 3% to 5% of the outstanding equity in the entity For more traditional corporate structures, in accordance with Equity Method Accounting, Merrill Lynch applies the equity method of accounting where it has significant influence over the investee. Significant influence can be evidenced by a significant ownership interest (which is generally defined as a voting interest of 20% to 50%), significant board of director representation, or other contracts and arrangements

VIEs — Those entities that do not meet the VRE criteria are generally analyzed for consolidation as VIEs. A VIE is an entity that lacks equity investors or whose equity investors do not have a controlling financial interest in the entity through their equity investments Merrill Lynch consolidates those VIEs for which it is the primary beneficiary In accordance with Consolidation Accounting guidance, Merrill Lynch is considered the primary beneficiary when it has a controlling financial interest in a VIE. Merrill Lynch has a controlling financial interest when it has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE Merrill Lynch reassesses whether it is the primary beneficiary of a VIE on a quarterly basis The quarterly
reassessment process considers whether Merrill Lynch has acquired or divested the power to direct the activities of the VIE through changes in governing documents or other circumstances. The reassessment also considers whether Merrill Lynch has acquired or disposed of a financial interest that could be significant to the VIE, or whether an interest in the VIE has become significant or is no longer significant. The consolidation status of the VIEs with which Merrill Lynch is involved may change as a result of such reassessments.

Securitization Activities

In the normal course of business, Merrill Lynch has securitized commercial and residential mortgage loans; municipal, government, and corporate bonds; and other types of financial assets. Merrill Lynch may retain interests in the securitized financial assets by holding notes or other debt instruments issued by the securitization vehicle. In accordance with ASC 860, *Transfers and Servicing* ("Financial Transfers and Servicing Accounting"), Merrill Lynch recognizes transfers of financial assets where it relinquishes control as sales to the extent of cash and any other proceeds received

Revenue Recognition

Principal transactions revenue includes both realized and unrealized gains and losses on trading assets and trading liabilities, investment securities classified as trading investments and fair value changes associated with certain structured debt. These instruments are recorded at fair value Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Gains and losses on sales are recognized on a trade date basis

Commissions revenues include commissions, mutual fund distribution fees and contingent deferred sales charge revenue, which are all accrued as earned Commissions revenues also include mutual fund redemption fees, which are recognized at the time of redemption Commissions revenues earned from certain customer equity transactions are recorded net of related brokerage, clearing and exchange fees

Managed account and other fee-based revenues primarily consist of asset-priced portfolio service fees earned from the administration of separately managed accounts and other investment accounts for retail investors, annual account fees, and certain other account-related fees

Investment banking revenues include underwriting revenues and fees for merger and acquisition and other advisory services, which are accrued when services for the transactions are substantially completed Underwriting revenues are presented net of transaction-related expenses

Earnings from equity method investments include Merrill Lynch's pro rata share of income and losses associated with investments accounted for under the equity method of accounting

Other revenues include gains (losses) on investment securities, including sales of available-for-sale securities, gains (losses) on private equity investments and other principal investments and gains (losses) on loans and other miscellaneous items

Contractual interest received and paid, and dividends received on trading assets and trading liabilities, excluding derivatives, are recognized on an accrual basis as a component of interest and dividend revenues and interest expense Interest and dividends on investment securities are recognized on an accrual basis as a component of interest and dividend revenues Interest related to loans, notes, and mortgages, securities financing activities and certain short- and long-term borrowings are recorded on an accrual basis as interest revenue or interest expense, as applicable.

Use of Estimates

In presenting the Consolidated Financial Statements, management makes estimates including the following

- Valuations of assets and liabilities requiring fair value estimates,
- The allowance for credit losses,
- Determination of other-than-temporary impairments for available-for-sale investment securities,
- The outcome of litigation;
- Determination of the liability for representations and warranties made in connection with the sales of residential mortgage and home equity loans,
- Determination of whether VIEs should be consolidated,
- The ability to realize deferred tax assets and the recognition and measurement of uncertain tax positions,
- The carrying amount of goodwill and intangible assets,
- The amortization period of intangible assets with definite lives,
- Incentive-based compensation accruals and valuation of share-based payment compensation arrangements, and
- Other matters that affect the reported amounts and disclosure of contingencies in the Consolidated Financial Statements

Estimates, by their nature, are based on judgment and available information. Therefore, actual results could differ from those estimates and could have a material impact on the Consolidated Financial Statements, and it is possible that such changes could occur in the near term. A discussion of certain areas in which estimates are a significant component of the amounts reported in the Consolidated Financial Statements follows

Fair Value Measurement

Merrill Lynch accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement Merrill Lynch accounts for certain financial assets and liabilities at fair value under various accounting literature, including ASC 320, *Investments — Debt and Equity Securities* ("Investment Accounting"),

ASC 815, *Derivatives and Hedging* ("Derivatives Accounting"), and the fair value option election in accordance with ASC 825-10-25, *Financial Instruments — Recognition* (the "fair value option election") Merrill Lynch also accounts for certain assets at fair value under applicable industry guidance, namely ASC 940, *Financial Services — Broker and Dealers* ("Broker-Dealer Guide") and ASC 946, *Financial Services — Investment Companies* ("Investment Company Guide").

ASC 820, *Fair Value Measurements and Disclosures* ("Fair Value Accounting") defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value and enhances disclosure requirements for fair value measurements

Fair values for over-the-counter ("OTC") derivative financial instruments, principally forwards, options, and swaps, represent the present value of amounts estimated to be received from or paid to a marketplace participant in settlement of these instruments (i.e , the amount Merrill Lynch would expect to receive in a derivative asset assignment or would expect to pay to have a derivative liability assumed) These derivatives are valued using pricing models based on the net present value of estimated future cash flows and directly observed prices from exchange-traded derivatives, other OTC trades, or external pricing services, while taking into account the counterparty's creditworthiness, or Merrill Lynch's own creditworthiness, as appropriate When external pricing services are used, the methods and assumptions used are reviewed by Merrill Lynch Determining the fair value for OTC derivative contracts can require a significant level of estimation and management judgment

New and/or complex instruments may have immature or limited markets. As a result, the pricing models used for valuation often incorporate significant estimates and assumptions that market participants would use in pricing the instrument, which may impact the results of operations reported in the Consolidated Financial Statements. For instance, on long-dated and illiquid contracts extrapolation methods are applied to observed market data in order to estimate inputs and assumptions that are not directly observable. This enables Merrill Lynch to mark to fair value all positions consistently when only a subset of prices are directly observable Values for OTC derivatives are verified using observed information about the costs of hedging the risk and other trades in the market. As the markets for these products develop, Merrill Lynch continually refines its pricing models to correlate more closely to the market price of these instruments. The recognition of significant inception gains and losses that incorporate unobservable inputs is reviewed by management to ensure such gains and losses are derived from observable inputs and/or incorporate reasonable assumptions about the unobservable component, such as implied bid-offer adjustments.

Certain financial instruments recorded at fair value are initially measured using mid-market prices which results in gross long and short positions valued at the same pricing level prior to the application of position netting The resulting net positions are then adjusted to fair value representing the exit price as defined in Fair Value Accounting The significant adjustments include liquidity and counterparty credit risk.

Liquidity

Merrill Lynch makes adjustments to bring a position from a mid-market to a bid or offer price, depending upon the net open position Merrill Lynch values net long positions at bid prices and net short positions at offer prices These adjustments are based upon either observable or implied bid-offer prices

Counterparty Credit Risk

In determining fair value, Merrill Lynch considers both the credit risk of its counterparties, as well as its own creditworthiness. Merrill Lynch attempts to mitigate credit risk to third parties by entering into netting and collateral arrangements. Net counterparty exposure (counterparty positions netted by offsetting transactions and both cash and securities collateral) is then valued for counterparty creditworthiness and this resultant value is incorporated into the fair value of the respective instruments Merrill Lynch generally calculates the credit risk adjustment for derivatives based on observable market credit spreads

Fair Value Accounting also requires that Merrill Lynch consider its own creditworthiness when determining the fair value of certain instruments, including OTC derivative instruments and certain structured notes carried at fair value under the fair value option election (i.e , debit valuation adjustment or "DVA"). Merrill Lynch's DVA is measured in

the same manner as third party counterparty credit risk The impact of Merrill Lynch's DVA is incorporated into the fair value of instruments such as OTC derivative contracts even when credit risk is not readily observable in the instrument OTC derivative liabilities are valued based on the net counterparty exposure as described above

Legal and Representation and Warranty Reserves

Merrill Lynch is a party in various actions, some of which involve claims for substantial amounts Amounts are accrued for the financial resolution of claims that have either been asserted or are deemed probable of assertion if, in the opinion of management, it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated In many cases, it is not possible to determine whether a liability has been incurred or to estimate the ultimate or minimum amount of that liability until the case is close to resolution, in which case no accrual is made until that time Accruals are subject to significant estimation by management, with input from any outside counsel handling the matter

In addition, Merrill Lynch and certain of its subsidiaries made various representations and warranties in connection with the sale of residential mortgage and home equity loans Breaches of these representations and warranties may result in the requirement to repurchase mortgage loans or to otherwise make whole or provide other remedies. Refer to Note 14 for further information

Income Taxes

Merrill Lynch provides for income taxes on all transactions that have been recognized in the Consolidated Financial Statements in accordance with ASC 740, *Income Taxes* ("Income Tax Accounting"). Accordingly, deferred taxes are adjusted to reflect the tax rates at which future taxable amounts will likely be settled or realized The effects of tax rate changes on deferred tax liabilities and deferred tax assets, as well as other changes in income tax laws, are recognized in net earnings in the period during which such changes are enacted. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts that are more-likely-than-not to be realized Pursuant to Income Tax Accounting, Merrill Lynch may consider various sources of evidence in assessing the necessity of valuation allowances to reduce deferred tax assets to amounts more-likely-than-not to be realized, including the following. 1) past and projected earnings, including losses, of Merrill Lynch and Bank of America, as certain tax attributes such as U.S net operating losses ("NOLs"), U S capital loss carryforwards and foreign tax credit carryforwards can be utilized by Bank of America in certain income tax returns, 2) tax carryforward periods, and 3) tax planning strategies and other factors of the legal entities, such as the intercompany tax-allocation policy. Included within Merrill Lynch's net deferred tax assets are carryforward amounts generated in the U S. and the U.K. that are deductible in the future as NOLs. Merrill Lynch has concluded that these deferred tax assets are more-likely-than-not to be fully utilized prior to expiration, based on the projected level of future taxable income of Merrill Lynch and Bank of America, which is relevant due to the intercompany tax-allocation policy. For this purpose, future taxable income was projected based on forecasts, historical earnings after adjusting for the past market disruptions and the anticipated impact of the differences between pre-tax earnings and taxable income

Merrill Lynch recognizes and measures its unrecognized tax benefits in accordance with Income Tax Accounting Merrill Lynch estimates the likelihood, based on their technical merits, that tax positions will be sustained upon examination considering the facts and circumstances and information available at the end of each period Merrill Lynch adjusts the level of unrecognized tax benefits ("UTBs") when there is more information available, or when an event occurs requiring a change In accordance with Bank of America's policy, any new or subsequent change in an unrecognized tax benefit related to a Bank of America state consolidated, combined or unitary return in which Merrill Lynch is a member will generally not be reflected in Merrill Lynch's balance sheet However, upon Bank of America's resolution of the item, any material impact determined to be attributable to Merrill Lynch will be reflected in Merrill Lynch's balance sheet Merrill Lynch accrues income-tax-related interest and penalties, if applicable, within income tax expense

Merrill Lynch's results of operations are included in the U S federal income tax return and certain state income tax returns of Bank of America The method of allocating income tax expense is determined under the intercompany tax allocation policy of Bank of America. This policy specifies that income tax expense will be computed for all Bank of America subsidiaries generally on a separate pro forma return basis, taking into account the tax position of the

consolidated group and the pro forma Merrill Lynch group Under this policy, tax benefits associated with NOLs (or other tax attributes) of Merrill Lynch are payable to Merrill Lynch generally upon utilization in Bank of America's tax returns See Note 17 for further discussion of income taxes

Goodwill and Intangible Assets

Goodwill is the cost of an acquired company in excess of the fair value of identifiable net assets at the acquisition date. Goodwill is tested annually (or more frequently under certain conditions) for impairment at the reporting unit level in accordance with ASC 350, *Intangibles — Goodwill and Other* ("Goodwill and Intangible Assets Accounting")

Intangible assets with definite lives consist primarily of value assigned to customer relationships Intangible assets with definite lives are tested for impairment in accordance with ASC 360, *Property, Plant, and Equipment*, whenever certain conditions exist which would indicate the carrying amount of such assets may not be recoverable Intangible assets with definitive lives are amortized over their respective estimated useful lives Intangible assets with indefinite lives consist of value assigned to the Merrill Lynch brand and are tested for impairment in accordance with Goodwill and Intangible Assets Accounting. Intangible assets with indefinite lives are not amortized

Merrill Lynch makes certain complex judgments with respect to its goodwill and intangible assets, including assumptions and estimates used to determine fair value Merrill Lynch also makes assumptions and estimates in determining the useful lives of its intangible assets with definite lives Refer to Note 11 for further information.

Balance Sheet

Cash and Cash Equivalents

Merrill Lynch defines cash equivalents as short-term, highly liquid securities, and interest-earning deposits with maturities, when purchased, of 90 days or less, that are not used for trading purposes The amounts recognized for cash and cash equivalents in the Consolidated Balance Sheets approximate fair value.

Cash and Securities Segregated for Regulatory Purposes or Deposited with Clearing Organizations

Merrill Lynch maintains relationships with clients around the world and, as a result, it is subject to various regulatory regimes As a result of its client activities, Merrill Lynch is obligated by rules mandated by its primary regulators, including the Securities and Exchange Commission ("SEC") and the Commodities Futures Trading Commission ("CFTC") in the U S and the Financial Services Authority ("FSA") in the U K. to segregate or set aside cash and/or qualified securities to satisfy these regulations, which have been promulgated to protect customer assets In addition, Merrill Lynch is a member of various clearing organizations at which it maintains cash and/or securities required for the conduct of its day-to-day clearance activities The amounts recognized for cash and securities segregated for regulatory purposes or deposited with clearing organizations in the Consolidated Balance Sheets approximate fair value

Securities Financing Transactions

Merrill Lynch enters into repurchase and resale agreements and securities borrowed and loaned transactions to accommodate customers and earn interest rate spreads (also referred to as "matched-book transactions"), obtain securities for settlement and finance inventory positions Resale and repurchase agreements are generally accounted for as collateralized financing transactions and may be recorded at their contractual amounts plus accrued interest or at fair value under the fair value option election In resale and repurchase agreements, typically the termination date of the agreements is before the maturity date of the underlying security However, in certain situations, Merrill Lynch may enter into agreements where the termination date of the transaction is the same as the maturity date of the underlying security. These transactions are referred to as repo-to-maturity ("RTM") transactions. In accordance with applicable accounting guidance, Merrill Lynch accounts for RTM transactions as sales and purchases when the transferred securities are highly liquid. In instances where securities are considered sold or purchased, Merrill Lynch removes or recognizes the securities from the Consolidated Balance Sheet and, in the case of sales,

recognizes a gain or loss in the Consolidated Statement of (Loss) Earnings At December 31, 2011 and December 31, 2010, Merrill Lynch had no outstanding RTM transactions that had been accounted for as sales and an immaterial amount of transactions that had been accounted for as purchases

Resale and repurchase agreements recorded at fair value are generally valued based on pricing models that use inputs with observable levels of price transparency Where the fair value option election has been made, changes in the fair value of resale and repurchase agreements are reflected in principal transactions revenues and the contractual interest coupon is recorded as interest revenue or interest expense, respectively For further information refer to Note 4.

Resale and repurchase agreements recorded at their contractual amounts plus accrued interest approximate fair value, as the fair value of these items is not materially sensitive to shifts in market interest rates because of the short-term nature of these instruments and/or variable interest rates or to credit risk because the resale and repurchase agreements are substantially collateralized

Merrill Lynch may use securities received as collateral for resale agreements to satisfy regulatory requirements such as Rule 15c3-3 of the Securities Exchange Act of 1934

Securities borrowed and loaned transactions may be recorded at the amount of cash collateral advanced or received plus accrued interest or at fair value under the fair value option election Securities borrowed transactions require Merrill Lynch to provide the counterparty with collateral in the form of cash, letters of credit, or other securities Merrill Lynch receives collateral in the form of cash or other securities for securities loaned transactions. For these transactions, the fees received or paid by Merrill Lynch are recorded as interest revenue or expense. The carrying value of securities borrowed and loaned transactions recorded at the amount of cash collateral advanced or received approximates fair value as these items are not materially sensitive to shifts in market interest rates because of their short-term nature and/or variable interest rates or to credit risk because securities borrowed and loaned transactions are substantially collateralized.

For securities financing transactions, Merrill Lynch's policy is to obtain possession of collateral with a market value equal to or in excess of the principal amount loaned under the agreements. To ensure that the market value of the underlying collateral remains sufficient, collateral is generally valued daily and Merrill Lynch may require counterparties to deposit additional collateral or may return collateral pledged when appropriate. Securities financing agreements give rise to negligible credit risk as a result of these collateral provisions, and no allowance for loan losses is considered necessary. These instruments therefore are managed based on market risk rather than credit risk

Substantially all securities financing activities are transacted under master agreements that give Merrill Lynch the right, in the event of default, to liquidate collateral held and to offset receivables and payables with the same counterparty Merrill Lynch offsets certain repurchase and resale transactions with the same counterparty on the Consolidated Balance Sheets where it has such a master agreement, that agreement is legally enforceable and the transactions have the same maturity date

All Merrill Lynch-owned securities pledged to counterparties where the counterparty has the right, by contract or custom, to sell or repledge the securities are disclosed parenthetically in trading assets or in investment securities on the Consolidated Balance Sheets.

In transactions where Merrill Lynch acts as the lender in a securities lending agreement and receives securities that can be pledged or sold as collateral, it recognizes an asset on the Consolidated Balance Sheets carried at fair value, representing the securities received (securities received as collateral), and a liability for the same amount, representing the obligation to return those securities (obligation to return securities received as collateral) The amounts on the Consolidated Balance Sheets result from such non-cash transactions

Trading Assets and Liabilities

Merrill Lynch's trading activities consist primarily of securities brokerage and trading, derivatives dealing and brokerage, commodities trading and futures brokerage; and securities financing transactions Trading assets and trading liabilities consist of cash instruments (e g , securities and loans) and derivative instruments Trading assets

also include commodities inventory See Note 6 for additional information on derivative instruments.

Trading assets and liabilities are generally recorded on a trade date basis at fair value Included in trading liabilities are securities that Merrill Lynch has sold but did not own and will therefore be obligated to purchase at a future date ("short sales"). Commodities inventory is recorded at the lower of cost or fair value Changes in fair value of trading assets and liabilities (i e , unrealized gains and losses) are recognized as principal transactions revenues in the current period. Realized gains and losses and any related interest amounts are included in principal transactions revenues and interest revenues and expenses, depending on the nature of the instrument.

Derivatives

A derivative is an instrument whose value is derived from an underlying instrument or index, such as interest rates, equity security prices, currencies, commodity prices or credit spreads Derivatives include futures, forwards, swaps, option contracts and other financial instruments with similar characteristics. Derivative contracts often involve future commitments to exchange interest payment streams or currencies based on a notional or contractual amount (e.g., interest rate swaps or currency forwards) or to purchase or sell other financial instruments at specified terms on a specified date (e g., options to buy or sell securities or currencies). Refer to Note 6 for further information

Investment Securities

Investment securities consist of marketable investment securities and non-qualifying investments. Refer to Note 8.

Marketable Investment Securities

ML & Co. and certain of its non-broker-dealer subsidiaries follow the guidance within Investment Accounting for investments in debt and publicly traded equity securities. Merrill Lynch classifies those debt securities that it does not intend to sell as held-to-maturity securities. Held-to-maturity securities are carried at amortized cost unless a decline in value is deemed other-than-temporary, in which case the carrying value is reduced. For Merrill Lynch, the trading classification under Investment Accounting generally includes those securities that are bought and held principally for the purpose of selling them in the near term, securities that are economically hedged, or securities that may contain a bifurcatable embedded derivative as defined in Derivatives Accounting Securities classified as trading are marked to fair value through earnings All other qualifying securities are classified as available-for-sale ("AFS") and are held at fair value with unrealized gains and losses reported in accumulated other comprehensive (loss) income ("OCI")

Realized gains and losses on investment securities are included in current period earnings For purposes of computing realized gains and losses, the cost basis of each investment sold is based on the specific identification method.

Merrill Lynch regularly (at least quarterly) evaluates each held-to-maturity and AFS security whose fair value has declined below amortized cost to assess whether the decline in fair value is other-than-temporary A decline in a debt security's fair value is considered to be other-than-temporary if it is probable that all amounts contractually due will not be collected or Merrill Lynch either plans to sell the security or it is more likely than not that it will be required to sell the security before recovery of its amortized cost. For unrealized losses on debt securities that are deemed other-than-temporary, the credit component of an other-than-temporary impairment is recognized in earnings and the non-credit component is recognized in OCI when Merrill Lynch does not intend to sell the security and it is more likely than not that Merrill Lynch will not be required to sell the security prior to recovery.

Non-Qualifying Investments

Non-qualifying investments are those investments that are not within the scope of Investment Accounting and primarily include private equity investments accounted for at fair value and other equity securities carried at cost or under the equity method of accounting.

Private equity investments that are held for capital appreciation and/or current income are accounted for under the Investment Company Guide and carried at fair value. Additionally, certain private equity investments that are not accounted for under the Investment Company Guide may be carried at fair value under the fair value option

election The fair value of private equity investments reflects expected exit values based upon market prices or other valuation methodologies, including market comparables of similar companies and discounted expected cash flows

Merrill Lynch has non-controlling investments in the common shares of corporations and in partnerships that do not fall within the scope of Investment Accounting or the Investment Company Guide Merrill Lynch accounts for these investments using either the cost or the equity method of accounting based on management's ability to influence the investees, or Merrill Lynch may elect the fair value option See the Consolidation Accounting section of this Note for more information

For investments accounted for using the equity method, income is recognized based on Merrill Lynch's share of the earnings or losses of the investee Dividend distributions are generally recorded as reductions in the investment balance Impairment testing is based on the guidance provided in Equity Method Accounting, and the investment is reduced when an impairment is deemed other-than-temporary

For investments accounted for at cost, income is recognized when dividends are received, or the investment is sold Instruments are periodically tested for impairment based on the guidance provided in Investment Accounting, and the cost basis is reduced when an impairment is deemed other-than-temporary

Loans, Notes and Mortgages, Net

Merrill Lynch's lending and related activities include loan originations, syndications and securitizations. Loan originations include corporate and institutional loans, residential and commercial mortgages, asset-backed loans, and other loans to individuals and businesses Merrill Lynch also engages in secondary market loan trading (see the Trading Assets and Liabilities section of this Note) and margin lending. Loans included in loans, notes, and mortgages are classified for accounting purposes as loans held for investment and loans held for sale. Upon completion of the acquisition of Merrill Lynch by Bank of America, certain loans carried by Merrill Lynch were subject to the requirements of ASC 310-30, *Loans and Debt Securities Acquired with Deteriorated Credit Quality* ("Acquired Impaired Loan Accounting").

Loans held for investment are generally carried at amortized cost, less an allowance for loan losses, which represents Merrill Lynch's estimate of probable losses inherent in its lending activities The fair value option election has been made for certain held-for-investment loans, notes and mortgages Merrill Lynch performs periodic and systematic detailed reviews of its lending portfolios to identify credit risks and to assess overall collectability. These reviews, which are updated on a quarterly basis, consider a variety of factors including, but not limited to, historical loss experience, estimated defaults, delinquencies, economic conditions, credit scores and the fair value of any underlying collateral Provisions for loan losses are included in interest and dividend revenue in the Consolidated Statements of (Loss) Earnings

Merrill Lynch's estimate of loan losses includes judgment about collectability based on available information at the balance sheet date, and the uncertainties inherent in those underlying assumptions While management has based its estimates on the best information available, future adjustments to the allowance for loan losses may be necessary as a result of changes in the economic environment or variances between actual results and the original assumptions

In general, loans that are past due 90 days or more as to principal or interest, or where reasonable doubt exists as to timely collection, including loans that are individually identified as being impaired, are classified as non-performing unless well-secured and in the process of collection Loans, primarily commercial, whose contractual terms have been restructured in a manner which grants a concession to a borrower experiencing financial difficulties are considered troubled debt restructurings ("TDRs") and are classified as non-performing until the loans have performed for an adequate period of time under the restructured agreement Interest accrued but not collected is reversed when a commercial loan is considered non-performing Interest collections on commercial loans for which the ultimate collectability of principal is uncertain are applied as principal reductions, otherwise, such collections are credited to income when received Commercial loans may be restored to performing status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected, or when the loan otherwise becomes well-secured and is in the process of collection

Loans held for sale are carried at lower of cost or fair value The fair value option election has been made for certain

held for sale loans, notes and mortgages Estimation is required in determining these fair values The fair value of loans made in connection with commercial lending activity, consisting mainly of senior debt, is primarily estimated using the market value of publicly issued debt instruments when available or discounted cash flows

Nonrefundable loan origination fees, loan commitment fees, and "draw down" fees received in conjunction with held for investment loans are generally deferred and recognized over the contractual life of the loan as an adjustment to the yield. If, at the outset, or any time during the term of the loan, it becomes probable that the repayment period will be extended, the amortization is recalculated using the expected remaining life of the loan When the loan contract does not provide for a specific maturity date, management's best estimate of the repayment period is used At repayment of the loan, any unrecognized deferred fee is immediately recognized in earnings. If the loan is accounted for as held for sale, the fees received are deferred and recognized as part of the gain or loss on sale in other revenues. If the loan is accounted for under the fair value option election, the fees are included in the determination of the fair value and included in other revenues

Other Receivables and Payables

Customer Receivables and Payables

Customer securities transactions are recorded on a settlement date basis. Receivables from and payables to customers include amounts due on cash and margin transactions, including futures contracts transacted on behalf of Merrill Lynch customers Due to their short-term nature, such amounts approximate fair value Securities owned by customers, including those that collateralize margin or other similar transactions, are not reflected on the Consolidated Balance Sheets.

Customer receivables and broker dealer receivables include margin loan transactions where Merrill Lynch will typically make a loan to a customer in order to finance the customer's purchase of securities. These transactions are conducted through margin accounts In these transactions the customer is required to post collateral in excess of the value of the loan and the collateral must meet marketability criteria Collateral is valued daily and must be maintained over the life of the loan Given that these loans are fully collateralized by marketable securities, credit risk is negligible and reserves for loan losses are only required in rare circumstances

Brokers and Dealers Receivables and Payables

Receivables from brokers and dealers include amounts receivable for securities not delivered by Merrill Lynch to a purchaser by the settlement date ("fails to deliver"), margin deposits and commissions Payables to brokers and dealers include amounts payable for securities not received by Merrill Lynch from a seller by the settlement date ("fails to receive") Brokers and dealers receivables and payables additionally include amounts related to futures contracts on behalf of Merrill Lynch customers as well as net receivables or payables from unsettled trades Due to their short-term nature, the amounts recognized for brokers and dealers receivables and payables approximate fair value

Interest and Other Receivables and Payables

Interest and other receivables include interest receivable on corporate and governmental obligations, customer or other receivables, and stock-borrowed transactions Also included are receivables from income taxes, underwriting and advisory fees, commissions and fees, and other receivables Interest and other payables include interest payable for stock-loaned transactions, and short-term and long-term borrowings Also included are amounts payable for employee compensation and benefits, income taxes, non-trading derivatives, dividends, other reserves, and other payables

Equipment and Facilities

Equipment and facilities consist primarily of technology hardware and software, leasehold improvements, and owned facilities Equipment and facilities are reported at historical cost, net of accumulated depreciation and amortization, except for land, which is reported at historical cost

Depreciation and amortization are computed using the straight-line method Equipment is depreciated over its estimated useful life, while leasehold improvements are amortized over the lesser of the improvement's estimated economic useful life or the term of the lease Maintenance and repair costs are expensed as incurred Depreciation and amortization expense was $422 million, $591 million and $729 million for 2011, 2010 and 2009, respectively.

Other Assets

Other assets include deferred tax assets, the excess of the fair value of pension assets over the related benefit obligations, other prepaid expenses, and other deferred charges Refer to Note 15 for further information

In addition, real estate purchased for investment purposes is also included in other assets. Real estate held in this category may be classified as either held and used or held for sale depending on the facts and circumstances Real estate held and used is valued at cost, less depreciation, and real estate held for sale is valued at the lower of cost or fair value, less estimated costs to sell

Deposits

Savings deposits are interest-bearing accounts that have no maturity or expiration date. Certificates of deposit are accounts that have a stipulated maturity and interest rate However, depositors may recover their funds prior to the stated maturity but may pay a penalty to do so In certain cases, Merrill Lynch enters into interest rate swaps to hedge the fair value risk in these deposits. The carrying amount of deposits approximates fair value

Short- and Long-Term Borrowings

Short and long-term borrowings are carried at either the principal amount borrowed, net of unamortized discounts or premiums, adjusted for the effects of fair value hedges or fair value under the fair value option election.

Merrill Lynch issues structured debt instruments that have coupons or repayment terms linked to the performance of debt or equity securities, indices, currencies, or commodities, generally referred to as hybrid debt instruments or structured notes. The contingent payment components of these obligations may meet the definition in Derivatives Accounting of an embedded derivative. Structured notes are generally accounted for under the fair value option election (see Note 4).

Merrill Lynch uses derivatives to manage the interest rate, currency, equity, and other risk exposures of its borrowings See Note 6 for additional information on the accounting for derivatives.

Stock-Based Compensation

Merrill Lynch accounts for stock-based compensation expense in accordance with ASC 718, *Compensation — Stock Compensation* ("Stock Compensation Accounting"), under which compensation expense for share-based awards that do not require future service are recorded immediately, while those that do require future service are amortized into expense over the relevant service period Further, expected forfeitures of share-based compensation awards for non-retirement-eligible employees are included in determining compensation expense

New Accounting Pronouncements

In April 2011, the Financial Accounting Standards Board (the "FASB") issued new accounting guidance on TDRs, including criteria to determine whether a loan modification represents a concession and whether the debtor is experiencing financial difficulties This new accounting guidance was effective as of September 30, 2011 with retrospective application back to January 1, 2011 The new accounting guidance was not material to Merrill Lynch

In April 2011, the FASB issued new accounting guidance that addresses effective control in repurchase agreements and eliminates the requirement for entities to consider whether the transferor/seller has the ability to repurchase the financial assets in a repurchase agreement This new accounting guidance was effective, on a prospective basis, for new transactions or modifications to existing transactions, on January 1, 2012 The adoption of this guidance will not have a material impact on Merrill Lynch's consolidated financial position or results of operations

In May 2011, the FASB issued amendments to Fair Value Accounting The amendments clarify the application of the highest and best use and valuation premise concepts, preclude the application of blockage factors in the valuation of all financial instruments and include criteria for applying the fair value measurement principles to portfolios of financial instruments The amendments additionally prescribe enhanced financial statement disclosures for Level 3 fair value measurements The new amendments were effective on January 1, 2012 The adoption of this guidance will not have a material impact on Merrill Lynch's consolidated financial position or results of operations

In June 2011, the FASB issued new accounting guidance on the presentation of comprehensive income in financial statements The new guidance requires entities to report components of comprehensive income in either a continuous statement of comprehensive income or two separate but consecutive statements This new accounting guidance is effective for Merrill Lynch for the three months ended March 31, 2012

In September 2011, the FASB issued new accounting guidance that simplifies goodwill impairment testing The new guidance permits entities to make a qualitative assessment of whether it is likely that the fair value of a reporting unit is less than its carrying value before applying the two-step impairment test. If, under this assessment, it is likely that the fair value of a reporting unit is greater than the carrying amount, an entity would not be required to perform the two-step impairment test. Merrill Lynch early adopted the new accounting guidance for the annual goodwill impairment test completed during the three months ended September 30, 2011

In December 2011, the FASB issued new accounting guidance that requires additional disclosures on financial instruments and derivative instruments that are either offset in accordance with existing accounting guidance or are subject to an enforceable master netting arrangement or similar agreement The new requirements do not change the accounting guidance on netting, but rather enhance the disclosures to more clearly show the impact of netting arrangements on a company's financial position. This new accounting guidance will be effective, on a retrospective basis for all comparative periods presented, beginning on January 1, 2013.

Note 2. Transactions with Bank of America

Merrill Lynch has entered into various transactions with Bank of America, primarily to integrate certain activities within either Bank of America or Merrill Lynch. Transactions with Bank of America also include various asset and liability transfers and transactions associated with intercompany sales and trading and financing activities.

Sale of U.S. Banks to Bank of America

During 2009, Merrill Lynch sold Merrill Lynch Bank USA ("MLBUSA") and Merrill Lynch Bank & Trust Co , FSB ("MLBT-FSB") to a subsidiary of Bank of America. In both transactions, Merrill Lynch sold the shares of the respective entity to Bank of America The sale price of each entity was equal to its net book value as of the date of transfer

The MLBUSA sale was completed on July 1, 2009, and the sale of MLBT-FSB was completed on November 2, 2009 After each sale was completed, MLBUSA and MLBT-FSB were merged into Bank of America, N A. ("BANA"), a subsidiary of Bank of America.

Acquisition of Banc of America Investment Services, Inc. ("BAI") from Bank of America

In October 2009, Bank of America contributed the shares of BAI, one of its wholly-owned broker-dealer subsidiaries, to ML & Co. Subsequent to the transfer, BAI was merged into MLPF&S The net amount contributed by Bank of America to ML & Co. was equal to BAI's net book value of approximately $263 million as of the date of transfer. In accordance with Business Combinations Accounting, Merrill Lynch's Consolidated Financial Statements include the results of BAI as if the contribution from Bank of America had occurred on January 1, 2009, the date at which both entities were first under the common control of Bank of America.

Merger with BASH

See Note 1 — "Merger with BASH" for further information on this transaction.

Other Related Party Transactions

Merrill Lynch has entered into various transactions with Bank of America, including transactions in connection with certain sales and trading and financing activities as well as the allocation of certain shared services Details on amounts receivable from and payable to Bank of America as of December 31, 2011 and December 31, 2010 are presented below

Receivables from Bank of America are comprised of:

(dollars in millions)

	December 31, 2011	December 31, 2010
Cash and cash equivalents	$ 7,491	$ 14,471
Cash and securities segregated for regulatory purposes	6,107	5,508
Receivables under resale agreements	26,855	31,053
Trading assets	700	643
Net intercompany funding receivable	3,567	7,305
Other receivables	6,252	1,460
Other assets	—	215
	$ 50,972	$ 60,655

Payables to Bank of America are comprised of

(dollars in millions)

	December 31, 2011	December 31, 2010
Payables under repurchase agreements	$ 22,647	$ 12,890
Payables under securities loaned transactions	2,519	2,352
Short-term borrowings	1,450	1,901
Deposits	75	33
Trading liabilities	503	520
Other payables	1,935	2,746
Long-term borrowings[1]	2,650	2,579
Total	$ 31,779	$ 23,021

(1) Amounts include $2,578 of subordinated borrowings from Bank of America (see Note 12)

Total net revenues and non-interest expenses related to transactions with Bank of America for the year ended December 31, 2011 were $1 3 billion and $2 5 billion, respectively Net revenues for the year ended December 31, 2011 included $322 million of investment banking revenue from transactions involving Bank of America Total net revenues and non-interest expenses related to transactions with Bank of America for the year ended December 31, 2010 were $906 million and $807 million, respectively Net revenues for the year ended December 31, 2010 included a realized gain of approximately $280 million from the sale of approximately $11 billion of available-for-sale securities, $212 million of investment banking revenue from transactions involving Bank of America, and, as discussed below, a gain of approximately $600 million from the sale of Bloomberg Inc notes receivable to Bank of America Total net revenues and non-interest expenses related to transactions with Bank of America for the year ended December 31, 2009 were $1 5 billion and $739 million, respectively Net revenues for the year ended December 31, 2009 included $644 million of investment banking revenue from transactions involving Bank of America

Total net revenues related to transactions with Bank of America for the years ended December 31, 2011, December 31, 2010 and December 31, 2009 included intercompany service fee revenues of $925 million, $279 million and $200 million, respectively Total non-interest expenses related to transactions with Bank of America for the years ended December 31, 2011, December 31, 2010 and December 31, 2009 included intercompany service fee expenses

of $2 3 billion, $538 million and $573 million, respectively. Intercompany service fee revenue and service fee expense from Bank of America represents the allocations of certain centralized or shared business activities between Merrill Lynch and Bank of America Such fees are generally determined in accordance with subsidiary transfer pricing agreements The increase in service fee revenue and expense in the year ended December 31, 2011 resulted from the integration of Bank of America's and Merrill Lynch's methodologies for allocating revenues and expenses associated with shared services with their subsidiaries.

A portion of the consideration received from Merrill Lynch's July 2008 sale of its stake in Bloomberg, L P to Bloomberg Inc. was notes issued by Bloomberg Inc , the general partner and owner of substantially all of Bloomberg, L.P The notes represent senior unsecured obligations of Bloomberg Inc In December 2010, Merrill Lynch sold the Bloomberg Inc. notes to Bank of America at fair value and recorded a gain of approximately $600 million

Bank of America and Merrill Lynch have entered into certain intercompany lending and borrowing arrangements to facilitate centralized liquidity management. Included in these arrangements is a $50 billion extendible one-year revolving credit facility that allows Bank of America to borrow funds from Merrill Lynch at a spread to LIBOR that is reset periodically and is consistent with other intercompany agreements The credit facility matures on January 1, 2013 and will automatically be extended by one year to the succeeding January 1st unless Merrill Lynch provides written notice not to extend at least 45 days prior to the maturity date There were no amounts outstanding at December 31, 2011 and approximately $6 1 billion outstanding at December 31, 2010 under this credit facility. In addition, in October 2011, Merrill Lynch entered into a short-term revolving credit facility that will allow Bank of America to borrow up to an additional $25 billion. Interest on borrowings under the credit facility is based on prevailing short-term market rates. At December 31, 2011, approximately $3 7 billion was outstanding under this credit facility See Note 12 for further information on intercompany financing agreements with Bank of America. In addition, Bank of America has guaranteed the performance of Merrill Lynch on certain derivative transactions (see Note 6) Bank of America has also guaranteed certain debt securities, warrants and/or other certificates and obligations of certain subsidiaries of ML & Co. (see Note 12).

Note 3. Segment and Geographic Information

Segment Information

Pursuant to ASC 280, *Segment Reporting*, operating segments represent components of an enterprise for which separate financial information is available that is regularly evaluated by the chief operating decision maker in determining how to allocate resources and in assessing performance. The business activities of Merrill Lynch are included within certain of the operating segments of Bank of America. Detailed financial information related to the operations of Merrill Lynch, however, is not provided to Merrill Lynch's chief operating decision maker. As a result, Merrill Lynch does not contain any identifiable operating segments under Segment Reporting, and therefore the financial information of Merrill Lynch is presented as a single segment.

Geographic Information

Merrill Lynch conducts its business activities through offices in the following five regions

- United States,
- Europe, Middle East, and Africa ("EMEA");
- Pacific Rim;
- Latin America, and
- Canada

The principal methodologies used in preparing the geographic information below are as follows:

- Revenues are generally recorded based on the location of the employee generating the revenue, and
- Intercompany transfers are based primarily on service agreements.

The information that follows, in management's judgment, provides a reasonable representation of each region's

contribution to the consolidated net revenues

(dollars in millions)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Revenues, net of interest expense			
Europe, Middle East, and Africa	$ 3,794	$ 4,500	$ 5,841
Pacific Rim	2,387	2,244	2,136
Latin America	1,164	1,072	823
Canada	272	207	242
Total Non-U S	7,617	8,023	9,042
United States[1][2]	16,677	19,823	20,242
Total revenues, net of interest expense	$ 24,294	$ 27,846	$ 29,284

(1) U S results for the years ended December 31, 2011, December 31, 2010 and December 31, 2009 included gains of $2 0 billion, losses of $0 1 billion and losses of $5 2 billion, respectively, due to the impact of the changes in Merrill Lynch's credit spreads on the carrying values of certain long-term borrowings, primarily structured notes

(2) Corporate net revenues and adjustments are reflected in the U S. region

Note 4. Fair Value Disclosures

Fair Value Accounting

Fair Value Hierarchy

In accordance with Fair Value Accounting, Merrill Lynch has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

Financial assets and liabilities recorded on the Consolidated Balance Sheets are categorized based on the inputs to the valuation techniques as follows

Level 1 Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that Merrill Lynch has the ability to access (examples include active exchange-traded equity securities, exchange-traded derivatives, U.S Government securities, and certain other sovereign government obligations)

Level 2 Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability Level 2 inputs include the following.

a) Quoted prices for similar assets or liabilities in active markets (examples include restricted stock and U S agency securities),

b) Quoted prices for identical or similar assets or liabilities in non-active markets (examples include corporate and municipal bonds, which can trade infrequently),

c) Pricing models whose inputs are observable for substantially the full term of the asset or liability (examples include most over-the-counter derivatives, including interest rate and currency swaps); and

d) Pricing models whose inputs are derived principally from or corroborated by observable market data through correlation or other means for substantially the full term of the asset or liability (examples include certain residential and commercial mortgage-related assets, including loans, securities and derivatives)

Level 3 Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's view about the assumptions a market participant would use in pricing the asset or liability (examples include certain private equity investments, certain residential and commercial mortgage-related assets and long-dated or complex derivatives)

As required by Fair Value Accounting, when the inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement in its entirety For example, a Level 3 fair value measurement may include inputs that are observable (Level 1 and 2) and unobservable (Level 3) Therefore gains and losses for such assets and liabilities categorized within the Level 3 reconciliation below may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3) Further, the following reconciliations do not take into consideration the offsetting effect of Level 1 and 2 financial instruments entered into by Merrill Lynch that economically hedge certain exposures to the Level 3 positions.

A review of fair value hierarchy classifications is conducted on a quarterly basis Changes in the observability of valuation inputs may result in a reclassification for certain financial assets or liabilities. Level 3 gains and losses represent amounts incurred during the period in which the instrument was classified as Level 3 Reclassifications impacting Level 3 of the fair value hierarchy are reported as transfers in or transfers out of the Level 3 category as of the beginning of the quarter in which the reclassifications occur Refer to the recurring and non-recurring sections within this Note for further information on transfers in and out of Level 3.

Valuation Techniques

The following outlines the valuation methodologies for Merrill Lynch's material categories of assets and liabilities

U S. Government and agencies

U.S. Treasury securities U.S. Treasury securities are valued using quoted market prices and are generally classified as Level 1 in the fair value hierarchy

U.S. agency securities U S agency securities are comprised of two main categories consisting of agency issued debt and mortgage pass-throughs The fair value of agency issued debt securities is derived using market prices and recent trade activity gathered from independent dealer pricing services or brokers. Mortgage pass-throughs include To-be-announced ("TBA") securities and mortgage pass-through certificates TBA securities are generally valued using quoted market prices Generally, the fair value of mortgage pass-through certificates is based on market prices of comparable securities Agency issued debt securities and mortgage pass-throughs are generally classified as Level 2 in the fair value hierarchy.

Non-U S governments and agencies

Sovereign government obligations Sovereign government obligations are valued using quoted prices in active markets when available To the extent quoted prices are not available, fair value is determined based on reference to recent trading activity and quoted prices of similar securities. These securities are generally classified in Level 1 or Level 2 in the fair value hierarchy, primarily based on the issuing country.

Municipal debt

Municipal bonds The fair value of municipal bonds is calculated using recent trade activity, market price quotations and new issuance levels In the absence of this information, fair value is calculated using comparable bond credit spreads Current interest rates, credit events, and individual bond characteristics such as coupon, call features, maturity, and revenue purpose are considered in the valuation process The majority of these bonds are classified as Level 2 in the fair value hierarchy

Auction Rate Securities ("ARS") Merrill Lynch holds investments in certain ARS, including student loan and municipal ARS Student loan ARS are comprised of various pools of student loans Municipal ARS are issued by states and municipalities for a wide variety of purposes, including but not limited to healthcare, industrial development, education and transportation infrastructure The fair value of the student loan ARS is calculated using a pricing model that relies upon a number of assumptions including weighted average life, coupon, discount margin and liquidity discounts. The fair value of the municipal ARS is calculated based upon projected refinancing and spread assumptions In both cases, recent trades and issuer tenders are considered in the valuations Student loan ARS and municipal ARS are classified as Level 3 in the fair value hierarchy

Corporate and other debt

Corporate bonds Corporate bonds are valued based on either the most recent observable trade and/or external quotes, depending on availability The most recent observable trade price is given highest priority as the valuation benchmark based on an evaluation of transaction date, size, frequency, and bid-offer. This price may be adjusted by bond or credit default swap spread movement When credit default swap spreads are referenced, cash-to-synthetic basis magnitude and movement as well as maturity matching are incorporated into the value. When neither external quotes nor a recent trade is available, the bonds are valued using a discounted cash flow approach based on risk parameters of comparable securities In such cases, the potential pricing difference in spread and/or price terms with the traded comparable is considered Corporate bonds are generally classified as Level 2 or Level 3 in the fair value hierarchy

Corporate loans and commitments The fair values of corporate loans and loan commitments are based on market prices and most recent transactions when available When not available, a discounted cash flow valuation approach is applied using market-based credit spreads of comparable debt instruments, recent new issuance activity or relevant credit derivatives with appropriate cash-to-synthetic basis adjustments Corporate loans and commitments are generally classified as Level 2 in the fair value hierarchy. Certain corporate loans, particularly those related to emerging market, leveraged and distressed companies have limited price transparency These loans are generally classified as Level 3 in the fair value hierarchy

Mortgages, mortgage-backed and asset-backed

Residential Mortgage-Backed Securities ("RMBS"), Commercial Mortgage-Backed Securities ("CMBS"), and other Asset-Backed Securities ("ABS") RMBS, CMBS and other ABS are valued based on observable price or credit spreads for the particular security, or when price or credit spreads are not observable, the valuation is based on prices of comparable bonds or the present value of expected future cash flows. Valuation levels of RMBS and CMBS indices are used as an additional data point for benchmarking purposes or to price outright index positions

When estimating the fair value based upon the present value of expected future cash flows, Merrill Lynch uses its best estimate of the key assumptions, including forecasted credit losses, prepayment rates, forward yield curves and discount rates commensurate with the risks involved, while also taking into account performance of the underlying collateral

RMBS, CMBS and other ABS are classified as Level 3 in the fair value hierarchy if external prices or credit spreads are unobservable or if comparable trades/assets involve significant subjectivity related to property type differences, cash flows, performance and other inputs, otherwise, they are classified as Level 2 in the fair value hierarchy

Equities

Exchange-Traded Equity Securities Exchange-traded equity securities are generally valued based on quoted prices from the exchange To the extent these securities are actively traded, they are classified as Level 1 in the fair value hierarchy, otherwise they are classified as Level 2

Convertible debentures Convertible debentures are valued based on observable trades and/or external quotes, depending on availability When neither observable trades nor external quotes are available, the instruments are valued using a discounted cash flow approach based on risk parameters of comparable securities In such cases, the potential pricing difference in spread and/or price terms with the traded comparable is considered. Convertible debentures are generally classified as Level 2 in the fair value hierarchy.

Derivative contracts

Listed Derivative Contracts Listed derivatives that are actively traded are generally valued based on quoted prices from the exchange and are classified as Level 1 in the fair value hierarchy Listed derivatives that are not actively traded are valued using the same approaches as those applied to OTC derivatives, they are generally classified as Level 2 in the fair value hierarchy

OTC Derivative Contracts OTC derivative contracts include forwards, swaps and options related to interest rate, foreign currency, credit, equity or commodity underlyings.

The fair value of OTC derivatives is derived using market prices and other market based pricing parameters such as interest rates, currency rates and volatilities that are observed directly in the market or gathered from independent sources such as dealer consensus pricing services or brokers. Where models are used, they are used consistently and reflect the contractual terms of and specific risks inherent in the contracts Generally, the models do not require a high level of subjectivity since the valuation techniques used in the models do not require significant judgment and inputs to the models are readily observable in active markets. When appropriate, valuations are adjusted for various factors such as liquidity and credit considerations based on available market evidence In addition, for most collateralized interest rate and currency derivatives the requirement to pay interest on the collateral may be considered in the valuation The majority of OTC derivative contracts are classified as Level 2 in the fair value hierarchy

OTC derivative contracts that do not have readily observable market based pricing parameters are classified as Level 3 in the fair value hierarchy. Examples of derivative contracts classified within Level 3 include contractual obligations that have tenures that extend beyond periods in which inputs to the model would be observable, exotic derivatives with significant inputs into a valuation model that are less transparent in the market and certain credit default swaps ("CDS") referenced to mortgage-backed securities. For example, derivative instruments, such as certain CDS referenced to RMBS, CMBS, ABS and collateralized debt obligations ("CDOs"), may be valued based on the underlying mortgage risk where these instruments are not actively quoted Inputs to the valuation will include available information on similar underlying loans or securities in the cash market The prepayments and loss assumptions on the underlying loans or securities are estimated using a combination of historical data, prices on recent market transactions, relevant observable market indices such as the Asset Backed Securities Index ("ABX") or Commercial Mortgage Backed Securities Index ("CMBX") and prepayment and default scenarios and analyses.

CDOs The fair value of CDOs is derived from a referenced basket of CDS, the CDO's capital structure, and the default correlation, which is an input to a proprietary CDO valuation model The underlying CDO portfolios typically contain investment grade as well as non-investment grade obligors. After adjusting for differences in risk profile, the correlation parameter for an actual transaction is estimated by benchmarking against observable standardized index tranches and other comparable transactions CDOs are classified as either Level 2 or Level 3 in the fair value hierarchy.

Investment securities non-qualifying

Investments in Private Equity, Real Estate and Hedge Funds Merrill Lynch has investments in numerous asset

classes, including direct private equity, private equity funds, hedge funds and real estate funds Valuing these investments requires significant management judgment due to the nature of the assets and the lack of quoted market prices and liquidity in these assets Initially, the transaction price of the investment is generally considered to be the best indicator of fair value Thereafter, valuation of direct investments is based on an assessment of each individual investment using various methodologies, which include publicly traded comparables derived by multiplying a key performance metric (e.g , earnings before interest, taxes, depreciation and amortization) of the portfolio company by the relevant valuation multiple observed for comparable companies, acquisition comparables, entry level multiples and discounted cash flows These valuations are subject to appropriate discounts for lack of liquidity or marketability Certain factors which may influence changes to fair value include but are not limited to, recapitalizations, subsequent rounds of financing, and offerings in the equity or debt capital markets For fund investments, Merrill Lynch generally records the fair value of its proportionate interest in the fund's capital as reported by the fund's respective managers

Investment securities non-qualifying include equity securities that have recently gone through initial public offerings or secondary sales of public positions These investments are primarily classified as either Level 1 or Level 2 in the fair value hierarchy Level 2 classifications generally include those publicly traded equity investments that have a legal or contractual transfer restriction All other investments in private equity, real estate and hedge funds are classified as Level 3 in the fair value hierarchy due to infrequent trading and/or unobservable market prices

Resale and repurchase agreements

Merrill Lynch elected the fair value option for certain resale and repurchase agreements For such agreements, the fair value is estimated using a discounted cash flow model which incorporates inputs such as interest rate yield curves and option volatility Resale and repurchase agreements for which the fair value option has been elected are generally classified as Level 2 in the fair value hierarchy.

Long-term and short-term borrowings

Merrill Lynch and its consolidated VIEs issue structured notes that have coupons or repayment terms linked to the performance of debt or equity securities, indices, currencies or commodities. The fair value of structured notes is estimated using valuation models for the combined derivative and debt portions of the notes when the fair value option has been elected These models incorporate observable, and in some instances unobservable, inputs including security prices, interest rate yield curves, option volatility, currency, commodity or equity rates and correlations between these inputs The impact of Merrill Lynch's own credit spreads is also included based on Merrill Lynch's observed secondary bond market spreads Structured notes are classified as either Level 2 or Level 3 in the fair value hierarchy

Recurring Fair Value

The following tables present Merrill Lynch's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2011 and December 31, 2010, respectively.

(dollars in millions)

	Fair Value Measurements on a Recurring Basis as of December 31, 2011				
	Level 1	Level 2	Level 3	Netting Adj[1]	Total
Assets:					
Securities segregated for regulatory purposes or deposited with clearing organizations.					
Corporate debt	$ —	$ 295	$ —	$ —	$ 295
Non-U S governments and agencies	—	1,757	—	—	1,757
U S. Government and agencies	1,796	740	—	—	2,536

Total securities segregated for regulatory purposes or deposited with clearing organizations	1,796	2,792	—	—	4,588
Receivables under resale agreements	—	85,652	—	—	85,652
Receivables under securities borrowed transactions	—	259	—	—	259
Trading assets, excluding derivative contracts					
Equities	14,962	5,860	179	—	21,001
Convertible debentures	—	4,519	99	—	4,618
Non-U S governments and agencies	28,026	1,871	342	—	30,239
Corporate debt	—	13,027	3,962	—	16,989
Preferred stock	—	89	227	—	316
Mortgages, mortgage-backed and asset-backed	—	5,055	3,199	—	8,254
U S Government and agencies	22,183	20,820	—	—	43,003
Municipals and money markets	1,067	9,755	2,047	—	12,869
Physical commodities and other	—	175	—	—	175
Total trading assets, excluding derivative contracts	66,238	61,171	10,055	—	137,464
Derivative contracts[2]	1,810	722,108	10,110	(699,015)	35,013
Investment securities available-for-sale					
U S treasury securities and agency debentures	398	—	—	—	398
Securities, mortgage-backed and asset backed					
Non-agency MBS	—	249	—	—	249
Corporate ABS	—	—	47	—	47
Total investment securities available-for-sale	398	249	47	—	694
Investment securities non-qualifying	2,624	328	574	—	3,526
Total investment securities	3,022	577	621	—	4,220
Securities received as collateral	13,058	658	—	—	13,716
Loans, notes and mortgages	—	596	1,726	—	2,322
Other assets	—	—	1,349	—	1,349
Liabilities					
Payables under repurchase agreements	—	34,235	—	—	34,235
Short-term borrowings	—	5,908	—	—	5,908
Trading liabilities, excluding derivative contracts.					
Equities	10,868	1,230	—	—	12,098
Convertible debentures	—	125	—	—	125
Non-U S governments and agencies	15,911	643	—	—	16,554
Corporate debt	—	6,927	52	—	6,979
Preferred stock	—	89	16	—	105
U.S. Government and agencies	15,603	1,373	—	—	16,976
Municipals, money markets and other	549	51	45	—	645
Total trading liabilities, excluding derivative contracts	42,931	10,438	113	—	53,482
Derivative contracts[2]	1,419	724,713	5,615	(705,508)	26,239
Obligation to return securities received as collateral	13,058	658	—	—	13,716
Other payables — interest and other	—	163	10	—	173
Long-term borrowings	—	28,139	2,186	—	30,325

(1) *Represents counterparty and cash collateral netting*
(2) *Refer to Note 6 for product level detail*

Transfers between Level 1 and Level 2 assets and liabilities were not significant for the year ended December 31, 2011

Level 3 derivative contracts (assets) relate to derivative positions on U S ABS CDOs and other mortgage products of $2.4 billion, $3 1 billion of other credit derivatives that incorporate unobservable model valuation inputs, and $4 6 billion of equity, currency, interest rate and commodity derivatives that are long-dated and/or have unobservable model valuation inputs (e g , unobservable correlation)

Level 3 non-qualifying investment securities primarily relate to certain private equity positions

Level 3 loans, notes and mortgages primarily relate to residential mortgage and corporate loans

Level 3 other assets represent net monoline exposure to a single counterparty This exposure was reclassified from derivative contracts (assets) during the third quarter of 2011 because of the inherent default risk and given that these contracts no longer provide a hedge benefit (see Note 6)

Level 3 derivative contracts (liabilities) relate to derivative positions on U S ABS CDOs and other mortgage products of $1 6 billion, $0 7 billion of other credit derivatives that incorporate unobservable model valuation inputs, and $3 3 billion of equity, currency, interest rate and commodity derivatives that are long-dated and/or have unobservable model valuation inputs (e g , unobservable correlation)

Level 3 long-term borrowings primarily relate to equity-linked structured notes of $1 7 billion, which have unobservable model valuation inputs (e g , unobservable correlation)

(dollars in millions)

	Fair Value Measurements on a Recurring Basis as of December 31, 2010				
	Level 1	Level 2	Level 3	Netting Adj[1]	Total
Assets:					
Securities segregated for regulatory purposes or deposited with clearing organizations.					
Corporate debt	$ —	$ 306	$ —	$ —	$ 306
Non-U.S. governments and agencies	1,652	1,402	—	—	3,054
U S Government and agencies	1,419	1,413	—	—	2,832
Total securities segregated for regulatory purposes or deposited with clearing organizations	3,071	3,121	—	—	6,192
Receivables under resale agreements [2]	—	74,255	—	—	74,255
Receivables under securities borrowed transactions	—	1,672	—	—	1,672
Trading assets, excluding derivative contracts					
Equities	20,458	7,673	170	—	28,301
Convertible debentures	—	5,903	—	—	5,903
Non-U S. governments and agencies	18,393	3,612	243	—	22,248
Corporate debt	—	22,300	4,605	—	26,905
Preferred stock	—	511	287	—	798
Mortgages, mortgage-backed and asset-backed	—	5,247	5,747	—	10,994
U S Government and agencies [3]	17,742	23,636	—	—	41,378
Municipals and money markets	732	11,102	2,327	—	14,161
Physical commodities and other	—	598	—	—	598
Total trading assets, excluding derivative contracts	57,325	80,582	13,379	—	151,286
Derivative contracts[4]	1,622	590,020	14,359	(566,630)	39,371
Investment securities available-for-sale					
U S treasury securities and agency debentures	430	—	—	—	430
Mortgage-backed securities — residential MBS	—	3,869	—	—	3,869
Mortgage-backed securities — agency CMOs	—	61	—	—	61
Mortgage-backed securities — non-agency MBSs	—	518	213	—	731
Total investment securities available-for-sale	430	4,448	213	—	5,091
Investment securities non-qualifying	2,792	690	3,394	—	6,876
Total investment securities	3,222	5,138	3,607	—	11,967
Securities received as collateral	19,471	892	—	—	20,363
Loans, notes and mortgages	—	1,421	1,891	—	3,314
Liabilities.					
Payables under repurchase agreements	—	37,394	—	—	37,394
Short-term borrowings	—	6,472	—	—	6,472
Trading liabilities, excluding derivative contracts					
Equities	11,706	914	—	—	12,620
Convertible debentures	—	1,406	—	—	1,406
Non-U S governments and agencies	14,748	957	—	—	15,705
Corporate debt	—	9,500	—	—	9,500
U S Government and agencies	19,860	4,887	—	—	24,747
Municipals, money markets and other	224	347	—	—	571
Total trading liabilities, excluding derivative contracts	46,538	18,011	—	—	64,549
Derivative contracts[4]	1,142	590,138	7,991	(567,074)	32,197

Obligation to return securities received as collateral	19,471	892	—	—	20,363
Other payables — interest and other	—	39	126	—	165
Long-term borrowings	—	36,818	2,396	—	39,214

(1) Represents counterparty and cash collateral netting

(2) Receivables under resale agreements have been revised from approximately $51 billion (as previously reported) to approximately $74 billion A similar revision has been made on the balance sheet to the parenthetical disclosure of receivables under resale agreements measured at fair value in accordance with the fair value option election

(3) *U S Government and agencies trading asset amounts shown in Level 1 and Level 2 have been revised from approximately $7 billion and $34 billion, respectively (as previously reported) to approximately $18 billion and $24 billion, respectively*

(4) *Refer to Note 6 for product level detail*

Level 3 derivative contracts (assets) relate to derivative positions on U S ABS CDOs and other mortgage products of $5 7 billion, $4 1 billion of other credit derivatives that incorporate unobservable model valuation inputs, and $4 5 billion of equity, currency, interest rate and commodity derivatives that are long-dated and/or have unobservable model valuation inputs (e g , unobservable correlation)

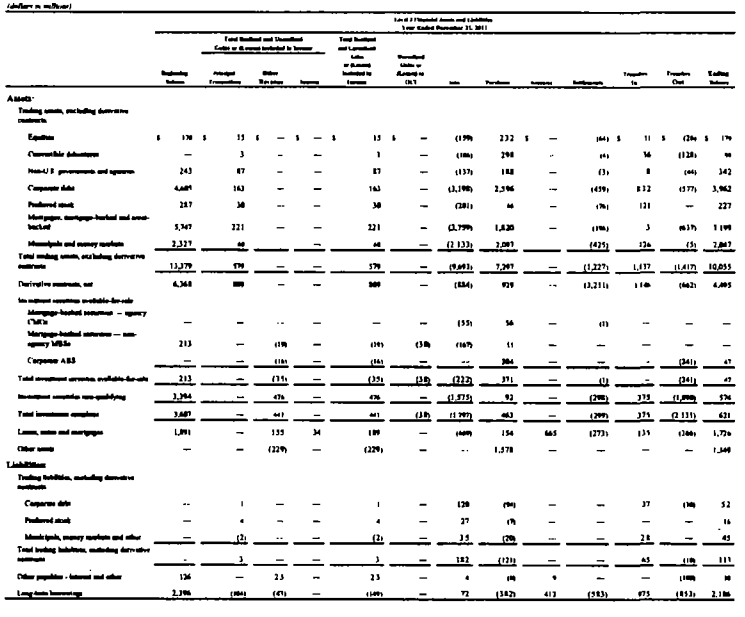
Level 3 non-qualifying investment securities primarily relate to certain private equity positions

Level 3 loans, notes and mortgages primarily relate to residential mortgage and corporate loans

Level 3 derivative contracts (liabilities) relate to derivative positions on U.S ABS CDOs and other mortgage products of $2 2 billion, $2 0 billion of other credit derivatives that incorporate unobservable model valuation inputs, and $3 8 billion of equity, currency, interest rate and commodity derivatives that are long-dated and/or have unobservable model valuation inputs (e g , unobservable correlation).

Level 3 long-term borrowings primarily relate to equity-linked structured notes of $1 9 billion that are long-dated and/or have unobservable model valuation inputs (e g , unobservable correlation).

The following tables provide a summary of changes in Merrill Lynch's Level 3 financial assets and liabilities for the years ended December 31, 2011, December 31, 2010 and December 31, 2009



Sales of corporate debt primarily relates to sales of corporate ARS and distressed loans during the first quarter of 2011 Sales of mortgages, mortgage-backed and asset-backed securities primarily relates to the sale of CDO positions in conjunction with the liquidation of a VIE and sales of collateralized loan obligation ("CLO") positions due to the exit of Merrill Lynch's proprietary trading business. Purchases of corporate debt primarily relates to purchases of non-investment grade and distressed corporate loans and bonds Purchases of mortgages, mortgage-backed and asset-backed securities primarily relates to purchases of CDO and CLO positions Sales and purchases of municipal securities is primarily due to dealer activity in student loan ARS Sales of investment securities non-qualifying primarily relates to the sale of private equity investments during 2011.

The purchases for other assets and settlements for derivative contracts, net reflect the reclassification of approximately $1 6 billion of net monoline exposure from derivative contracts (assets) to other assets because of the inherent default risk and given that these contracts no longer provide a hedge benefit.

Transfers out for convertible debentures are due to increased observability (i.e., market comparables) for certain

convertible bond positions. Transfers in for corporate debt are primarily due to decreased observability (i e , decreased market liquidity) for certain corporate loans and bonds Transfers out for corporate debt primarily relates to increased price observability (i e , market comparables) for certain corporate bond positions Transfers out for mortgages, mortgage-backed and asset-backed securities primarily relates to increased price observability for certain RMBS, CMBS and consumer ABS portfolios Transfers in for derivative contracts, net primarily relates to changes in the valuation methodology for certain CDOs and total return swaps ("TRS"), in addition to certain equity derivative positions with unobservable correlation Transfers out for derivative contracts, net primarily relates to increased price observability for certain equity and credit derivative positions

Transfers out for investment securities available-for-sale - corporate ABS are due to increased price observability (i e , market comparables) for certain positions Transfers in for investment securities non-qualifying are due to a change in the valuation methodology for a real estate private equity fund Transfers out related to investment securities non-qualifying are primarily due to a private equity investment that underwent an initial public offering during the first quarter of 2011. Transfers out for loans, notes and mortgages and other payables - interest and other primarily relates to increased observability (i e., market comparables) for certain corporate loans and unfunded loan commitments Transfers in and out related to long-term borrowings are primarily due to changes in the impact of unobservable inputs on the value of certain equity-linked structured notes

(dollars in millions)

	Level 3 Financial Assets and Liabilities Year Ended December 31, 2010									
		Total Realized and Unrealized Gains or (Losses) included in Income			Total Realized and Unrealized Gains or (Losses) included in Income	Unrealized Gains or (Losses) included in OCI	Purchases, Issuances and Settlements	Transfers In	Transfers Out	Ending Balance
	Beginning Balance	Principal Transactions	Other Revenue	Interest						
Assets										
Trading assets, excluding derivative contracts										
Equities	$ 351	$ (17)	$ —	$ —	$ (17)	$ —	$ (167)	$ 130	$ (127)	$ 170
Non-U S. governments and agencies	1,142	(141)	—	—	(141)	—	(144)	103	(715)	243
Corporate debt	6,790	398	—	—	398	—	(2,271)	963	(1,277)	4,603
Preferred stock	562	(34)	—	—	(34)	—	(204)	—	(37)	287
Mortgages, mortgage-backed and asset-backed	7,294	253	—	—	253	—	(1,793)	390	(397)	5,747
Municipals and money markets	2,148	112	—	—	112	—	(1,054)	1,234	(113)	2,327
Total trading assets, excluding derivative contracts	18,287	568	—	—	568	—	(5,633)	2,822	(2,660)	13,379
Derivative contracts, net	6,666	(1,173)	—	—	(1,173)	—	648	691	(666)	6,366
Investment securities available-for-sale										
Mortgage-backed securities — non-agency MBSs	473	—	(36)	31	(65)	(36)	(224)	77	(12)	213
Total investment securities available-for-sale	473	—	(36)	31	(65)	(36)	(224)	77	(12)	213
Investment securities non-qualifying	3,686	—	1,437	—	1,437	—	(1,540)	—	(199)	3,384
Total investment securities	4,159	—	1,341	31	1,372	(36)	(1,764)	77	(211)	3,607
Loans, notes and mortgages	4,115	—	133	144	277	—	(2,420)	28	(109)	1,891
Liabilities										
Trading liabilities, excluding derivative contracts										
Non-U S. governments and agencies	386	23	—	—	23	—	17	—	(380)	—
Total trading liabilities, excluding derivative contracts	386	23	—	—	23	—	17	—	(380)	—
Other payables - interest and other	126	—	44	—	44	—	(16)	—	—	126
Long-term borrowings	4,683	676	41	—	717	—	(1,254)	1,353	(1,869)	2,996

Net losses in principal transactions related to derivative contracts, net were primarily due to credit spreads tightening on short CMBS-linked positions and valuation changes on correlation and long-dated equity derivative positions

Other revenue related to investment securities non-qualifying primarily represents net gains on certain private equity investments

Decreases in purchases, issuances and settlements of corporate debt primarily relates to the sale and redemption of certain positions (e g , corporate ARS) Decreases in purchases, issuances and settlements related to mortgages, mortgage-backed and asset-backed securities primarily relates to the termination and redemption of certain positions during the fourth quarter of 2010. Decreases in purchases, issuances and settlements related to municipals and money markets primarily relates to the sale of municipal ARS during the fourth quarter of 2010. Decreases in purchases, issuances and settlements related to investment securities non-qualifying relates to the settlement of certain private equity investments Decreases in purchases, issuances and settlements related to loans, notes and mortgages primarily relates to sales and repayments of some sizable positions and portfolios during the first and second quarters of 2010 in addition to sales and the deconsolidation of certain loan VIEs during the fourth quarter of 2010 Decreases in purchases, issuances and settlements related to long-term borrowings relates to the deconsolidation of certain loan VIEs during the fourth quarter of 2010.

Transfers in for corporate debt primarily relates to reduced price transparency for certain corporate bond positions. Transfers in for municipals and money markets relates to reduced price transparency (e g., lower trading activity) for municipal ARS. Transfers out for corporate debt primarily relates to increased price testing coverage for certain positions. Transfers in and transfers out related to long-term borrowings are primarily due to changes in the impact of unobservable inputs on the value of certain equity-linked structured notes

(dollars in millions)

	Level 3 Financial Assets and Liabilities Year Ended December 31, 2009									
		Total Realized and Unrealized Gains or (Losses) included in Income			Total Realized and Unrealized Gains or (Losses) included in Income	Unrealized Gains or (Losses) included in OCI	Purchases, Issuances and Settlements	Transfers In (out)	Ending Balance
	Beginning Balance	Principal Transactions	Other Revenue	Interest					
Assets									
Trading assets, excluding derivative contracts									
Equities	$ 668	$ (202)	$ —	$ —	$ (202)	$ —	$ 234	$ (341)	$ 351
Non-U S. governments and agencies	30	136	—	—	136	—	174	802	1,142
Corporate debt & convertible debentures	11,286	553	—	—	553	—	(898)	(4,151)	6,790
Preferred stock	3,344	(191)	—	—	(191)	—	(2,496)	105	562
Mortgages, mortgage-backed and asset-backed	8,246	(441)	—	—	(441)	—	1,666	(2,177)	7,294
Municipals and money markets	798	(27)	—	—	(27)	—	1,398	(13)	2,148
Total trading assets, excluding derivative contracts	24,364	(172)	—	—	(172)	—	(130)	(5,775)	18,287
Derivative contracts, net	2,307	(2,209)	—	—	(2,209)	—	5,910	4,858	6,866
Investment securities available-for-sale									
Mortgage-backed securities -- residential non-agency MBSs	350	—	(449)	178	(271)	41	(1,859)	2,212	473
Total investment securities available-for-sale	350	—	(449)	178	(271)	41	(1,859)	2,212	473
Investment securities non-qualifying	2,761	—	1,029	—	1,029	—	(105)	1	3,686
Total investment securities	3,111	—	580	178	758	41	(1,964)	2,221	4,159
Loans, notes and mortgages	359	—	710	88	798	—	(2,931)	5,889	4,115
Liabilities									
Trading liabilities, excluding derivative contracts									
Non-U S. governments and agencies	—	(38)	—	—	(38)	—	—	348	386
Total trading liabilities, excluding derivative contracts	—	(38)	—	—	(38)	—	—	348	386
Other payables - interest and other	—	—	754	—	754	—	(358)	1,298	186
Long-term borrowings	7,480	(2,083)	(227)	—	(2,310)	—	(829)	(4,278)	4,683

Net losses in principal transactions related to net derivative contracts were primarily due to net losses on long-dated exotic equity options, which were offset by gains on Level 1 and Level 2 instruments that hedged these positions Net losses in principal transactions related to net derivative contracts were also due to net losses from changes in credit spreads on underlying ABS and CMBS positions, which were offset by gains on Level 2 instruments that hedged these positions. Net losses in principal transactions related to long-term borrowings were primarily due to the narrowing of Merrill Lynch's credit spreads on certain equity linked notes

(dollars in millions)

	Non-Recurring Basis as of December 31, 2011				Gains/(Losses) Year Ended
	Level 1	Level 2	Level 3	Total	December 31, 2011
Assets:					
Investment securities non-qualifying	$ —	$ —	$ 5	$ 5	$ (1)
Loans, notes and mortgages	—	298	245	543	(59)
Other assets	—	—	19	19	(8)

(dollars in millions)

	Non-Recurring Basis as of December 31, 2010				Gains/(Losses) Year Ended	Gains/(Losses) Year Ended
	Level 1	Level 2	Level 3	Total	December 31, 2010	December 31, 2009
Assets:						
Investment securities non-qualifying	$ —	$ —	$ 85	$ 85	$ (32)	$ (43)
Loans, notes and mortgages	—	25	1,280	1,305	(19)	(101)
Other assets	—	10	35	45	(26)	(225)
Liabilities:						
Other payables — interest and other	—	—	31	31	8	(38)

Loans, notes and mortgages includes held for sale loans that are carried at the lower of cost or fair value and for which the fair value was below the cost basis at December 31, 2011 and December 31, 2010 It also includes certain impaired held for investment loans where an allowance for loan losses has been calculated based upon the fair value of the loans or collateral Level 3 assets as of December 31, 2011 and December 31, 2010 primarily relate to commercial real estate loans that are classified as held for sale where there continues to be significant illiquidity in the loan trading and securitization markets.

Other payables - interest and other includes amounts recorded for loan commitments at lower of cost or fair value where the funded loan will be held for sale.

Fair Value Option Election

The fair value option election allows companies to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and liabilities Changes in fair value for assets and liabilities for which the election is made will be recognized in earnings as they occur The fair value option election is permitted on an instrument by instrument basis at initial recognition of an asset or liability or upon an event that gives rise to a new basis of accounting for that instrument. As discussed above, certain of Merrill Lynch's financial instruments are required to be accounted for at fair value under Investment Accounting and Derivatives Accounting, as well as industry level guidance. For certain financial instruments that are not accounted for at fair value under other applicable accounting guidance, the fair value option election has been made

The following tables provide information about the line items in the Consolidated Statements of (Loss) Earnings where changes in fair values of assets and liabilities, for which the fair value option election has been made, are included for the years ended December 31, 2011, December 31, 2010 and December 31, 2009

(dollars in millions)

	Changes in Fair Value For the Year Ended December 31, 2011, for Items Measured at Fair Value Pursuant to the Fair Value Option Election			Changes in Fair Value For the Year Ended December 31, 2010, for Items Measured at Fair Value Pursuant to the Fair Value Option Election		
	Gains/ (losses) Principal Transactions	Gains/ (losses) Other Revenues	Total Changes in Fair Value	Gains/ (losses) Principal Transactions	Gains/ (losses) Other Revenues	Total Changes in Fair Value
Assets:						
Receivables under resale agreements [1]	$ 179	$ —	$ 179	$ (24)	$ —	$ (24)
Investment securities	—	18	18	—	107	107
Loans [2]	(31)	30	(1)	—	290	290
Liabilities:						
Payables under repurchase agreements	(22)	—	(22)	13	—	13
Short-term borrowings	261	—	261	110	—	110
Other payables — interest and other	—	(53)	(53)	—	13	13
Long-term borrowings [3]	3,612	124	3,736	357	(115)	242

(1) Changes in fair value for the year ended December 31, 2010 were revised from $(34) million (as previously reported) to $(24) million
(2) Effective July 1, 2011, includes certain loans accounted for under the fair value option that were reclassified from loans held for sale to trading assets because they are risk managed on that basis
(3) Other revenues primarily represent fair value changes on non-recourse long-term borrowings issued by consolidated VIEs

	Changes in Fair Value For the Year Ended December 31, 2009, for Items Measured at Fair Value Pursuant to the Fair Value Option Election		
	Gains/ (losses) Principal Transactions	Gains/ (losses) Other Revenues	Total Changes in Fair Value
Assets:			
Receivables under resale agreements [1]	$ (348)	$ —	$ (348)
Investment securities	379	(177)	202
Loans, notes and mortgages	—	839	839
Liabilities:			
Payables under repurchase agreements	162	—	162
Short-term borrowings	(242)	6	(236)
Other payables — interest and other	—	761	761
Long-term borrowings [2]	(9,121)	(33)	(9,154)

(1) Changes in fair value for the year ended December 31, 2009 were revised from $(356) million (as previously reported) to $(348) million
(2) Other revenues primarily represent fair value changes on non-recourse long-term borrowings issued by consolidated VIEs

The following describes the rationale for electing to account for certain financial assets and liabilities at fair value, as well as the impact of instrument-specific credit risk on the fair value

Resale and repurchase agreements

Merrill Lynch elected the fair value option for certain resale and repurchase agreements and, to a lesser extent, securities lending. The fair value option election was made based on the tenor of the agreements, which reflect the magnitude of the interest rate risk. The majority of resale and repurchase agreements collateralized by U S Government securities were excluded from the fair value option election as these contracts are generally short-dated and therefore the interest rate risk is not considered significant. Amounts loaned under resale agreements require collateral with a market value equal to or in excess of the principal amount loaned, resulting in minimal credit risk for such transactions.

Loans and loan commitments

Merrill Lynch made the fair value option election for certain loans that are risk managed on a fair value basis. Upon

the acquisition of Merrill Lynch by Bank of America, Merrill Lynch also made the fair value option election for certain mortgage, corporate, and leveraged loans and loan commitments The changes in the fair value of loans and commitments, for which the fair value option was elected, that were attributable to changes in borrower-specific credit risk were not material for the years ended December 31, 2011 and December 31, 2010, and were gains of $560 million for the year ended December 31, 2009

As of December 31, 2011 and December 31, 2010, the aggregate fair value of loans for which the fair value option election has been made that were 90 days or more past due was $28 million and $32 million, respectively, and the aggregate fair value of loans that were in non-accrual status was $117 million and $32 million at December 31, 2011 and December 31, 2010, respectively As of December 31, 2011 and December 31, 2010, the unpaid principal amount due exceeded the aggregate fair value of such loans that are 90 days or more past due and/or in non-accrual status by $172 million and $173 million, respectively.

Short-term and long-term borrowings

Merrill Lynch made the fair value option election for certain short-term and long-term borrowings that are risk managed on a fair value basis (e g , structured notes) and/or for which hedge accounting under Derivatives Accounting had been difficult to obtain The majority of the fair value changes on long-term borrowings are from structured notes with coupon or repayment terms that are linked to the performance of debt and equity securities, indices, currencies or commodities Excluding gains (losses) related to changes in Merrill Lynch's credit spreads, the majority of the gains (losses) for the respective years are offset by gains (losses) on derivatives and securities that economically hedge these borrowings and that are accounted for at fair value The changes in the fair value of liabilities for which the fair value option election was made that were attributable to changes in Merrill Lynch's credit spreads were gains of approximately $2.0 billion, losses of approximately $0 1 billion and losses of approximately $5 2 billion for the years ended December 31, 2011, December 31, 2010 and December 31, 2009, respectively. Changes in Merrill Lynch specific credit risk are derived by isolating fair value changes due to changes in Merrill Lynch's credit spreads as observed in the secondary cash market

The fair value option election was also made for certain non-recourse long-term borrowings and secured borrowings issued by consolidated VIEs The fair value of these borrowings is not materially affected by changes in Merrill Lynch's creditworthiness

The following tables present the difference between fair values and the aggregate contractual principal amounts of receivables under resale agreements, receivables under securities borrowed transactions, loans and long-term borrowings for which the fair value option election has been made as of December 31, 2011 and December 31, 2010

(dollars in millions)

	Fair Value at December 31, 2011	Principal Amount Due Upon Maturity	Difference
Assets:			
Receivables under resale agreements	$ 85,652	$ 85,197	$ 455
Receivables under securities borrowed transactions	259	287	(28)
Loans [1]	2,742	4,023	(1,281)
Liabilities:			
Long-term borrowings [2]	30,325	36,537	(6,212)

(1) Includes $420 million of loans held for sale accounted for under the fair value option that were reclassified to trading assets because they are risk managed on that basis

(2) The majority of the difference between the fair value and principal amount due upon maturity at December 31, 2011

relates to the impact of widening of Merrill Lynch's credit spreads, as well as the fair value of the embedded derivative, where applicable

(dollars in millions)

	Fair Value at December 31, 2010	Principal Amount Due Upon Maturity	Difference
Assets:			
Receivables under resale agreements [1]	$ 74,255	$ 73,941	$ 314
Receivables under securities borrowed transactions	1,672	1,672	—
Loans, notes and mortgages	3,190	4,518	(1,328)
Liabilities:			
Long-term borrowings [2]	39,214	43,014	(3,800)

(1) The fair value and principal amount due upon maturity of receivables under resale agreements have been revised from approximately $51 billion for each (as previously reported) to approximately $74 billion

(2) The majority of the difference relates to the impact of the widening of Merrill Lynch's credit spreads, the change in fair value of non-recourse debt, and zero coupon notes issued at a substantial discount from the principal amount

Trading Risk Management

Trading activities subject Merrill Lynch to market and credit risks These risks are managed in accordance with established risk management policies and procedures On January 1, 2009, pursuant to the acquisition of Merrill Lynch by Bank of America, Merrill Lynch adopted Bank of America's risk management and governance practices to maintain consistent risk measurement and disciplined risk taking Bank of America's risk management structure as applicable to Merrill Lynch is described below

Bank of America's Global Markets Risk Committee ("GRC"), chaired by Bank of America's Global Markets Risk Executive, has been designated by its Asset, Liability and Market Risk Committee ("ALMRC") as the primary governance authority for its Global Markets Risk Management, including trading risk management. The GRC's focus is to take a forward-looking view of the primary credit and market risks impacting Bank of America's Global Banking and Markets business (which includes Merrill Lynch's sales and trading businesses) and prioritize those that need a proactive risk mitigation strategy. Market risks that impact businesses outside of the Global Banking and Markets business are monitored and governed by their respective governance authorities

The GRC monitors significant daily revenues and losses by business and the primary drivers of the revenues or losses Thresholds are in place for each business in order to determine if the revenue or loss is considered to be significant for that business. If any of the thresholds are exceeded, an explanation of the variance is provided to the GRC The thresholds are developed in coordination with the respective risk managers to highlight those revenues or losses that exceed what is considered to be normal daily income statement volatility.

Market Risk

Market risk is the potential change in an instrument's value caused by fluctuations in interest and currency exchange rates, equity and commodity prices, credit spreads, or other risks The level of market risk is influenced by the volatility and the liquidity in the markets in which financial instruments are traded.

Merrill Lynch seeks to mitigate market risk associated with trading inventories by employing hedging strategies that correlate rate, price, and spread movements of trading inventories and related financing and hedging activities Merrill Lynch uses a combination of cash instruments and derivatives to hedge its market exposures. The following discussion describes the types of market risk faced by Merrill Lynch.

Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of financial

instruments Interest rate swap agreements, Eurodollar futures, and U S Treasury securities and futures are common interest rate risk management tools The decision to manage interest rate risk using futures or swap contracts, as opposed to buying or selling short U.S. Treasury or other securities, depends on current market conditions and funding considerations.

Interest rate agreements used by Merrill Lynch include caps, collars, floors, basis swaps, leveraged swaps, and options Interest rate caps and floors provide the purchaser with protection against rising and falling interest rates, respectively. Interest rate collars combine a cap and a flour, providing the purchaser with a predetermined interest rate range Basis swaps are a type of interest rate swap agreement where variable rates are received and paid, but are based on different index rates. Leveraged swaps are another type of interest rate swap where changes in the variable rate are multiplied by a contractual leverage factor, such as four times three-month London Interbank Offered Rate ("LIBOR") Merrill Lynch's exposure to interest rate risk resulting from these leverage factors is typically hedged with other financial instruments.

Currency Risk

Currency risk arises from the possibility that fluctuations in foreign exchange rates will impact the value of financial instruments. Merrill Lynch's trading assets and liabilities include both cash instruments denominated in and derivatives linked to more than 50 currencies, including the euro, Japanese yen, British pound, and Swiss franc. Currency forwards and options are commonly used to manage currency risk associated with these instruments Currency swaps may also be used in situations where a long-dated forward market is not available or where the client needs a customized instrument to hedge a foreign currency cash flow stream Typically, parties to a currency swap initially exchange principal amounts in two currencies, agreeing to exchange interest payments and to re-exchange the currencies at a future date and exchange rate.

Equity Price Risk

Equity price risk arises from the possibility that equity security prices will fluctuate, affecting the value of equity securities and other instruments that derive their value from a particular stock, a defined basket of stocks, or a stock index Instruments typically used by Merrill Lynch to manage equity price risk include equity options, warrants, and baskets of equity securities. Equity options, for example, can require the writer to purchase or sell a specified stock or to make a cash payment based on changes in the market price of that stock, basket of stocks, or stock index

Credit Spread Risk

Credit spread risk arises from the possibility that changes in credit spreads will affect the value of financial instruments Credit spreads represent the credit risk premiums required by market participants for a given credit quality (e g , the additional yield that a debt instrument issued by a AA-rated entity must produce over a risk-free alternative) Certain instruments are used by Merrill Lynch to manage this type of risk. Swaps and options, for example, can be designed to mitigate losses due to changes in credit spreads, as well as the credit downgrade or default of the issuer. Credit risk resulting from default on counterparty obligations is discussed in the Counterparty Credit Risk section

Commodity Price and Other Risks

Through its commodities business, Merrill Lynch enters into exchange-traded contracts, financially settled OTC derivatives, contracts for physical delivery and contracts providing for the transportation, transmission and/or storage rights on or in vessels, barges, pipelines, transmission lines or storage facilities Commodity, related storage, transportation or other contracts expose Merrill Lynch to the risk that the price of the underlying commodity or the cost of storing or transporting commodities may rise or fall. In addition, contracts relating to physical ownership and/or delivery can expose Merrill Lynch to numerous other risks, including performance and environmental risks

Counterparty Credit Risk

Merrill Lynch is exposed to risk of loss if an individual, counterparty or issuer fails to perform its obligations under

contractual terms ("default risk") Both cash instruments and derivatives expose Merrill Lynch to default risk. Credit risk arising from changes in credit spreads is discussed above.

Merrill Lynch has established policies and procedures for mitigating credit risk on principal transactions, including reviewing and establishing limits for credit exposure, maintaining qualifying collateral, purchasing credit protection, and continually assessing the creditworthiness of counterparties

In the normal course of business, Merrill Lynch executes, settles, and finances various customer securities transactions Execution of these transactions includes the purchase and sale of securities by Merrill Lynch. These activities may expose Merrill Lynch to default risk arising from the potential that customers or counterparties may fail to satisfy their obligations. In these situations, Merrill Lynch may be required to purchase or sell financial instruments at unfavorable market prices to satisfy obligations to other customers or counterparties. In addition, Merrill Lynch seeks to control the risks associated with its customer margin activities by requiring customers to maintain collateral in compliance with regulatory and internal guidelines

Liabilities to other brokers and dealers related to unsettled transactions (i.e , securities failed-to-receive) are recorded at the amount for which the securities were purchased, and are paid upon receipt of the securities from other brokers or dealers In the case of aged securities failed-to-receive, Merrill Lynch may purchase the underlying security in the market and seek reimbursement for losses from the counterparty.

Concentrations of Credit Risk

Merrill Lynch's exposure to credit risk (both default and credit spread) associated with its trading and other activities is measured on an individual counterparty basis, as well as by groups of counterparties that share similar attributes. Concentrations of credit risk can be affected by changes in political, industry, or economic factors. To reduce the potential for risk concentration, credit limits are established and monitored in light of changing counterparty and market conditions

Concentration of Risk to the U S. Government and its Agencies

At December 31, 2011, Merrill Lynch had exposure to the U.S. Government and its agencies. This concentration consists of both direct and indirect exposures. Direct exposure, which primarily includes trading asset positions in instruments issued by the U.S Government and its agencies, amounted to $43 0 billion at December 31, 2011 Merrill Lynch's indirect exposure results from maintaining U S. Government and agencies securities as collateral for resale agreements and securities borrowed transactions Merrill Lynch's direct credit exposure on these transactions is with the counterparty, thus Merrill Lynch has credit exposure to the U.S. Government and its agencies only in the event of the counterparty's default Securities issued by the U S Government or its agencies held as collateral for resale agreements and securities borrowed transactions at December 31, 2011 totaled $128.2 billion

Other Concentrations of Risk

At December 31, 2011, Merrill Lynch had other concentrations of credit risk, the largest of which was related to a counterparty having a total outstanding unsecured exposure of approximately $1 3 billion.

Merrill Lynch's most significant industry credit concentration is with financial institutions. Financial institutions include banks, insurance companies, finance companies, investment managers, and other diversified financial institutions This concentration arises in the normal course of Merrill Lynch's brokerage, trading, hedging, financing, and underwriting activities Merrill Lynch also monitors credit exposures worldwide by region. Outside the U S , financial institutions and multi-national corporations represent the most significant concentrations of credit risk.

In the normal course of business, Merrill Lynch purchases, sells, underwrites, and makes markets in non-investment grade instruments Merrill Lynch also provides extensions of credit and makes equity investments to facilitate leveraged transactions These activities expose Merrill Lynch to a higher degree of credit risk than is associated with trading, investing in, and underwriting investment grade instruments and extending credit to investment grade

counterparties

Derivatives

Merrill Lynch's trading derivatives consist of derivatives provided to customers and derivatives entered into for trading strategies or risk management purposes

Default risk exposure varies by type of derivative Default risk on derivatives can occur for the full notional amount of the trade where a final exchange of principal takes place, as may be the case for currency swaps. Swap agreements and forward contracts are generally OTC-transacted and thus are exposed to default risk to the extent of their replacement cost Since futures contracts are exchange-traded and usually require daily cash settlement, the related risk of loss is generally limited to a one-day net positive change in fair value Generally such receivables and payables are recorded in customers' receivables and payables on the Consolidated Balance Sheets. Option contracts can be exchange-traded or OTC Purchased options have default risk to the extent of their replacement cost Written options represent a potential obligation to counterparties and typically do not subject Merrill Lynch to default risk except under circumstances where the option premium is being financed or in cases where Merrill Lynch is required to post collateral Refer to Note 6 for further information on credit risk management related to derivatives Additional information about derivatives that meet the definition of a guarantee for accounting purposes is included in Note 6

Note 5. Fair Value of Financial Instruments

The fair values of financial instruments have been derived, in part, by management's assumptions, the estimated amount and timing of future cash flows and estimated discount rates Different assumptions could significantly affect these estimated fair values Accordingly, the net realizable values could be materially different from the estimates presented below In addition, the estimates are only indicative of the value of individual financial instruments and should not be considered an indication of the fair value of Merrill Lynch.

The following disclosures relate to financial instruments for which the ending balances at December 31, 2011 and December 31, 2010 are not carried at fair value in their entirety on Merrill Lynch's Consolidated Balance Sheets

Short-term Financial Instruments

The carrying value of short-term financial instruments, including cash and cash equivalents, cash and securities segregated for regulatory purposes or deposited with clearing organizations, certain securities financing transactions, customer and broker-dealer receivables and payables, and commercial paper and other short-term borrowings, approximates the fair value of these instruments These financial instruments generally expose Merrill Lynch to limited credit risk and have no stated maturities or have short-term maturities and carry interest rates that approximate market interest rates

Loans, Notes and Mortgages

Fair values were generally determined by discounting both principal and interest cash flows expected to be collected using an observable discount rate for similar instruments with adjustments that Merrill Lynch believes a market participant would consider in determining fair value Merrill Lynch estimates the cash flows expected to be collected using internal credit risk, interest rate and prepayment risk models that incorporate its best estimate of current key assumptions, such as default rates, loss severity and prepayment speeds for the life of the loan. Merrill Lynch made the fair value option election for certain loans and loan commitments See Note 4 for additional information.

Deposits

The fair value for certain deposits with stated maturities was determined by discounting contractual cash flows using current market rates for instruments with similar maturities. For deposits with no stated maturities, the carrying amount was considered to approximate fair value and does not take into account the significant value of the cost advantage and stability of Merrill Lynch's long-term relationships with depositors

Long-term Borrowings

Merrill Lynch uses quoted market prices, when available, to estimate the fair value of its long-term borrowings When quoted market prices are not available, fair value is estimated based on current market interest rates and credit spreads for Merrill Lynch debt with similar terms and maturities. Merrill Lynch made the fair value option election for certain long-term borrowings, including structured notes. See Note 4 for additional information

The book and fair values of certain financial instruments at December 31, 2011 and December 31, 2010 were as follows

(dollars in millions)

	December 31, 2011		December 31, 2010	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets				
Loans, notes and mortgages[1]	$ 20,574	$ 20,048	$ 25,803	$ 24,383
Financial liabilities				
Deposits	12,364	12,364	12,826	12,826
Long-term borrowings [2]	110,718	102,339	132,427	131,694

(1) *Loans are presented net of the allowance for loan losses*
(2) *Includes junior subordinated notes (related to trust preferred securities)*

Note 6. Derivatives

A derivative is an instrument whose value is derived from an underlying instrument or index, such as interest rates, equity security prices, currencies, commodity prices or credit spreads Derivatives include futures, forwards, swaps, option contracts, and other financial instruments with similar characteristics. Derivative contracts often involve future commitments to exchange interest payment streams or currencies based on a notional or contractual amount (e g., interest rate swaps or currency forwards) or to purchase or sell other financial instruments at specified terms on a specified date (e g , options to buy or sell securities or currencies)

Derivatives Accounting establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts ("embedded derivatives") and for hedging activities Derivatives Accounting requires that an entity recognize all derivatives as either assets or liabilities and measure those instruments at fair value The fair value of all derivatives is recorded on a net-by-counterparty basis on the Consolidated Balance Sheets where Merrill Lynch believes a legal right of setoff exists under an enforceable netting agreement. All derivatives, including bifurcated embedded derivatives within structured notes, are reported on the Consolidated Balance Sheets as trading assets and liabilities

The accounting for changes in fair value of a derivative instrument depends on its intended use and if it is designated and qualifies as an accounting hedging instrument under Derivatives Accounting.

Trading derivatives

Merrill Lynch enters into derivatives to facilitate client transactions, for trading and financing purposes, and to manage risk exposures arising from trading assets and liabilities Changes in fair value for these derivatives are reported in current period earnings as principal transactions revenues

Derivatives that contain a significant financing element

In the ordinary course of trading activities, Merrill Lynch enters into certain transactions that are documented as derivatives where a significant cash investment is made by one party Certain derivative instruments that contain a significant financing element at inception and where Merrill Lynch is deemed to be the borrower are included in

financing activities in the Consolidated Statements of Cash Flows The cash flows from all other derivative transactions that do not contain a significant financing element at inception are included in operating activities

Non-trading derivatives

Merrill Lynch also enters into derivatives in order to manage risk exposures arising from assets and liabilities not carried at fair value as follows

1 Merrill Lynch's debt was issued in a variety of maturities and currencies to achieve the lowest cost financing possible Merrill Lynch enters into derivative transactions to hedge these liabilities Derivatives used most frequently include swap agreements that:

- Convert fixed-rate interest payments into variable-rate interest payments,
- Change the underlying interest rate basis or reset frequency, and
- Change the settlement currency of a debt instrument

Changes in the fair value of interest rate and foreign currency derivatives are reported in interest expense or other revenues

2 Merrill Lynch uses foreign-exchange forward contracts, foreign-exchange options, and currency swaps to hedge its net investments in foreign operations, as well as other foreign currency exposures (e g , non-U S dollar denominated debt and expenses) These derivatives are used to mitigate the impact of changes in exchange rates. Changes in the fair value of these derivatives are reported in OCI, other revenue and interest expense when net investment hedge accounting is applied; otherwise changes in fair value are reported in other revenues.

3 Merrill Lynch enters into futures, swaps, options and forward contracts to manage the price risk of certain commodity inventory and forecasted commodity purchases and sales. Changes in fair value of these derivatives are reported in principal transactions revenues, unless cash flow hedge accounting is applied.

4 Merrill Lynch enters into CDS to manage the credit risk on certain loans that are not part of trading activities. Changes in the fair value of these derivatives are reported in other revenue.

Derivatives that qualify as accounting hedges under the guidance in Derivatives Accounting are designated as one of the following

1 A hedge of the fair value of a recognized asset or liability ("fair value hedge") Changes in the fair value of derivatives that are designated and qualify as fair value hedges of interest rate risk, foreign exchange risk and commodity price risk, along with the gain or loss on the hedged asset or liability that is attributable to the hedged risk, are recorded in current period earnings as interest expense, other revenues, or principal transactions

2 A hedge of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge"). Changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recorded in OCI until earnings are affected by the variability of cash flows of the hedged asset or liability or when the forecasted purchase or sale occurs

3. A hedge of a net investment in a foreign operation ("net investment hedge") Changes in the fair value of derivatives that are designated and qualify as hedges of a net investment in a foreign operation are recorded in the foreign currency translation adjustment account within OCI Changes in the fair value of the hedging instruments that are associated with the difference between the spot rate and the contracted forward rate are recorded in current period earnings in other revenues and in interest expense.

Merrill Lynch formally assesses, both at the inception of the hedge and on an ongoing basis, whether the hedging

derivatives are highly effective in offsetting changes in fair value or cash flows of hedged items Merrill Lynch uses regression analysis at the hedge's inception and for each reporting period thereafter to assess whether the derivative used in its hedging transaction is expected to be and has been highly effective in offsetting changes in the fair value or cash flows of the hedged item. When it is determined that a derivative is not highly effective as a hedge, Merrill Lynch discontinues hedge accounting

Hedge accounting activity for 2011 and 2010 included the following

Fair value hedges

(dollars in millions)

	2011			2010		
	Derivative [1]	Hedged Item [1][2]	Hedge Ineffectiveness [1]	Derivative [1]	Hedged Item [1][2]	Hedge Ineffectiveness [1]
For the year ended December 31:						
Interest rate risk on USD denominated long-term borrowings	$ 1,696	$ (2,203)	$ (507)	$ 1,208	$ (1,651)	$ (443)
Interest rate risk on foreign currency denominated long-term borrowings	120	(333)	(213)	(413)	105	(308)
Commodity price risk on commodity inventory	16	(16)	—	19	(20)	(1)

	2009		
For the year ended December 31:			
Interest rate risk on USD denominated long-term borrowings	$ (2,464)	$ 1,944	$ (520)
Interest rate risk on foreign currency denominated long-term borrowings	(268)	66	(202)
Commodity price risk on commodity inventory	(51)	52	1

	2011		2010	
	Trading Assets	Trading Liabilities	Trading Assets	Trading Liabilities
As of December 31,				
Carrying value of hedging derivatives				
Long-term borrowings	$ 6,940	$ 841	$ 4,442	$ 484
Commodity inventory	70	5	80	6
Notional amount of hedging derivatives				
Long-term borrowings	44,180	11,092	43,924	13,967
Commodity inventory	152	6	232	14

(1) Amounts are recorded in interest expense and other revenues for long-term borrowings and principal transactions for commodity inventory

(2) Excludes the impact of the accretion of purchase accounting adjustments made to certain long-term borrowings in connection with the acquisition of Merrill Lynch by Bank of America.

Cash flow hedges

(dollars in millions)

	2011			2010		
	Gains (losses) Recognized in Accumulated OCI on derivatives	Gains (losses) in Income Reclassified from Accumulated OCI [1]	Hedge Ineffectiveness and Amounts Excluded from Effectiveness Testing [2]	Gains (losses) Recognized in Accumulated OCI on derivatives	Gains (losses) in Income Reclassified from Accumulated OCI [1]	Hedge Ineffectiveness and Amounts Excluded from Effectiveness Testing [2]
For the year ended December 31:						
Commodity price risk on forecasted purchases and sales [3]	$ (3)	$ 6	$ (3)	$ 32	$ 25	$ 11

	2009		
For the year ended December 31			
Commodity price risk on forecasted purchases and sales [3]	$ 72	$ 71	$ (2)

	2011		2010	
	Trading Assets	Trading Liabilities	Trading Assets	Trading Liabilities
As of December 31:				
Carrying value of hedging derivatives [3]	$ —	$ —	$ 109	$ 5
Notional amount of hedging derivatives [3]	—	—	255	134

(1) Amounts are recorded in principal transactions

(2) The amount that is expected to be reclassified into earnings in the next 12 months included in principal transactions at December 31, 2011 is ($1) million

(3) All cash flow hedges were de-designated during the year ended December 31, 2011

Net investment hedges of foreign operations

(dollars in millions)

	2011			2010		
	Gains (losses) Recognized in Accumulated OCI	Gains (losses) in Income Reclassified from Accumulated OCI [1]	Hedge Ineffectiveness and Amounts Excluded from Effectiveness Testing [2]	Gains (losses) Recognized in Accumulated OCI	Gains (losses) in Income Reclassified from Accumulated OCI [1]	Hedge Ineffectiveness and Amounts Excluded from Effectiveness Testing [2]
For the year ended December 31:						
Foreign exchange risk	$ 447	$ (43)	$ (378)	$ (672)	$ (35)	$ (211)

	2009		
For the year ended December 31:			
Foreign exchange risk	$ (1,826)	$ —	$ (142)

	2011	2010
As of December 31:		
Carrying value of hedging derivatives		
Trading Assets	$ 690	$ 468
Trading liabilities	492	930
Carrying value of non-derivative hedges		
Long-term borrowings	61	536
Notional amount of hedging derivatives		
in an asset position	20,068	6,639
in a liability position	7,338	19,180

(1) Amounts are recorded in other revenues

(2) Amounts are recorded in other revenues and interest expense

Net gains (losses) on economic hedges

(dollars in millions)

	2011[1]	2010[1]	2009[1]
For the year ended December 31:			
Interest rate risk	$ 185	$ 314	$ (832)
Foreign currency risk	(550)	(1,583)	(437)
Credit risk	47	(35)	(129)

(1) Amounts are recorded in other revenues and interest expense

The amounts in the "Net gains (losses) on economic hedges" table above represent net gains (losses) on derivatives that are not used for trading purposes and are not used in accounting hedging relationships. Interest rate risk primarily relates to derivatives used to economically hedge long-term borrowings. Foreign currency risk primarily relates to economic hedges of foreign currency denominated transactions that generate earnings upon remeasurement in accordance with ASC 830-20, *Foreign Currency Transactions* ("Foreign Currency Transactions"). As both the remeasurement of the foreign currency risk on the transaction and the changes in fair value of the derivative are recorded in earnings, hedge accounting is not applied. Credit risk relates to credit default swaps used to economically manage the credit risk on certain loans not included in trading activities.

Derivative balances by primary risk

Derivative instruments contain numerous market risks. In particular, most derivatives have interest rate risk, as they contain an element of financing risk that is affected by changes in interest rates. Additionally, derivatives expose

Merrill Lynch to counterparty credit risk, although this is generally mitigated by collateral margining and netting arrangements. For disclosure purposes below, the primary risk of a derivative is largely determined by the business that is engaging in the derivative activity For instance, a derivative that is initiated by an equities derivative business will generally have equity price risk as its primary underlying market risk and is classified as such for the purposes of this disclosure, despite the fact that there may be other market risks that affect the value of the instrument

The following tables identify the primary risk for derivative instruments, which includes trading, non-trading and bifurcated embedded derivatives, at December 31, 2011 and December 31, 2010 The primary risk is provided on a gross basis, prior to the application of the impact of counterparty and cash collateral netting

(dollars in millions)

	As of December 31, 2011			
	Contract/ Notional	Trading Assets- Derivative Contracts	Contract/ Notional	Trading Liabilities- Derivative Contracts
Interest rate contracts				
Swaps	$ 8,196,809	$ 564,696	$ 7,978,404	$ 560,638
Futures and forwards	2,117,971	1,510	2,003,741	1,339
Written options	—	—	1,419,278	66,733
Purchased options	1,336,149	69,812	—	—
Foreign exchange contracts				
Swaps	766,899	27,312	798,173	35,299
Spot, futures and forwards	104,356	3,887	98,411	3,791
Written options	—	—	249,575	7,437
Purchased options	236,465	7,220	—	—
Equity contracts				
Swaps	23,233	1,028	22,887	1,141
Futures and forwards	30,791	1,747	20,988	1,450
Written options	—	—	345,947	14,596
Purchased options	341,731	14,816	—	—
Commodity contracts				
Swaps	35,681	4,823	36,391	5,799
Futures and forwards	233,567	5,254	236,919	3,183
Written options	—	—	140,600	9,443
Purchased options	139,312	9,426	—	—
Credit derivatives				
Purchased protection				
Credit default swaps	174,857	20,124	67,664	1,416
Total return swaps	2,771	407	3,493	291
Other credit derivatives	274	3	25	—
Written protection				
Credit default swaps	66,841	1,737	179,907	19,061
Total return swaps	4,350	226	1,239	129
Other credit derivatives	—	—	25	1
Gross derivative assets/liabilities	$ 13,812,057	$ 734,028	$ 13,603,667	$ 731,747
Less. Legally enforceable master netting		(672,524)		(672,524)
Less. Cash collateral applied		(26,491)		(32,984)
Total derivative assets and liabilities		$ 35,013		$ 26,239

(dollars in millions)

	As of December 31, 2010			
	Contract/ Notional	Trading Assets- Derivative Contracts	Contract/ Notional	Trading Liabilities- Derivative Contracts
Interest rate contracts				
Swaps	$ 8,492,025	$ 452,115	$ 8,333,391	$ 452,564
Futures and forwards	1,916,110	1,549	1,955,861	1,608
Written options	—	—	1,708,493	46,064
Purchased options	1,836,089	48,185	—	—
Foreign exchange contracts				
Swaps	93,721	10,396	98,987	11,947
Spot, futures and forwards	118,363	5,637	105,671	5,702
Written options	—	—	280,290	10,673
Purchased options	273,375	10,501	—	—
Equity contracts				
Swaps	17,411	1,622	20,764	1,871
Futures and forwards	35,483	2,897	43,257	2,122
Written options	—	—	221,791	15,677
Purchased options	174,313	15,338	—	—
Commodity contracts				
Swaps	39,284	8,872	50,710	9,158
Futures and forwards	215,588	4,122	198,130	2,817
Written options	—	—	86,241	6,628
Purchased options	84,554	6,565	—	—
Credit derivatives				
Purchased protection.				
Credit default swaps	322,230	29,670	251,679	8,001
Total return swaps	2,127	301	3,243	208
Other credit derivatives	440	8	47	—
Written protection.				
Credit default swaps	248,509	7,978	326,448	23,755
Total return swaps	3,802	245	1,607	475
Other credit derivatives	—	—	214	1
Gross derivative assets/liabilities	$ 13,873,424	$ 606,001	$ 13,686,824	$ 599,271
Less Legally enforceable master netting		(538,055)		(538,055)
Less Cash collateral applied		(28,575)		(29,019)
Total derivative assets and liabilities		$ 39,371		$ 32,197

Trading revenues

Merrill Lynch enters into trading derivatives and non-derivative cash instruments to facilitate client transactions, for trading and financing purposes, and to manage risk exposures arising from trading assets and liabilities The resulting risk from derivatives and non-derivative cash instruments is managed on a portfolio basis as part of Merrill Lynch's sales and trading activities and the related revenue is recorded on different income statement line items, including principal transactions, commissions, other revenues and net interest income (expense)

Sales and trading revenue includes changes in fair value and realized gains and losses on the sales of trading and other assets, which are included in principal transactions and other revenues, net interest income, and commissions Initial trading related revenue is generated by the difference in the client price for an instrument and the price at which the trading desk can execute the trade in the dealer market That revenue is included within principal transactions on the Consolidated Statement of (Loss) Earnings For equity securities, commissions related to purchases and sales are recorded in commissions on the Consolidated Statement of (Loss) Earnings Changes in the fair value of these equity securities are included in principal transactions. These amounts are reflected in equity risk

in the tables below. For debt securities, revenue, with the exception of interest, is typically included in principal transactions Unlike commissions for equity securities, the initial revenue related to broker/dealer services for debt securities is included in the pricing of the instrument rather than charged through separate fee agreements Therefore, this revenue is recorded in principal transactions as part of the initial mark to fair value In transactions where Merrill Lynch acts as an agent, fees are earned and recorded in commissions In the tables below, most sovereign government debt securities are reflected in interest rate risk. All other government debt securities (including, for example, municipal bonds and emerging markets sovereign debt) and corporate debt securities are included in credit risk

For derivatives, revenue is typically included in principal transactions Similar to debt securities, the initial revenue related to dealer services is included in the initial pricing of the instrument rather than charged through separate fee agreements. Therefore, this revenue is recorded in principal transactions as part of the initial mark to fair value In transactions where Merrill Lynch acts as agent, which includes exchange traded futures and options, fees are earned and recorded in commissions Derivatives are included in the tables below based on their predominant risk (e g , credit default swaps are included in credit risk).

Certain instruments, primarily available-for-sale securities and loans, are not considered trading assets or liabilities Gains/losses on sales and changes in fair value of these instruments, where applicable (e.g , the fair value option has been elected), are recorded in other revenues These instruments are typically reflected in credit risk.

Interest revenue for debt securities and loans is included in net interest (expense) income

The following tables identify the amounts in the income statement line items attributable to trading and non-trading activities, including both derivatives and non-derivative cash instruments categorized by primary risk for the years ended December 31, 2011, December 31, 2010 and December 31, 2009

Non-trading related amounts include activities in connection with principal investment, wealth management, and certain lending activities, economic hedging activity discussed in the *Non-trading derivatives* section above, and the impact of changes in Merrill Lynch's own creditworthiness on borrowings accounted for at fair value

For The Year Ended December 31, 2011

(dollars in millions)

	Principal Transactions	Commissions	Other Revenues[1]	Net Interest Income (Expense)	Total
Interest rate risk	$ 818	$ 82	$ 22	$ 816	$ 1,738
Foreign exchange risk	98	—	—	6	104
Equity risk	2,297	3,078	122	(791)	4,706
Commodity risk	615	—	—	(113)	502
Credit risk	(57)	60	248	2,597	2,848
Total trading related	3,771	3,220	392	2,515	9,898
Non-trading related	2,157	2,478	1,404	(3,297)	2,742
Total	$ 5,928	$ 5,698	$ 1,796	$ (782)	$ 12,640

For The Year Ended December 31, 2010

(dollars in millions)

	Principal Transactions	Commissions	Other Revenues[1]	Net Interest Income (Expense)	Total
Interest rate risk	$ 1,046	$ 76	$ 59	$ 756	$ 1,937
Foreign exchange risk	55	—	—	(1)	54
Equity risk	1,940	3,093	262	(490)	4,805
Commodity risk	284	—	7	(123)	168
Credit risk	3,789	41	701	3,337	7,868
Total trading related	7,114	3,210	1,029	3,479	14,832
Non-trading related	(40)	2,550	3,295	(3,797)	2,008
Total	$ 7,074	$ 5,760	$ 4,324	$ (318)	$ 16,840

For The Year Ended December 31, 2009

(dollars in millions)

	Principal Transactions	Commissions	Other Revenues[1]	Net Interest Income (Expense)	Total
Interest rate risk	$ 1,859	$ 61	$ 27	$ 1,161	$ 3,108
Foreign exchange risk	308	—	1	11	320
Equity risk	2,561	3,295	125	(228)	5,753
Commodity risk	1,050	—	—	(157)	893
Credit risk	4,814	52	559	3,753	9,178
Total trading related	10,592	3,408	712	4,540	19,252
Non-trading related	(5,471)	2,600	2,254	(1,105)	(1,722)
Total	$ 5,121	$ 6,008	$ 2,966	$ 3,435	$ 17,530

(1) *Includes other income and other-than-temporary impairment losses on available-for-sale debt securities*

Derivatives as guarantees

Merrill Lynch enters into certain derivative contracts that meet the definition of a guarantee under ASC 460, *Guarantees* ("Guarantees Accounting"). Guarantees are defined to include derivative contracts that contingently require a guarantor to make payment to a guaranteed party based on changes in an underlying (such as changes in the value of interest rates, security prices, currency rates, commodity prices, indices, etc.) that relate to an asset, liability or equity security of a guaranteed party Derivatives that meet the accounting definition of a guarantee include certain OTC written options (e.g , written interest rate and written currency options). Merrill Lynch does not track, for accounting purposes, whether its clients enter into these derivative contracts for speculative or hedging purposes Accordingly, Merrill Lynch has disclosed information about all credit derivatives, credit-related notes and certain types of written options that can potentially be used by clients to protect against changes in an underlying, regardless of how the contracts are actually used by the client

Merrill Lynch's derivatives that act as guarantees at December 31, 2011 and December 31, 2010 are summarized below.

(dollars in millions)

	Maximum Payout/ Notional	Less than 1 year	1 – 3 years	3 – 5 years	Over 5 years	Carrying Value[1]
At December 31, 2011:						
Derivative contracts.						
Credit derivatives						
Investment grade[2]	$ 130,770	$ 22,021	$ 47,593	$ 46,918	$ 14,238	$ 4,189
Non-investment grade[2]	121,592	13,263	26,428	38,301	43,600	15,002
Total credit derivatives	252,362	35,284	74,021	85,219	57,838	19,191
Credit related notes						
Investment grade[2]	2,038	—	5	132	1,901	2,038
Non-investment grade[2]	1,026	123	66	58	779	1,026
Total credit related notes	3,064	123	71	190	2,680	3,064
Other derivatives	2,050,754	579,510	731,458	236,782	503,004	93,370
Total derivative contracts	$ 2,306,180	$ 614,917	$ 805,550	$ 322,191	$ 563,522	$ 115,625
At December 31, 2010:						
Derivative contracts						
Credit derivatives						
Investment grade[2]	$ 394,704	$ 35,231	$ 138,666	$ 98,617	$ 122,190	$ 13,742
Non-investment grade[2]	185,876	23,272	61,365	49,556	51,683	10,489
Total credit derivatives	580,580	58,503	200,031	148,173	173,873	24,231
Credit related notes.						
Investment grade[2]	3,580	—	132	—	3,448	3,580
Non-investment grade[2]	1,358	9	20	156	1,173	1,358
Total credit related notes[3]	4,938	9	152	156	4,621	4,938
Other derivatives	1,379,874	421,080	296,885	190,062	471,847	50,505
Total derivative contracts	$ 1,965,392	$ 479,592	$ 497,068	$ 338,391	$ 650,341	$ 79,674

(1) Derivative contracts are shown on a gross basis prior to counterparty or cash collateral netting
(2) Refers to the creditworthiness of the underlying reference obligations
(3) Total credit related note amounts have been revised from approximately $2 4 billion (as previously reported) to approximately $4 9 billion to reflect CDOs and CLOs held by certain consolidated VIEs

Credit derivatives

Credit derivatives derive value based on an underlying third party referenced obligation or a portfolio of referenced obligations Merrill Lynch is both a seller and a buyer of credit protection. A seller of credit protection is required to make payments to a buyer upon the occurrence of a predefined credit event Such credit events generally include bankruptcy of the referenced credit entity and failure to pay under their credit obligations, as well as acceleration of indebtedness and payment repudiation or moratorium Merrill Lynch considers credit derivatives to be guarantees where it is the seller of credit protection For credit derivatives based on a portfolio of referenced credits or credit indices, Merrill Lynch as a seller of credit protection may not be required to make payment until a specified amount of loss has occurred and/or may only be required to make payment up to a specified amount

For most credit derivatives, the notional value represents the maximum amount payable by Merrill Lynch as a seller of credit protection However, Merrill Lynch does not exclusively monitor its exposure to credit derivatives based on notional value. Instead, a risk framework is used to define risk tolerances and establish limits to help to ensure that certain credit risk-related losses occur within acceptable, predefined limits Merrill Lynch discloses internal categorizations (i e , investment grade, non-investment grade) consistent with how risk is managed to evaluate the payment status of its freestanding credit derivative instruments.

Merrill Lynch economically hedges its exposure to credit derivatives by entering into a variety of offsetting derivative contracts and security positions For example, in certain instances, Merrill Lynch purchases credit

protection with identical underlying referenced names to offset its exposure At December 31, 2011 and December 31, 2010, the notional value and carrying value of credit protection purchased and credit protection sold by Merrill Lynch with identical underlying referenced names was

(dollars in millions)

	Maximum Payout/ Notional	Less than 1 year	1 – 3 years	3 – 5 years	Over 5 years	Carrying Value[1]
At December 31, 2011:						
Credit derivatives purchased	$ 219,358	$ 31,335	$ 63,284	$ 77,485	$ 47,254	$ 15,563
Credit derivatives sold	219,669	33,852	61,797	77,527	46,493	15,502
At December 31, 2010:						
Credit derivatives purchased	543,233	53,741	179,809	140,764	168,919	17,875
Credit derivatives sold	567,828	57,954	198,656	147,121	164,097	21,600

(1) Derivative contracts are shown on a gross basis prior to counterparty or cash collateral netting

Credit related notes

Credit related notes in the guarantees table above include investments in securities issued by CDO, CLO and credit linked note vehicles. These instruments are classified as trading securities. Most of the entities that issue these instruments have either the ability to enter into, or have entered into, credit derivatives that meet the definition of a guarantee (in this case, the sale of credit protection). Since most of these securities could potentially have embedded credit derivatives that would meet the definition of a guarantee, Merrill Lynch includes all of its investments in these securities above.

The carrying value of these instruments equals Merrill Lynch's maximum exposure to loss Merrill Lynch is not obligated to make any payments to the entities under the terms of the securities owned. Merrill Lynch discloses internal categorizations (i.e., investment grade, non-investment grade) consistent with how risk is managed for these instruments.

Other derivative contracts

Other derivative contracts in the guarantees table above primarily include OTC written interest rate options and written currency options For such contracts the maximum payout could theoretically be unlimited, because, for example, the rise in interest rates or changes in foreign exchange rates could theoretically be unlimited Merrill Lynch does not monitor its exposure to derivatives based on the theoretical maximum payout because that measure does not take into consideration the probability of the occurrence As such, rather than including the maximum payout, the notional value of these contracts has been included to provide information about the magnitude of involvement with these types of contracts However, it should be noted that the notional value is not a reliable indicator of Merrill Lynch's exposure to these contracts. Instead, as previously noted, a risk framework is used to define risk tolerances and establish limits to help ensure that certain risk-related losses occur within acceptable, predefined limits

As the fair value and risk of payment under these derivative contracts are based upon market factors, such as changes in interest rates or foreign exchange rates, the carrying values in the table above reflect the best estimate of Merrill Lynch's performance risk under these transactions at December 31, 2011 and December 31, 2010. Merrill Lynch economically hedges its exposure to these contracts by entering into a variety of offsetting derivative contracts and security positions

Credit risk management of derivatives

Merrill Lynch defines counterparty credit risk as the potential for loss that can occur as a result of an individual, counterparty, or issuer being unable or unwilling to honor its contractual obligations Merrill Lynch mitigates its credit risk to counterparties through a variety of techniques, including, where appropriate, the right to require initial

collateral or margin, the right to terminate transactions or to obtain collateral should unfavorable events occur, the right to call for collateral when certain exposure thresholds are exceeded, the right to call for third party guarantees, and the purchase of credit default protection

Merrill Lynch enters into International Swaps and Derivatives Association, Inc. ("ISDA") master agreements or their equivalent ("master netting agreements") with almost all derivative counterparties. Master netting agreements provide protection in bankruptcy in certain circumstances and, where legally enforceable, enable receivables and payables with the same counterparty to be offset for accounting and risk management purposes Netting agreements are generally negotiated bilaterally and can require complex terms While Merrill Lynch makes reasonable efforts to execute such agreements, it is possible that a counterparty may be unwilling to sign such an agreement and, as a result, would subject Merrill Lynch to additional credit risk

Where Merrill Lynch has entered into legally enforceable netting agreements with counterparties, it reports derivative assets and liabilities, and any related cash collateral, net in the Consolidated Balance Sheets in accordance with ASC 210-20, *Balance Sheet-Offsetting* At December 31, 2011 and December 31, 2010, cash collateral received of $26.5 billion and $28 6 billion, respectively, and cash collateral paid of $33 0 billion and $29 0 billion, respectively, was netted against derivative assets and liabilities The enforceability of master netting agreements under bankruptcy laws in certain countries or in certain industries is not free from doubt, and receivables and payables with counterparties in these countries or industries are accordingly reported on a gross basis

Merrill Lynch considers the impact of counterparty credit risk on the valuation of derivative contracts Factors used to determine the credit valuation adjustments on the derivatives portfolio include current exposure levels (i e , fair value prior to credit valuation adjustments) and expected exposure levels profiled over the maturity of the contracts. CDS market information, including either quoted single name CDS or index or other proxy CDS, is also considered In addition, the credit valuation adjustments also take into account the netting and credit provisions of relevant agreements including collateral margin agreements and master netting agreements During the years ended December 31, 2011 and December 31, 2010, valuation adjustments (net of hedges) of approximately $1 0 billion of losses and $0.1 billion of gains, respectively, were recognized in principal transactions for counterparty credit risk At December 31, 2011 and December 31, 2010, the cumulative counterparty credit risk valuation adjustment that was reflected in derivative assets was $1 5 billion and $5 9 billion, respectively. The decrease in the valuation adjustment related to counterparty credit risk primarily relates to the changes in the monoline exposures discussed below. In addition, the fair value of derivative liabilities is adjusted to reflect the impact of Merrill Lynch's credit quality During the years ended December 31, 2011 and December 31, 2010, valuation adjustments (net of hedges) of approximately $0 5 billion and $0 1 billion in gains were recognized in principal transactions for changes in Merrill Lynch's credit risk At December 31, 2011 and December 31, 2010, the cumulative credit risk valuation adjustment that was reflected in the derivative liabilities balance was $1 1 billion and $0 6 billion, respectively

Monoline derivative credit exposure at December 31, 2011 had a notional value of $15.8 billion compared with $32 0 billion at December 31, 2010 Mark-to-market monoline derivative credit exposure was $1 7 billion at December 31, 2011 compared with $8 8 billion at December 31, 2010 This decrease was driven by terminated monoline contracts and the reclassification of certain exposures During the year ended December 31, 2011, Merrill Lynch terminated all of its monoline contracts referencing super senior ABS CDOs. In addition, Merrill Lynch reclassified approximately $1.3 billion (gross receivable of $4.7 billion less impairment) of net monoline exposure from trading assets - derivative contracts to other assets, because of the inherent default risk and given that these contracts no longer provide a hedge benefit, they are no longer considered derivative trading instruments. This monoline exposure relates to a single counterparty and is recorded at fair value based on current net recovery projections The net recovery projections take into account the present value of projected payments expected to be received from the counterparty At December 31, 2011, the counterparty credit valuation adjustment related to monoline derivative trading instruments exposure was $382 million compared with $5 0 billion at December 31, 2010, which reduced Merrill Lynch's net mark-to-market exposure to $1 3 billion at December 31, 2011 Monoline related mark-to-market losses for the year ended December 31, 2011 were $50 million

Bank of America has guaranteed the performance of Merrill Lynch on certain derivative transactions The aggregate amount of such derivative liabilities was approximately $0 6 billion at December 31, 2011.

Credit-risk related contingent features

Most of Merrill Lynch's derivative contracts contain credit risk related contingent features, primarily in the form of ISDA master netting agreements and credit support documentation that enhance the creditworthiness of these instruments compared to other obligations of the respective counterparty with whom Merrill Lynch has transacted These contingent features may be for the benefit of Merrill Lynch as well as its counterparties with respect to changes in Merrill Lynch's creditworthiness and the mark-to-market exposure under the derivative transactions At December 31, 2011 and December 31, 2010, Merrill Lynch held cash and securities collateral of $40 9 billion and $44 0 billion and posted collateral of $45.2 billion and $38 2 billion in the normal course of business under derivative agreements

At December 31, 2011, the amount of collateral, calculated based on the terms of the contracts that Merrill Lynch could be required to post to counterparties but had not yet posted to counterparties was approximately $3 0 billion. That amount included collateral that could be required to be posted, but has not yet been posted, as a result of the downgrades by rating agencies in 2011.

Some counterparties are able to unilaterally terminate certain contracts, or Merrill Lynch may be required to take other action such as find a suitable replacement or obtain a guarantee At December 31, 2011, the current liability for these derivative contracts was $0.9 billion, against which Merrill Lynch had posted $1.0 billion of collateral

In addition, under the terms of certain OTC derivative contracts and other trading agreements, in the event of a further credit rating downgrade of ML&Co or certain subsidiaries that have entered into these transactions, counterparties to those agreements may require ML&Co. or certain subsidiaries to provide additional collateral or to terminate these contracts or agreements or provide other remedies At December 31, 2011, if the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by one incremental notch, the amount of additional collateral contractually required by such derivative contracts and other trading agreements would have been approximately $0 4 billion If the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by a second incremental notch, approximately $0 3 billion in additional collateral would have been required.

Also, if the rating agencies had downgraded their long-term senior debt ratings for ML & Co or certain subsidiaries by one incremental notch, the derivative liability that would be subject to unilateral termination by the counterparties as of December 31, 2011 was $0.5 billion, against which $0 3 billion of collateral had been posted Further, if the rating agencies had downgraded their long-term debt ratings for ML & Co or certain subsidiaries by a second incremental notch, the derivative liability that would be subject to unilateral termination by the counterparties as of December 31, 2011 was an incremental $3.5 billion, against which $3 4 billion of collateral had been posted

Note 7. Securities Financing Transactions

Merrill Lynch enters into secured borrowing and lending transactions in order to meet customers' needs and earn residual interest rate spreads, obtain securities for settlement and finance trading inventory positions

Under these transactions, Merrill Lynch either receives or provides collateral, including U S. Government and agency securities, asset-backed, corporate debt, equity, and non-U S government and agency securities Merrill Lynch receives collateral in connection with resale agreements, securities borrowed transactions, customer margin loans and other loans. Under most agreements, Merrill Lynch is permitted to sell or repledge the securities received (e.g., use the securities to secure repurchase agreements, enter into securities lending transactions, or deliver to counterparties to cover short positions). At December 31, 2011 and December 31, 2010, the fair value of securities received as collateral where Merrill Lynch is permitted to sell or repledge the securities was $418 billion and $439 billion, respectively, and the fair value of the portion that had been sold or repledged was $349 billion and

$332 billion, respectively Merrill Lynch may use securities received as collateral for resale agreements to satisfy regulatory requirements such as Rule 15c3-3 of the Securities Exchange Act of 1934

Additionally, Merrill Lynch receives securities as collateral in connection with certain securities transactions in which Merrill Lynch is the lender In instances where Merrill Lynch is permitted to sell or repledge securities received, Merrill Lynch reports the fair value of such securities received as collateral and the related obligation to return securities received as collateral in the Consolidated Balance Sheets.

Merrill Lynch pledges assets to collateralize repurchase agreements and other secured financings. Pledged securities that can be sold or repledged by the secured party are parenthetically disclosed in trading assets on the Consolidated Balance Sheets. The carrying value and classification of securities owned by Merrill Lynch that have been pledged to counterparties where those counterparties do not have the right to sell or repledge at December 31, 2011 and December 31, 2010 are as follows

(dollars in millions)

	December 31, 2011	December 31, 2010
Trading asset category		
Equities and convertible debentures	$ 6,469	$ 8,199
Corporate debt and preferred stock	7,961	14,320
U S Government and agencies	22,689	26,381
Non-U.S. governments and agencies	627	1,424
Mortgages, mortgage-backed, and asset-backed securities	1,959	3,480
Municipals and money markets	561	1,980
Total	$ 40,266	$ 55,784

In certain cases, Merrill Lynch has transferred assets to consolidated VIEs where those restricted assets serve as collateral for the interests issued by the VIEs These assets are disclosed on the Consolidated Balance Sheet as Assets of Consolidated VIEs These transactions are also described in Note 9

Generally, when Merrill Lynch transfers financial instruments that are not recorded as sales (i e , secured borrowing transactions), the liability is recorded as either payables under repurchase agreements or payables under securities loaned transactions, however, in instances where Merrill Lynch transfers financial assets to a consolidated VIE, the liabilities of the consolidated VIE will be reflected in long or short-term borrowings (see Note 9) In either case, at the time of transfer, the related liability is equal to the cash received in the transaction In most cases the lenders in secured borrowing transactions have full recourse to Merrill Lynch (i e , recourse beyond the assets pledged).

Note 8. Investment Securities

Investment securities on the Consolidated Balance Sheets include

- Investments within the scope of Investment Accounting that are held by ML & Co and certain of its non-broker-dealer subsidiaries consist of debt held-for-investment and liquidity and collateral management purposes that are classified as available-for-sale, and debt securities that Merrill Lynch intends to hold until maturity

- Non-qualifying investments are those that are not within the scope of Investment Accounting and consist principally of equity investments, including investments in partnerships and joint ventures. Included in non-qualifying investments are investments accounted for under the equity method of accounting, which consist of investments in (i) partnerships and certain limited liability corporations where Merrill Lynch has more than a minor influence (generally defined as three to five percent interest) and (ii) corporate entities where Merrill Lynch has the ability to exercise significant influence over the investee (generally defined as ownership and voting interest of 20% to 50%) Also included in non-qualifying investments are private equity investments that Merrill Lynch holds for capital appreciation and/or current income and which are accounted for at fair value in accordance with the Investment Company Guide, as well as private equity investments accounted for at fair value under the fair value option election

Investment securities reported on the Consolidated Balance Sheets at December 31, 2011 and December 31, 2010 are presented below

(dollars in millions)

	December 31, 2011	December 31, 2010
Investment securities		
Available-for-sale	$ 694	$ 5,091
Held-to-maturity	—	245
Non-qualifying[1]		
Equity investments[2]	3,810	10,437
Other investments	2,180	1,996
Total	$ 6,684	$ 17,769

(1) Investments that are non-qualifying for Investment Accounting purposes

(2) The December 31, 2010 balance included Merrill Lynch's investment in BlackRock, Inc. ("BlackRock"), which consisted of approximately 13 6 million preferred shares The carrying value and fair value of this investment was $2.2 billion and $2 6 billion, respectively, at December 31, 2010 During the second quarter of 2011, Merrill Lynch sold its remaining investment in BlackRock, Inc , resulting in a pre-tax gain of $377 million

For the years ended December 31, 2011, December 31, 2010 and December 31, 2009, OTTI losses related to non-agency mortgage-backed AFS securities were $69 million, $174 million, and $660 million respectively Net impairment losses recognized in earnings represent the credit component of OTTI losses on AFS debt securities and total OTTI losses for AFS debt securities that Merrill Lynch does not intend to hold to recovery Those amounts were $59 million, $172 million and $656 million for the years ended December 31, 2011, December 31, 2010 and December 31, 2009, respectively. Refer to Note 1 for Merrill Lynch's accounting policy regarding OTTI of investment securities.

Information regarding investment securities subject to Investment Accounting follows.

(dollars in millions)

	December 31, 2011			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-Sale				
Securities, mortgage-backed and asset-backed				
Corporate ABS	$ 47	$ —	$ —	$ 47
Non-agency mortgage backed securities	249	—	—	249
Subtotal	296	—	—	296
U S Government and agencies	398	—	—	398
Total available-for-sale securities	$ 694	$ —	$ —	$ 694

(dollars in millions)

	December 31, 2010			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-Sale				
Mortgage-backed securities				
Agency residential mortgage backed securities	$ 3,918	$ —	$ (49)	$ 3,869
Agency collateralized mortgage obligations	61	—	—	61
Non-agency collateralized mortgage obligations	739	68	(76)	731
Subtotal	4,718	68	(125)	4,661
U.S. Government and agencies	430	—	—	430
Total available-for-sale securities	5,148	68	(125)	5,091
Held-to-Maturity				
Corporate debt and municipal	245	—	—	245
Total	$ 5,393	$ 68	$ (125)	$ 5,336

There were no individual securities that have been in a continuous unrealized loss position at December 31, 2011. The following table presents fair value and unrealized losses, after hedges, for available-for-sale securities, aggregated by investment category and length of time that the individual securities have been in a continuous unrealized loss position at December 31, 2010:

(dollars in millions)

	Less than 1 Year		More than 1 Year		Total	
Asset Category	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Agency residential mortgage backed securities	$ 3,869	$ (49)	$ —	$ —	$ 3,869	$ (49)
Non-agency collateralized mortgage obligations	53	(3)	230	(73)	283	(76)
Total	$ 3,922	$ (52)	$ 230	$ (73)	$ 4,152	$ (125)

The amortized cost and fair value of available-for-sale debt securities by expected maturity for mortgage-backed securities and contractual maturity for other debt securities at December 31, 2011 are as follows:

(dollars in millions)

	Available-for-Sale	
	Amortized Cost	Fair Value
Due in one year or less	$ 631	$ 631
Due after one year through five years	63	63
Due after five years through ten years	—	—
Due after ten years	—	—
Total[1]	$ 694	$ 694

(1) *Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay their obligations with or without prepayment penalties*

The proceeds and gross realized gains (losses) from the sale of available-for-sale securities during the years ended December 31, 2011, December 31, 2010 and December 31, 2009 are as follows:

(dollars in millions)

	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Proceeds	$ 4,290	$ 15,472	$ 13,715
Gross realized gains	69	531	608
Gross realized losses	(76)	(272)	(93)

Equity Method Investments

At December 31, 2011 and December 31, 2010, Merrill Lynch held certain investments that were accounted for under the equity method of accounting.

On December 1, 2009, BlackRock completed its purchase of Barclays Global Investors from Barclays, Plc. This acquisition had the effect of diluting Merrill Lynch's ownership interest in BlackRock, which for accounting purposes was treated as a sale of a portion of Merrill Lynch's ownership interest. As a result, upon the closing of this transaction, Merrill Lynch recorded an adjustment to its investment in BlackRock, which resulted in a pre-tax gain of $1.1 billion, which is included within Earnings from equity method investments in the Consolidated Statement of (Loss) Earnings for the year ended December 31, 2009. In addition, Merrill Lynch's economic interest in BlackRock was reduced from approximately 50% to approximately 34%.

On November 15, 2010, Merrill Lynch sold 51.2 million shares of BlackRock common stock. The net proceeds to Merrill Lynch from the sale of these shares, after underwriting discounts and before offering expenses payable by Merrill Lynch, were approximately $8.2 billion. As a result of the sale, Merrill Lynch owned shares of BlackRock Series B Preferred Stock only, and Merrill Lynch's economic interest in BlackRock was reduced from approximately 34% to approximately 7%. Merrill Lynch recorded a pre-tax gain of approximately $90 million from this transaction, which is included within Earnings from equity method investments in the Consolidated Statement of (Loss) Earnings for the year ended December 31, 2010.

In June 2011, Merrill Lynch sold the remaining shares of BlackRock's Series B preferred stock, resulting in a pre-tax gain of $377 million, which is included within Other Revenues in the Consolidated Statement of (Loss) Earnings for the year ended December 31, 2011. As of December 31, 2011, Merrill Lynch no longer held an economic interest in BlackRock.

Summarized aggregate financial information for Merrill Lynch's most significant equity method investees (BlackRock, Warburg Pincus Funds IX and X, L.P. and WCG Master Fund Ltd.) is as follows:

(dollars in millions)

	For the Year Ended December 31, 2010 [1]	For the Year Ended December 31, 2009 [2]
Revenues	$ 8,612	$ 6,576
Operating income	2,998	2,774
Earnings before income taxes	3,021	2,768
Net earnings	2,063	2,371

(1) Consists of the results of BlackRock for the year ended December 31, 2010. BlackRock was accounted for under the equity method of accounting through November 15, 2010.

(2) Amounts related to BlackRock are as follows: Revenues $4,700 million, Operating income $1,278 million, Earnings before income taxes $1,272 million and Net earnings $875 million.

Such investments were exited or not material for the year ended December 31, 2011.

Note 9. Securitizations and Other Variable Interest Entities ("VIEs")

Merrill Lynch utilizes VIEs in the ordinary course of business to support its own and its customers' financing and investing needs Merrill Lynch securitizes loans and debt securities using VIEs as a source of funding and as a means of transferring the economic risk of the loans or debt securities to third parties Merrill Lynch also administers, structures or invests in other VIEs including municipal bond trusts, CDOs and other entities as described in more detail below.

The entity that has a controlling financial interest in a VIE is referred to as the primary beneficiary and consolidates the VIE. Merrill Lynch is deemed to have a controlling financial interest and is the primary beneficiary of a VIE if it has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE

The tables below present the assets and liabilities of consolidated and unconsolidated VIEs if Merrill Lynch has continuing involvement with transferred assets or if Merrill Lynch otherwise has a variable interest in the VIE For consolidated VIEs, these amounts are net of intercompany balances The tables also present Merrill Lynch's maximum exposure to loss resulting from its involvement with consolidated VIEs and unconsolidated VIEs in which Merrill Lynch holds a variable interest as of December 31, 2011 and December 31, 2010 Merrill Lynch's maximum exposure to loss is based on the unlikely event that all of the assets in the VIEs become worthless and incorporates not only potential losses associated with assets recorded on Merrill Lynch's Consolidated Balance Sheet but also potential losses associated with off-balance sheet commitments such as unfunded liquidity commitments and other contractual arrangements Merrill Lynch's maximum exposure to loss does not include losses previously recognized

Merrill Lynch invests in ABS issued by third party VIEs with which it has no other form of involvement These securities are described in more detail in Note 8 In addition, Merrill Lynch uses VIEs such as trust preferred securities trusts in connection with its funding activities (see Note 12)

Except as described below, Merrill Lynch has not provided financial support to consolidated or unconsolidated VIEs that it was not contractually required to provide, nor does it intend to do so

Loan VIEs

Merrill Lynch securitizes mortgage loans that it originates or purchases from third parties In certain circumstances, Merrill Lynch has continuing involvement with the securitized loans as servicer of the loans Merrill Lynch may also retain beneficial interests in the securitization vehicles including senior and subordinated securities, and the equity tranche. Except as described below, Merrill Lynch does not provide guarantees to the securitization vehicles and investors do not have recourse to Merrill Lynch other than through standard representations and warranties

The following table summarizes certain information related to Loan VIEs in which Merrill Lynch is either the transferor, servicer or sponsor and holds a variable interest as of December 31, 2011 and December 31, 2010.

(dollars in millions)

	Non-Agency					
	Prime		Subprime		Commercial Mortgage	
	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Unconsolidated VIEs:						
Maximum loss exposure[1]	$ 16	$ 28	$ 52	$ 168	$ 130	$ 187
Senior securities held						
Trading assets	$ 1	$ 6	$ 2	$ 23	$ 19	$ 74
Investment securities	—	6	—	22	—	—
Subordinated securities held						
Trading assets	—	—	8	11	1	—
Residual interests held	8	6	—	—	42	50
Total retained securities[2]	$ 9	$ 18	$ 10	$ 56	$ 62	$ 124
Principal balance outstanding[3]	$ 191	$ 636	$ 6,192	$ 18,857	$ 24,545	$ 24,891
Consolidated VIEs:						
Maximum loss exposure[1]	$ 1	$ 46	$ —	$ 12	$ —	$ —
Derivative contracts	$ —	$ 41	$ —	$ —	$ —	$ —
Other assets	1	5	—	12	—	—
Total assets	$ 1	$ 46	$ —	$ 12	$ —	$ —
Other liabilities	$ —	$ 9	$ —	$ —	$ —	$ —
Total liabilities	$ —	$ 9	$ —	$ —	$ —	$ —

(1) Maximum loss exposure excludes liabilities for representations and warranties
(2) Substantially all of the securities were in Level 2 in the fair value hierarchy
(3) Principal balance outstanding includes those loans that Merrill Lynch transferred and with which it has continuing involvement

In accordance with consolidation guidance, Merrill Lynch consolidates Loan VIEs in which it has a controlling financial interest For loan securitizations, Merrill Lynch is considered to have a controlling financial interest (i e., is the primary beneficiary) when it is the servicer of the loans and also holds a financial interest that could potentially be significant to the entity. If Merrill Lynch is not the servicer of an entity or does not hold a financial interest that could be significant to the entity, Merrill Lynch does not have a controlling financial interest and does not consolidate the entity.

Merrill Lynch sells mortgage loans to VIEs with various representations and warranties related to, among other things, the ownership of the loan, validity of the lien securing the loan, absence of delinquent taxes or liens against the property securing the loan, the process used in selecting the loans for inclusion in a transaction, the loan's compliance with any applicable loan criteria established by the buyer, and the loan's compliance with applicable local, state and federal laws Under these representations and warranties, Merrill Lynch may be required to repurchase mortgage loans with the identified defects or indemnify or provide other recourse to the investor or insurer. In such cases, Merrill Lynch bears any subsequent credit loss on the mortgage loans Merrill Lynch's representations and warranties are generally not subject to stated limits and extend over the life of the loans. See Note 14.

Municipal Bond Securitizations

Merrill Lynch sponsors municipal bond trusts that hold highly-rated, long-term, fixed-rate municipal bonds, some of which are callable prior to maturity A majority of the bonds are rated AAA or AA and some benefit from insurance provided by third parties. The trusts obtain financing by issuing floating-rate trust certificates that reprice on a frequent basis to third party investors Merrill Lynch may serve as remarketing agent and/or liquidity provider for the trusts. The floating-rate investors have the right to tender the certificates at specified dates, often with as little as seven days' notice Should Merrill Lynch be unable to remarket the tendered certificates, it is generally obligated to purchase them at par under standby liquidity facilities unless the bond's credit rating has declined below investment grade or there has been an event of default or bankruptcy of the issuer and insurer

Merrill Lynch also provides default protection or credit enhancement to investors in certain municipal bond trusts whereby Merrill Lynch guarantees the payment of interest and principal on floating-rate certificates issued by these trusts If an investor holds the residual interest, that investor typically has the unilateral ability to liquidate the trust at any time, while Merrill Lynch typically has the ability to trigger the liquidation of that trust only if the market value of the bonds held in the trust declines below a specified threshold The weighted average remaining life of bonds held in the trusts at December 31, 2011 was 11.4 years

The following table summarizes certain information related to municipal bond trusts in which Merrill Lynch holds a variable interest as of December 31, 2011 and December 31, 2010

(dollars in millions)

	December 31, 2011			December 31, 2010		
	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated	Total
Maximum Loss Exposure	$ 3,713	$ 920	$ 4,633	$ 4,451	$ 1,543	$ 5,994
On-balance sheet assets						
Trading assets	$ 3,713	$ 178	$ 3,891	$ 4,451	$ 255	$ 4,706
Total	$ 3,713	$ 178	$ 3,891	$ 4,451	$ 255	$ 4,706
On-balance sheet liabilities						
Short-term borrowings	$ 4,939	$ —	$ 4,939	$ 4,642	$ —	$ 4,642
Payables to Bank of America	—	—	—	2	—	2
Total	$ 4,939	$ —	$ 4,939	$ 4,644	$ —	$ 4,644
Total assets of VIEs	$ 3,713	$ 1,154	$ 4,867	$ 4,451	$ 1,706	$ 6,157

Merrill Lynch consolidates municipal bond trusts when it has a controlling financial interest As transferor of assets into a trust, Merrill Lynch has the power to determine which assets would be held in the trust and to structure the liquidity facilities, default protection and credit enhancement, if applicable In some instances, Merrill Lynch retains a residual interest in such trusts and has loss exposure that could potentially be significant to the trust through the residual interest, liquidity facilities and other arrangements. Merrill Lynch is also the remarketing agent, through which it has the power to direct the activities that most significantly impact economic performance Accordingly, Merrill Lynch is the primary beneficiary of and consolidates these trusts. In other instances, one or more third party investor(s) hold(s) the residual interest and, through that interest, has the unilateral right to liquidate the trust Merrill Lynch does not consolidate these trusts

In the years ended December 31, 2011 and December 31, 2010, Merrill Lynch was the transferor of assets into unconsolidated municipal bond trusts and received cash proceeds from new securitizations of $645 million and $1 2 billion, respectively. At December 31, 2011 and December 31, 2010, the principal balance outstanding for unconsolidated municipal bond securitization trusts for which Merrill Lynch was the transferor was $1 2 billion and $1 7 billion, respectively

Merrill Lynch's liquidity commitments to unconsolidated municipal bond trusts totaled $742 million and

$1.3 billion at December 31, 2011 and December 31, 2010, respectively

CDOs

CDO vehicles hold diversified pools of fixed income securities, typically corporate debt or asset-backed securities, which they fund by issuing multiple tranches of debt and equity securities Synthetic CDOs enter into a portfolio of credit default swaps to synthetically create exposure to fixed income securities. CLOs are a subset of CDOs that hold pools of loans, typically corporate loans or commercial mortgages CDOs are typically managed by third party portfolio managers. Merrill Lynch transfers assets to these CDOs, holds securities issued by the CDOs, and may be a derivative counterparty to the CDOs, including credit default swap counterparty for synthetic CDOs. Merrill Lynch has also entered into total return swaps with certain CDOs whereby Merrill Lynch will absorb the economic returns generated by specified assets held by the CDO Merrill Lynch receives fees for structuring CDOs and providing liquidity support for super senior tranches of securities issued by certain CDOs.

The following table summarizes certain information related to CDO vehicles in which Merrill Lynch holds a variable interest as of December 31, 2011 and December 31, 2010

(dollars in millions)

	December 31, 2011			December 31, 2010		
	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated	Total
Maximum Loss Exposure	$ 1,695	$ 2,185	$ 3,880	$ 2,216	$ 2,987	$ 5,203
On-balance sheet assets						
Trading assets	$ 1,844	$ 397	$ 2,241	$ 2,727	$ 569	$ 3,296
Derivative contracts	—	678	678	—	890	890
Other assets	—	72	72	3	123	126
Total	$ 1,844	$ 1,147	$ 2,991	$ 2,730	$ 1,582	$ 4,312
On-balance sheet liabilities						
Derivative contracts	$ —	$ 11	$ 11	$ —	$ 8	$ 8
Long-term borrowings	2,712	—	2,712	3,161	—	3,161
Total	$ 2,712	$ 11	$ 2,723	$ 3,161	$ 8	$ 3,169
Total assets of VIEs	$ 1,844	$ 32,847	$ 34,691	$ 2,730	$ 42,782	$ 45,512

Merrill Lynch's maximum exposure to loss is significantly less than the total assets of the CDO vehicles in the table above because Merrill Lynch typically has exposure to only a portion of the total assets

At December 31, 2011, Merrill Lynch had $2 3 billion of aggregate liquidity exposure to CDOs. This amount includes $588 million of commitments to CDOs to provide funding for super senior exposures and $1 7 billion notional amount of derivative contracts with unconsolidated VIEs, principally CDO vehicles, which hold non-super senior CDO debt securities or other debt securities on Merrill Lynch's behalf Refer to Note 14 for additional information Merrill Lynch's liquidity exposure to CDOs at December 31, 2011 is included in the table above to the extent that Merrill Lynch sponsored the CDO vehicle or the liquidity exposure is more than insignificant compared to total assets of the CDO vehicle. Liquidity exposure included in the table is reported net of previously recorded losses

Customer Vehicles

Customer vehicles include credit-linked and equity-linked note vehicles and repackaging vehicles, which are typically created on behalf of customers who wish to obtain exposure to a specific company or financial instrument Credit-linked and equity-linked note vehicles issue notes which pay a return that is linked to the specific credit or equity risk. The vehicles purchase high-grade assets as collateral and enter into CDS or equity derivatives to

synthetically create the credit or equity risk required to pay the specified return on the notes issued by the vehicles Repackaging vehicles issue notes that are designed to incorporate risk characteristics desired by customers of Merrill Lynch The vehicles hold debt instruments such as corporate bonds, convertible bonds or ABS with the desired credit risk profile Merrill Lynch enters into derivatives with the vehicles to change the interest rate or currency profile of the debt instruments. If a vehicle holds convertible bonds and Merrill Lynch retains the conversion option, Merrill Lynch is deemed to have a controlling financial interest and consolidates the vehicle

The following table summarizes certain information related to customer vehicles in which Merrill Lynch holds a variable interest as of December 31, 2011 and December 31, 2010

(dollars in millions)

	December 31, 2011			December 31, 2010		
	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated [1]	Total
Maximum Loss Exposure	$ 2,333	$ 2,106	$ 4,439	$ 3,457	$ 2,083	$ 5,540
On-balance sheet assets						
Trading assets	$ 3,243	$ 211	$ 3,454	$ 3,397	$ 217	$ 3,614
Derivative contracts	—	896	896	—	728	728
Other assets	1,446	—	1,446	1,430	—	1,430
Total	$ 4,689	$ 1,107	$ 5,796	$ 4,827	$ 945	$ 5,772
On-balance sheet liabilities						
Derivative contracts	$ 4	$ 42	$ 46	$ 1	$ 24	$ 25
Long-term borrowings	3,873	—	3,873	3,430	—	3,430
Other liabilities	1	448	449	—	750	750
Total	$ 3,878	$ 490	$ 4,368	$ 3,431	$ 774	$ 4,205
Total assets of VIEs	$ 4,689	$ 5,265	$ 9,954	$ 4,827	$ 5,952	$ 10,779

(1) Maximum loss exposure, trading assets and other liabilities have been revised from $2,603 million, $737 million and $140 million, respectively (as previously reported) to $2,083 million, $217 million and $750 million, respectively

Merrill Lynch consolidates customer vehicles in which it has a controlling financial interest. Merrill Lynch typically has control over the initial design of the vehicle and may also have the ability to replace the collateral assets Merrill Lynch consolidates these vehicles if it also absorbs potentially significant gains or losses through derivative contracts or investments Merrill Lynch does not consolidate a vehicle if a single investor controlled the initial design of the vehicle or if Merrill Lynch does not have a variable interest that could potentially be significant to the vehicle

Merrill Lynch is typically the counterparty for the credit and equity derivatives, and it may invest in securities issued by the vehicles Merrill Lynch may also enter into interest rate and foreign currency derivatives with the vehicles Merrill Lynch had approximately $824 million of other liquidity commitments, including written put options and collateral value guarantees, with unconsolidated credit-linked and equity-linked note vehicles at December 31, 2011

Merrill Lynch's maximum exposure to loss from customer vehicles includes the notional amount of the credit or equity derivatives to which it is counterparty, net of losses previously recorded, and Merrill Lynch's investment, if any, in securities issued by the vehicles It has not been reduced to reflect the benefit of offsetting swaps with the customers or collateral arrangements

Real Estate and other VIEs

Real Estate and other VIEs primarily includes a real estate investment fund that is a VIE, investments in VIEs that hold investment property, certain hedge fund investment entities, and residential agency resecuritizations.

The following table summarizes certain information related to Real Estate and other VIEs in which Merrill Lynch holds a variable interest as of December 31, 2011 and December 31, 2010

(dollars in millions)

	December 31, 2011			December 31, 2010		
	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated[(1)]	Total
Maximum Loss Exposure	$ 1,821	$ 4,631	$ 6,452	$ 857	$ 3,389	$ 4,246
On-balance sheet assets						
Trading assets	$ —	$ 2,980	$ 2,980	$ 263	$ 1,326	$ 1,589
Derivative contracts	—	440	440	—	227	227
Investment securities	162	62	224	309	73	382
Loans, notes, and mortgages	94	804	898	221	1,368	1,589
Other assets	1,575	344	1,919	147	395	542
Total	$ 1,831	$ 4,630	$ 6,461	$ 940	$ 3,389	$ 4,329
On-balance sheet liabilities						
Long-term borrowings	$ 10	$ —	$ 10	$ 83	$ —	$ 83
Other liabilities	185	265	450	44	—	44
Total	$ 195	$ 265	$ 460	$ 127	$ —	$ 127
Total assets of VIEs	$ 1,831	$ 26,731	$ 28,562	$ 940	$ 20,614	$ 21,554

(1) Maximum loss exposure, trading assets and total assets of VIEs have been revised from $2,150 million, $86 million and $6,391 million, respectively (as previously reported), to $3,389 million, $1,326 million and $20,614 million, respectively

Merrill Lynch consolidates real estate and other VIEs in which it has a controlling financial interest Merrill Lynch has established real estate investment funds designed to provide returns to clients through limited partnership holdings Merrill Lynch was originally the general partner and the investment advisor, making management decisions. In 2010, Merrill Lynch transferred its management responsibilities to third parties but retained a limited partnership interest in these funds.

Merrill Lynch invests in real estate lending vehicles and establishes vehicles to hold real estate investments. In certain instances these entities do not have sufficient equity to finance operations and are therefore considered VIEs Merrill Lynch consolidates these vehicles when it has decision-making power over the property held by the vehicle and absorbs potentially significant gains or losses through its equity or loan investment

Other Transactions

Merrill Lynch transferred pools of securities to certain independent third parties and provided financing for approximately 75 percent of the purchase price under asset-backed financing arrangements At December 31, 2011 and December 31, 2010, Merrill Lynch's maximum loss exposure under these financing arrangements was $4.7 billion and $6 5 billion, respectively, substantially all of which was recorded as loans, notes and mortgages on Merrill Lynch's Consolidated Balance Sheet All principal and interest payments have been received when due in accordance with their contractual terms These arrangements are not included in the tables above because the purchasers are not VIEs.

Note 10. Loans, Notes and Mortgages

Loans, notes, mortgages and related commitments to extend credit include

- Consumer loans, which are substantially secured, including residential mortgages, home equity loans, and other loans to individuals for household, family, or other personal expenditures, and
- Commercial loans, including corporate and institutional loans (including corporate and financial sponsor, non-investment grade lending commitments), commercial mortgages, asset-backed loans, small- and middle-market business loans, and other loans to businesses

The table below presents information on Merrill Lynch's loans outstanding at December 31, 2011 and December 31, 2010

Age Analysis of Outstanding Loans

(dollars in millions)	December 31, 2011							
	30-59 Days Past Due	60-89 Days Past Due	90 Days or more Past Due	Total Past Due	Total Current or Less Than 30 Days Past Due	Nonperforming Loans [1]	Loans Measured at Fair Value	Total Outstanding
Consumer loans								
Residential mortgage	$ 20	$ 4	$ —	$ 24	$ 420	$ 25	$ —	$ 469
Home equity	—	—	—	—	117	4	—	121
Total consumer	20	4	—	24	537	29	—	590
Commercial								
Commercial - U.S.	—	1	2	3	3,753	85	—	3,841
Commercial real estate	—	—	—	—	667	108	—	775
Commercial - non-U.S.	—	—	—	—	3,040	65	—	3,105
Total commercial loans	—	1	2	3	7,460	258	—	7,721
Commercial loans measured at fair value	—	—	—	—	—	—	909	909
Total commercial	—	1	2	3	7,460	258	909	8,630
Other [2]	—	—	—	—	10,013	—	1,413	11,426
Total loans	$ 20	$ 5	$ 2	$ 27	$ 18,010	$ 287	$ 2,322	$ 20,646
Allowance for loan losses								(72)
Total loans, net								$ 20,574

Age Analysis of Outstanding Loans

(dollars in millions)	December 31, 2010							
	30-59 Days Past Due	60-89 Days Past Due	90 Days or more Past Due	Total Past Due	Total Current or Less Than 30 Days Past Due	Nonperforming Loans [1]	Loans Measured at Fair Value	Total Outstanding
Consumer loans								
Residential mortgage	$ 15	$ 8	$ —	$ 23	$ 451	$ 30	$ —	$ 504
Home equity	1		—	1	126	5	—	132
Total consumer	16	8	—	24	577	35	—	636
Commercial								
Commercial - U.S.	1	1	19	21	5,591	210	—	5,822
Commercial real estate	—	—	—	—	1,632	212	—	1,844
Commercial - non-U.S.	—	—	—	—	2,824	161	—	2,985
Total commercial loans	1	1	19	21	10,047	583	—	10,651
Commercial loans measured at fair value	—	—	—	—	—	—	318	318
Total commercial	1	1	19	21	10,047	583	318	10,969
Other [3]	—	—	—	—	11,496	—	2,872	14,368
Total loans	$ 17	$ 9	$ 19	$ 45	$ 22,120	$ 618	$ 3,190	$ 25,973
Allowance for loan losses								(170)
Total loans, net								$ 25,803

(1) Excludes loans measured at fair value
(2) Includes asset-backed loans and loans held-for-sale of $8.9 billion and $2.5 billion, respectively, as of December 31, 2011
(3) Includes asset-backed loans and loans held-for-sale of $9.2 billion and $5.2 billion, respectively, as of December 31, 2010

Merrill Lynch monitors the credit quality of its loans on an ongoing basis. Merrill Lynch's commercial loans are evaluated using the internal classifications of pass rated or reservable criticized as the primary credit quality indicators. The term reservable criticized refers to those commercial loans that are internally classified or listed by Merrill Lynch as Special Mention, Substandard or Doubtful, which are asset categories defined by regulatory authorities. These assets have an elevated level of risk and may have a high probability of default or total loss. Pass rated refers to all loans not considered reservable criticized. In addition to these primary credit quality indicators, Merrill Lynch uses other credit quality indicators for certain types of loans. The table below presents credit quality indicators on Merrill Lynch's commercial loan portfolio, excluding loans accounted for under the fair value option, at December 31, 2011 and December 31, 2010

(dollars in millions)	December 31, 2011		
	Commercial - U.S.	Commercial Real Estate	Commercial - non-U.S.
Risk Ratings			
Pass rated	$ 3,594	$ 511	$ 2,967
Reservable criticized	247	264	138
Total Commercial Credit	$ 3,841	$ 775	$ 3,105

(dollars in millions)	December 31, 2010		
	Commercial - U.S.	Commercial Real Estate	Commercial - non-U.S.
Risk Ratings			
Pass rated	$ 5,192	$ 1,582	$ 2,581
Reservable criticized	630	262	404
Total Commercial Credit	$ 5,822	$ 1,844	$ 2,985

Activity in the allowance for loan losses, which is primarily associated with commercial loans, is presented below

(dollars in millions)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010
Allowance for loan losses, at beginning of period	$ 170	$ 33
Provision for loan losses	66	311
Charge-offs	(180)	(176)
Recoveries	14	4
Net charge-offs	(166)	(172)
Other	2	(2)
Allowance for loan losses, at end of period	$ 72	$ 170

Consumer loans, substantially all of which are collateralized, consisted of approximately 23,000 individual loans at December 31, 2011 Commercial loans consisted of approximately 1,000 separate loans

Merrill Lynch's outstanding loans include $2 5 billion and $5.2 billion of loans held for sale at December 31, 2011 and December 31, 2010, respectively Loans held for sale are loans that Merrill Lynch expects to sell prior to maturity At December 31, 2011, such loans consisted of $1 0 billion of consumer loans, primarily residential mortgages, and $1 5 billion of commercial loans At December 31, 2010, such loans consisted of $1 7 billion of consumer loans, primarily residential mortgages, and $3 5 billion of commercial loans.

Merrill Lynch generally maintains collateral on secured loans in the form of securities, liens on real estate, perfected security interests in other assets of the borrower, and guarantees Consumer loans are typically collateralized by liens on real estate and other property. Commercial secured loans primarily include asset-based loans secured by financial assets such as loan receivables and trade receivables where the amount of the loan is based on the level of available collateral (i e , the borrowing base) and commercial mortgages secured by real property In addition, for secured commercial loans related to the corporate and institutional lending business, Merrill Lynch typically receives collateral in the form of either a first or second lien on the assets of the borrower or the stock of a subsidiary, which gives Merrill Lynch a priority claim in the case of a bankruptcy filing by the borrower In many cases, where a security interest in the assets of the borrower is granted, no restrictions are placed on the use of assets by the borrower and asset levels are not typically subject to periodic review; however, the borrowers are typically subject to stringent debt covenants Where the borrower grants a security interest in the stock of its subsidiary, the subsidiary's ability to issue additional debt is typically restricted.

In some cases, Merrill Lynch enters into single name and index credit default swaps to mitigate credit exposure related to funded and unfunded commercial loans The notional value of these swaps totaled $3 4 billion and $2 9 billion at December 31, 2011 and December 31, 2010, respectively

The following tables provide information regarding Merrill Lynch's net credit default protection associated with its funded and unfunded commercial loans as of December 31, 2011 and December 31, 2010

Net Credit Default Protection by Maturity Profile

	December 31, 2011	December 31, 2010
Less than or equal to one year	16%	23%
Greater than one year and less than or equal to five years	82	67
Greater than five years	2	10
Total net credit default protection	100%	100%

Net Credit Default Protection by Credit Exposure Debt Rating

(dollars in millions)

	December 31, 2011		December 31, 2010	
Ratings[1]	Net Notional	Percent	Net Notional	Percent
AA	$ (661)	19.4%	$ (450)	15 5%
A	(1,542)	45 1	(1,029)	35 3
BBB	(637)	18 6	(655)	22 5
BB	(190)	5 6	(359)	12 3
B	(190)	5 6	(224)	7 7
CCC and below	(195)	5 7	(194)	6.7
Total net credit default protection	$ (3,415)	100%	$ (2,911)	100 0%

(1) Merrill Lynch considers ratings of BBB- or higher to meet the definition of investment grade.

Accounting for Acquired Impaired Loans

Upon completion of the acquisition of Merrill Lynch by Bank of America, Merrill Lynch adjusted the carrying value of its loans to fair value. Certain of these loans were subject to the requirements of Acquired Impaired Loan Accounting, which addresses accounting for differences between contractual cash flows and cash flows expected to be collected from an investor's initial investment in loans if those differences are attributable, at least in part, to credit quality. Acquired Impaired Loan Accounting requires impaired loans to be recorded at estimated fair value and prohibits "carrying over" or the creation of valuation allowances in the initial accounting for loans acquired in a transfer that are within the scope of Acquired Impaired Loan Accounting

The estimated fair values for loans within the scope of Acquired Impaired Loan Accounting are determined by discounting cash flows expected to be collected using a discount rate for similar instruments with adjustments that management believes a market participant would consider in determining fair value. Cash flows expected to be collected at acquisition are estimated using internal prepayment, interest rate and credit risk models that incorporate management's best estimate of certain key assumptions, such as default rates, loss severity and prepayment speeds All other loans were remeasured at the present value of contractual payments discounted to the prevailing interest rates on the date of acquisition

Under Acquired Impaired Loan Accounting, the excess of cash flows expected at acquisition over the estimated fair value is referred to as the accretable yield and is recognized in interest income over the remaining life of the loans The difference between contractually required payments at acquisition and the cash flows expected to be collected at acquisition is referred to as the nonaccretable difference. Changes in the expected cash flows from the date of acquisition will either impact the accretable yield or result in a charge to the provision for credit losses Subsequent decreases to expected principal cash flows will result in a charge to provision for credit losses and a corresponding

increase to allowance for loan losses Subsequent increases in expected principal cash flows will result in recovery of any previously recorded allowance for loan losses, to the extent applicable, and an increase from expected cash flows to accretable yield for any remaining increase All changes in expected interest cash flows will result in an increase or decrease of accretable yield.

In connection with Merrill Lynch's acquisition by Bank of America, loans within the scope of Acquired Impaired Loan Accounting had an unpaid principal balance of $5 6 billion ($2 7 billion consumer and $2 9 billion commercial) and a carrying value of $4.2 billion ($2 3 billion consumer and $1 9 billion commercial) as of January 1, 2009 The loans within the scope of Acquired Impaired Loan Accounting, which were primarily commercial real estate, had an unpaid principal balance of $0 7 billion and a carrying value of $0 2 billion as of December 31, 2010, and were not material as of December 31, 2011

Note 11. Goodwill and Intangible Assets

Goodwill

Goodwill is the cost of an acquired company in excess of the fair value of identifiable net assets at the acquisition date Goodwill is tested annually (or more frequently under certain conditions) for impairment at the reporting unit level in accordance with Goodwill and Intangible Assets Accounting If the fair value of the reporting unit exceeds its carrying value, its goodwill is not deemed to be impaired If the fair value is less than the carrying value, a further analysis is required to determine the amount of impairment, if any Based on the annual impairment analysis completed during the third quarter of 2011, Merrill Lynch determined that there was no impairment of goodwill as of the June 30, 2011 test date

The carrying amount of goodwill was $5 7 billion at both December 31, 2011 and December 31, 2010

Intangible Assets

Intangible assets with definite lives at December 31, 2011 and December 31, 2010 consisted primarily of value assigned to customer relationships. Intangible assets with definite lives are tested for impairment in accordance with ASC 360, *Property, Plant and Equipment* whenever certain conditions exist which would indicate the carrying amounts of such assets may not be recoverable Intangible assets with definite lives are amortized over their respective estimated useful lives Intangible assets with indefinite lives consist of value assigned to the Merrill Lynch brand and are tested for impairment in accordance with Goodwill and Intangible Assets Accounting Intangible assets with indefinite lives are not amortized Based on an impairment analysis conducted as of June 30, 2011, the Merrill Lynch brand intangible asset was not impaired

The table below presents the gross carrying amount, accumulated amortization, and net carrying amounts of intangible assets as of December 31, 2011 and December 31, 2010

(dollars in millions)

		Year Ended December 31, 2011	Year Ended December 31, 2010
Customer relationships	Gross carrying amount	$ 3,087	$ 3,087
	Accumulated amortization	(928)	(618)
	Net carrying amount	2,159	2,469
Other(1)	Gross carrying amount	1,515	1,515
	Accumulated amortization	—	—
	Net carrying amount	1,515	1,515
Total	Gross carrying amount	4,602	4,602
	Accumulated amortization	(928)	(618)
	Net carrying amount	$ 3,674	$ 3,984

(1) Represents value assigned to the Merrill Lynch brand

Amortization expense for the years ended December 31, 2011 and December 31, 2010 was $309 million. Amortization expense for 2009 was $349 million

The estimated future amortization of intangible assets from 2012 through 2016 is $309 million per year

Note 12. Borrowings and Deposits

Prior to Merrill Lynch's acquisition by Bank of America, ML & Co. was the primary issuer of Merrill Lynch's unsecured debt instruments. Debt instruments were also issued by certain subsidiaries Bank of America has not assumed or guaranteed the long-term debt that was issued or guaranteed by ML & Co or its subsidiaries prior to the acquisition of Merrill Lynch by Bank of America.

Beginning late in the third quarter of 2009, in connection with the update or renewal of certain Merrill Lynch international securities offering programs, Bank of America agreed to guarantee debt securities, warrants and/or certificates issued by certain subsidiaries of ML & Co. on a going forward basis All existing ML & Co guarantees of securities issued by those same Merrill Lynch subsidiaries under various international securities offering programs will remain in full force and effect as long as those securities are outstanding, and Bank of America has not assumed any of those prior ML & Co. guarantees or otherwise guaranteed such securities There were approximately $5 2 billion of securities guaranteed by Bank of America at December 31, 2011

Following the completion of Bank of America's acquisition of Merrill Lynch, ML & Co. became a subsidiary of Bank of America and established intercompany lending and borrowing arrangements to facilitate centralized liquidity management. Included in these intercompany agreements is a $75 billion one-year revolving unsecured line of credit that allows ML & Co. to borrow funds from Bank of America at a spread to LIBOR that is reset periodically and is consistent with other intercompany agreements. This credit line was renewed effective January 1, 2012 with a maturity date of January 1, 2013. The credit line will automatically be extended by one year to the succeeding January 1st unless Bank of America provides written notice not to extend at least 45 days prior to the maturity date The agreement does not contain any financial or other covenants. There were no outstanding borrowings against the line of credit at December 31, 2011.

In addition to the $75 billion unsecured line of credit, a $25 billion 364-day revolving unsecured line of credit that allows ML & Co to borrow funds from Bank of America was established on February 15, 2011. Interest on the line of credit is based on prevailing short-term market rates The agreement does not contain any financial or other covenants The line of credit matures on February 12, 2013 There were no outstanding borrowings against the line of credit at December 31, 2011.

Following the merger of BAS into MLPF&S, Bank of America agreed to guarantee the short-term, senior unsecured obligations issued by MLPF&S under its short-term master note program on a going forward basis During 2011, Merrill Lynch decided to reduce short-term unsecured obligations. At December 31, 2011, there were no longer any borrowings outstanding under this program

Also in connection with the merger of BAS into MLPF&S, MLPF&S either assumed or established the following agreements

- MLPF&S assumed an approximately $1.5 billion subordinated loan agreement with Bank of America, which bears interest based on a spread to LIBOR, and has a scheduled maturity date of December 31, 2013 The loan agreement contains a provision that automatically extends the loan's maturity by one year unless Bank of America provides 13 months written notice not to extend prior to the scheduled maturity date
- MLPF&S assumed a $7 billion revolving subordinated line of credit with Bank of America The subordinated line of credit bears interest based on a spread to LIBOR, and has a scheduled maturity date of October 1, 2013 The revolving subordinated line of credit contains a provision that automatically extends the maturity by one year unless Bank of America provides 13 months written notice not to extend prior to the scheduled maturity

date. At December 31, 2011, $1 1 billion was outstanding on the subordinated line of credit

- On November 1, 2010, a $4 billion one-year revolving unsecured line of credit that allows MLPF&S to borrow funds from Bank of America was established Interest on the line of credit is based on prevailing short-term market rates The credit line will mature on November 1, 2012 and may automatically be extended by one year to the succeeding November 1st unless Bank of America provides written notice not to extend at least 45 days prior to the maturity date. At December 31, 2011, there were no borrowings outstanding on the line of credit
- On February 22, 2011, a $15 billion 364-day revolving unsecured line of credit that allows MLPF&S to borrow funds from Bank of America was established Interest on the line of credit is based on prevailing short-term market rates The line of credit matures on February 19, 2013. At December 31, 2011, approximately $1 5 billion was outstanding on the line of credit

The value of Merrill Lynch's debt instruments as recorded on the Consolidated Balance Sheets does not necessarily represent the amount that will be repaid at maturity This is due to the following.

- As a result of the acquisition by Bank of America, all debt instruments were adjusted to fair value on January 1, 2009,
- Certain debt issuances are accounted for at fair value and incorporate changes in Merrill Lynch's creditworthiness (see Note 4),
- Certain structured notes whose coupon or repayment terms are linked to the performance of debt and equity securities, indices, currencies or commodities reflect the fair value of those risks (see Note 4), and
- Certain debt issuances are adjusted for the impact of fair value hedge accounting (see Note 6).

The tables below exclude Merrill Lynch's intercompany borrowings from Bank of America, see Note 2 for further information. Total borrowings at December 31, 2011 and December 31, 2010, which are comprised of short-term borrowings, long-term borrowings and junior subordinated notes (related to trust preferred securities), consisted of the following

(dollars in millions)

	December 31, 2011	December 31, 2010
Senior debt	$ 59,583	$ 80,130
Senior structured notes	28,523	40,678
Subordinated debt	12,661	11,358
Junior subordinated notes (related to trust preferred securities)	3,600	3,576
Other subsidiary financing	868	617
Debt issued by consolidated VIEs	11,534	11,316
Total	$ 116,769	$ 147,675

Borrowings and deposits at December 31, 2011 and December 31, 2010, are presented below

(dollars in millions)

	December 31, 2011	December 31, 2010
Short-term borrowings		
Other unsecured short-term borrowings	$ 1,112	$ 10,606
Short-term debt issued by consolidated VIEs[1]	4,939	4,642
Total	$ 6,051	$ 15,248
Long-term borrowings[2]		
Fixed-rate obligations[3]	$ 60,671	$ 64,611
Variable-rate obligations[4][5]	39,852	57,566
Long-term debt issued by consolidated VIEs[1]	6,595	6,674
Total	$ 107,118	$ 128,851
Deposits		
Non-U.S.	$ 12,364	$ 12,826

(1) See Note 9 for additional information on debt issued by consolidated VIEs.
(2) Excludes junior subordinated notes (related to trust preferred securities).
(3) Fixed-rate obligations are generally swapped to variable rates.
(4) Variable interest rates are generally based on rates such as LIBOR, the U S. Treasury Bill Rate, or the Federal Funds Rate
(5) Includes structured notes

See Note 5 for additional information on the fair value of long-term borrowings.

The weighted-average interest rates for borrowings at December 31, 2011 and December 31, 2010 (excluding structured products) were as follows

	December 31, 2011	December 31, 2010
Short-term borrowings	0 4%	0.3%
Long-term borrowings	4 0	3 8
Junior subordinated notes (related to trust preferred securities)	6 9	6 9

Long-Term Borrowings

At December 31, 2011, long-term borrowings mature as follows.

(dollars in millions)

	Amount	Percentage of Total
Less than 1 year	$ 23,205	22%
1 – 2 years	19,958	19
2 – 3 years	18,848	18
3 – 4 years	4,570	4
4 – 5 years	4,124	4
Greater than 5 years	36,413	33
Total	$ 107,118	100%

Certain long-term borrowing agreements contain provisions whereby the borrowings are redeemable at the option of the holder ("put" options) at specified dates prior to maturity These borrowings are reflected in the above table as maturing at their put dates, rather than their contractual maturities. However, Merrill Lynch believes that a portion of such borrowings will remain outstanding beyond their earliest redemption date.

The maturity of certain structured notes whose coupon or repayment terms are linked to the performance of debt and equity securities, indices, currencies or commodities may be accelerated based on the value of a referenced index or security, in which case Merrill Lynch may be required to immediately settle the obligation for cash or other securities. These notes are included in the portion of long-term debt maturing in less than a year.

Senior and subordinated debt obligations do not contain provisions that could, upon an adverse change in ML & Co.'s credit rating, financial ratios, earnings or cash flows, trigger a requirement for an early payment, additional collateral support, changes in terms, acceleration of maturity, or the creation of an additional financial obligation.

Junior Subordinated Notes (related to trust preferred securities)

Merrill Lynch has created six trusts that have issued preferred securities to the public ("trust preferred securities") Merrill Lynch Preferred Capital Trust III, IV and V used the issuance proceeds to purchase Partnership Preferred Securities, representing limited partnership interests Using the purchase proceeds, the limited partnerships extended junior subordinated loans to ML & Co and one or more subsidiaries of ML & Co. Merrill Lynch Capital Trust I, II and III directly invested in junior subordinated notes issued by ML & Co

ML & Co has guaranteed, on a junior subordinated basis, the payment in full of all distributions and other payments on the trust preferred securities to the extent that the trusts have funds legally available. This guarantee and similar partnership distribution guarantees are subordinated to all other liabilities of ML & Co

The following table summarizes Merrill Lynch's trust preferred securities as of December 31, 2011

(dollars in millions)

TRUST	ISSUE DATE	AGGREGATE PRINCIPAL AMOUNT OF TRUST PREFERRED SECURITIES	AGGREGATE PRINCIPAL AMOUNT OF NOTES	AGGREGATE CARRYING VALUE OF NOTES	ANNUAL DISTRIBUTION RATE	STATED MATURITY
ML Preferred Capital Trust III	Jan-1998	$ 750	$ 900	$ 656	7.00%	Perpetual
ML Preferred Capital Trust IV	Jun-1998	400	480	348	7 12%	Perpetual
ML Preferred Capital Trust V	Nov-1998	850	1,021	759	7 28%	Perpetual
ML Capital Trust I	Dec-2006	1,050	1,051	685	6.45%	Dec-2066[1]
ML Capital Trust II	May-2007	950	951	604	6 45%	Jun-2062[2]
ML Capital Trust III	Aug-2007	750	751	548	7 375%	Sep-2062[3]
Total		$ 4,750[4]	$ 5,154	$ 3,600		

(1) Merrill Lynch has the option to extend the maturity of the junior subordinated note until December 2086
(2) Merrill Lynch has the option to extend the maturity of the junior subordinated note until June 2087
(3) Merrill Lynch has the option to extend the maturity of the junior subordinated note until September 2087
(4) Includes related investments of $25 million

Deposits

Deposits at December 31, 2011 and December 31, 2010, are presented below

(dollars in millions)

	December 31, 2011	December 31, 2010
Non-U.S.		
Non-interest bearing	$ 1,153	$ 917
Interest bearing	11,211	11,909
Total Deposits	$ 12,364	$ 12,826

The effective weighted-average interest rate for deposits, which includes the impact of hedges, was 0 7% at both December 31, 2011 and December 31, 2010, respectively. The fair value of deposits approximated their carrying value at December 31, 2011 and December 31, 2010

Other

Merrill Lynch also obtains standby letters of credit from issuing banks to satisfy various counterparty collateral requirements, in lieu of depositing cash or securities collateral. Such standby letters of credit aggregated $2 1 billion and $1 4 billion at December 31, 2011 and December 31, 2010, respectively

Note 13. Stockholder's Equity and Earnings Per Share

Preferred Equity

As of October 15, 2010, all of the 12,000 outstanding shares of 9% Mandatory Convertible Non-Cumulative Preferred Stock, Series 2, par value $1 00 per share and liquidation preference of $100,000 per share and 5,000 outstanding shares of 9% Mandatory Convertible Non-Cumulative Preferred Stock, Series 3, par value $1 00 per share and liquidation preference of $100,000 per share automatically converted into Bank of America common stock in accordance with the terms of these securities. Immediately upon conversion, dividends on such shares of preferred stock ceased to accrue, the rights of holders of such preferred stock ceased, and the persons entitled to receive the shares of Bank of America common stock were treated for all purposes as having become the record and beneficial owners of shares of Bank of America common stock. As a result of the conversion, there were no preferred stock dividends recorded during the year ended December 31, 2011 Preferred stock dividends of $134 million were recorded in the year ended December 31, 2010

Common Stock

As of the completion of the acquisition of Merrill Lynch by Bank of America on January 1, 2009, there have been 1,000 shares of ML & Co. common stock outstanding, all of which are held by Bank of America.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss represents cumulative gains and losses on items that are not reflected in Merrill Lynch's net (loss) earnings. The balances at December 31, 2011 and December 31, 2010 are as follows.

(dollars in millions)

	December 31, 2011	December 31, 2010
Foreign currency translation adjustment		
Unrealized losses, net of gains	$ (744)	$ (794)
Income taxes	765	931
Total	21	137
Unrealized (losses) on investment securities available-for-sale		
Net unrealized losses	—	(54)
Income taxes	(33)	(12)
Total	(33)	(66)
Deferred (losses) gains on cash flow hedges		
Deferred (losses) gains	(1)	8
Income taxes	—	(4)
Total	(1)	4
Defined benefit pension and postretirement plans		
Net actuarial losses	(362)	(473)
Net prior service cost	(35)	(59)
Income taxes	175	203
Total	(222)	(329)
Total accumulated other comprehensive loss	$ (235)	$ (254)

Earnings Per Share

Earnings per share data is not provided for the years ended December 31, 2011, December 31, 2010, and December 31, 2009, as Merrill Lynch was a wholly-owned subsidiary of Bank of America during that period.

Rosen Capital Partners LP and Rosen Capital Institutional LP (collectively, the "Rosen Funds"), filed a statement of claim asserting claims for breach of contract, fraud, and negligence against MLPCC in connection with alleged losses in the fall of 2008 On July 5, 2011, a FINRA panel awarded the Rosen Funds $64 million plus interest at the rate of 9% per year, accruing from October 7, 2008 until the award is paid in full The Rosen Funds moved to confirm the award in California Superior Court. On December 23, 2011, the court granted the Rosen Funds' motion to confirm the award.

Commitments

At December 31, 2011, Merrill Lynch's commitments had the following expirations

(dollars in millions)

		Commitment expiration			
	Total	Less than 1 Year	1-3 Years	3-5 Years	Over 5 Years
Lending commitments	$ 6,898	$ 1,744	$ 1,922	$ 2,899	$ 333
Purchasing and other commitments	5,305	3,350	858	616	481
Operating leases	2,911	762	1,044	551	554
Commitments to enter into resale and securities borrowing agreements	66,965	66,965	—	—	—
Commitments to enter into repurchase and securities lending agreements	42,010	42,010	—	—	—
Total	$ 124,089	$ 114,831	$ 3,824	$ 4,066	$ 1,368

Lending Commitments

Merrill Lynch enters into commitments to extend credit, predominantly at variable interest rates, in connection with corporate finance, corporate and institutional transactions and asset-based lending transactions Clients may also be extended loans or lines of credit collateralized by first and second mortgages on real estate, certain liquid assets of small businesses, or securities These commitments usually have a fixed expiration date and are contingent on certain contractual conditions that may require payment of a fee by the counterparty Once commitments are drawn upon, Merrill Lynch may require the counterparty to post collateral depending upon creditworthiness and general market conditions See Note 10 for additional information

Commitments to extend credit are outstanding as of the date the commitment letter is issued and are comprised of closed and contingent commitments Closed commitments represent the unfunded portion of existing commitments available for draw down. Contingent commitments are contingent on the borrower fulfilling certain conditions or upon a particular event, such as an acquisition A portion of these contingent commitments may be syndicated among other lenders or the counterparty may replace the commitment with capital markets funding

The contractual amounts of these commitments represent the amounts at risk should the contract be fully drawn upon, the client defaults, and the value of the existing collateral becomes worthless The total amount of outstanding commitments may not represent future cash requirements, as commitments may expire without being drawn

For lending commitments where the loan will be classified as held for sale upon funding, liabilities associated with unfunded commitments are calculated at the lower of cost or fair value, capturing declines in the fair value of the respective credit risk For loan commitments where the loan will be classified as held for investment upon funding, liabilities are calculated considering both market and historical loss rates. Loan commitments either held by entities that apply the Broker-Dealer Guide or for which the fair value option was elected are accounted for at fair value

Purchasing and Other Commitments

Merrill Lynch had commitments to purchase partnership interests, primarily related to private equity and principal investing activities at December 31, 2011 and December 31, 2010 of $0.3 billion and $0 6 billion, respectively Merrill Lynch also has entered into agreements with providers of market data, communications, systems consulting,

and other office-related services At December 31, 2011 and December 31, 2010, minimum fee commitments over the remaining life of these agreements totaled $1.5 billion and $1 7 billion, respectively. Merrill Lynch entered into commitments to purchase loans of $2 5 billion, which, upon settlement of the commitment, will be included in trading assets, loans held for investment or loans held for sale at December 31, 2011 Such commitments totaled $2.6 billion at December 31, 2010 Other purchasing commitments amounted to $1 0 billion and $0 8 billion at December 31, 2011 and December 31, 2010, respectively.

In the normal course of business, Merrill Lynch enters into commitments for underwriting transactions. Settlement of these transactions as of December 31, 2011 would not have a material effect on the Consolidated Balance Sheet of Merrill Lynch.

In connection with trading activities, Merrill Lynch enters into commitments to enter into resale and securities borrowing and also repurchase and securities lending agreements.

Operating Leases

Merrill Lynch has entered into various non-cancelable long-term lease agreements for premises that expire through 2028 Merrill Lynch has also entered into various non-cancelable short-term lease agreements, which are primarily commitments of less than one year under equipment leases.

At December 31, 2011, future non-cancelable minimum rental commitments are as follows.

(dollars in millions)	Total
2012	$ 762
2013	663
2014	381
2015	303
2016	248
2017 and thereafter	554
Total	$ 2,911

Net rent expense for each of the last three years is presented below

(dollars in millions)

	Year Ended December 31,		
	2011	2010	2009
Rent expense	$ 821	$ 838	$ 813
Sublease revenue	(98)	(137)	(153)
Net rent expense	$ 723	$ 701	$ 660

Guarantees

Merrill Lynch issues various guarantees to counterparties in connection with certain transactions Merrill Lynch's guarantee arrangements and their expiration at December 31, 2011 are summarized as follows (see Note 6 for information related to derivative financial instruments within the scope of Guarantees Accounting).

(dollars in millions)

	Expiration					
	Maximum Payout	Less than 1 year	1-3 years	3-5 years	Over 5 years	Carrying Value
Standby liquidity facilities	$ 761	$ 186	$ 555	$ 3	$ 17	$ —
Residual value guarantees	320	—	320	—	—	—
Standby letters of credit and other guarantees	429	280	99	31	19	—

Standby Liquidity Facilities

Standby liquidity facilities are primarily comprised of liquidity facilities provided to certain unconsolidated municipal bond securitization VIEs. In these arrangements, Merrill Lynch is required to fund these standby liquidity facilities if certain contingent events take place (e g , a failed remarketing) and in certain cases if the fair value of the assets held by the VIE declines below the stated amount of the liquidity obligation The potential exposure under the facilities is mitigated by economic hedges and/or other contractual arrangements entered into by Merrill Lynch Based upon historical activity, it is considered remote that future payments would need to be made under these guarantees

Refer to Note 9 for further information

Residual Value Guarantees

At December 31, 2011, residual value guarantees of $320 million consist of amounts associated with certain power plant facilities Payments under these guarantees would only be required if the fair value of such assets declined below their guaranteed value As of December 31, 2011, no payments have been made under these guarantees and the carrying value of the associated liabilities was not material, as Merrill Lynch believes that the estimated fair value of such assets was in excess of their guaranteed value

Standby Letters of Credit

At December 31, 2011, Merrill Lynch provided guarantees to certain counterparties in the form of standby letters of credit in the amount of $0 4 billion Payment risk is evaluated based upon historical payment activity

Representations and Warranties

Background

In prior years, Merrill Lynch and certain of its subsidiaries, including First Franklin Financial Corporation ("First Franklin") sold pools of first-lien residential mortgage loans and home equity loans as private-label securitizations (in a limited number of these securitizations, monolines insured all or some of the securities), or in the form of whole loans Most of the loans sold in the form of whole loans were subsequently pooled into private-label securitizations sponsored by the third-party buyer of the whole loans. In addition, Merrill Lynch and First Franklin securitized first-lien residential mortgage loans generally in the form of mortgage-backed securities guaranteed by the GSEs In connection with these transactions, Merrill Lynch made various representations and warranties These representations and warranties, as set forth in the agreements, related to, among other things, the ownership of the loan, the validity of the lien securing the loan, the absence of delinquent taxes or liens against the property securing the loan, the process used to select the loan for inclusion in a transaction, the loan's compliance with any applicable loan criteria, including underwriting standards, and the loan's compliance with applicable federal, state and local laws. Breaches of these representations and warranties may result in the requirement to repurchase mortgage loans or to otherwise make whole or provide other remedies to the GSEs, whole-loan buyers, securitization trusts or monoline insurers (collectively, "repurchases") In such cases, Merrill Lynch would be exposed to any credit loss on the repurchased mortgage loans after accounting for any mortgage insurance or mortgage guaranty payments that it may receive

Subject to the requirements and limitations of the applicable sales and securitization agreements, these representations and warranties can be enforced by the GSEs, the whole-loan buyer, the securitization trustee, or others as governed by the applicable agreement or, in a limited number of first-lien and home equity securitizations where monoline insurers have insured all or some of the securities issued, by the monoline insurer In the case of loans sold to parties other than the GSEs, the contractual liability to repurchase typically arises only if there is a breach of the representations and warranties that materially and adversely affects the interest of the investor or investors in the loan or of the monoline insurer (as applicable) Contracts with the GSEs do not contain equivalent language. Merrill Lynch believes that the longer a loan performs prior to default, the less likely it is that an alleged breach of representations and warranties had a material impact on the loan's performance. Historically, most demands for repurchase have occurred within the first several years after origination, generally after a loan has defaulted.

Merrill Lynch's credit loss would be reduced by any recourse it may have to organizations (e g , correspondents) that, in turn, had sold such loans to Merrill Lynch based upon its agreements with these organizations When a loan is originated by a correspondent or other third party, Merrill Lynch typically has the right to seek a recovery of related repurchase losses from that originator. Many of the correspondent originators of loans in 2004 through 2008 are no longer in business, or are in a weakened condition, and Merrill Lynch's ability to recover on valid claims is therefore impacted, or eliminated accordingly

The fair value of the obligations to be absorbed under the representations and warranties provided is recorded as an accrued liability when the loans are sold This liability for probable losses is updated by accruing a representations and warranties provision in Non-interest expenses on the Consolidated Statement of (Loss) Earnings This is done throughout the life of the loan, as necessary when additional relevant information becomes available

The methodology used to estimate the liability for representations and warranties is a function of the representations and warranties given and considers a variety of factors, which include, depending on the counterparty, actual defaults, estimated future defaults, historical loss experience, estimated home prices, other economic conditions, estimated probability that a repurchase claim will be received, consideration of whether presentation thresholds will be met, number of payments made by the borrower prior to default and estimated probability that a loan will be required to be repurchased. Merrill Lynch also considers bulk settlements, including those of its affiliates, when determining its estimated liability for representations and warranties The estimate of the liability for representations and warranties is based upon currently available information, significant judgment, and a number of factors, including those set forth above, that are subject to change Changes to any one of these factors could significantly impact the estimate of the liability and could have a material adverse impact on Merrill Lynch's results of operations for any particular period Given that these factors vary by counterparty, Merrill Lynch analyzes representations and warranties obligations based on the specific counterparty, or type of counterparty, with whom the sale was made.

Merrill Lynch has vigorously contested any request for repurchase when it has concluded that a valid basis for repurchase does not exist and will continue to do so in the future. Merrill Lynch may reach settlements in the future if opportunities arise on terms it believes to be advantageous to Merrill Lynch.

Bank of America BNY Mellon Settlement

On June 28, 2011, Bank of America and certain of its non-Merrill Lynch subsidiaries entered into a settlement agreement (subject to final court approval and certain other conditions) with The Bank of New York Mellon ("BNY Mellon"), as trustee, to resolve, among other claims, all outstanding and potential claims related to alleged representations and warranties breaches (including repurchase claims) with respect to the 525 legacy first-lien and five second-lien non-GSE residential mortgage-backed securitization trusts containing loans principally originated between 2004 and 2008 and for which BNY Mellon acts as trustee or indenture trustee (the "BNY Mellon Settlement") As a result of the experience gained by Bank of America and certain of its non-Merrill Lynch affiliates in the BNY Mellon Settlement, Merrill Lynch determined that it had sufficient experience to record a $2.7 billion liability for representations and warranties related to its repurchase exposure on private-label securitizations in the year ended December 31, 2011.

in excess of plan assets as of December 31, 2011 and 2010 are presented in the tables below. These plans primarily represent U S supplemental plans not subject to ERISA or non-U S plans where funding strategies vary due to legal requirements and local practices

(dollars in millions)

	U.S. Defined Benefit Pension Plans		Non-U S Defined Benefit Pension Plans		Total Defined Benefit Pension Plans	
	2011	2010	2011	2010	2011	2010
Plans with ABO in excess of plan asset						
PBO	$ 7	$ 8	$ 512	$ 249	$ 519	$ 257
ABO	7	8	482	242	489	250
Fair value of plan assets	—	—	289	106	289	106
Plans with PBO in excess of plan assets						
PBO	$ 7	$ 8	$ 512	$ 414	$ 519	$ 422
Fair value of plan assets	—	—	289	230	289	230

Amounts recognized in accumulated other comprehensive loss, pre-tax, at December 31, 2011 consisted of

(dollars in millions)

	U S. Defined Benefit Pension Plans	Non-U.S. Defined Benefit Pension Plans	Total Defined Benefit Pension Plans	Postretirement Plans
Actuarial loss (gain)	$ 555	$ (209)	$ 346	$ 16
Prior service cost	—	3	3	32
Total	$ 555	$ (206)	$ 349	$ 48

Total pension plan net periodic benefit (income) cost for the years ended December 31, 2011, 2010 and 2009 included the following components

(dollars in millions)

	U.S. Pension Plans			Non-U.S. Pension Plans			Total Pension Plans		
	2011	2010	2009	2011	2010	2009	2011	2010	2009
Components of net periodic benefit (income) cost									
Service cost[1]	$ —	$ —	$ —	$ 40	$ 30	$ 30	$ 40	$ 30	$ 30
Interest cost	96	101	98	84	79	76	180	180	174
Expected return on plan assets	(141)	(138)	(148)	(104)	(88)	(74)	(245)	(226)	(222)
Amortization of losses, prior service costs and other	5	5	—	—	—	—	5	5	—
Recognized gain due to settlements and curtailments	—	—	—	—	—	(2)	—	—	(2)
Net periodic benefit (income) cost	$ (40)	$ (32)	$ (50)	$ 20	$ 21	$ 30	$ (20)	$ (11)	$ (20)
Weighted average assumptions used to determine net cost for years ended December 31									
Discount rate	5.3%	5 8%	6 0%	5 3%	5 4%	5 6%			
Expected return on plan assets	5 3	5 3	5.3	6 8	6.8	6 8			
Rate of compensation increase	N/A	N/A	N/A	4 9	4 7	4 6			

(1) The U S. plan was terminated in 1988 and thus does not incur service costs.
N/A Not applicable

Total postretirement plan net periodic benefit cost for the years ended December 31, 2011, 2010 and 2009 included the following components.

(dollars in millions)

	Postretirement Plans		
	2011	2010	2009
Components of net periodic benefit cost			
Service cost	$ 4	$ 3	$ 4
Interest cost	15	17	13
Amortization of losses, prior service costs and other	8	10	1
Net periodic benefit cost	$ 27	$ 30	$ 18
Weighted average assumptions used to determine net cost for years ended December 31			
Discount rate	5 2%	5 8%	6 0%
Healthcare cost trend rates			
Initial	7.6	8 1	8.1
Long-term	5 0	5.0	5 0

The net actuarial losses represent changes in the amount of either the projected benefit obligation or plan assets resulting from actual experience being different than that assumed and from changes in assumptions. Gains and losses for all benefits except the postretirement plans are recognized in accordance with standard amortization provisions of the applicable accounting standards. For the postretirement plans, 50% of the unrecognized gain or loss at the beginning of the fiscal year (or at subsequent remeasurement) is recognized on a level basis during the year The estimated net actuarial loss for the postretirement plans that will be recorded into expense over the next fiscal year is approximately $9 million. There is no expected amortization for the defined benefit pension plans over the next fiscal year

Plan Assumptions

The discount rate assumption used in determining the benefit obligation for the defined benefit pension plans and postretirement plans is based on a cash flow matching technique and is subject to change each year. This technique utilizes yield curves that are based upon Aa-rated corporate bonds with cash flows that match estimated benefit payments of each of the plans to produce the discount rate assumptions. The asset valuation method for the U S defined benefit pension plans recognizes 60% of the prior year's market gains and losses at the next measurement date, with the remaining 40% spread equally over the subsequent four years The asset valuation method for the non-U.S defined benefit pension plans uses the fair market value as of the measurement date

The expected return on asset assumption was developed through analysis of historical market and asset returns, historical asset class volatility and correlations, current market conditions, anticipated future asset allocations, and expectations on potential future market returns The expected return on asset assumption represents a long-term view of the assets in the defined benefit pension plans, a return that may or may not be achieved during one calendar year. The U.S terminated pension plan, which represents approximately 63% of Merrill Lynch's total pension plan assets as of December 31, 2011, is solely invested in a group annuity contract which is currently 100% invested in fixed income securities. The expected return on asset assumption on the non-U.S pension plans reflects the weighted average long-term return assumption across all funded non-U S Plans. Although Merrill Lynch's pension and postretirement benefit plans can be sensitive to changes in the discount rate, it is expected that a 25 basis point rate reduction would not have a material impact on the U S. or the U K. defined benefit plan expenses for 2012 Such a change would increase the U S. and U K. defined benefit plan obligations at December 31, 2011 by $55 million and $65 million, respectively. A 25 basis point decline in the expected rate of return for the U.S defined benefit pension plan and the U.K. pension plan would result in an expense increase for 2012 of approximately $7 million and $4 million, respectively.

A one percent change in the assumed healthcare cost trend rate would have the following effects on the amounts reported for the postretirement plans

(dollars in millions)

	1% Increase		1% Decrease	
	2011	2010	2011	2010
Effect on:				
Other postretirement benefits cost	$ 2	$ 2	$ (2)	$ (2)
Accumulated benefit obligation	29	30	(25)	(27)

Investment Strategy and Asset Allocation

The U S terminated pension plan asset portfolio is structured such that the asset maturities match the duration of the plan's obligations Consistent with the plan termination in 1988, the annuity contract and the supplemental agreement, the asset portfolio's investment objective calls for a concentration in fixed income securities, the majority of which have investment grade ratings

The assets of the U K. pension plan are invested prudently so that the benefits promised to members are provided, considering the nature and the duration of the plan's liabilities The current planned investment strategy was set following an asset-liability study and advice from the Trustees' investment advisors The asset allocation strategy selected is designed to achieve a higher return than the lowest risk strategy while maintaining a prudent approach to meeting the plan's liabilities. As a risk control measure, a series of interest rate and inflation risk swaps have been executed covering approximately 100% of the plan's assets.

The pension plan target allocations for 2012 by asset category are shown below The Merrill Lynch postretirement benefit plans are not funded and do not hold assets for investment

	Defined Benefit Pension Plans	
	U.S. Plan	Non-U.S. Plans
	2012 Target Allocation	
Debt securities	100%	10-60%
Equity securities	—	25-75%
Real estate	—	0-15%
Other[1]	—	5-40%

(1) Other consists primarily of alternative investments, private equity investments, swaps and real property

Fair Value Measurements

For information on fair value measurements, including descriptions of Level 1, 2, and 3 of the fair value hierarchy and the valuation methods employed by Merrill Lynch, see Note 1 and Note 4

Plan assets measured at fair value by level and in total at December 31, 2011 and 2010 are summarized in the tables below

(dollars in millions)

	December 31, 2011			
	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Cash and short-term investments				
Money market and interest bearing cash	$ 190	$ —	$ —	$ 190
Fixed Income				
U S Government and government agency obligations	432	2,085	13	2,530
Corporate debt securities	—	132	—	132
Asset-backed securities	—	399	—	399
Non-U.S debt securities	20	153	—	173
Fixed income commingled/mutual funds	46	104	—	150
Equity				
Common and preferred equity securities	84	—	—	84
Equity commingled/mutual funds	28	327	—	355
Real estate commingled/mutual funds	—	11	69	80
Limited partnerships	—	5	176	181
Other investments[1]	—	553	—	553
Total plan investment assets, at fair value	$ 800	$ 3,769	$ 258	$ 4,827

(1) Other investments includes swaps of $465 million and commodity and balanced funds of $88 million.

(dollars in millions)

	December 31, 2010			
	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
Cash and short-term investments				
Money market and interest bearing cash	$ 202	$ —	$ —	$ 202
Fixed Income				
U.S. Government and government agency obligations	15	1,984	14	2,013
Corporate debt securities	—	197	—	197
Asset-backed securities	—	479	—	479
Non-U S debt securities	10	107	—	117
Fixed income commingled/mutual funds	42	106	—	148
Equity				
Common and preferred equity securities	114	—	—	114
Equity commingled/mutual funds	—	398	—	398
Public real estate investment trusts	—	9	—	9
Real estate commingled/mutual funds	—	2	65	67
Limited partnerships	—	5	175	180
Other investments[1]	—	235	—	235
Total plan investment assets, at fair value	$ 383	$ 3,522	$ 254	$ 4,159

(1) Other investments includes swaps of $198 million, commodity and balanced funds of $13 million and various other investments of $24 million

The tables below presents a reconciliation of all plan assets measured at fair value using significant unobservable inputs (Level 3) during the years ended December 31, 2011, 2010 and 2009.

(dollars in millions)

Year Ended December 31, 2011	Balance January 1, 2011	Actual Return on Plan Assets Still Held at the Reporting Date	Purchases	Sales and Settlements	Transfers Into/(Out of) Level 3	Balance December 31, 2011
U.S. Government and government agency securities	$ 14	$ (1)	$ —	$ —	$ —	$ 13
Real estate commingled/mutual funds	65	1	4	(1)	—	69
Limited partnerships	175	(7)	13	(5)	—	176
Totals	$ 254	$ (7)	$ 17	$ (6)	$ —	$ 258

(dollars in millions)

Year Ended December 31, 2010	Balance January 1, 2010	Actual Return on Plan Assets Still Held at the Reporting Date	Purchases	Sales and Settlements	Transfers Into/(Out of) Level 3	Balance December 31, 2010
U.S. Government and government agency securities	$ —	$ —	$ —	$ —	$ 14	$ 14
Real estate commingled/mutual funds	45	(5)	25	—	—	65
Limited partnerships	111	10	2	—	52	175
Other investments	110	—	—	—	(110)	—
Totals	$ 266	$ 5	$ 27	$ —	$ (44)	$ 254

(dollars in millions)

Year Ended December 31, 2009	Balance January 1, 2009	Actual Return on Plan Assets Still Held at the Reporting Date	Purchases	Sales and Settlements	Transfers Into/(Out of) Level 3	Balance December 31, 2009
Real estate commingled/mutual funds	$ 49	$ (5)	$ 1	$ —	$ —	$ 45
Limited partnerships	65	9	41	(4)	—	111
Other investments	214	(104)	—	—	—	110
Totals	$ 328	$ (100)	$ 42	$ (4)	$ —	$ 266

Estimated Future Benefit Payments

Expected benefit payments associated with Merrill Lynch's defined benefit pension and postretirement plans for the next five years and in the aggregate for the five years thereafter are as follows.

(dollars in millions)

	Defined Benefit Pension Plans			Postretirement Plans[3]		
	U.S.[1]	Non-U.S.[2]	Total	Gross Payments	Medicare Subsidy	Net Payments
2012	$ 128	$ 56	$ 184	$ 23	$ (3)	$ 20
2013	136	58	194	25	(3)	22
2014	139	59	198	26	(3)	23
2015	142	60	202	27	(3)	24
2016	143	62	205	27	(3)	24
2017 through 2021	718	328	1,046	142	(17)	125

(1) The U.S. defined benefit pension plan payments are primarily funded under the terminated plan annuity contract

(2) The U.K., Swiss and Japan pension plans payments represent approximately 51%, 13% and 22%, respectively, of the non-U.S. 2012 expected defined benefit pension payments

(3) The U.S. postretirement plan payments, net of Medicare subsidy, represent approximately 95% of the total 2012 expected postretirement benefit payments

Postemployment Benefits

Merrill Lynch provides certain postemployment benefits for employees on extended leave due to injury or illness and for terminated employees. Employees who are disabled due to non-work-related illness or injury are entitled to disability income, medical coverage, and life insurance. Merrill Lynch also provides severance benefits to terminated employees. In addition, Merrill Lynch is mandated by U.S. state and federal regulations to provide certain other postemployment benefits. Merrill Lynch funds these benefits through a combination of self-insured and insured plans.

Note 16. Employee Incentive Plans

Prior to its acquisition by Bank of America, Merrill Lynch sponsored several employee compensation plans that provided eligible employees with stock-based compensation or options to purchase stock. In connection with the acquisition, all stock-based compensation plans of Merrill Lynch were assumed by Bank of America and awards under those plans became payable in Bank of America common stock. Other than the Merrill Lynch & Co., Inc. Employee Stock Compensation Plan ("ESCP") and the Merrill Lynch & Co., Inc. Employee Stock Purchase Plan ("ESPP"), existing Merrill Lynch plans were frozen as to new grants, although all previously granted awards outstanding under such plans continue to be governed by the applicable terms of the plan under which the awards were granted. Following the acquisition, grants with respect to Bank of America common stock may be made to eligible legacy Merrill Lynch employees under the ESCP as well as the Bank of America Corporation 2003 Key Associate Stock Plan ("KASP"), and eligible Merrill Lynch employees may participate in the ESPP.

The total pre-tax compensation cost recognized in earnings for share-based compensation plans for the years ended December 31, 2011, 2010 and 2009 was $1.9 billion, $1.5 billion and $1.4 billion, respectively. Total related tax benefits recognized in earnings for share-based payment compensation plans for the years ended December 31, 2011, 2010 and 2009 were $0.6 billion, $0.5 billion and $0.5 billion, respectively.

Bank of America issued approximately 89 million immediately tradable shares of Bank of America common stock, or $0.7 billion (after-tax) to certain employees of Merrill Lynch in February 2012 in lieu of a portion of their 2011 year-end cash incentive.

Below is a description of Merrill Lynch's share-based payment compensation plans.

Equity Compensation Plans

Prior to 2009, the Long-Term Incentive Compensation Plans ("LTIC Plans") and the Equity Capital Accumulation Plan ("ECAP") provided for grants of equity and equity-related instruments to certain employees. LTIC Plans consist of the Long-Term Incentive Compensation Plan, used for grants to executive officers, and the Long-Term Incentive Compensation Plan for Managers and Producers, a broad-based plan. LTIC Plans provided for the issuance of restricted shares, restricted units, and non-qualified stock options, as well as incentive stock options, performance shares, performance units, performance options, stock appreciation rights, and other securities of Merrill Lynch. The ECAP provided for the issuance of restricted shares, as well as performance shares. The ECAP was terminated in 2008 and its shares were rolled into the ESCP. Upon Bank of America's acquisition of Merrill Lynch on January 1, 2009, the LTIC Plans were frozen.

The ESCP was amended at the time of the Bank of America acquisition to provide for the issuance of Bank of America common stock. The ESCP covers employees who were salaried key employees of Merrill Lynch immediately prior to the effective date of the Bank of America acquisition, other than executive officers. Under the ESCP, Bank of America may award restricted shares, restricted units, non-qualified stock options and stock appreciation rights. Awards of restricted shares and restricted units are subject to a vesting schedule specified in the grant documentation. Bank of America granted approximately 8 million restricted stock unit awards to certain

Merrill Lynch employees in 2011 under the ESCP, which generally vest in three equal annual installments beginning one year from the grant date There were no shares granted under this plan during 2010 Awards granted in 2009 generally vest in three annual installments beginning one year from the grant date, and awards granted prior to 2009 generally vest in four equal annual installments beginning one year from the grant date As of December 31, 2011, there were approximately 85 million shares available under the ESCP for future awards Shares that are canceled, forfeited, or settled in cash from the frozen Merrill Lynch Long-Term Incentive Compensation Plan for Managers and Producers will become available for grant under the ESCP

Bank of America shareholders approved the KASP to be effective January 1, 2003 Awards to Merrill Lynch employees may also be made under the KASP effective as of January 1, 2009 In 2011, Bank of America issued approximately 89 million restricted stock and restricted stock unit awards to certain Merrill Lynch employees under the KASP Restricted stock awards generally vest in three equal annual installments beginning one year from the grant date, with the exception of certain awards to financial advisors that vest eight years from grant date, certain awards of restricted stock that were vested on the grant date but were released from restriction after 6 months, and certain awards which will vest subject to the attainment of specified performance goals Shares that are canceled, forfeited, or settled in cash from the frozen Merrill Lynch Long Term Incentive Compensation Plan and Financial Advisor Capital Accumulation Award Plans (discussed below) will become available to grant under the KASP

Restricted Shares and Units

Restricted shares are shares of Bank of America common stock carrying voting and dividend rights A restricted unit is deemed equivalent in fair market value to one share of common stock. Awards of restricted units may be settled in shares of common stock or cash Recipients of restricted unit awards may receive cash payments equivalent to dividends The following table presents the activity of the restricted stock/unit awards that were granted as stock settled awards during 2011

	Restricted Shares/Units	Weighted Average Fair Value Per Share
Outstanding at January 1, 2011	147,389,107	$ 12 76
Granted — 2011	96,757,994	14 45
Paid, forfeited, or released from contingencies	(69,264,234)	14.14
Transfers in[1]	6,279,953	15 86
Transfers out[1]	(3,677,714)	10 63
Outstanding at December 31, 2011	177,485,106	13 29

(1) Transfers in and transfers out resulted from employee transfers to and from Merrill Lynch and non-Merrill Lynch subsidiaries of Bank of America

The total fair value of restricted shares and units granted to retirement-eligible employees, or for which service criteria were satisfied during 2011, was approximately $511 million The total fair value of restricted shares and units delivered during 2011 was approximately $832 million The fair value of restricted shares and units was determined based on the price of Bank of America common stock at the date of grant

As of December 31, 2011, there was $867 million of total unrecognized compensation cost related to non-vested share-based payment compensation arrangements. This cost is expected to be recognized over a weighted average period of 1 2 years In 2011, the amount of cash used to settle equity instruments was $334 million

Stock compensation accounting requires the immediate expensing of share-based payment awards granted or modified to retirement-eligible employees, including awards that are subject to non-compete provisions The above activity includes awards with or without a future service requirement, as follows:

	No Future Service Required		Future Service Required	
	Shares/Units	Weighted Avg Grant Price	Shares/Units	Weighted Avg Grant Price
Outstanding at January 1, 2011	76,523,841	$ 11 69	70,865,266	$ 13.91
Granted — includes net transfers	20,585,491	18.53	78,774,742	13.67
Paid, forfeited, or released from contingencies	(26,233,523)	14 03	(43,030,711)	14.21
Service criteria satisfied[1]	7,933,016	16.36	(7,933,016)	16 36
Outstanding at December 31, 2011	78,808,825	13 18	98,676,281	13 39

(1) Represents awards granted prior to 2011 for which employees attained retirement-eligibility or for which service criteria were satisfied during 2011

Stock Appreciation Rights and Non-Qualified Stock Options

The activity for non-qualified stock options and stock appreciation rights under LTIC Plans for the year ended December 31, 2011 is presented below:

	Options Outstanding	Weighted-Average Exercise Price
Outstanding, end of 2010	86,481,385	$ 64.86
Granted — 2011	—	—
Exercised	—	—
Forfeited	(28,625,894)	82.07
Transfers in[1]	5,232,651	41.07
Transfers out[1]	(2,909,439)	66 33
Outstanding, end of 2011	60,178,703	54.53
Exercisable, end of 2011	60,169,968	54.53

(1) Transfers in and transfers out resulted from employee transfers to and from Merrill Lynch and non-Merrill Lynch subsidiaries of Bank of America

All options and stock appreciation rights outstanding as of December 31, 2011 are fully vested or expected to vest.

At December 31, 2011, the weighted-average remaining contractual terms for options outstanding was 1 9 years and for options exercisable was 1 7 years.

There were no stock options granted in the years ended December 31, 2011, 2010 and 2009.

Proceeds from the exercise of stock options were not significant in the years ended December 31, 2011, 2010 and 2009

The total intrinsic value of options exercised in the years ended December 31, 2011, 2010 and 2009 was not significant As of December 31, 2011, 2010 and 2009, the total intrinsic value of options outstanding and exercisable was zero.

Employee Stock Purchase Plan ("ESPP")

The ESPP allows eligible associates to invest from one percent to 10 percent of eligible compensation to purchase Bank of America's common stock, subject to legal limits Purchases were made at a discount of up to five percent of the average high and low market price on the relevant purchase date and the maximum annual contribution per employee was $23,750 in 2011 Approximately 107 million shares were authorized for issuance under the ESPP in 2009 There were 6 million shares available at December 31, 2011

The weighted-average fair value of the ESPP stock purchase rights (i e , the five percent discount on purchases of

Bank of America common stock) exercised by employees in the year ended December 31, 2011 was $0 54 per stock purchase right

Financial Advisor Capital Accumulation Award Plans ("FACAAP")

The FACAAP is no longer an active plan and no awards were granted in the years ended December 31, 2011, 2010 and 2009 At December 31, 2011, there were 12 million shares awarded under FACAAP outstanding. Prior to 2009, the FACAAP provided for awards to eligible employees in Merrill Lynch's Global Wealth Management division Payment for an award was contingent upon continued employment for a period of time and subject to forfeiture during that period Awards granted in 2003 and thereafter are generally payable eight years from the date of grant in a fixed number of shares of Bank of America common stock For outstanding awards granted prior to 2003 (the"pre-2003 awards"), payment is generally made ten years from the date of grant in a fixed number of shares of Bank of America common stock unless the fair market value of such shares is less than a specified minimum value, in which case the minimum value is paid in cash In accordance with the terms of the pre-2003 awards, accruals of approximately $141 million, $246 million and $155 million were made in the years ended December 31, 2011, 2010 and 2009, respectively, for cash payments made in lieu of shares

Other Compensation Arrangements

Merrill Lynch sponsors deferred compensation plans in which employees who meet certain minimum compensation thresholds may participate on either a voluntary or mandatory basis Contributions to the plans are made on a tax-deferred basis by participants Participants' returns on these contributions may be indexed to various mutual funds and other funds

Merrill Lynch also sponsors several cash-based employee award programs, under which certain employees are eligible to receive future cash compensation, generally upon fulfillment of the service and vesting criteria for the particular program

When appropriate, Merrill Lynch maintains various assets as an economic hedge of its liabilities to participants under the deferred compensation plans and award programs These assets and the payables accrued by Merrill Lynch under the various plans and grants are included on the Consolidated Balance Sheets Such assets totaled $2 3 billion and $2 2 billion at December 31, 2011 and 2010, respectively Accrued liabilities at both December 31, 2011 and 2010 were $2 1 billion Changes to deferred compensation liabilities and corresponding returns on the assets that economically hedge these liabilities are recorded within compensation and benefits expense on the Consolidated Statements of (Loss) Earnings

Note 17. Income Taxes

The components of income tax (benefit) expense for the years ended December 31, 2011, 2010 and 2009 were as follows:

(dollars in millions)

	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009
Current income tax (benefit) expense			
U.S. federal	$ (5,875)	$ (778)	$ (678)
U S state	(161)	34	246
Non-U.S	9	254	503
Total current (benefit) expense	(6,027)	(490)	71
Deferred income tax expense (benefit)			
U S federal	2,199	(566)	499
U.S. state	(288)	472	(367)
Non-U.S.	1,170	731	446
Total deferred expense (benefit)	3,081	637	578
Total income tax (benefit) expense[1]	$ (2,946)	$ 147	$ 649

(1) *Total income tax (benefit) expense does not reflect the deferred tax effects of unrealized gains and losses on available-for-sale debt and marketable equity securities, foreign currency translation adjustments, derivatives and employee benefit plan adjustments that are included in accumulated other comprehensive loss. As a result of these tax effects, accumulated other comprehensive loss increased $178 million in the year ended December 31, 2011 and decreased $322 million and $796 million in the years ended December 31, 2010 and 2009, respectively In addition, total income tax (benefit) expense does not reflect the tax effects associated with employee stock plans which increased stockholder's equity $43 million in the year ended December 31, 2011 and decreased stockholder's equity $37 million and $99 million in the years ended December 31, 2010 and 2009, respectively*

Income tax (benefit) expense for the years ended December 31, 2011, 2010 and 2009 varied from the amount computed by applying the statutory income tax rate to (loss) income before income taxes. A reconciliation between the expected U.S. federal income tax (benefit) expense using the U S federal statutory tax rate of 35% to Merrill Lynch's actual income tax (benefit) expense and resulting effective tax rate for the years ended December 31, 2011, 2010 and 2009 is presented in the table below

(dollars in millions)

	Year Ended December 31, 2011		Year Ended December 31, 2010		Year Ended December 31, 2009	
	Amount	Percent	Amount	Percent	Amount	Percent
U S federal income tax at statutory rate	$ (1,643)	35 0%	$ 1,373	35.0%	$ 2,796	35 0%
U S state and local income taxes, net of federal effect	(292)	6 2	329	8.4	(78)	(1 0)
Change in federal and non-U S. valuation allowance	(1,102)	23 5	(1,657)	(42 2)	(650)	(8 1)
Subsidiary sales and liquidations	(593)	12 6	—	—	(595)	(7 5)
Change in prior period UTBs (including interest)	(102)	2.2	31	0 8	(155)	(1.9)
Tax-exempt income, including dividends	(96)	2 0	(375)	(9 6)	(188)	(2 4)
Non-deductible U K. bank payroll tax	—	—	87	2 2	—	—
Non-U S statutory rate reductions	845	(18 0)	386	9.8	—	—
Non-U S.tax differential	14	(0.3)	(40)	(1 0)	(489)	(6 1)
Other	23	(0 4)	13	0 4	8	0.1
Income tax (benefit) expense	$ (2,946)	62.8%	$ 147	3.8%	$ 649	8.1%

The reconciliation of the beginning UTB balance to the ending balance is presented in the table below

Reconciliation of the Change in UTBs

(dollars in millions)

	Year Ended December 31		
	2011	2010	2009
Beginning balance	$ 2,261	$ 1,714	$ 2,006
Increases related to positions taken during the current year	38	97	129
Increases related to positions taken during prior years[1]	450	520	77
Decreases related to positions taken during prior years[1]	(967)	(51)	(185)
Settlements	(152)	(3)	(313)
Expiration of statute of limitations	(83)	(16)	—
Ending balance	$ 1,547	$ 2,261	$ 1,714

(1) Amounts differ from the tax rate reconciliation table due to temporary items and jurisdictional offsets, as well as the inclusion of interest in the tax rate reconciliation table

As of December 31, 2011, 2010 and 2009, the balance of Merrill Lynch's UTBs which would, if recognized, affect Merrill Lynch's effective tax rate was $1 2 billion, $1.3 billion and $1 2 billion, respectively Included in the UTB balance are some items the recognition of which would not affect the effective tax rate, such as the tax effect of certain temporary differences, the portion of gross state UTBs that would be offset by the tax benefit of the associated federal deduction and the portion of gross non-U.S UTBs that would be offset by tax reductions in other jurisdictions.

Merrill Lynch files income tax returns in more than 100 state and non-U S jurisdictions each year The Internal Revenue Service ("IRS") and other tax authorities in countries and states in which Merrill Lynch has significant business operations, examine tax returns periodically (continuously in some jurisdictions) The table below summarizes the status of significant tax examinations, by jurisdiction, for Merrill Lynch as of December 31, 2011

Tax Examination Status

Jurisdiction	Years under examination[1]	Status at December 31, 2011
U.S. federal	2004-2009[2]	See below
U.K	2009	Field examination

(1) All tax years subsequent to the above years remain open to examination
(2) From the date of its acquisition by Bank of America, Merrill Lynch has been included in Bank of America's consolidated federal income tax return

During 2011, Merrill Lynch, Bank of America and the IRS made significant progress toward resolving all federal income tax examinations for Bank of America tax years through 2009 and Merrill Lynch tax years through 2008 While subject to final agreement, including review by the Joint Committee on Taxation of the U S Congress for certain years, Merrill Lynch believes that all federal examinations in the Tax Examination Status table above may be concluded during 2012.

Considering all examinations, it is reasonably possible that the UTB balance will decrease by as much as $1.0 billion during the next twelve months, since resolved items will be removed from the balance whether their resolution resulted in payment or recognition If such a decrease were to occur, it likely would primarily result from outcomes consistent with Merrill Lynch's expectations

During 2011 and 2010, Merrill Lynch recognized in income tax expense, a benefit of $135 million and an expense of $71 million, respectively, of interest and penalties, net-of-tax At December 31, 2011 and 2010, Merrill Lynch's accrual for interest and penalties that related to income taxes, net of taxes and remittances, was $137 million and $329 million, respectively

Significant components of Merrill Lynch's net deferred tax assets at December 31, 2011 and 2010 are presented in the table below

(dollars in millions)

	December 31, 2011	December 31, 2010
Deferred tax assets		
Net operating loss carryforwards	$ 14,815	$ 16,869
Employee compensation and retirement benefits	2,367	2,291
Accrued expenses	899	282
Deferred interest	881	894
Allowance for credit losses	490	412
Tax credit carryforwards	317	408
Foreign currency	125	262
Capital loss carryforwards	72	1,588
Other	431	935
Gross deferred tax assets	20,397	23,941
Valuation allowance	(1,047)	(2,275)
Total deferred tax assets, net of valuation allowance	19,350	21,666
Deferred tax liabilities		
Long-term borrowings	3,924	3,075
Intangibles	1,798	1,859
Securities valuations and investments	583	811
Other	749	409
Gross deferred tax liabilities	7,054	6,154
Net deferred tax assets	$ 12,296	$ 15,512

The table below summarizes the deferred tax assets and related valuation allowances recognized for the net operating loss and tax credit carryforwards at December 31, 2011

(dollars in millions)

	Deferred Tax Asset	Valuation Allowance	Net Deferred Tax Asset	First Year Expiring
Net operating losses - U S	$ 4,796	$ —	$ 4,796	After 2028
Net operating losses - U K.	8,836	—	8,836	None
Net operating losses - other non-U S	362	(230)	132	Various
Net operating losses - U S states[1]	893	(428)	465	Various
Tax credits[2]	317	(246)	71	After 2017

[1] Amounts above include capital losses The losses and related valuation allowances for U S states before considering the benefit of federal deductions were $1 4 billion and ($658) million, respectively
[2] Primarily U.S. foreign tax credits

Realization of the deferred tax assets above is dependent on Merrill Lynch's or Bank of America's ability to generate sufficient taxable income prior to their expiration. After examining all available evidence, Merrill Lynch concluded that no valuation allowance was necessary to reduce the U K. NOL and U.S. federal NOL since estimated future taxable income will more-likely-than-not be sufficient to utilize these assets prior to expiration. As of December 31, 2011, none of the U S. federal capital loss carryforward remained unutilized. The valuation allowance also increased, primarily against operating loss carryforwards in non-U S and state jurisdictions

Merrill Lynch is included in the consolidated U.S. federal income tax return and certain combined and unitary state income tax returns of Bank of America. At December 31, 2011, Merrill Lynch had a current tax receivable from

Bank of America of approximately $4 4 billion as a result of its inclusion in consolidated, combined, and unitary tax return filings with Bank of America

At December 31, 2011 and 2010, U S federal income taxes had not been provided on $10 4 billion and $11 0 billion of undistributed earnings of non-U S subsidiaries earned prior to 1987 and after 1997 that have been reinvested for an indefinite period of time If the earnings were distributed, an additional $0 8 billion and $1 3 billion of tax expense, net of credits for non-U S taxes paid on such earnings and for the related non-U S withholding taxes, would have resulted as of December 31, 2011 and 2010

Note 18. Regulatory Requirements

As a wholly-owned subsidiary of Bank of America, a bank holding company that is also a financial holding company, Merrill Lynch is subject to the oversight of, and inspection by, the Board of Governors of the Federal Reserve System

Certain U.S and non-U S subsidiaries are subject to various securities and banking regulations and capital adequacy requirements promulgated by the regulatory and exchange authorities of the countries in which they operate These regulatory restrictions may impose regulatory capital requirements and limit the amounts that these subsidiaries can pay in dividends or advance to ML & Co. The principal regulated subsidiaries of ML & Co are discussed below.

Securities Regulation

As a registered broker-dealer and futures commission merchant, MLPF&S is subject to the uniform net capital requirements of SEC Rule 15c3-1, and CFTC Regulation 1.17. MLPF&S has elected to compute the minimum capital requirement in accordance with the "Alternative Net Capital Requirement" as permitted by SEC Rule 15c3-1. At December 31, 2011, MLPF&S's regulatory net capital as defined by Rule 15c3-1 was $10 8 billion and exceeded the minimum requirement of $803 million by $10.0 billion.

In accordance with the Alternative Net Capital Requirement, MLPF&S is required to maintain tentative net capital in excess of $1 billion, net capital in excess of $500 million, and notify the SEC in the event its tentative net capital is less than $5 billion As of December 31, 2011, MLPF&S had tentative net capital and net capital in excess of the minimum and notification requirements

MLI, a U K regulated investment firm, is subject to capital requirements of the U.K 's FSA Financial resources, as defined, must exceed the total financial resources requirement set by the FSA At December 31, 2011, MLI's financial resources were $19 7 billion, exceeding the minimum requirement by $5 1 billion.

MLJS, a Japan-based regulated broker-dealer, is subject to capital requirements of the Japanese Financial Services Agency ("JFSA") Net capital, as defined, must exceed 120% of the total risk equivalents requirement of the JFSA. At December 31, 2011, MLJS's net capital was $1 8 billion, exceeding the minimum requirement by $1.1 billion

Banking Regulation

MLIB, an Ireland-based regulated bank, is subject to the capital requirements of the Central Bank of Ireland MLIB is required to meet minimum regulatory capital requirements under the European Union ("EU") banking law as implemented in Ireland by the Central Bank of Ireland At December 31, 2011, MLIB's financial resources were $13 7 billion, exceeding the minimum requirement by $4.9 billion.

Note 19. Quarterly Information (Unaudited)

The unaudited quarterly results of operations of Merrill Lynch for the years ended December 31, 2011 and December 31, 2010 are prepared in conformity with U.S generally accepted accounting principles, and reflect all adjustments that are, in the opinion of management, necessary for a fair presentation of the results of operations for the periods presented. Results of any interim period are not necessarily indicative of results for a full year

(dollars in millions)

	For the Quarter Ended							
	Dec 31, 2011	Sep 30, 2011	Jun 30, 2011	Mar 31, 2011	Dec 31, 2010	Sep 30, 2010	Jun 30, 2010	Mar 31, 2010
Total revenues	$ 5,502	$ 8,072	$ 9,292	$ 10,213	$ 8,406	$ 7,996	$ 9,214	$ 11,851
Interest expense	1,840	2,202	2,390	2,353	2,386	2,260	2,515	2,460
Revenues, net of interest expense	3,662	5,870	6,902	7,860	6,020	5,736	6,699	9,391
Non-interest expenses	6,124	6,260	9,365	7,239	5,909	6,002	5,844	6,168
Pre-tax (loss) earnings	(2,462)	(390)	(2,463)	621	111	(266)	855	3,223
Income tax (benefit) expense	(1,617)	(523)	(1,021)	215	(1,139)	114	42	1,130
Net (loss) earnings	$ (845)	$ 133	$ (1,442)	$ 406	$ 1,250	$ (380)	$ 813	$ 2,093

Note 20. Parent Company Information

The following tables present Parent Company Only financial information

Merrill Lynch & Co., Inc.
(Parent Company Only)
Condensed Statements of (Loss) Earnings and Comprehensive (Loss) Income

(dollars in millions)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Revenues			
Principal transactions	$ 1,189	$ 5	$ (3,897)
Management service fees (from affiliates)	—	213	222
Earnings from equity method investments	24	25	25
Other revenue	546	336	563
Subtotal	1,759	579	(3,087)
Interest revenue	3,712	2,999	3,507
Less interest expense	4,458	4,550	6,009
Net interest expense	(746)	(1,551)	(2,502)
Revenues, net of interest expense	1,013	(972)	(5,589)
Non-interest expenses			
Compensation and benefits	704	430	619
Professional fees	15	57	45
Communications and technology	21	32	30
Occupancy and related depreciation	39	51	37
Other	615	673	343
Total non-interest expenses	1,394	1,243	1,074
Pre-tax loss	(381)	(2,215)	(6,663)
Income tax benefit	1,874	1,469	3,376
Equity in (loss) earnings of affiliates, net of tax	(3,241)	4,522	10,627
Net (loss) earnings	(1,748)	3,776	7,340
Other comprehensive income (loss), net of tax	19	(142)	(112)
Comprehensive (loss) income	$ (1,729)	$ 3,634	$ 7,228
Preferred stock dividends	—	134	153
Net (loss) earnings applicable to common stockholder	$ (1,748)	$ 3,642	$ 7,187

Merrill Lynch & Co., Inc.
(Parent Company Only)
Condensed Balance Sheets

(dollars in millions, except per share amounts)

	December 31, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	$ 105	$ 379
Investment securities	495	528
Receivables from Bank of America	4,169	9,656
Advances to affiliates		
Senior advances	66,016	76,475
Subordinated loans and preferred securities	54,226	52,996
	120,242	129,471
Investments in affiliates	32,020	17,887
Goodwill and other intangible assets	3,579	3,663
Other assets	4,606	4,686
Total Assets	$ 165,216	$ 186,270
LIABILITIES AND STOCKHOLDER'S EQUITY		
Liabilities		
Payables to affiliates	$ 21,616	$ 22,023
Other liabilities and accrued interest payable	5,289	7,759
Long-term borrowings (includes $13,189 in 2011 and $20,179 in 2010 measured at fair value in accordance with the fair value option election)	89,018	106,342
Total Liabilities	115,923	136,124
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDER'S EQUITY		
Common stock (par value $1.33 1/3 per share, authorized: 3,000,000,000 shares, issued: 2011 and 2010 — 1,000 shares)	—	—
Paid-in capital	41,292	40,416
Accumulated other comprehensive loss (net of tax)	(235)	(254)
Retained earnings	8,236	9,984
Total Stockholder's Equity	49,293	50,146
Total Liabilities and Stockholder's Equity	$ 165,216	$ 186,270

Merrill Lynch & Co., Inc.
(Parent Company Only)
Condensed Statements of Cash Flows

(dollars in millions)

	For the Year Ended December 31, 2011	For the Year Ended December 31, 2010	For the Year Ended December 31, 2009
Cash flows from operating activities:			
Net (loss) earnings	$ (1,748)	$ 3,776	$ 7,340
Adjustments to reconcile net (loss) earnings to cash provided by (used for) operating activities			
Equity in loss (earnings) of affiliates	3,241	(4,522)	(10,627)
Depreciation and amortization	97	98	96
Share-based compensation expense	486	167	440
Deferred taxes	(2,551)	(317)	(2,564)
Unrealized losses on long-term borrowings	-	—	360
Foreign exchange (gains) losses on long-term borrowings	(404)	(2,171)	3,156
Other	2,717	1,994	1,979
Changes in operating assets and liabilities:			
Cash and securities segregated	—	—	139
Receivables under resale agreements	—	1,022	28,978
Receivables from Bank of America	5,487	(4,708)	(4,949)
Payables under repurchase agreements	—	(7,177)	(7,830)
Dividends and partnerships distributions from affiliates	995	66	310
Other, net	1,304	3,426	(119)
Cash provided by (used for) operating activities	9,624	(8,166)	16,738
Cash flows from investing activities:			
Proceeds from (payments for)			
Advances to affiliates	8,820	23,666	23,823
Distributions to affiliates	—	—	(6,850)
Maturities of available-for-sale securities	—	557	4,225
Sales of available-for-sale securities	—	10,190	1,507
Non-qualifying investments	34	33	51
Investments in affiliates	1,836	(2,102)	(698)
Sale of MLBT-FSB to Bank of America	—	—	4,450
Cash provided by investing activities	10,690	32,144	26,508
Cash flows from financing activities:			
(Payments for) proceeds from:			
Short-term borrowings	—	—	(20,128)
Settlement and repurchases of long-term borrowings	(20,588)	(23,739)	(41,437)
Capital contributions from Bank of America	-	—	6,850
Dividends	—	(134)	(153)
Cash used for financing activities	(20,588)	(23,873)	(54,868)
Decrease in cash and cash equivalents	(274)	(95)	(11,622)
Cash and cash equivalents, beginning of period	379	474	12,096
Cash and cash equivalents, end of period	$ 105	$ 379	$ 474
Supplemental Disclosure of Cash Flow Information:			
Income taxes paid	$ 87	$ 31	$ 359
Income taxes refunded	(16)	(266)	(156)
Interest paid	1,742	2,968	4,289

Non-cash investing and financing activities,

For the year ended December 31, 2010 Merrill Lynch received a non-cash capital contribution of approximately $1.0 billion from Bank of America associated with certain employee stock awards. In addition, as of January 1, 2010, Merrill Lynch assumed assets and liabilities in connection with the consolidation of certain VIEs. See Note 9. In October 2010, Merrill Lynch's mandatory convertible preferred stock was automatically converted to Bank of America common stock. The redemption was settled through a non-cash intercompany transaction.

In connection with the acquisition of Merrill Lynch by Bank of America, ML & Co. recorded purchase accounting adjustments for the year ended December 31, 2009, which were recorded as non-cash capital contributions. In addition, during 2009 Bank of America contributed the net assets of Banc of America Investment Services, Inc. to ML & Co. See Note 2.

Effective on January 1, 2009, Bank of America contributed the net assets of Bank of America Securities Holdings Corporation totaling approximately $3.7 billion to ML & Co. This was recorded as a non-cash capital contribution. See Note 1.

In connection with the sale of Merrill Lynch Bank USA to a subsidiary of Bank of America during 2009, ML & Co. received a note receivable as consideration for the net book value of assets and liabilities transferred to Bank of America. See Note 2.

Item 9. **Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.**

None

Item 9A. **Controls and Procedures**

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report and pursuant to Rule 13a-15(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), Merrill Lynch's management, including the Chief Executive Officer and Chief Financial Officer of ML & Co , conducted an evaluation of the effectiveness and design of Merrill Lynch's disclosure controls and procedures (as that term is defined in Rule 13a-15(e) of the Exchange Act). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that Merrill Lynch's disclosure controls and procedures were effective, as of the end of the period covered by this report, in recording, processing, summarizing and reporting information required to be disclosed by ML & Co in reports that it files or submits under the Exchange Act, within the time periods specified in the SEC's rules and forms

Report on Internal Control Over Financial Reporting

Management recognizes its responsibility for establishing and maintaining adequate internal control over financial reporting

Merrill Lynch's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America Merrill Lynch's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that Merrill Lynch's receipts and expenditures are being made only in accordance with authorizations of our management and directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of Merrill Lynch's internal control over financial reporting as of December 31, 2011 In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework* Based on that assessment, management believes that Merrill Lynch maintained effective internal control over financial reporting as of December 31, 2011

PricewaterhouseCoopers LLP, Merrill Lynch's independent registered public accounting firm, has issued an opinion on the effectiveness of Merrill Lynch's internal control over financial reporting as of December 31, 2011. This report appears under "Report of Independent Registered Public Accounting Firm" in Part II, Item 8 of this Form 10-K

Changes in Internal Control over Financial Reporting

No change in Merrill Lynch's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) occurred in the fourth quarter of 2011 that has materially affected, or is reasonably likely to materially affect, Merrill Lynch's internal control over financial reporting.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Not required pursuant to General Instruction I (2).

Item 11. Executive Compensation

Not required pursuant to General Instruction I (2)

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Not required pursuant to General Instruction I (2).

Item 13. Certain Relationships and Related Transactions, and Director Independence

Not required pursuant to General Instruction I (2).

Item 14. Principal Accountant Fees and Services

Audit Committee Pre-Approval Policies and Procedures

Subsequent to our acquisition by Bank of America and consistent with SEC requirements, we follow the policies established by the Audit Committee of the Board of Directors of Bank of America (the "BAC Audit Committee") regarding engagements of the provision of audit services and permitted non-audit services to us by the independent registered public accounting firm and by any other accounting firm proposed to be retained to provide audit services (e g , in compliance with a foreign statute) or non-audit services

On an annual basis the BAC Audit Committee pre-approves a list of services and sets pre-approved fee levels that may be provided by PricewaterhouseCoopers LLP and their affiliates ("PwC"), our registered independent public accounting firm, without obtaining engagement specific pre-approval from the BAC Audit Committee. The pre-approved list of services consists of audit services, audit-related services, tax services and all other services All requests or applications for PwC audit, audit-related services, tax services or all other services must be submitted to members of our corporate audit function or tax function to determine if the services are included within the pre-approved list of services that have received BAC Audit Committee pre-approval Any type of service that is not included on the pre-approved list of services must be specifically approved by the BAC Audit Committee or its designee Any proposed service that is included on the list of pre-approved services but will cause the pre-approved fee level to be exceeded also requires specific pre-approval by the BAC Audit Committee or its designee, the BAC Audit Committee Chairman, provided that any such pre-approval by the BAC Audit Committee Chairman is presented to the full BAC Audit Committee at its next meeting All of the services provided by, and fees paid to, PwC in 2011 were pre-approved by the BAC Audit Committee, and there were no services for which the de minimis exception permitted in certain circumstances under SEC rules was utilized

PwC's 2011 and 2010 Fees

PwC's fees for professional services rendered in, or provided for, 2011 and 2010 were:

(dollars in millions)

	2011	2010
Audit fees[1]	$ 45 5	$ 47.3
Audit-related fees[2]	4 6	3.0
Tax fees[3]	3 7	3.2
All other fees[4]	—	—
Total fees	$ 53 8	$ 53 5

(1) *Audit fees consisted of fees billed by PwC related to the audit of the Consolidated Financial Statements filed with the SEC, the audits of domestic and international statutory and subsidiary financial statements and certain agreed upon procedures and other attestation reports. Audit fees are those billed or expected to be billed for audit services related to each fiscal year*

(2) *Audit-related fees consisted of fees billed by PwC for other audit and attest services, and financial accounting, reporting and compliance matters. Fees for audit-related services are for those services rendered during each fiscal year*

(3) *Tax fees billed by PwC for services performed for tax compliance, advisory and planning services rendered during the fiscal year are billed to Bank of America on a consolidated basis and excluded from the table above. The tax fees above include preparation of certain tax returns (principally Forms 1041 and 990) for certain customer trusts and foundations*

(4) *All other fees, if incurred, would consist primarily of amounts billed for permissible advisory services and other miscellaneous services.*

PART IV

Item 15. Exhibits and Financial Statement Schedules

The following documents are filed as part of this report:

(1) Financial Statements

The Consolidated Financial Statements required in response to this Item are incorporated herein by reference from Part II, Item 8 of this Form 10-K

(2) Exhibits

An exhibit index has been filed as part of this report beginning on page E-1 and is incorporated herein by reference

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on the 23rd day of February 2012.

Merrill Lynch & Co , Inc

By */s/ Thomas K. Montag
Name Thomas K. Montag
Title. Director and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities indicated on the 23rd day of February 2012

Signature	Title
*/s/ Thomas K. Montag Thomas K. Montag	**Director and Chief Executive Officer (Principal Executive Officer)**
*/s/ Jennifer M Hill Jennifer M Hill	**Chief Financial Officer (Principal Financial Officer)**
*/s/ Peter D. Taube Peter D Taube	**Chief Accounting Officer and Controller (Principal Accounting Officer)**
*/s/ Brian T Moynihan Brian T. Moynihan	**Chairman and Director**
*/s/ Terrence P. Laughlin Terrence P. Laughlin	**Director**
*/s/ Bruce R. Thompson Bruce R. Thompson	**Director**

*By. /s/ Craig T. Beazer
Craig T. Beazer
Attorney-in-Fact

EXHIBIT INDEX

Certain exhibits were previously filed by ML & Co as exhibits to other reports or registration statements and are incorporated herein by reference as indicated parenthetically below ML & Co 's Exchange Act file number is 001-07182 For convenience, ML & Co 's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and Registration Statements on Form S-3 are designated and referred to herein as "Form 10-K," "Form 10-Q," "Form 8-K" and "Form S-3," respectively

Plan of acquisition, reorganization, arrangement, liquidation or succession

2 1 Agreement and Plan of Merger, dated as of September 15, 2008, by and between Merrill Lynch & Co , Inc. and Bank of America Corporation (incorporated by reference to Exhibit 2.1 to Form 8-K dated September 19, 2008)

2 2 Stock Purchase and Sale Agreement, dated as of April 21, 2009, among Merrill Lynch Group, Inc., BANA Holding Corporation, and Merrill Lynch Bank USA (incorporated by reference to Exhibit 2 2 to Form 10-K for the fiscal year ended December 31, 2009).

2 3 Stock Purchase and Sale Agreement, dated as of August 12, 2009, among Merrill Lynch & Co , Inc , BANA Holding Corporation and Merrill Lynch Bank & Trust Co , FSB (incorporated by reference to Exhibit 2 3 to Form 10-K for the fiscal year ended December 31, 2009)

Articles of Incorporation and By-Laws

3 1 Restated Certificate of Incorporation of ML & Co , effective as of May 3, 2001 (incorporated by reference to Exhibit 3 1 to the Form 8-K dated November 14, 2005)

3 2 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's Floating Rate Non-Cumulative Preferred Stock, Series 1, par value $1 00 per share, effective as of October 25, 2004 (the "Series 1 Preferred Stock") (incorporated by reference to Exhibit 3.2 and 4 1 to Form 8-K dated November 14, 2005).

3 3 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's Floating Rate Non-Cumulative Preferred Stock, Series 2, par value $1.00, effective as of March 9, 2005 (the "Series 2 Preferred Stock") (incorporated by reference to Exhibit 3 3 and 4 2 to Form 8-K dated November 14, 2005)

3 4 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's 6.375% Non-Cumulative Preferred Stock, Series 3, par value $1 00 per share, effective as of November 14, 2005 (the "Series 3 Preferred Stock") (incorporated by reference to Exhibit 3.4 and 4.3 to Form 8-K dated November 14, 2005)

3 5 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's Floating Rate Non-Cumulative Preferred Stock, Series 4, par value $1.00 per share, effective as of November 14, 2005 (the "Series 4 Preferred Stock") (incorporated by reference to Exhibit 3 5 and 4 4 to Form 8-K dated November 14, 2005)

3 6 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's Floating Rate Non-Cumulative Preferred Stock, Series 5, par value $1 00 per share, effective as of March 16, 2007 (the "Series 5 Preferred Stock") (incorporated by reference to Exhibit 3 6 and 4.5 to Form 8-K dated March 21, 2007)

3 7 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's 6 70% Non-Cumulative Perpetual Preferred Stock, Series 6, par value $1 00 per share, effective as of September 21, 2007 (the "Series 6 Preferred Stock") (incorporated by reference to Exhibit 3.7 and 4 6 to Form 8-K dated September 24, 2007)

3 8 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co.'s 6 25% Non-Cumulative Perpetual Preferred Stock, Series 7, par value $1 00 per share, effective as of September 21, 2007 (the "Series 7 Preferred Stock") (incorporated by reference to Exhibit 3.8 and 4.7 to Form 8-K dated September 24, 2007)

3.9 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's 9.00% Non-Voting Mandatory Convertible Non-Cumulative Preferred Stock, Series 1, par value $1 00 per share, effective as of January 15, 2008 (incorporated by reference to Exhibit 3.9 and 4.8 to Form 8-K dated January 16, 2008)

3 1 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's 8 625% Non-Cumulative Preferred Stock, Series 8 (incorporated by reference to Exhibits 3 10 and 4.9 to Form 8-K dated April 29, 2008)

3 11 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's 9 00% Non-Voting Mandatory Convertible Non-Cumulative Preferred Stock, Series 2, par value $1.00 per share and liquidation preference $100,000 per share (incorporated by reference to Exhibits 3 11 and 4.10 to Form 8-K dated August 1, 2008)

3 12 Certificate of Designations establishing the rights, preferences, privileges, qualifications, restrictions and limitations relating to ML & Co 's 9 00% Non-Voting Mandatory Convertible Non-Cumulative Preferred Stock, Series 3, par value $1.00 per share and liquidation preference $100,000 per share (incorporated by reference to Exhibits 3 12 and 4 11 are incorporated by reference to Form 8-K dated August 1, 2008)

3 13 Certificate of Merger merging MER Merger Corporation with and into Merrill Lynch & Co., Inc (incorporated by reference to Exhibit 3 1 to Form 8-K dated January 2, 2009)

3 14 Certificate of Amendment to Certificate of Designations of 9 00% Non-Voting Mandatory Convertible Non-Cumulative Preferred Stock, Series 2 of ML & Co (incorporated by reference to Exhibit 3 2 to Form 8-K dated January 2, 2009)

3 15 Certificate of Amendment to Certificate of Designations of 9 00% Non-Voting Mandatory Convertible Non-Cumulative Preferred Stock, Series 3 of Merrill Lynch & Co , Inc. (incorporated by reference to Exhibit 3.3 to Form 8-K dated January 2, 2009)

3 16 By-Laws of Merrill Lynch & Co , Inc as of January 1, 2009 (incorporated by reference to Exhibit 3 4 to Form 8-K dated January 2, 2009)

Instruments Defining the Rights of Security Holders, Including Indentures ML & Co hereby undertakes to furnish to the SEC, upon request, copies of any agreements not filed defining the rights of holders of long-term debt securities of ML & Co., none of which authorize an amount of securities that exceed 10% of the total assets of ML & Co

4 1 Senior Indenture, dated as of April 1, 1983, as amended and restated as of April 1, 1987, between ML & Co and The Bank of New York Mellon,(1) as Trustee ("1983 Senior Indenture") and the Supplemental Indenture thereto dated as of March 5, 1990 (incorporated by reference to Exhibit 4(i) to Form 10-K for the fiscal year ended December 29, 1999 ("1999 10-K"))

4 2 Sixth Supplemental Indenture to the 1983 Senior Indenture, dated as of October 25, 1993, between ML & Co. and The Bank of New York Mellon (incorporated by reference to Exhibit 4(ii) to 1999 10-K)

(1) As used in this section of this Report, "The Bank of New York Mellon" means The Bank of New York Mellon, a New York banking corporation and successor to the corporate trust business of JPMorgan Chase Bank, N.A., the entity formerly known as JPMorgan Chase Bank, The Chase Manhattan Bank and Chemical Bank (successor by merger to Manufacturers Hanover Trust Company)

4 3 Twelfth Supplemental Indenture to the 1983 Senior Indenture, dated as of September 1, 1998, between ML & Co and The Bank of New York Mellon (incorporated by reference to Exhibit 4(a) to Form 8-K dated October 21, 1998)

4 4 Fifteenth Supplemental Indenture to the 1983 Senior Indenture, dated as of October 14, 2003, between ML & Co. and The Bank of New York Mellon (incorporated by reference to Exhibit 4(b)(ix) to Form S-3 (file no. 333-109802))

4 5 Eighteenth Supplemental Indenture to the 1983 Senior Indenture, dated as of October 21, 2004, between Merrill Lynch and The Bank of New York Mellon, incorporated by reference to Exhibit 4(b)(xiv) to Form S-3 (file no. 333-122639).

4 6 Senior Indenture, dated as of October 1, 1993 between ML & Co. and The Bank of New York Mellon ("1993 Senior Indenture") (incorporated by reference to Exhibit (4)(iv) to Form 10-K for fiscal year ended December 25, 1998 ("1998 10-K"))

4.7 First Supplemental Indenture to the 1993 Senior Indenture, dated as of June 1, 1998, between ML & Co and The Bank of New York Mellon (incorporated by reference to Exhibit 4(a) to Form 8-K dated July 2, 1998)

4 8 Form of Subordinated Indenture, dated as of December 17, 1996, between ML & Co and The Bank of New York Mellon, as trustee ("1996 Subordinated Indenture") (incorporated by reference to Exhibit 4 7 to Amendment No 2 to Form S-3 (file no 333-16603)

4.9 Supplemental Indenture to the 1996 Subordinated Indenture, dated as of May 16, 2006, between ML & Co and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4(a) to Form 8-K dated May 16, 2006).

4.1 Junior Subordinated Indenture, dated as of December 14, 2006, between Merrill Lynch & Co., Inc and The Bank of New York Mellon, as trustee ("2006 Junior Subordinated Indenture") (incorporated by reference to Exhibit 4(a) to Form 8-K dated December 14, 2006).

4.11 First Supplemental Indenture to the 2006 Junior Subordinated Indenture, dated as of December 14, 2006, between Merrill Lynch & Co , Inc and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4(b) to Form 8-K dated December 14, 2006).

4 12 Second Supplemental Junior Subordinated Indenture to the 2006 Junior Subordinated Indenture, dated as of May 2, 2007, between ML & Co. and The Bank of New York Mellon, as Trustee (incorporated by reference to Exhibit 4(b) to Form 8-K dated May 2, 2007)

4.13 Third Supplemental Indenture to the 2006 Junior Subordinated Indenture, dated as of August 22, 2007, between ML & Co and The Bank of New York Mellon, as Trustee (incorporated by reference to Exhibit 4(b) to Form 8-K dated August 22, 2007).

Material Contracts

10.1†	Merrill Lynch & Co., Inc. 2010 Performance Year Deferred Compensation Plan (incorporated by reference to Exhibit 4(a) to Form S-8 (file no. 333-163003))
10.2†	Form of Agreement dated May 1, 2008 with Thomas K. Montag (filed as Exhibit 10.1 to Form 8-K dated May 2, 2008)
10.3†	Merrill Lynch & Co., Inc. 2011 Performance Year Deferred Compensation Plan (incorporated by reference to Exhibit 4(a) to Form S-8 (file no. 333-170404))
10.4	Agreement and Plan of Merger dated November 1, 2010 between Merrill Lynch & Co., Inc. and Bank of America Securities Holdings Corporation (incorporated herein by reference to Exhibit 1.01 of Form 8-K dated November 1, 2010))
10.5†	Merrill Lynch & Co., Inc. 2012 Performance Year Deferred Compensation Plan (incorporated by reference to Exhibit 4(a) to Form S-8 (file no. 333-177874))
11	Statement re: computation of earnings per common share (the calculation of per share earnings is in Part II, Item 8, Note 13 to the Consolidated Financial Statements (Stockholders' Equity and Earnings Per Share) and is not required in accordance with Section(b)(11) of Item 601 of Regulation S-K)
12*	Statement re: computation of ratios
23.1*	Consent of PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm of the Registrant
24.1*	Power of Attorney
24.2*	Certificate of Assistant Secretary
31.1*	Rule 13a-14(a) Certification of the Chief Executive Officer.
31.2*	Rule 13a-14(a) Certification of the Chief Financial Officer
32.1*	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101*	The following materials from Merrill Lynch & Co., Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2011, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of (Loss) Earnings, (ii) the Consolidated Statements of Changes in Comprehensive (Loss) Income, (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Changes in Stockholder's Equity, (v) the Consolidated Statements of Cash Flows, and (vi) the Notes to Consolidated Financial Statements, tagged as blocks of text

* Filed herewith

† Management contract or compensatory plan or arrangement

MERRILL LYNCH & CO., INC. AND SUBSIDIARIES
COMPUTATION OF RATIOS OF EARNINGS TO FIXED CHARGES AND COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS
(dollars in millions)

	Successor Company			Predecessor Company	
	Year Ended December 31, 2011	Year Ended December 31, 2010	Year Ended December 31, 2009	Year Ended December 26, 2008	Year Ended December 28, 2007
Pre-tax (loss) earnings (a)	$ (5,446)	$ 2,708	$ 6,455	$ (45,438)	$ (13,723)
Add: Fixed charges (excluding capitalized interest and preferred security dividend requirements of subsidiaries)	9,098	9,935	12,341	29,641	51,683
Pre-tax earnings (loss) before fixed charges	$ 3,652	$ 12,643	$ 18,796	$ (15,797)	$ 37,960
Fixed charges:					
Interest	$ 8,785	$ 9,621	$ 12,041	$ 29,349	$ 51,425
Other (b)	313	314	300	292	258
Total fixed charges	$ 9,098	$ 9,935	$ 12,341	$ 29,641	$ 51,683
Preferred stock dividend requirements	—	140	141	4,356	401
Total combined fixed charges and preferred stock dividends	$ 9,098	$ 10,075	$ 12,482	$ 33,997	$ 52,084
Ratio of earnings to fixed charges	*	1.27	1.52	*	*
Ratio of earnings to combined fixed charges and preferred stock dividends	*	1.25	1.51	*	*

On January 1, 2009, Merrill Lynch (the "Predecessor Company") was acquired by Bank of America through the merger of a wholly-owned subsidiary of Bank of America with and into ML & Co. with ML & Co. (the "Successor Company") continuing as the surviving corporation and a wholly-owned subsidiary of Bank of America. The Predecessor Company and Successor Company periods have been separated by a vertical line above to highlight the fact that the financial information for such periods has been prepared under two different cost bases of accounting.

(a) Excludes undistributed earnings (loss) from equity investments and earnings from discontinued operations.
(b) Other fixed charges consist of the interest factor in rentals, amortization of debt issuance costs and preferred security dividend requirements of subsidiaries.
*The earnings for the years 2011, 2008 and 2007 were inadequate to cover total fixed charges and total fixed charges and preferred stock dividends.
The coverage deficiencies for total fixed charges for the years 2011, 2008, and 2007 were $5,446 million, $45,438 million and $13,723 million, respectively.
The coverage deficiencies for total fixed charges and preferred stock dividends for the years 2011, 2008 and 2007 were $5,446 million, $49,794 million and $14,124, million, respectively.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No 333-158302) and Registration Statements on Form S-8 (No 333-163003, No 333-170404, No 333-177874) of Merrill Lynch & Co , Inc of our report dated February 23, 2012 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
New York, New York
February 23, 2012

Exhibit 24.1

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of Merrill Lynch & Co , Inc and the several undersigned officers and directors whose signatures appear below, hereby makes, constitutes and appoints Craig T. Beazer, Lauren A. Mogensen and Edward P. O'Keefe, and each of them acting individually, its, his or her true and lawful attorneys with power to act without any other and with full power of substitution, to prepare, execute, deliver and file in its, his or her name and on its, his or her behalf, and in each of the undersigned officer's and director's capacity or capacities as shown below, an Annual Report on Form 10-K for the year ended December 31, 2011, and all exhibits thereto and all documents in support thereof or supplemental thereto, and any and all amendments or supplements to the foregoing, hereby ratifying and confirming all acts and things which said attorneys or attorney might do or cause to be done by virtue hereof

IN WITNESS WHEREOF, Merrill Lynch & Co , Inc. has caused this power of attorney to be signed on its behalf, and each of the undersigned officers and directors, in the capacity or capacities noted, has hereunto set his or her hand as of the date indicated below

MERRILL LYNCH & CO , INC.

By /s/ Thomas K. Montag
Thomas K. Montag
Director and Chief Executive Officer

Dated February 23, 2012

Signature	Title	Date
/s/ Thomas K. Montag Thomas K. Montag	Director and Chief Executive Officer (Principal Executive Officer)	February 23, 2012
/s/ Jennifer M. Hill Jennifer M Hill	Chief Financial Officer (Principal Financial Officer)	February 23, 2012
/s/ Peter D. Taube Peter D Taube	Chief Accounting Officer and Controller (Principal Accounting Officer)	February 23, 2012
/s/ Brian T. Moynihan Brian T. Moynihan	Chairman and Director	February 23, 2012
/s/ Terrence P. Laughlin Terrence P Laughlin	Director	February 23, 2012
/s/ Bruce R. Thompson Bruce R.Thompson	Director	February 23, 2012

Exhibit 24.2

MERRILL LYNCH & CO., INC.
CERTIFICATE OF ASSISTANT SECRETARY

I, Paul G Lane, Assistant Secretary of Merrill Lynch & Co , Inc , a corporation duly organized and existing under the laws of the State of Delaware (the "Corporation"), do hereby certify that attached is a true and correct copy of resolutions duly adopted by the Board of Directors of the Corporation at a meeting of the Board of Directors held on February 21, 2012, at which meeting a quorum was present and acted throughout and that said resolutions are in full force and effect and have not been amended or rescinded as of the date hereof

IN WITNESS WHEREOF, I have hereupon set my hand and affixed the seal of the Corporation this 23rd day of February, 2012.

Merrill Lynch & Co , Inc

By /s/ Paul G. Lane
Name Paul G Lane
Title. Assistant Secretary

MERRILL LYNCH & CO., INC.
BOARD OF DIRECTORS
RESOLUTIONS

February 21, 2012
Annual Report on Form 10-K

RESOLVED, that Craig T Beazer, Lauren A. Mogensen and Edward P O'Keefe be, and each of them with full power to act without the other hereby is, authorized and empowered to prepare, execute, deliver and file the 2011 Form 10-K and any amendment or amendments thereto on behalf of and as attorneys for the Corporation and on behalf of and as attorneys for any of the following the principal executive officer, the principal financial officer, the principal accounting officer, and any other officer of the Corporation

Exhibit 31.1

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002
FOR THE CHIEF EXECUTIVE OFFICER**

I, Thomas K Montag, certify that:

1 I have reviewed this Annual Report on Form 10-K for the fiscal year ended December 31, 2011 of Merrill Lynch & Co , Inc ,

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report,

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared,

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles,

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation, and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting, and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information, and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date February 23, 2012

/s/ Thomas K. Montag
Thomas K. Montag
Chief Executive Officer

Exhibit 31.2

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002
FOR THE CHIEF FINANCIAL OFFICER**

I, Jennifer M Hill, certify that

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended December 31, 2011 of Merrill Lynch & Co , Inc ;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report,

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared,

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles,

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information, and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date February 23, 2012

/s/ Jennifer M. Hill
Jennifer M Hill
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K for the fiscal year ended December 31, 2011 of Merrill Lynch & Co , Inc (the "registrant") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas K. Montag, Chief Executive Officer of the registrant, certify, pursuant to 18 U S C section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that.

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant

Date. February 23, 2012

/s/ THOMAS K. MONTAG
Thomas K. Montag
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K for the fiscal year ended December 31, 2011 of Merrill Lynch & Co , Inc. (the "registrant") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jennifer M Hill, Chief Financial Officer of the registrant, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Date February 23, 2012

/s/ Jennifer M. Hill
Jennifer M. Hill
Chief Financial Officer

BANK OF AMERICA CORP /DE/ (BAC)

10-K
Annual report pursuant to section 13 and 15(d)
Filed on 02/23/2012
Filed Period 12/31/2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

[✓] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2011

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission file number:
1-6523

Exact name of registrant as specified in its charter:

Bank of America Corporation

State or other jurisdiction of incorporation or organization:
Delaware
IRS Employer Identification No.:
56-0906609
Address of principal executive offices:
Bank of America Corporate Center
100 North Tryon Street
Charlotte North Carolina 28255
Registrant's telephone number, including area code:
(704) 386-5681
SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT

Title of each class	Name of each exchange on which registered
Common Stock, par value $0 01 per share	New York Stock Exchange
	London Stock Exchange
	Tokyo Stock Exchange
Depositary Shares each Representing a 1/1 000th interest in a share of 6 204% Non-Cumulative Preferred Stock, Series D	New York Stock Exchange
Depositary Shares each Representing a 1/1 000th interest in a share of Floating Rate Non-Cumulative Preferred Stock Series E	New York Stock Exchange
Depositary Shares each Representing a 1/1,000th interest in a share of 8 20% Non-Cumulative Preferred Stock, Series H	New York Stock Exchange
Depositary Shares each Representing a 1/1,000th interest in a share of 8 625% Non-Cumulative Preferred Stock, Series I	New York Stock Exchange
Depositary Shares each Representing a 1/1 000th interest in a share of 7 25% Non-Cumulative Preferred Stock, Series J	New York Stock Exchange
7 25% Non-Cumulative Perpetual Convertible Preferred Stock, Series L	New York Stock Exchange
Depositary Shares each representing a 1/1 200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock Series 1	New York Stock Exchange

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Title of each class	Name of each exchange on which registered
Depositary Shares each representing a 1/1 200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock Series 2	New York Stock Exchange
Depositary Shares each representing a 1/1 200th interest in a share of Bank of America Corporation 6 375% Non-Cumulative Preferred Stock Series 3	New York Stock Exchange
Depositary Shares each representing a 1/1 200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock Series 4	New York Stock Exchange
Depositary Shares each representing a 1/1 200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock Series 5	New York Stock Exchange
Depositary Shares each representing a 1/40th interest in a share of Bank of America Corporation 6 70% Non-cumulative Perpetual Preferred Stock Series 6	New York Stock Exchange
Depositary Shares each representing a 1/40th interest in a share of Bank of America Corporation 6 25% Non-cumulative Perpetual Preferred Stock Series 7	New York Stock Exchange
Depositary Shares each representing a 1/1 200th interest in a share of Bank of America Corporation 6 625% Non-Cumulative Preferred Stock Series 8	New York Stock Exchange
6 75% Trust Preferred Securities of Countrywide Capital IV (and the guarantees related thereto)	New York Stock Exchange
7 00% Capital Securities of Countrywide Capital V (and the guarantees related thereto)	New York Stock Exchange
Capital Securities of BAC Capital Trust I (and the guarantee related thereto)	New York Stock Exchange
Capital Securities of BAC Capital Trust II (and the guarantee related thereto)	New York Stock Exchange
Capital Securities of BAC Capital Trust III (and the guarantee related thereto)	New York Stock Exchange
5 7/8% Capital Securities of BAC Capital Trust IV (and the guarantee related thereto)	New York Stock Exchange
6% Capital Securities of BAC Capital Trust V (and the guarantee related thereto)	New York Stock Exchange
6% Capital Securities of BAC Capital Trust VIII (and the guarantee related thereto)	New York Stock Exchange
6 1/4% Capital Securities of BAC Capital Trust X (and the guarantee related thereto)	New York Stock Exchange
6 7/8% Capital Securities of BAC Capital Trust XII (and the guarantee related thereto)	New York Stock Exchange
Floating Rate Preferred Hybrid Income Term Securities of BAC Capital Trust XIII (and the guarantee related thereto)	New York Stock Exchange
5 63% Fixed to Floating Rate Preferred Hybrid Income Term Securities of BAC Capital Trust XIV (and the guarantee related thereto)	New York Stock Exchange
MBNA Capital A 8 278% Capital Securities Series A (and the guarantee related thereto)	New York Stock Exchange
MBNA Capital B Floating Rate Capital Securities Series B (and the guarantee related thereto)	New York Stock Exchange
MBNA Capital D 8 125% Trust Preferred Securities Series D (and the guarantee related thereto)	New York Stock Exchange
MBNA Capital E 8 10% Trust Originated Preferred Securities Series E (and the guarantee related thereto)	New York Stock Exchange
Preferred Securities of Fleet Capital Trust VIII (and the guarantee related thereto)	New York Stock Exchange
Preferred Securities of Fleet Capital Trust IX (and the guarantee related thereto)	New York Stock Exchange
6 1/2% Subordinated InterNotes℠ due 2032	New York Stock Exchange
5 1/2% Subordinated InterNotes℠ due 2033	New York Stock Exchange
5 7/8% Subordinated InterNotes℠ due 2033	New York Stock Exchange
6% Subordinated InterNotes℠ due 2034	New York Stock Exchange
Market-Linked Step Up Notes Linked to the S&P 500® Index due November 26 2012	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the Dow Jones Industrial Average℠ due December 2 2014	NYSE Arca Inc
Market-Linked Step Up Notes Linked to the S&P 500® Index due December 23 2011	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the S&P 500® Index due September 27 2013	NYSE Arca Inc
Leveraged Index Return Notes® Linked to the S&P 500® Index due July 27 2012	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the S&P 500® Index due July 26 2013	NYSE Arca Inc
Leveraged Index Return Notes® Linked to the S&P 500® Index due June 29 2012	NYSE Arca Inc
Leveraged Index Return Notes® Linked to the S&P 500® Index due June 1, 2012	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the Dow Jones Industrial Average℠ due May 31 2013	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the S&P 500® Index due April 25 2014	NYSE Arca Inc
Market Index Target Term Securities® Linked to the S&P 500® Index due March 28 2014	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the S&P 500® Index due February 28 2014	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the Dow Jones Industrial Average℠ due January 30 2015	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the S&P 500® Index, due February 27 2015	NYSE Arca Inc

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Title of each class	Name of each exchange on which registered
Capped Leveraged Return Notes® Linked to the S&P 500® Index due February 24 2012	NYSE Arca Inc
Market Linked Step Up Notes Linked to the S&P 500® Index due February 25 2013	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the Dow Jones Industrial Average℠ due March 27 2015	NYSE Arca Inc
Capped Leveraged Index Return Notes® Linked to the S&P 500® Index due March 30 2012	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the Dow Jones Industrial Average℠ due April 24 2015	NYSE Arca Inc
Capped Leveraged Index Return Notes® Linked to the S&P 500® Index due April 27 2012	NYSE Arca Inc
Capped Leveraged Index Return Notes® Linked to the S&P 500® Index due May 25 2012	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the Dow Jones Industrial Average℠ due May 29 2015	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the Dow Jones Industrial Average℠ due June 26 2015	NYSE Arca Inc
Capped Leveraged Index Return Notes® Linked to the S&P 500® Index due June 29 2012	NYSE Arca Inc
Capped Leveraged Index Return Notes® Linked to the S&P 500® Index due July 27 2012	NYSE Arca Inc
Market Index Target-Term Securities® Linked to the S&P 500® Index due July 31, 2015	NYSE Arca Inc
Capped Leveraged Index Return Notes® Linked to the S&P 500® Index, due August 31 2012	NYSE Arca Inc

Securities registered pursuant to Section 12(g) of the Act None

Indicate by check mark if the registrant is a well-known seasoned issuer as defined in Rule 405 of the Securities Act. Yes ✓ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act Yes No ✓

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days Yes ✓ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site if any every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files) Yes ✓ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained to the best of registrant s knowledge in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K

Indicate by check mark whether the registrant is a large accelerated filer an accelerated filer a non-accelerated filer or s smaller reporting company See the definitions of "large accelerated filer" "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one)

Large accelerated filer ✓	Accelerated filer	Non-accelerated filer (do not check if a smaller reporting company)	Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes No ✓

The aggregate market value of the registrant s common stock ("Common Stock") held on June 30 2011 by non-affiliates was approximately $111 017 740 050 (based on the June 30 2011 closing price of Common Stock of $10 96 per share as reported on the New York Stock Exchange) As of February 17 2012 there were 10 732 388 501 shares of Common Stock outstanding

Documents Incorporated by reference Portions of the definitive proxy statement relating to the registrant s annual meeting of stockholders scheduled to be held on May 9 2012 are incorporated by reference in this Form 10-K in response to Items 10 11 12 13 and 14 of Part III

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Part I
Bank of America Corporation and Subsidiaries

Item 1. Business

General
Bank of America Corporation (together with its consolidated subsidiaries Bank of America the Corporation we or us) is a Delaware corporation a bank holding company and a financial holding company When used in this report "the Corporation" may refer to the Corporation individually the Corporation and its subsidiaries or certain of the Corporation s subsidiaries or affiliates

Bank of America is one of the world s largest financial institutions serving individual consumers small- and middle-market businesses institutional investors large corporations and governments with a full range of banking investing asset management and other financial and risk management products and services Our principal executive offices are located in the Bank of America Corporate Center 100 North Tryon Street Charlotte North Carolina 28255

Bank of America s website is www bankofamerica com Our Annual Reports on Form 10-K Quarterly Reports on Form 10-Q Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available on our website at http //investor bankofamerica com under the heading U S Securities and Exchange Commission (SEC) Filings as soon as reasonably practicable after we electronically file such reports with or furnish them to the SEC In addition we make available on http //investor bankofamerica com under the heading Corporate Governance (i) our Code of Ethics (including our insider trading policy) (ii) our Corporate Governance Guidelines and (iii) the charter of each committee of our Board of Directors (the Board) (accessible by clicking on the committee names under the Committee Composition link) and we also intend to disclose any amendments to our Code of Ethics or waivers of our Code of Ethics on behalf of our Chief Executive Officer Chief Financial Officer or Chief Accounting Officer on our website All of these corporate governance materials are also available free of charge in print to stockholders who request them in writing to Bank of America Corporation Attention Shareholder Relations Hearst Tower 214 North Tryon Street NC1-027 20-05 Charlotte North Carolina 28202

Segments
Through our banking and various nonbanking subsidiaries throughout the United States and in international markets we provide a diversified range of banking and nonbanking financial services and products through six business segments *Deposits, Card Services, Consumer Real Estate Services (CRES), Global Commercial Banking, Global Banking & Markets (GBAM) and Global Wealth & Investment Management (GWIM)* with the remaining operations recorded in *All Other* Additional information related to our business segments and the products and services they provide is included in the information set forth on pages 39 through 55 of Item 7 Management s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) and *Note 26 – Business Segment Information* to the Consolidated Financial Statements in Item 8 Financial Statements and Supplementary Data (Consolidated Financial Statements)

Competition
We operate in a highly competitive environment Our competitors include banks thrifts credit unions investment banking firms investment advisory firms brokerage firms investment companies insurance companies mortgage banking companies credit card issuers mutual fund companies and e-commerce and other internet-based companies We compete with some of these competitors globally and with others on a regional or product basis

Competition is based on a number of factors including among others customer service quality and range of products and services offered price reputation interest rates on loans and deposits lending limits and customer convenience Our ability to continue to compete effectively also depends in large part on our ability to attract new employees and retain and motivate our existing employees while managing compensation and other costs

Employees
As of December 31 2011 we had approximately 282 000 full-time equivalent employees None of our domestic employees is subject to a collective bargaining agreement Management considers our employee relations to be good

Government Supervision and Regulation

The following discussion describes among other things elements of an extensive regulatory framework applicable to bank holding companies financial holding companies and banks including specific information about Bank of America U S federal regulation of banks bank holding companies and financial holding companies is intended primarily for the protection of depositors and the Deposit Insurance Fund (DIF) rather than for the protection of stockholders and creditors For additional information about recent regulatory programs initiatives and legislation that impact us see Regulatory Matters in the MD&A on page 66

General

We are subject to an extensive regulatory framework applicable to bank holding companies financial holding companies and banks

As a registered financial holding company and bank holding company Bank of America Corporation is subject to the supervision of and regular inspection by the Board of Governors of the Federal Reserve System (Federal Reserve) Our banking subsidiaries (the Banks) organized as national banking associations are subject to regulation supervision and examination by the Office of the Comptroller of the Currency (OCC) the Federal Deposit Insurance Corporation (FDIC) and the Federal Reserve The Bureau of Consumer Financial Protection (CFPB) regulates consumer financial products and services

U S financial holding companies and the companies under their control are permitted to engage in activities considered "financial in nature" as defined by the Gramm-Leach-Bliley Act and related Federal Reserve interpretations Unless otherwise limited by the Federal Reserve a financial holding company may engage directly or indirectly in activities considered financial in nature provided the financial holding company gives the Federal Reserve after-the-fact notice of the new activities The Gramm-Leach-Bliley Act also permits national banks to engage in activities considered financial in nature through a financial subsidiary subject to certain conditions and limitations and with the approval of the OCC If the Federal Reserve finds that any of the Banks is not "well-capitalized" or "well-managed" we would be required to enter into an agreement with the Federal Reserve to comply with all applicable capital and management requirements which may contain additional limitations or conditions relating to our activities

The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 permits bank holding companies to acquire banks located in states other than their home state without regard to state law subject to certain conditions including the condition that the bank holding company after and as a result of the acquisition controls no more than 10 percent of the total amount of deposits of insured depository institutions in the United States and no more than 30 percent or such lesser or greater amount set by state law of such deposits in that state The Dodd-Frank Wall Street Reform and Consumer Protection Act (Financial Reform Act) restricts acquisitions by financial companies if as a result of the acquisition the total liabilities of the financial company would exceed 10 percent of the total liabilities of all financial companies At December 31 2011 we held approximately 12 percent of the total amount of deposits of insured depository institutions in the U S

We are also subject to various other laws and regulations as well as supervision and examination by other regulatory agencies all of which directly or indirectly affect our operations and management and our ability to make distributions to stockholders Our U S broker/dealer subsidiaries are subject to regulation by and supervision of the SEC New York Stock Exchange and Financial Industry Regulatory Authority our commodities businesses in the U S are subject to regulation by and supervision of the U S Commodities Futures Trading Commission (CFTC) and our insurance activities are subject to licensing and regulation by state insurance regulatory agencies

Our non U S businesses are also subject to extensive regulation by various non-U S regulators including governments securities exchanges central banks and other regulatory bodies in the jurisdictions in which those businesses operate Our financial services operations in the U K are subject to regulation by and supervision of the Financial Services Authority (FSA) In July of 2010 the U K proposed abolishing the FSA and replacing it with the Financial Policy Committee within the Bank of England (FPC) and two new regulators the Prudential Regulatory Authority and the Consumer Protection and Markets Authority (CPMA) Our U K regulated entities will be subject to the supervision of the FPC and the PRA for prudential matters and the CPMA for conduct of business matters The new financial regulatory structure is intended to be in place by the end of 2012 We continue to monitor the development and potential impact of this regulatory restructuring

Financial Reform Act

On July 21 2010 the Financial Reform Act was signed into law As a result of the Financial Reform Act several significant regulatory developments occurred in 2011 and additional regulatory developments may occur in 2012 and beyond The Financial Reform Act has had and will continue to have a significant and negative impact on our earnings through fee reductions higher costs and new restrictions For a description of significant developments see Regulatory Matters in the MD&A on page 66

Capital and Operational Requirements

The Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) among other things identifies five capital categories for insured depository institutions ("well-capitalized" "adequately capitalized" "undercapitalized" "significantly undercapitalized" and "critically undercapitalized") and requires the respective federal regulatory agencies to implement systems for prompt corrective action for insured depository institutions that do not meet minimum capital requirements within such categories FDICIA imposes progressively restrictive constraints on operations management and capital distributions depending on the category in which an institution is classified Failure to meet the capital guidelines could also subject a banking institution to capital-raising requirements An "undercapitalized" bank must develop a capital restoration plan and its parent holding company must guarantee that bank's compliance with the plan

As a financial services holding company we are subject to the risk-based capital guidelines issued by the Federal Reserve (Basel I) and risk-based capital guidelines issued by other U S banking regulators Under these guidelines we measure capital adequacy based on Tier 1 capital Tier 2 capital and Total capital (Tier 1 plus Tier 2 capital) Capital ratios are calculated by dividing each capital amount by risk-weighted assets Under Basel I the minimum Tier 1 capital ratio is four percent and the minimum total capital ratio is eight percent A "well-capitalized" institution must generally

maintain capital ratios an additional two percentage points higher than these minimum guidelines

While not an explicit requirement of law or regulation bank regulatory agencies have stated that they expect common equity to be the primary component of a financial holding company's Tier 1 capital and that financial holding companies should maintain a Tier 1 common capital ratio of at least four percent

The Tier 1 leverage ratio is determined by dividing Tier 1 capital by adjusted quarterly average total assets after certain adjustments "Well-capitalized" bank holding companies must have a minimum Tier 1 leverage ratio of four percent and not be subject to a Federal Reserve directive to maintain higher capital levels "Well-capitalized" national banks must maintain a Tier 1 leverage ratio of at least five percent and not be subject to a Federal Reserve directive to maintain higher capital levels We are currently classified as "well-capitalized" under Basel I

The Basel II Final Rule (Basel II) was published in December 2007 and established requirements for U S implementation of Basel II and provided detailed requirements for a new regulatory capital framework This regulatory capital framework includes requirements related to credit and operational risk (Pillar 1) supervisory requirements (Pillar 2) and disclosure requirements (Pillar 3) We are currently in the Basel II parallel period

On December 16 2010 the Basel Committee on Banking Supervision (Basel Committee) issued "Basel III A global regulatory framework for more resilient banks and banking systems" (Basel III) proposing a January 2013 implementation date for Basel III If implemented by U S banking regulators as proposed Basel III could significantly increase our capital requirements Basel III and the Financial Reform Act propose the disqualification of qualifying trust preferred securities from Tier 1 capital with the Financial Reform Act proposing that the disqualification be phased in from 2013 through 2015 Basel III also proposes the deduction of certain assets from capital (including deferred tax assets mortgage servicing rights (MSRs) investments in financial firms and pension assets among others within prescribed limitations) the inclusion of accumulated other comprehensive income (OCI) in capital increased capital requirements for counterparty credit risk and new minimum capital and buffer requirements The phase-in period for the capital deductions is proposed to occur in 20 percent increments from 2014 through 2018 with full implementation by December 31 2018 An increase in capital requirements for counterparty credit is proposed to be effective January 2013 The phase-in period for the new minimum capital requirements and related buffers is proposed to occur between 2013 and 2019 U S banking regulators have not yet issued proposed regulations that will implement these requirements

On December 29 2011 U S regulators issued a notice of proposed rulemaking (NPR) that would amend a December 2010 NPR on the Market Risk Rules This amended NPR is expected to increase the capital requirements for our trading assets and liabilities We continue to evaluate the capital impact of the proposed rules and currently anticipate that we will be in compliance with any final rules by the projected implementation date in late 2012

On June 17 2011 U S banking regulators proposed rules requiring all large bank holding companies (BHCs) to submit a comprehensive capital plan to the Federal Reserve as part of an annual Comprehensive Capital Analysis and Review (CCAR) The proposed regulations require BHCs to demonstrate adequate capital to support planned capital actions such as dividends share repurchases or other forms of distributing capital CCAR submissions are subject to approval by the Federal Reserve The Federal Reserve may require BHCs to provide prior notice under certain circumstances before making a capital distribution

On July 19 2011 the Basel Committee published the consultative document "Globally systemic important banks Assessment methodology and the additional loss absorbancy requirement" which sets out measures for global systemically important financial institutions including the methodology for measuring systemic importance the additional capital required (the SIFI buffer) and the arrangements by which they will be phased in As proposed the SIFI buffer would be met with additional Tier 1 common equity ranging from one percent to 2 5 percent and in certain circumstances 3 5 percent This will be phased in from 2016 through 2018 U S banking regulators have not yet provided similar rules for U S implementation of a SIFI buffer

In addition to the capital proposals in December 2010 the Basel Committee proposed two measures of liquidity risk The Liquidity Coverage Ratio (LCR) identifies the amount of unencumbered high-quality liquid assets a financial institution holds that can be used to offset the net cash outflows the institution would encounter under an acute 30-day stress scenario The Net Stable Funding Ratio (NSFR) measures the amount of longer-term stable sources of funding employed by a financial institution relative to the liquidity profiles of the assets funded and the potential for contingent calls on funding liability arising from off-balance sheet commitments and obligations over a one-year period These two minimum liquidity measures are also considered part of Basel III

Given that the U S regulatory agencies have issued neither proposed rulemaking nor supervisory guidance on Basel III significant uncertainty exists regarding the ultimate impacts of Basel III on U S financial institutions including us

For additional information about our calculation of regulatory capital and capital composition see Capital Management – Regulatory Capital in the MD&A on page 72 and *Note 18 – Regulatory Requirements and Restrictions* to the Consolidated Financial Statements For more information about regulatory capital changes see Capital Management – Regulatory Capital Changes in the MD&A on page 73

Distributions

We are subject to various regulatory policies and requirements relating to the payment of dividends including requirements to maintain capital above regulatory minimums The appropriate federal regulatory authority is authorized to determine under certain circumstances relating to the financial condition of a bank or bank holding company that the payment of dividends would be an unsafe or unsound practice and to prohibit payment thereof For instance under proposed rules we are required to submit to the Federal Reserve a capital plan as part of an annual CCAR (the Capital Plan) Supervisory review of the CCAR has a stated purpose of assessing the capital planning process of major U S bank holding companies including any planned capital actions such as the payment of dividends on common stock For additional information regarding the restrictions on our ability to receive dividends or other distributions from the Banks see Item 1A Risk Factors

In addition our ability to pay dividends is affected by the various minimum capital requirements and the capital and non-capital standards established under FDICIA as described above The right

of the Corporation our stockholders and our creditors to participate in any distribution of the assets or earnings of our subsidiaries is further subject to the prior claims of creditors of the respective subsidiaries

For additional information regarding the requirements relating to the payment of dividends including the minimum capital requirements see *Note 15 – Shareholders' Equity* and *Note 18 – Regulatory Requirements and Restrictions* to the Consolidated Financial Statements

Source of Strength

According to the Financial Reform Act and Federal Reserve policy bank holding companies are expected to act as a source of financial strength to each subsidiary bank and to commit resources to support each such subsidiary Similarly under the cross-guarantee provisions of the FDICIA in the event of a loss suffered or anticipated by the FDIC - either as a result of default of a banking subsidiary or related to FDIC assistance provided to such a subsidiary in danger of default the affiliate banks of such a subsidiary may be assessed for the FDIC's loss subject to certain exceptions For additional information about our calculation of regulatory capital and capital composition and proposed capital rules see Capital Management – Regulatory Capital in the MD&A on page 72 and *Note 18 – Regulatory Requirements and Restrictions* to the Consolidated Financial Statements

Deposit Insurance

Deposits placed at U S domiciled Banks (U S Banks) are insured by the FDIC subject to limits and conditions of applicable law and the FDIC's regulations Pursuant to the Financial Reform Act FDIC insurance coverage limits were permanently increased to $250 000 per customer The Financial Reform Act also provides for unlimited FDIC insurance coverage for noninterest-bearing demand deposit accounts for a two-year period beginning on December 31 2010 and ending on January 1 2013 All insured depository institutions are required to pay assessments to the FDIC in order to fund the DIF

The FDIC is required to maintain at least a designated minimum ratio of the DIF to insured deposits in the U S The Financial Reform Act requires the FDIC to assess insured depository institutions to achieve a DIF ratio of at least 1 35 percent by September 30 2020 The FDIC has adopted new regulations that establish a long-term target DIF ratio of greater than two percent The DIF ratio is currently below the required targets and the FDIC has adopted a restoration plan that will result in substantially higher deposit insurance assessments for all depository institutions over the coming years Deposit insurance assessment rates are subject to change by the FDIC and will be impacted by the overall economy and the stability of the banking industry as a whole For additional information regarding deposit insurance see Item 1A Risk Factors – Regulatory and Legal Risk on page 14 and Regulatory Matters – Financial Reform Act and Regulatory Matters – FDIC Deposit Insurance Assessments in the MD&A on pages 66 and 67

Transactions with Affiliates

U S Banks are subject to restrictions under federal law that limit certain types of transactions between the Banks and their non-bank affiliates In general U S Banks are subject to quantitative and qualitative limits on extensions of credit purchases of assets and certain other transactions involving Bank of America and its non-bank affiliates Transactions between the U S Banks and their non-bank affiliates are required to be on arm's length terms For additional information regarding transactions with affiliates see Regulatory Matters – Transactions with Affiliates in the MD&A on page 68

Privacy and Information Security

We are subject to many U S federal state and international laws and regulations governing requirements for maintaining policies and procedures to protect the non-public confidential information of our customers The Gramm-Leach-Bliley Act requires the Banks to periodically disclose Bank of America's privacy policies and practices relating to sharing such information and enables retail customers to opt out of our ability to market to affiliates and non-affiliates under certain circumstances The Gramm-Leach-Bliley Act also requires the Banks to implement a comprehensive information security program that includes administrative technical and physical safeguards to ensure the security and confidentiality of customer records and information These security and privacy policies and procedures for the protection of personal and confidential information are in effect across all businesses and geographic locations

Item 1A. Risk Factors

In the course of conducting our business operations we are exposed to a variety of risks some of which are inherent in the financial services industry and others of which are more specific to our own businesses The following discussion addresses the most significant factors that could affect our businesses' operations and financial condition Additional factors that could affect our financial condition and operations are discussed in Forward-looking Statements in the MD&A on page 25 However other factors could also adversely affect our businesses' operations and financial condition Therefore the risk factors below should not be considered a complete list of potential risks that we may face

General Economic and Market Conditions Risk

Our businesses and results of operations have been, and may continue to be, materially and adversely affected by the U.S. and international financial markets and economic conditions generally.

Our businesses and results of operations are materially affected by the financial markets and general economic conditions in the U S and abroad including factors such as the level and volatility of short term and long-term interest rates inflation home prices unemployment and under-employment levels bankruptcies household income consumer spending fluctuations in both debt and equity capital markets liquidity of the global financial markets the availability and cost of capital and credit investor sentiment and confidence in the financial markets European sovereign debt risks and the strength of the U S economy and the non-U S economies in which we operate The deterioration of any of these conditions can adversely affect our consumer and commercial businesses and securities portfolios our level of charge-offs and provision for credit losses the carrying value of our deferred tax assets our capital levels and liquidity and our results of operations

Although the U S economy continued its modest recovery in 2011 elevated unemployment under-employment and household debt along with continued stress in the consumer real estate market and certain commercial real estate markets pose challenges for domestic economic performance and the financial services industry The sustained high unemployment rate and the lengthy duration of unemployment have directly impaired consumer finances and pose risks to the financial services industry The housing market remains weak and elevated levels of distressed and delinquent mortgages pose further risks to the housing market In addition the public perception of certain financial services firms and practices appeared to decline during 2011 The current environment of heightened scrutiny of financial institutions has resulted in increased public awareness of and sensitivity to banking fees and practices Mortgage and housing market-related risks may be accentuated by attempts to forestall foreclosure proceedings as well as state and federal investigations into foreclosure practices by mortgage servicers Each of these factors may adversely affect our fees and costs

For additional information about economic conditions and challenges discussed above see Executive Summary – 2011 Economic and Business Environment in the MD&A on page 27

Mortgage and Housing Market-Related Risk

We have been, and expect to continue to be, required to repurchase mortgage loans and/or reimburse government-sponsored enterprises, Fannie Mae (FNMA) and Freddie Mac (collectively, the GSEs) and monolines for losses due to claims related to representations and warranties made in connection with sales of residential mortgage-backed securities (RMBS) and mortgage loans, and have received similar claims, and may receive additional claims, from whole-loan purchasers, private-label securitization investors and private-label securitization trustees, monolines and others. The ultimate resolution of these exposures could have a material adverse effect on our cash flows, financial condition and results of operations.

In connection with residential mortgage loans sold to GSEs and first lien residential mortgage and home equity loans sold to investors other than GSEs we or our subsidiaries or legacy companies make or have made various representations and warranties Breaches of these representations and warranties may result in a requirement that we repurchase mortgage loans or indemnify or provide other remedies to counterparties (collectively repurchases) The Corporation and legacy Countrywide sold approximately $1 1 trillion of loans originated from 2004 through 2008 to the GSEs In addition legacy companies and certain subsidiaries sold loans originated from 2004 through 2008 with an original principal balance of $963 billion to investors other than GSEs

The amount of our total unresolved repurchase claims from all sources totaled approximately $14 3 billion at December 31 2011 The total amount of our recorded liability related to representations and warranties repurchase exposure was $15 9 billion at December 31 2011

Our estimated liability at December 31 2011 for obligations under representations and warranties with respect to GSE exposures is necessarily dependent on and limited by our historical claims experience with the GSEs It includes our understanding of our agreements with the GSEs and projections of future defaults as well as certain other assumptions and judgmental factors The GSEs repurchase requests, standards for rescission of repurchase requests and resolution processes have become increasingly inconsistent with the GSEs' own past conduct and our interpretation of our contractual obligations These developments have resulted in an increase in claims outstanding from the GSEs We are not able to predict changes in the behavior of the GSEs based on our past experiences Therefore it is not possible to reasonably estimate a possible loss or range of possible loss with respect to any such potential impact in excess of current accrued liabilities

Beginning in February 2012 we are no longer delivering purchase money and non-Making Home Affordable Program (MHA) refinance first-lien residential mortgage products into FNMA mortgage-backed securities (MBS) pools because of the expiration and mutual non-renewal of certain contractual delivery commitments and variances that permit efficient delivery of such loans to FNMA While we continue to have a valid agreement with FNMA permitting the delivery of purchase money and non-MHA refinance first-lien residential mortgage products without such contractual delivery commitments and variances the delivery of such products without such contractual variances would involve time and expense to implement the necessary operational and systems changes and otherwise present practical operational issues The non-renewal of these contractual delivery commitments and variances was influenced in part by our ongoing differences with FNMA in other contexts including repurchase claims We continue to deliver MHA refinancing products into FNMA MBS pools and continue to engage in dialogue to attempt to address these differences

While we are seeking to resolve our differences with the GSEs concerning each party's interpretation of the requirements of the governing contracts whether we will be able to achieve a resolution of these differences on acceptable terms and timing thereof is subject to significant uncertainty

In addition to repurchase claims we receive notices from mortgage insurance (MI) companies of claim denials cancellations or coverage rescission (collectively MI rescission notices) and the amount of such notices have remained elevated As of December 31 2011 74 percent of the MI rescission notices received had not been resolved On June 30 2011 FNMA issued an announcement requiring servicers to report effective October 1 2011 all MI rescission notices with respect to loans sold to FNMA The announcement also confirmed FNMA's view of its position that a mortgage insurance company's issuance of a MI rescission notice constitutes a breach of the lender's representations and warranties and permits FNMA to require the lender to repurchase the mortgage loan or promptly remit a make-whole payment covering FNMA's loss even if the lender is contesting the mortgage insurer's rescission We have informed FNMA that we do not believe that the new policy is valid under our relevant contracts with FNMA and that we do not intend to repurchase loans under the terms set forth in the new policy If we are required to abide by the terms of the new FNMA policy our representations and warranties liability will likely increase

Our estimated liability and range of possible loss with respect to non-GSE exposures is necessarily dependent on and limited by our historical claims and settlement experience with non-GSE counterparties and may materially change in the future based on factors beyond our control Future provisions and/or estimated ranges of possible loss for non-GSE representations and warranties may be significantly impacted if actual experiences are different from our assumptions in our predictive models including without limitation those regarding ultimate resolution of the Bank of New York Mellon settlement (BNY Mellon Settlement) estimated repurchase rates economic conditions estimated home prices consumer and counterparty behavior and a variety of other judgmental factors In addition we have not recorded any

representations and warranties liability for certain potential monoline exposures and certain potential whole-loan and other private-label securitization exposures We currently estimate that the range of possible loss related to non-GSE representations and warranties exposure as of December 31 2011 could be up to $5 0 billion over existing accruals Reserves for certain potential monoline exposure are considered in our litigation reserves This estimated range of possible loss for non-GSE representations and warranties does not represent a probable loss is based on currently available information significant judgment and a number of assumptions that are subject to change including the assumption that the conditions to the BNY Mellon Settlement are satisfied Adverse developments with respect to one or more of the assumptions underlying the liability for non-GSE representations and warranties and the corresponding estimated range of possible loss could result in significant increases to future provisions and our estimated range of possible loss

If future representations and warranties losses occur in excess of our recorded liability for GSE exposures and in excess of our recorded liability and estimated range of possible loss for non-GSE exposures including as a result of the factors set forth above such losses could have a material adverse effect on our cash flows financial condition and results of operations The liability for obligations under representations and warranties with respect to GSE and non-GSE exposures and the corresponding estimated range of possible loss related to non-GSE representations and warranties exposures do not include any losses related to litigation matters disclosed in *Note 14 - Commitments and Contingencies* to the Consolidated Financial Statements nor do they include any separate foreclosure costs and related costs assessments and compensatory fees or any possible losses related to potential claims for breaches of performance of servicing obligations (except as such losses are included as potential costs of the BNY Mellon settlement) potential securities law or fraud claims or potential indemnity or other claims against us including claims related to loans guaranteed by the Federal Housing Administration (FHA) We are not able to reasonably estimate the amount of any possible loss with respect to any such servicing securities law (except to the extent reflected in the aggregate range of possible loss for litigation and regulatory matters disclosed in *Note 14 - Commitments and Contingencies* to the Consolidated Financial Statements) fraud or other claims against us however such loss could have a material adverse effect on our cash flows financial condition and results of operations

For additional information about our representations and warranties exposure see Off-Balance Sheet Arrangements and Contractual Obligations - Representations and Warranties in the MD&A on page 56 Consumer Portfolio Credit Risk Management in the MD&A on page 81 and *Note 9 - Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements

If final court approval is not obtained with respect to the BNY Mellon Settlement to resolve nearly all of the legacy Countrywide-issued first-lien non-GSE RMBS repurchase exposure of the 2004-2008 vintages, or if the Corporation and legacy Countrywide determine to withdraw from the BNY Mellon Settlement in accordance with its terms, the Corporation's future representations and warranties losses could be substantially higher than existing accruals and the estimated range of possible loss over existing accruals, and consequently could have a material adverse effect on our cash flows, financial condition and results of operations.

The BNY Mellon Settlement is subject to final court approval and certain other conditions It is not currently possible to predict the timing or ultimate outcome of the court approval process which can include appeals and could take a substantial period of time There can be no assurance that final court approval of the settlement will be obtained that all conditions will be satisfied (including the receipt of private letter rulings from the IRS and other tax rulings and opinions) or that if certain conditions in the BNY Mellon Settlement permitting withdrawal are met, the Corporation and legacy Countrywide will not determine to withdraw from the BNY Mellon Settlement agreement

If final court approval is not obtained with respect to the BNY Mellon Settlement or if the Corporation and legacy Countrywide determine to withdraw from the BNY Mellon Settlement agreement in accordance with its terms the Corporation's future representations and warranties losses with respect to non-GSEs could substantially exceed our non-GSE reserve together with estimated reasonably possible loss related to non-GSE representations and warranties exposure of up to $5 0 billion over existing accruals at December 31 2011 Developments with respect to one or more of the assumptions underlying the estimated range of possible loss for non-GSE representations and warranties (including the timing and ultimate outcome of the court approval process relating to the BNY Mellon Settlement) could result in significant increases in our non-GSE reserve and/or to this estimated range of possible loss and such increases could have a material adverse effect on our cash flows financial condition and results of operations For additional information regarding the BNY Mellon Settlement see Off-Balance Sheet Arrangements and Contractual Obligations - Representations and Warranties in the MD&A on page 56

Further weakness in the U.S. housing market, including home prices, may adversely affect our consumer portfolios and have a significant adverse effect on our financial condition and results of operations.

Economic weakness in 2011 was accompanied by continued stress in the U S housing market including declines in home prices These declines in the housing market with falling home prices and elevated foreclosures have negatively impacted the demand for many of our products and the credit performance of our consumer mortgage portfolios Additionally our mortgage loan production volume is generally influenced by the rate of growth in residential mortgage debt outstanding and the size of the residential mortgage market which has declined due to reduced activity in the housing market Continued high unemployment rates in the U S have challenged U S consumers and further compounded these stresses in the U S housing market as employment conditions may be compelling some consumers to delay new home purchases or miss payments on existing mortgages

Conditions in the U S housing market have also resulted in significant write-downs of asset values in several asset classes notably MBS and exposure to monolines These conditions may negatively affect the value of real estate which could negatively affect our exposure to representations and warranties While there were continued indications throughout the past year that the U S economy is stabilizing the performance of our overall consumer portfolios may not significantly improve in the near future A protracted continuation or worsening of these difficult housing market conditions may exacerbate the adverse effects outlined above and have a significant adverse effect on our financial condition and results of operations

We temporarily suspended our foreclosure sales nationally in 2010 to conduct an assessment of our foreclosure processes. Subsequently, numerous state and federal investigations of foreclosure processes across our industry have been initiated. Those investigations and any irregularities that might be found in our foreclosure processes, along with any remedial steps taken in response to governmental investigations or to our own internal assessment, could have a material adverse effect on our financial condition and results of operations.

We have resumed foreclosure sales in nearly all states where foreclosure does not require a court order (non-judicial states) While we have resumed foreclosure proceedings in nearly all states where a court order is required (judicial states) our progress on foreclosure sales in judicial states has been much slower than in non-judicial states The pace of foreclosure sales in judicial states increased significantly by the fourth quarter of 2011 However there continues to be a backlog of foreclosure inventory in judicial states

The implementation of changes in procedures and controls including loss mitigation procedures related to our ability to recover on FHA insurance-related claims and governmental regulatory and judicial actions may result in continuing delays in foreclosure proceedings and foreclosure sales and create obstacles to the collection of certain fees and expenses in both judicial and non-judicial foreclosures

We entered into a consent order with the Federal Reserve and Bank of America N A (BANA) entered into a consent order with the OCC on April 13 2011 The OCC consent order required that we retain an independent consultant approved by the OCC to conduct a review of all foreclosure actions pending or foreclosure sales that occurred between January 1 2009 and December 31 2010 and submit a plan to the OCC to remediate all financial injury to borrowers caused by any deficiencies identified through the review The review is comprised of two parts a sample file review conducted by the independent consultant which began in October 2011 and file reviews by the independent consultant based upon requests for review from customers with in-scope foreclosures We began outreach to those customers in November 2011 and additional outreach efforts are underway Because the review process is available to a large number of potentially eligible borrowers and involves an examination of many details and documents each review could take several months to complete We cannot yet determine how many borrowers will ultimately request a review how many borrowers will meet the eligibility requirements or how much in compensation might ultimately be paid to eligible borrowers

We continue to be subject to additional borrower and non-borrower litigation and governmental and regulatory scrutiny related to our past and current servicing and foreclosure activities including those claims not covered by the Servicing Resolution Agreements defined below This scrutiny may extend beyond our pending foreclosure matters to issues arising out of alleged irregularities with respect to previously completed foreclosure activities The current environment of heightened regulatory scrutiny has the potential to subject us to inquiries or investigations that could significantly adversely affect our reputation Such investigations by state and federal authorities as well as any other governmental or regulatory scrutiny of our foreclosure processes could result in material fines penalties equitable remedies additional default servicing requirements and process changes or other enforcement actions and could result in significant legal costs in responding to governmental investigations and additional litigation and accordingly could have a material adverse effect on our financial condition and results of operation

We expect that mortgage related assessments and waivers costs including compensatory fees assessed by the GSEs and other costs associated with foreclosures will remain elevated as additional loans are delayed in the foreclosure process This will likely result in continued higher noninterest expense including higher default servicing costs and legal expenses in CRES In addition required process changes including those required under the consent orders with federal bank regulators are likely to result in further increases in our default servicing costs over the longer term Delays in foreclosure sales may result in additional costs associated with the maintenance of properties or possible home price declines result in a greater number of nonperforming loans and increased servicing advances and may adversely impact the collectability of such advances and the value of our MSR asset, MBS and real estate owned properties With respect to GSE MBS the valuation of certain MBS could be negatively affected under certain scenarios due to changes in the timing of cash flows With respect to non-GSE MBS under certain scenarios the timing and amount of cash flows could be negatively affected For additional information regarding the temporary suspension of our foreclosure sales see Off-Balance Sheet Arrangements and Contractual Obligations - Other Mortgage-related Matters in the MD&A on page 63

We reached an agreement in principle (AIP) with the U.S. Department of Justice (DOJ), various federal agencies and 49 state attorneys general, to resolve various investigations into our foreclosure, servicing and certain mortgage origination practices. We also reached an agreement in principle with the FHA to resolve certain claims relating to the origination of FHA-insured mortgage loans and agreements in principle with the Federal Reserve and OCC regarding civil monetary penalties. These agreements are subject to ongoing discussions among the parties and the completion and execution of definitive documentation, as well as required regulatory and court approvals. Failure to finalize the documentation or to obtain the required approvals with respect to these agreements in principle, and failure to meet certain borrower assistance and refinancing assistance commitment goals in the agreements in principle which would trigger additional monetary payments and exposure to claims not covered by the agreements in principle, could have a material adverse effect on our financial condition or results of operations.

On February 9 2012 we reached agreements in principle (collectively the Servicing Resolution Agreements) with (1) the DOJ various federal regulatory agencies and 49 attorneys general to resolve federal and state investigations into certain origination servicing and foreclosure practices (the Global AIP) (2) the FHA to resolve certain claims relating to the origination of FHA-insured mortgage loans primarily by Countrywide prior to and for a period following our acquisition of that lender (the FHA AIP) and (3) each of the Federal Reserve and the OCC regarding civil monetary penalties related to conduct that was the subject of consent orders entered into with the banking regulators in April 2011 (the Consent Order AIPs)

The Servicing Resolution Agreements are subject to ongoing discussions among the parties and completion and execution of definitive documentation as well as required regulatory and court approvals The Global AIP is subject to among other things Federal court approval in the United States District Court in the District of Columbia and regulatory approvals of the United States

Department of the Treasury and other federal agencies. The Consent Order AIPs are subject to, among other things, the finalization of the Global AIP. There can be no assurance as to when or whether binding settlement agreements will be reached that they will be on terms consistent with the agreements in principle or as to when or whether the necessary approvals will be obtained and the settlements will be finalized.

The Global AIP calls for the establishment of certain uniform servicing standards, upfront cash payments of approximately $1.9 billion to the state and federal governments and for borrower restitution, approximately $7.6 billion in borrower assistance in the form of, among other things, principal reduction, short sales and deeds-in-lieu of foreclosure, and approximately $1.0 billion in refinancing assistance. We could be required to make additional payments if we fail to meet our borrower assistance and refinancing assistance commitments over a three-year period. In addition, we could be required to pay an additional $350 million if we fail to meet certain first-lien principal reduction thresholds over a three-year period. We also entered into agreements with several states under which we committed to perform certain minimum levels of principal reduction and related activities within those states as part of the Global AIP, and under which we could be required to make additional payments if we fail to meet such minimum levels. We expect to recognize the refinancing assistance at lower interest income in future periods as qualified borrowers pay reduced interest rates on loans refinanced. We may also incur additional operating costs (e.g., servicing costs) to implement certain terms of the Global AIP in future periods.

The FHA AIP provides for an upfront cash payment by us of $500 million. We would have the obligation to pay an additional $500 million if we fail to meet certain principal reduction thresholds over a three-year period.

Pursuant to an agreement in principle, the OCC agreed to hold in abeyance the imposition of a civil monetary penalty of $164 million. Pursuant to a separate agreement in principle, the Federal Reserve will assess a civil monetary penalty in the amount of $176 million against us. Satisfying our payment, borrower assistance and remediation obligations under the Global AIP will satisfy any civil monetary penalty obligations arising under these agreements in principle. If, however, we do not make certain required payments or undertake certain required actions under the Global AIP, the OCC will assess, and the Federal Reserve will require us to pay, the difference between the aggregate value of the payments and actions under these agreements in principle and the penalty amounts.

The Servicing Resolution Agreements do not cover claims arising out of securitization (including representations made to investors respecting MBS), criminal claims, private claims by borrowers, claims by certain states for injunctive relief or actual economic damages to borrowers related to Mortgage Electronic Registration Systems, Inc. (MERS) and claims by the GSEs (including repurchase demands), among other items. Failure to finalize the documentation related to the Servicing Resolution Agreements, to obtain the required court and regulatory approvals, to meet our borrower and refinancing commitments, or other adverse developments with respect to the foregoing could have a material adverse effect on our financial condition and results of operations. For additional information regarding the temporary suspension of our foreclosure sales, see Off-Balance Sheet Arrangements and Contractual Obligations – Other Mortgage-related Matters in the MD&A on page 63.

Failure to satisfy our obligations as servicer in the residential mortgage securitization process, including obligations related to residential mortgage foreclosure actions, along with other losses we could incur in our capacity as servicer, could have a material adverse effect on our financial condition and results of operations.

Bank of America and its legacy companies have securitized a significant portion of the residential mortgage loans that they have originated or acquired. The Corporation services a large portion of the loans it or its subsidiaries have securitized and also services loans on behalf of third-party securitization vehicles and other investors. In addition to identifying specific servicing criteria, pooling and servicing arrangements entered into in connection with a securitization or whole-loan sale typically impose standards of care on the servicer with respect to its activities that may include the obligation to adhere to the accepted servicing practices of prudent mortgage lenders and/or to exercise the degree of care and skill that the servicer employs when servicing loans for its own account.

Many non-GSE residential mortgage-backed securitizations and whole-loan servicing agreements also require us to indemnify the trustee or other investor for, or against failures by us to perform our servicing obligations or acts or omissions that involve willful misfeasance, bad faith or gross negligence in the performance of, or reckless disregard of, our duties. Servicing agreements with the GSEs generally provide the GSEs with broader rights relative to the servicer than are found in servicing agreements with private investors. Each GSE typically claims the right to demand that we repurchase loans that breach the seller's representations and warranties made in connection with the initial sale of the loans, even if we were not the seller. The GSEs also claim that they have the contractual right to demand indemnification or loan repurchase for certain servicing breaches. The GSEs' first mortgage seller/servicer guides provide for timelines to resolve delinquent loans through workout efforts or liquidation if necessary and purport to require the imposition of compensatory fees if those deadlines are not satisfied except for reasons beyond our control. We believe that the governing contracts, our course of dealing and collective past practices and understandings should inform resolution of these matters. Beginning in 2010, the GSEs increased the level of compensatory fees imposed and have recently amended those servicing guides retroactively to impose significantly new and more stringent requirements relating to default activities, which could increase our exposure to claims for compensatory fees. We have informed the GSEs that we do not believe that the new policies, or their retroactive application, are valid under the relevant contracts, and that we do not agree that the newly articulated policies are the proper method for the assessment of any compensatory fees under the terms of the relevant contracts.

With regard to alleged irregularities in foreclosure process-related activities referred to above, we may incur costs or losses if we elect or are required to re-execute or re-file documents or take other action in connection with pending or completed foreclosures. We may also incur costs or losses if the validity of a foreclosure action is challenged by a borrower or overturned by a court because of errors or deficiencies in the foreclosure process. These costs and liabilities may not be reimbursable to us. We may also incur costs or losses relating to delays or alleged deficiencies in processing documents necessary to comply with state law governing foreclosures. We may be subject to deductions by insurers for MI or guarantee benefits relating to delays or alleged deficiencies. Additionally, if we commit a material breach of our servicing obligations that is not cured within specified timeframes, including those related to default servicing and foreclosure, we could be terminated as servicer under servicing agreements under certain circumstances. Any of these actions may harm our reputation or increase our servicing costs.

Mortgage notes, assignments or other documents are often required to be maintained and are often necessary to enforce mortgage loans. There has been significant public commentary regarding the common industry practice of recording mortgages in the name of MERS as nominee on behalf of the note holder and whether securitization trusts own the loans purported to be conveyed to them and have valid liens securing those loans. We currently use the MERS system for a substantial portion of the residential mortgage loans that we originate, including loans that have been sold to investors or securitization trusts. A component of the OCC consent order requires significant changes in the manner in which we service loans identifying MERS as the mortgagee. Additionally, certain local and state governments have commenced legal actions against us, MERS and other MERS members questioning the validity of the MERS model. Other challenges have also been made to the process for transferring mortgage loans to securitization trusts, asserting that having a mortgagee of record that is different than the holder of the mortgage note could "break the chain of title" and cloud the ownership of the loan. In order to foreclose on a mortgage loan, in certain cases it may be necessary or prudent for an assignment of the mortgage to be made to the holder of the note, which in the case of a mortgage held in the name of MERS as nominee would need to be completed by a MERS signing officer. As such, our practice is to obtain assignments of mortgages from MERS prior to instituting foreclosure if certain required documents are missing or defective, or if the use of MERS is found not to be valid, we could be obligated to cure certain defects or in some circumstances be subject to additional costs and expenses. Our use of MERS as nominee for the mortgage may also create reputational and other risks for us.

These costs and liabilities could have a material adverse effect on our cash flows, financial condition and results of operations. We may also face negative reputational costs from these servicing risks, which could reduce our future business opportunities in this area or cause that business to be on less favorable terms to us.

For additional information concerning our servicing risks, see Recent Events in the MD&A on page 28. For additional information regarding the temporary suspension of our foreclosure sales, see Off-Balance Sheet Arrangements and Contractual Obligations – Other Mortgage-related Matters in the MD&A on page 63.

Liquidity Risk

Liquidity Risk is the Potential Inability to Meet Our Contractual and Contingent Financial Obligations, On- or Off-balance Sheet, as they Become Due.

Adverse changes to our credit ratings from the major credit rating agencies could have a material adverse effect on our liquidity, cash flows, competitive position, financial condition and results of operations by significantly limiting our access to funding in the capital markets, increasing our borrowing costs, or triggering additional collateral or funding requirements.

Our borrowing costs and ability to raise funds are directly impacted by our credit ratings. In addition, credit ratings may be important to customers or counterparties when we compete in certain markets and when we seek to engage in certain transactions, including over-the-counter (OTC) derivatives. Credit ratings and outlooks are opinions on our creditworthiness and that of our obligations or securities, including long-term debt, short-term borrowings, preferred stock and other securities, including asset securitizations. Our credit ratings are subject to ongoing review by the rating agencies which consider a number of factors, including our own financial strength, performance, prospects and operations as well as factors not under our control.

On December 15, 2011, Fitch Ratings (Fitch) downgraded the Corporation's and BANA's long-term and short-term debt ratings as a result of Fitch's decision to lower its "support floor" for systemically important U.S. financial institutions. On November 29, 2011, Standard & Poor's Ratings Services (S&P) downgraded the Corporation's long-term and short-term debt ratings as well as BANA's long-term debt rating as a result of S&P's implementation of revised methodologies for determining Banking Industry Country Risk Assessments and bank ratings. On September 21, 2011, Moody's Investors Service, Inc. (Moody's) downgraded the Corporation's long-term and short-term debt ratings as well as BANA's long-term debt rating as a result of Moody's lowering the amount of uplift for potential U.S. government support it incorporates into ratings. On February 15, 2012, Moody's placed the Corporation's long-term debt ratings and BANA's long-term and short-term debt ratings on review for possible downgrade as part of its review of financial institutions with global capital markets operations. Any adjustment to our ratings will be determined based on Moody's review; however, the agency offered guidance that downgrades to our ratings, if any, would likely be limited to one notch.

Currently, the Corporation's long-term/short-term senior debt ratings and outlooks expressed by the rating agencies are as follows: Baa1/P-2 (negative) by Moody's; A/A-2 (negative) by S&P; and A/F1 (stable) by Fitch. The rating agencies could make further adjustments to our credit ratings at any time. There can be no assurance that additional downgrades will not occur.

A further reduction in certain of our credit ratings may have a material adverse effect on our liquidity, access to credit markets, the related cost of funds, our businesses and on certain trading revenues, particularly in those businesses where counterparty creditworthiness is critical. If the short-term credit ratings of our parent company, bank or broker/dealer subsidiaries were downgraded by one or more levels, the potential loss of access to short-term funding sources such as repo financing, and the effect on our incremental cost of funds and earnings could be material.

In addition, under the terms of certain OTC derivative contracts and other trading agreements, in the event of a further downgrade of our credit ratings or certain subsidiaries' credit ratings, counterparties to those agreements may require us or certain subsidiaries to provide additional collateral, terminate these contracts or agreements or provide other remedies. At December 31, 2011, if the rating agencies had downgraded their long-term senior debt ratings for us or certain subsidiaries by one incremental notch, the amount of additional collateral contractually required by derivative contracts and other trading agreements would have been approximately $1.6 billion, comprised of $1.2 billion for BANA and $375 million for Merrill Lynch & Co., Inc. (Merrill Lynch) and certain of its subsidiaries. If the agencies had downgraded their long-term senior debt ratings for these entities by a second incremental notch, approximately $1.1 billion in additional collateral, comprised of $871 million for BANA and $269 million for Merrill Lynch and certain of its subsidiaries, would have been required.

Also if the rating agencies had downgraded their long-term senior debt ratings for us or certain subsidiaries by one incremental notch the derivative liability that would be subject to unilateral termination by counterparties as of December 31 2011 was $2 9 billion against which $2 7 billion of collateral had been posted If the rating agencies had downgraded their long-term senior debt ratings for us or certain subsidiaries a second incremental notch the derivative liability that would be subject to unilateral termination by counterparties as of December 31 2011 was an incremental $5 6 billion against which $5 4 billion of collateral had been posted

While certain potential impacts are contractual and quantifiable the full consequences of a credit ratings downgrade to a financial institution are inherently uncertain as they depend upon numerous dynamic complex and inter-related factors and assumptions including whether any downgrade of a firm s long-term credit ratings precipitates downgrades to its short-term credit rat-ngs and assumptions about the potential behaviors of various customers investors and counterparties

For additional information about our credit ratings and their potential effects to our liquidity see Liquidity Risk - Credit Ratings in the MD&A on page 79 and *Note 4 - Derivatives* to the Consolidated Financial Statements

Our liquidity, cash flows, financial condition and results of operations, and competitive position may be significantly adversely affected if we are unable to access the capital markets, continue to raise deposits, sell assets on favorable terms, or if there is an increase in our borrowing costs.

Liquidity is essential to our businesses We fund our assets primarily with globally sourced deposits in our bank entities as well as secured and unsecured liabilities transacted in the capital markets We rely on certain secured funding sources such as repo markets which are typically short-term and credit-sensitive in nature We also engage in asset securitization transactions including with the GSEs to fund consumer lending activities Our liquidity could be significantly adversely affected by our ability to access the capital markets illiquidity or volatility in the capital markets unforeseen outflows of cash including customer deposits funding for commitments and contingencies including Variable Rate Demand Notes the ability to sell assets on favorable terms increased liquidity requirements on our banking and nonbanking subsidiaries imposed by their home countries or negative perceptions about our short or long-term business prospects including downgrades of our credit ratings Several of these factors may arise due to circumstances beyond our control such as a general market disruption negative views about the financial services industry generally changes in the regulatory environment actions by credit rating agencies or an operational problem that affects third parties or us

Our cost of obtaining funding is directly related to prevailing market interest rates and to our credit spreads Credit spreads are the amount in excess of the interest rate of U S Treasury securities or other benchmark securities of the same maturity that we need to pay to our funding providers Increases in interest rates and our credit spreads can significantly increase the cost of our funding Changes in our credit spreads are market-driven and may be influenced by market perceptions of our creditworthiness Changes to interest rates and our credit spreads occur continuously and may be unpredictable and highly volatile

For additional information about our liquidity position and other liquidity matters including credit ratings and outlooks and the policies and procedures we use to manage our liquidity risks see Capital Management and Liquidity Risk in the MD&A on pages 71 and 76

Bank of America Corporation is a holding company and as such we are dependent upon our subsidiaries for liquidity, including our ability to pay dividends to stockholders. Applicable laws and regulations, including capital and liquidity requirements, may restrict our ability to transfer funds from our subsidiaries to Bank of America Corporation or other subsidiaries.

Bank of America Corporation as the parent company is a separate and distinct legal entity from our banking and nonbanking subsidiaries We evaluate and manage liquidity on a legal entity basis Legal entity liquidity is an important consideration as there are legal and other limitations on our ability to utilize liquidity from one legal entity to satisfy the liquidity requirements of another including the parent company For instance the parent company depends on dividends distributions and other payments from our banking and nonbanking subsidiaries to fund dividend payments on our common stock and preferred stock and to fund all payments on our other obligations including debt obligations Many of our subsidiaries including our bank and broker/dealer subsidiaries are subject to laws that restrict dividend payments or authorize regulatory bodies to block or reduce the flow of funds from those subsidiaries to the parent company or other subsidiaries In addition our bank and broker/dealer subsidiaries are subject to restrictions on their ability to lend or transact with affiliates and to minimum regulatory capital and liquidity requirements as well as restrictions on their ability to use funds deposited with them in bank or brokerage accounts to fund their businesses

Additional restrictions on related party transactions increased capital and liquidity requirements and additional limitations on the use of funds on deposit in bank or brokerage accounts as well as lower earnings can reduce the amount of funds available to meet the obligations of the parent company and even require the parent company to provide additional funding to such subsidiaries Regulatory action of that kind could impede access to funds we need to make payments on our obligations or dividend payments In addition our right to participate in a distribution of assets upon a subsidiary s liquidation or reorganization is subject to the prior claims of the subsidiary s creditors For additional information regarding our ability to pay dividends see *Note 15 - Shareholders' Equity* and *Note 18 - Regulatory Requirements and Restrictions* to the Consolidated Financial Statements

Credit Risk

Credit Risk is the Risk of Loss Arising from a Borrower, Obligor or Counterparty Default when a Borrower, Obligor or Counterparty does not Meet Its Obligations.

Increased credit risk, due to economic or market disruptions, insufficient credit loss reserves or concentration of credit risk, may necessitate increased provisions for credit losses and could have an adverse effect on our financial condition and results of operations.

When we loan money commit to loan money or enter into a letter of credit or other contract with a counterparty we incur credit risk or the risk of losses if our borrowers do not repay their loans or our counterparties fail to perform according to the terms of their agreements A number of our products expose us to credit risk including loans leases and lending commitments derivatives trading account assets and assets held-for-sale As one of the nation s largest lenders the credit quality of our consumer and commercial portfolios has a significant impact on our earnings

Global and U S economic conditions continue to weigh on our credit portfolios Economic or market disruptions are likely to increase our credit exposure to customers obligors or other counterparties due to the increased risk that they may default on their obligations to us These potential increases in delinquencies and default rates could adversely affect our consumer credit card home equity consumer real estate and purchased credit-impaired portfolios through increased charge-offs and provisions for credit losses In addition despite improvement in the mar of our commercial portfolio increased credit risk could also adversely affect our commercial loan portfolios where we continue to experience elevated losses particularly in our commercial real estate portfolios reflecting continued stress across industries property types and borrowers

We estimate and establish an allowance for credit losses for losses inherent in our lending activities (including unfunded lending commitments) excluding those measured at fair value through a charge to earnings The amount of allowance is determined based on our evaluation of the potential credit losses included within our loan portfolio The process for determining the amount of the allowance which is critical to our financial condition and results of operations requires difficult subjective and complex judgments including forecasts of economic conditions and how our borrowers will react to those conditions Our ability to assess future economic conditions or the creditworthiness of our customers obligors or other counterparties is imperfect The ability of our borrowers to repay their loans will likely be impacted by changes in economic conditions which in turn could impact the accuracy of our forecasts

As with any such assessments there is also the chance that we will fail to identify the proper factors or that we will fail to accurately estimate the impacts of factors that we identify We may suffer unexpected losses if the models and assumptions we use to establish reserves and make judgments in extending credit to our borrowers and other counterparties become less predictive of future events Although we believe that our allowance for credit losses was in compliance with applicable accounting standards at December 31 2011 there is no guarantee that it will be sufficient to address future credit losses particularly if economic conditions deteriorate In such an event we might need to increase the size of our allowance which could adversely affect our financial condition and results of operations

In the ordinary course of our business we also may be subject to a concentration of credit risk in a particular industry country counterparty borrower or issuer A deterioration in the financial condition or prospects of a particular industry or a failure or downgrade of or default by any particular entity or group of entities could have a material adverse effect on our businesses and the processes by which we set limits and monitor the level of our credit exposure to individual entities industries and countries may not function as we have anticipated While our activities expose us to many different industries and counterparties we routinely execute a high volume of transactions with counterparties in the financial services industry including brokers/dealers commercial banks investment funds and insurers This has resulted in significant credit concentration with respect to this industry In the ordinary course of business we also enter into transactions with sovereign nations U S states and U S municipalities Unfavorable economic or political conditions disruptions to capital markets currency fluctuations social instability and changes in government policies could impact the operating budgets or credit ratings of sovereign nations U S states and U S municipalities and expose us to credit risk

We also have a concentration of credit risk with respect to our consumer real estate consumer credit card and commercial real estate portfolios which represent a large percentage of our overall credit portfolio The economic downturn has adversely affected these portfolios and further exposed us to this concentration of risk Continued economic weakness or deterioration in real estate values or household incomes could result in materially higher credit losses

For additional information about our credit risk and credit risk management policies and procedures see Credit Risk Management in the MD&A on page 80 and *Note 1 - Summary of Significant Accounting Principles* to the Consolidated Financial Statements

We could suffer losses as a result of the actions of or deterioration in the commercial soundness of our counterparties and other financial services institutions.

We could suffer losses and our ability to engage in routine trading and funding transactions could be adversely affected by the actions and commercial soundness of other market participants We have exposure to many different industries and counterparties and we routinely execute transactions with counterparties in the financial services industry including brokers/dealers commercial banks investment banks mutual and hedge funds and other institutional clients Financial services institutions and other counterparties are inter related because of trading funding clearing or other relationships As a result defaults by or even rumors or questions about one or more financial services institutions or the financial services industry generally have led to market-wide liquidity problems and could lead to significant future liquidity problems including losses or defaults by us or by other institutions Many of these transactions expose us to credit risk in the event of default of a counterparty or client In addition our credit risk may be impacted when the collateral held by us cannot be realized or is liquidated at prices not sufficient to recover the full amount of the loan or derivatives exposure due us Any such losses could materially adversely affect our financial condition and results of operations

Our derivatives businesses may expose us to unexpected risks and potential losses.

We are party to a large number of derivatives transactions including credit derivatives Our derivatives businesses may expose us to unexpected market credit and operational risks that could cause us to suffer unexpected losses and have an adverse effect on our financial condition and results of operations Severe declines in asset values unanticipated credit events or unforeseen circumstances that may cause previously uncorrelated factors to become correlated (and vice versa) may create losses resulting from risks not appropriately taken into account in the development, structuring or pricing of a derivative instrument The terms of certain of our OTC derivative contracts and other trading agreements provide that upon the occurrence of certain specified events such as a change in our credit ratings we may be required to provide additional collateral or to provide other remedies or our counterparties may have the right to terminate or otherwise diminish our rights under these contracts or agreements

Many derivative instruments are individually negotiated and non-standardized which can make exiting, transferring or settling some positions difficult. Many derivatives require that we deliver to the counterparty the underlying security, loan or other obligation in order to receive payment. In a number of cases we do not hold and may not be able to obtain the underlying security, loan or other obligation.

Following the downgrade of the credit ratings of the Corporation, we have engaged in discussions with certain derivative and other counterparties regarding their rights under these agreements. In response to counterparties' inquiries and requests, we have discussed, and in some cases substituted, derivative contracts and other trading agreements including naming BANA as the new counterparty. Our ability to substitute or make changes to these agreements to meet counterparties' requests may be subject to certain limitations, including counterparty willingness, regulatory limitations on naming BANA as the new counterparty, and the type or amount of collateral required. It is possible that such limitations on our ability to substitute or make changes to these agreements, including naming BANA as the new counterparty, could adversely affect our results of operations.

Derivatives contracts and other transactions entered into with third parties are not always confirmed by the counterparties or settled on a timely basis. While a transaction remains unconfirmed or during any delay in settlement, we are subject to heightened credit and operational risk, and in the event of default may find it more difficult to enforce the contract. In addition, as new and more complex derivatives products have been created, covering a wider array of underlying credit and other instruments, disputes about the terms of the underlying contracts may arise, which could impair our ability to effectively manage our risk exposures from these products and subject us to increased costs.

For additional information on our derivatives exposure, see *Note 4 – Derivatives* to the Consolidated Financial Statements.

Market Risk

Market Risk is the Risk that Values of Assets and Liabilities or Revenues will be Adversely Affected by Changes in Market Conditions Such as Market Volatility. Market Risk is Inherent in the Financial Instruments Associated with our Operations and Activities, Including Loans, Deposits, Securities, Short-term Borrowings, Long-term Debt, Trading Account Assets and Liabilities, and Derivatives.

Our businesses and results of operations have been, and may continue to be, significantly adversely affected by changes in the levels of market volatility and by other financial or capital market conditions.

Our businesses and results of operations may be adversely affected by market risk factors such as changes in interest and currency exchange rates, equity and futures prices, the implied volatility of interest rates, credit spreads and other economic and business factors. These market risks may adversely affect, among other things, (i) the value of our on- and off-balance sheet securities, trading assets, other financial instruments and MSRs, (ii) the cost of debt capital and our access to credit markets, (iii) the value of assets under management, which could reduce our fee income relating to those assets, (iv) customer allocation of capital among investment alternatives, (v) the volume of client activity in our trading operations, (vi) investment banking fees, and (vii) the general profitability and risk level of the transactions in which we engage. Any of these developments could have a significant adverse impact on our financial condition and results of operations.

We use various models and strategies to assess and control our market risk exposures, but those are subject to inherent limitations. Our models, which rely on historical trends and assumptions, may not be sufficiently predictive of future results due to limited historical patterns, extreme or unanticipated market movements and illiquidity, especially during severe market downturns or stress events. The models that we use to assess and control our market risk exposures also reflect assumptions about the degree of correlation or lack thereof among prices of various asset classes or other market indicators.

In times of market stress or other unforeseen circumstances, such as the market conditions experienced in 2008 and 2009, previously uncorrelated indicators may become correlated or previously correlated indicators may move in different directions. These types of market movements have at times limited the effectiveness of our hedging strategies and have caused us to incur significant losses, and they may do so in the future. These changes in correlation can be exacerbated where other market participants are using risk or trading models with assumptions or algorithms that are similar to ours. In these and other cases, it may be difficult to reduce our risk positions due to the activity of other market participants or widespread market dislocations, including circumstances where asset values are declining significantly or no market exists for certain assets. To the extent that we own securities that do not have an established liquid trading market or are otherwise subject to restrictions on sale or hedging, we may not be able to reduce our positions and therefore reduce our risk associated with such positions. In addition, challenging market conditions may also adversely affect our investment banking fees.

For additional information about market risk and our market risk management policies and procedures, see Market Risk Management in the MD&A on page 112.

Further downgrades in the U.S. government's sovereign credit rating, or in the credit ratings of instruments issued, insured or guaranteed by related institutions, agencies or instrumentalities, could result in risks to the Corporation and its credit ratings and general economic conditions that we are not able to predict.

On August 2, 2011, Moody's affirmed the U.S. government's existing sovereign rating but revised the rating outlook to negative. On August 5, 2011, S&P downgraded the U.S. government's long-term sovereign credit rating to AA+ from AAA and stated that the outlook on the long-term rating is negative. On the same day, S&P affirmed its A-1+ short-term rating on the U.S. and removed it from CreditWatch negative. On November 28, 2011, Fitch affirmed its AAA long-term rating on the U.S., but changed the outlook from stable to negative. On the same day, Fitch affirmed its F1+ short-term rating on the U.S. All three rating agencies have indicated that they will continue to assess fiscal projections and consolidation measures as well as the medium-term economic outlook for the United States.

There continues to be the perceived risk of a sovereign credit ratings downgrade of the U.S. government, including the ratings of U.S. Treasury securities. It is foreseeable that the ratings and perceived creditworthiness of instruments issued, insured or guaranteed by institutions, agencies or instrumentalities directly linked to the U.S. government could also be correspondingly affected by any such downgrade. Instruments of this nature are key assets on the balance sheets of financial institutions, including the Corporation, and are widely used as collateral by financial institutions to meet their day-to-day cash flows in the short-term debt market. A downgrade of the sovereign credit ratings of the U.S. government and perceived creditworthiness of U.S. government-related obligations could impact our ability to obtain funding that is collateralized by affected instruments, as well as affecting the pricing of that funding when it is available. A downgrade may also adversely affect the market value of such instruments.

We cannot predict if, when or how any changes to the credit ratings or perceived creditworthiness of these organizations will affect economic conditions. Such ratings actions could result in a significant adverse impact to the Corporation. The credit rating agencies' ratings for the Corporation or its subsidiaries could be directly or indirectly impacted by a downgrade of the U.S. government's sovereign rating because the credit ratings of large systemically important financial institutions, including the Corporation, currently incorporate a degree of uplift due to assumptions concerning government support. In addition, the Corporation presently delivers a material portion of the residential mortgage loans it originates into GSEs' agencies or instrumentalities (or instruments insured or guaranteed thereby). We cannot predict if, when or how any changes to the credit ratings of these organizations will affect their ability to finance residential mortgage loans. Such ratings actions, if any, could result in a significant change to the business operations of CRES.

A downgrade of the sovereign credit ratings of the U.S. government or the credit ratings of related institutions', agencies' or instrumentalities' would significantly exacerbate the other risks to which the Corporation is subject and any related adverse effects on our business, financial condition and results of operations, including those described under Risk Factors – Credit Risk – "We could suffer losses as a result of the actions of or deterioration in the commercial soundness of our counterparties and other financial services institutions." Risk Factors – Market Risk – "Our businesses and results of operations have been and may continue to be significantly adversely affected by changes in the levels of market volatility and by other financial or capital market conditions" and Risk Factors – Liquidity Risk – "Our liquidity, cash flows, financial condition and results of operations and competitive position may be significantly adversely affected if we are unable to access capital markets, continue to raise deposits, sell assets on favorable terms or if there is an increase in our borrowing costs."

Uncertainty about the financial stability of several countries in the European Union (EU), the increasing risk that those countries may default on their sovereign debt and related stresses on financial markets, the Euro and the EU could have a significant adverse effect on our business, financial condition and results of operations.

In 2011, the financial crisis in Europe continued, triggered by high sovereign budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these EU countries to continue to service their sovereign debt obligations. These conditions impacted financial markets and resulted in credit ratings downgrades for, and high and volatile bond yields on the sovereign debt of, many EU countries. Certain European countries continue to experience varying degrees of financial stress, and yields on government-issued bonds in Greece, Ireland, Italy, Portugal and Spain have risen and remain volatile. Despite assistance packages to certain of these countries, the creation of a joint EU-IMF European Financial Stability Facility and additional expanded financial assistance to Greece, uncertainty over the outcome of the EU governments' financial support programs and worries about sovereign finances and the stability of the Euro and EU persist. Market concerns over the direct and indirect exposure of certain European banks and insurers to these EU countries resulted in a widening of credit spreads and increased costs of funding for these financial institutions. While we have reduced our exposure to European financial institutions, the insolvency of one or more major European financial institutions could adversely impact financial markets and consequently our results of operations.

Risks and ongoing concerns about the debt crisis in Europe could have a detrimental impact on the global economic recovery, sovereign and non-sovereign debt in these countries and the financial condition of European financial institutions and international financial institutions with exposure to the region, including us. Market and economic disruptions have affected, and may continue to affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and residential mortgages, and housing prices, among other factors. There can be no assurance that the market disruptions in Europe, including the increased cost of funding for certain governments and financial institutions, will not spread, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilize the affected countries and markets in Europe or elsewhere. To the extent uncertainty regarding the European economic recovery continues to negatively impact consumer confidence and consumer credit factors, or should the EU enter a deep recession, both the U.S. economy and our business and results of operations could be significantly and adversely affected. Global economic uncertainty, regulatory initiatives and reform have impacted, and will likely continue to impact, non-U.S. credit and trading portfolios. Our Regional Risk Committee, a subcommittee of our Credit Risk Committee, is seeking to address this risk but there can be no assurance our efforts in this respect will be sufficient or successful. Our total sovereign and non-sovereign exposure to Greece, Italy, Ireland, Portugal and Spain was $15.3 billion at December 31, 2011 compared to $15.6 billion at December 31, 2010. Our total net sovereign and non-sovereign exposure to these countries was $10.5 billion at December 31, 2011 compared to $12.4 billion at December 31, 2010 after taking into account net credit default protection. At December 31, 2011 and 2010, the fair value of net credit default protection purchased was $4.9 billion and $4.2 billion. Losses could still result because our credit protection contracts only pay out under certain scenarios.

For more information on our direct sovereign and non-sovereign exposures in Europe, see Executive Summary – 2011 Economic and Business Environment in the MD&A on page 27 and Non-U.S. Portfolio in the MD&A on page 104.

Declines in the value of certain of our assets could have an adverse effect on our results of operations.

We have a large portfolio of financial instruments, including, among others, certain corporate loans and loan commitments, loans held-for-sale, repurchase agreements, long-term deposits, trading account assets and liabilities, derivatives assets and liabilities, available-for-sale debt and marketable equity securities, consumer-related MSRs and certain other assets and liabilities that we measure at fair value. We determine the fair values of

these instruments based on the fair value hierarchy under applicable accounting guidance The fair values of these financial instruments include adjustments for market liquidity credit quality and other transaction-specific factors where appropriate

Gains or losses on these instruments can have a direct and significant impact on our results of operations unless we have effectively hedged our exposures Changes in loan prepayment speeds which are influenced by interest rates among other things can impact the value of our MSRs and can result in substantially higher or lower mortgage banking income and earnings depending upon our ability to fully hedge the performance of our MSRs Fair values may be impacted by declining values of the underlying assets or the prices at which observable market transactions occur and the continued availability of these transactions The financial strength of counterparties such as monolines with whom we have economically hedged some of our exposure to these assets also will affect the fair value of these assets Sudden declines and significant volatility in the prices of assets may substantially curtail or eliminate the trading activity for these assets which may make it very difficult to sell hedge or value such assets The inability to sell or effectively hedge assets reduces our ability to limit losses in such positions and the difficulty in valuing assets may increase our risk-weighted assets which requires us to maintain additional capital and increases our funding costs

Asset values also directly impact revenues in our asset management businesses We receive asset based management fees based on the value of our clients portfolios or investments in funds managed by us and in some cases we also receive incentive fees based on increases in the value of such investments Declines in asset values can reduce the value of our clients portfolios or fund assets which in turn can result in lower fees earned for managing such assets

For additional information about fair value measurements see *Note 22 - Fair Value Measurements* to the Consolidated Financial Statements For additional information about our asset management businesses see Business Segment Operations – *Global Wealth & Investment Management* in the MD&A on page 52

Changes to loan prepayment speeds could reduce our net interest income and earnings.

Government officials and regulatory authorities have advanced various proposals to assist homeowners and the housing and mortgage markets more generally Certain of these proposals have included expanded access to residential mortgage loan refinancing options including refinancing options for borrowers who may be current on their existing mortgage loans and for borrowers whose current mortgage principal balance may exceed the current appraised value of the mortgaged property Expanded refinancing access may also result from our implementation of the Servicing Resolution Agreements discussed above Adoption of proposals of this nature could result in an increased number of mortgage refinancings and accordingly greater reductions in interest rates and principal prepayments on the mortgage loans in our portfolio than we would otherwise expect to experience without those proposals Reductions in interest rates and increases in mortgage prepayment speeds of this nature could adversely impact the value of our MSR asset cause a significant acceleration of purchase premium amortization on our mortgage portfolio adversely affect our net interest margin and adversely affect our net interest income and earnings

For additional information about interest rate risk management see Interest Rate Risk Management for Nontrading Activities in the MD&A on page 116

Regulatory and Legal Risk

Bank regulatory agencies may require us to hold higher levels of regulatory capital, increase our regulatory capital ratios or increase liquidity, which could result in the need to issue additional securities that qualify as regulatory capital or to sell company assets.

We are subject to the risk-based capital guidelines issued by the Federal Reserve These guidelines establish regulatory capital requirements for banking institutions to meet minimum requirements as well as to qualify as a "well-capitalized" institution (A well-capitalized institution must generally maintain capital ratios 200 basis points higher than the minimum guidelines) The risk-based capital rules have been further supplemented by required leverage ratios defined as Tier 1 (the highest grade) capital divided by quarterly average total assets after certain adjustments If any of our insured depository institutions fails to maintain its status as "well-capitalized" under the capital rules of their primary federal regulator the Federal Reserve will require us to enter into an agreement to bring the insured depository institution or institutions back into a "well-capitalized" status For the duration of such an agreement the Federal Reserve may impose restrictions on the activities in which we may engage If we were to fail to enter into such an agreement or fail to comply with the terms of such agreement the Federal Reserve may impose more severe restrictions on the activities in which we may engage including requiring us to cease and desist in activities permitted under the Bank Holding Act

It is possible that increases in regulatory capital requirements changes in how regulatory capital is calculated or increases to liquidity requirements may cause the loss of our "well-capitalized" status unless we increase our capital levels by issuing additional common stock thus diluting our existing shareholders or by selling assets On December 20 2011 the Federal Reserve proposed rules relating to risk based capital and leverage requirements liquidity requirements stress tests single counterparty credit limits and early remediation requirements These rules when finalized are likely to influence our regulatory capital and liquidity planning process and may impose additional operational and compliance costs on us Any requirement that we increase our regulatory capital regulatory capital ratios or liquidity could have a material adverse effect on our financial condition and results of operations as we may need to sell certain assets perhaps on terms unfavorable to us and contrary to our business plans Such a requirement could also compel us to issue additional securities which could dilute our current common stockholders For additional information about the proposals described above and their potential effect on our required levels of regulatory capital see Capital Management – Regulatory Capital in the MD&A on page 72

Government measures to regulate the financial industry, including the Financial Reform Act, either individually, in combination or in the aggregate, have increased and will continue to increase our compliance costs and could require us to change certain of our business practices, impose significant additional costs on us, limit the products that we offer, limit our ability to pursue business opportunities in an efficient manner, require us to increase our regulatory capital, impact the value of assets that we hold, significantly reduce our revenues or otherwise materially and adversely affect our businesses, financial condition and results of operations

As a financial institution we are heavily regulated at the state federal and international levels As a result of the 2008-2009 financial crisis and related global economic downturn we have faced and expect to continue to face increased public and legislative scrutiny as well as stricter and more comprehensive regulation of our businesses These regulatory and legislative measures either individually in combination or in the aggregate could require us to further change certain of our business practices impose significant additional costs on us limit the products that we offer limit our ability to pursue business opportunities in an efficient manner require us to increase our regulatory capital impact the value of assets that we hold significantly reduce our revenues or otherwise materially and adversely affect our businesses financial condition and results of operations

On October 11 2011 the Federal Reserve the OCC FDIC and the SEC four of the five regulatory agencies charged with promulgating regulations implementing limitations on proprietary trading as well as the sponsorship of or investment in hedge funds and private equity funds (the Volcker Rule) established by the Financial Reform Act released for comment proposed regulations On January 11 2012 the CFTC the fifth agency released for comment its proposed regulations under the Volcker Rule The proposed regulations include clarifications to the definition of proprietary trading and distinctions between permitted and prohibited activities The comment period for the first regulations proposed ended on February 13 2012 and the comment period for the CFTC regulations will end in March 2012

The statutory provisions of the Volcker Rule will become effective on July 21 2012 whether or not the final regulations are adopted and it gives certain financial institutions two years from the effective date with opportunities for additional extensions to bring activities and investments into compliance Although GBAM exited its stand alone proprietary trading business as of June 30 2011 in anticipation of the Volcker Rule and to further our initiative to optimize our balance sheet the ultimate impact of the Volcker Rule on us remains uncertain However based on the contents of the proposed regulations it is possible that the implementation of the Volcker Rule could limit or restrict our remaining trading activities Implementation of the Volcker Rule could also limit or restrict our ability to sponsor and hold ownership interests in hedge funds private equity funds and other subsidiary operations Additionally implementation of the Volcker Rule could increase our operational and compliance costs and reduce our trading revenues and adversely affect our results of operations The date by which final regulations will be issued is uncertain

Additionally the Financial Reform Act includes measures to broaden the scope of derivative instruments subject to regulation by requiring clearing and exchange trading of certain derivatives imposing new capital margin reporting registration and business conduct requirements for certain market participants and imposing position limits on certain OTC derivatives The Financial Reform Act grants the CFTC and the SEC substantial new authority and requires numerous rulemakings by these agencies The Financial Reform Act required regulators to promulgate the rulemakings necessary to implement these regulations by July 16 2011 However the rulemaking process was not completed as of that date and is not expected to conclude until well into 2012 Further the regulators granted temporary relief from certain requirements that would have taken effect on July 16 2011 absent any rulemaking The SEC temporary relief is effective until final rules relevant to each requirement become effective The CFTC temporary relief is effective until the earlier of July 16 2012 or the date on which final rules relevant to each requirement become effective The ultimate impact of these derivatives regulations and the time it will take to comply continue to remain uncertain The final regulations will impose additional operational and compliance costs on us and may require us to restructure certain businesses and negatively impact our revenues and results of operations

In April 2011 a new regulation became effective that implements revisions to the assessment system mandated by the Financial Reform Act that increased our FDIC expense In addition the FDIC has broad discretionary authority to increase assessments on large and highly complex institutions on a case by case basis Any future increases in required deposit insurance premiums or other bank industry fees could have an adverse impact on our financial condition and results of operations

The Financial Reform Act provided for a new resolution authority to establish a process to resolve the failure of large systemically important financial institutions As part of that process we are required to develop and implement a resolution plan which will be subject to review by the FDIC and the Federal Reserve to determine whether our plan is credible As a result of FDIC and Federal Reserve review we could be required to take certain actions over the next several years which could impose operational costs and could potentially result in the divestiture or restructuring of certain businesses and subsidiaries

In 2011 the Federal Reserve and FDIC jointly approved a final rule that requires the Corporation and other bank holding companies with assets of $50 billion or more as well as companies designated as systemic by the Financial Stability Oversight Council to periodically report to the FDIC and the Federal Reserve their plans for a rapid and orderly resolution in the event of material financial distress or failure If the FDIC and the Federal Reserve determine that a company's plan is not credible and the company fails to cure the deficiencies in a timely manner then the FDIC and the Federal Reserve may jointly impose on the company or on any of its subsidiaries more stringent capital leverage or liquidity requirements or restrictions on growth activities or operations The Corporation's initial plan is required to be submitted on or before July 1 2012 and to be updated annually Similarly in the U K the FSA has issued proposed rules requiring the submission of significant information about certain U K incorporated subsidiaries (including information on intra-group dependencies and legal entity separation) to allow the FSA to develop resolution plans As a result of the FSA review we could be required to take certain actions over the next several years which could impose operational costs and potentially could result in the restructuring of certain businesses and subsidiaries

Under the Financial Reform Act when a systemically important financial institution such as the Corporation is in default or danger of default the FDIC may in certain circumstances be appointed receiver in order to conduct an orderly liquidation of such systemically important financial institution In such a case the FDIC could invoke a new form of resolution authority called the orderly liquidation authority instead of the U S Bankruptcy Code If the Secretary of the Treasury makes certain financial distress and systemic risk determinations The orderly liquidation authority is modeled in part on the Federal Deposit Insurance Act but also adopts certain concepts from the U S Bankruptcy Code However the orderly liquidation authority contains certain differences from the U S Bankruptcy Code Macroprudential systemic protection is the primary objective of the orderly liquidation authority subject to minimum threshold protections for creditors Accordingly in

certain circumstances under the orderly liquidation authority the FDIC could permit payment of obligations determined to be systemically significant (for example short term creditors of operating creditors) in lieu of the payment of other obligations (for example long term creditors) without the need to obtain creditors consent or prior court review Additionally under the orderly liquidation authority amounts owed to the US government generally enjoy a statutory payment priority

The Financial Reform Act established the CFPB to regulate the offering of consumer financial products or services under the federal consumer financial laws In addition under the Financial Reform Act the CFPB was granted general authority to prevent covered persons or service providers from committing or engaging in unfair deceptive or abusive acts or practices under Federal law in connection with any transaction with a consumer for a consumer financial product or service or the offering of a consumer financial product or service Pursuant to the Financial Reform Act on July 21 2011 certain federal consumer financial protection statutes and related regulatory authority were transferred to the CFPB As a consequence of this transfer of authority certain Federal consumer financial laws to which we are subject including but not limited to the Equal Credit Opportunity Act Home Mortgage Disclosure Act Electronic Fund Transfers Act Fair Credit Reporting Act Truth in Lending and Truth in Savings Acts will be enforced by the CFPB subject to certain statutory limitations On January 4 2012 a Director of the CFPB was appointed via recess appointment and accordingly the CFPB was vested with full authority to exercise all supervisory enforcement and rulemaking authorities granted to the CFPB under the Financial Reform Act including its supervisory powers over non bank financial institutions such as pay-day lenders and other types of non-bank financial institutions

On December 20 2011 the Federal Reserve issued proposed rules to implement enhanced supervisory and prudential requirements and the early remediation requirements established under the Financial Reform Act The enhanced standards include risk based capital and leverage requirements liquidity standards requirements for overall risk management single-counterparty credit limits stress test requirements and a debt-to-equity limit for certain companies determined to pose a threat to financial stability Comments on the proposed rules are due by March 31 2012 and final regulations will not be adopted until after that date The final rules are likely to influence our regulatory capital and liquidity planning process and may impose additional operational and compliance costs on us

Many of the provisions under the Financial Reform Act have begun to be phased in or will be phased in over the next several months or years and will be subject both to further rulemaking and the discretion of applicable regulatory bodies The Financial Reform Act will continue to have a significant and negative impact on our earnings through fee reductions higher costs and new restrictions The Financial Reform Act may also continue to have a material adverse impact on the value of certain assets and liabilities held on our balance sheet The ultimate impact of the Financial Reform Act on our businesses and results of operations will depend on regulatory interpretation and rulemaking as well as the success of any of our actions to mitigate the negative earnings impact of certain provisions

In December 2010 the Basel Committee issued "Basel III A global regulatory framework for more resilient banks and banking systems" and "International framework for liquidity risk measurement standards and monitoring (together Basel III) If implemented by U S banking regulators as proposed Basel III a capital standards could significantly increase our capital requirements Basel III and the Financial Reform Act propose the disqualification of trust preferred securities from Tier 1 capital with the Financial Reform Act proposing that the disqualification be phased in from 2013 to 2015 Basel III also proposes the deduction of certain assets from capital (deferred tax assets MSRs investments in financial firms and pension assets among others within prescribed limitations) the inclusion of accumulated OCI in capital increased capital requirements for counterparty credit risk and new minimum capital and buffer requirements

Basel III also proposes two minimum liquidity measures The LCR measures the amount of a financial institution s unencumbered high-quality liquid assets relative to the net cash outflows the institution could encounter under an acute 30-day stress scenario The NSFR measures the amount of longer-term stable sources of funding employed by a financial institution relative to the liquidity profiles of the assets funded and the potential for contingent calls on funding liquidity arising from off balance sheet commitments and obligations over a one-year period

On July 19 2011 the Basel Committee published the consultative document Globally systemic important banks Assessment methodology and the additional loss absorbency requirement which sets out measures for global systemically important financial institutions including the methodology for measuring systemic importance the additional capital required (the SIFI buffer) and the arrangements by which they will be phased in As proposed the SIFI buffer would be met with additional Tier 1 common equity ranging from one percent to 2 5 percent and in certain circumstances 3 5 percent This will be phased in from 2016 through 2018 U S banking regulators have not yet provided similar rules for U S implementation of a SIFI buffer

Preparation for Basel III has influenced and when finalized is likely to continue to influence our regulatory capital and liquidity planning process and may impose additional operational and compliance costs on us Any requirement that we increase our regulatory capital regulatory capital ratios or liquidity could have a material adverse effect on our financial condition and results of operations as we may need to liquidate certain assets perhaps on terms unfavorable to us and contrary to our business plans Such a requirement could also compel us to issue additional securities which could dilute our current common stockholders

For additional information about the regulatory initiatives discussed above see Regulatory Matters in the MD&A on page 66

Changes in the structure of the GSEs and the relationship among the GSEs, the government and the private markets, or the conversion of the current conservatorship of the GSEs into receivership, could result in significant changes to the business operations of GSEs, and adversely impact certain operations of GBAM.

During the last ten years the Corporation and its subsidiaries and legacy companies have sold over $20 trillion of loans to the GSEs Each GSE is currently in a conservatorship with its primary regulator the Federal Housing Finance Agency acting as conservator We cannot predict if when or how the conservatorships will end or any associated changes to the GSEs business structure that could result We also cannot predict whether the conservatorships will end in receivership There are several proposed approaches to reform the GSEs which if enacted could change the structure of the GSEs and the relationship among

the GSEs the government and the private markets including the trading markets for agency conforming mortgage loans and markets for mortgage-related securities in which GBAM participates We cannot predict the prospects for the enactment timing or content of legislative or rulemaking proposals regarding the future status of the GSEs including whether they will continue to exist in their current form GSE reform if enacted could result in a significant change to the business operations of CRES and adversely impact certain operations of GBAM

We face substantial potential legal liability and significant regulatory action, which could have material adverse effects on our cash flows, financial condition and results of operations, or cause significant reputational harm to us.

We face significant legal risks in our businesses and the volume of claims and amount of damages and penalties claimed in litigation and regulatory proceedings against us and other financial institutions remain high and are increasing Increased litigation costs substantial legal liability or significant regulatory action against us could have material adverse effects on our financial condition and results of operations or cause significant reputational harm to us which in turn could adversely impact our business prospects In addition we continue to face increased litigation risk and regulatory scrutiny We have continued to experience increased litigation and other disputes with counterparties regarding relative rights and responsibilities Consumers clients and other counterparties have grown more litigious Our experience with certain regulatory authorities suggests a migration towards an increasing supervisory focus on enforcement including in connection with alleged violations of law and customer harm The current environment of additional regulation increased regulatory compliance burdens and enhanced regulatory enforcement combined with ongoing uncertainty related to the continuing evolution of the regulatory environment has resulted in significant operational and compliance costs and may limit our ability to continue providing certain products and services

These litigation and regulatory matters and any related settlements could have a material adverse effect on our cash flows financial condition and results of operations They could also negatively impact our reputation and lead to volatility of our stock price For a further discussion of litigation risks see Note 14 - Commitments and Contingencies to the Consolidated Financial Statements

Changes in governmental fiscal and monetary policy could adversely affect our financial condition and results of operations.

Our businesses and earnings are affected by domestic and international fiscal and monetary policy The Federal Reserve regulates the supply of money and credit in the U S and its policies determine in large part our cost of funds for lending investing and capital raising activities and the return we earn on those loans and investments both of which affect our net interest margin The actions of the Federal Reserve also can materially affect the value of financial instruments and other assets such as debt securities and MSRs and its policies also can affect our borrowers potentially increasing the risk that they may fail to repay their loans Our businesses and earnings are also affected by the fiscal or other policies that are adopted by the U S government various U S regulatory authorities and non-U S governments and regulatory authorities Changes in domestic and international fiscal and monetary policies are beyond our control and difficult to predict but could have an adverse impact on our capital requirements and the costs of running our businesses in turn adversely impacting our financial condition and results of operations

Changes in U.S. and non-U.S. tax and other laws and regulations could adversely affect our financial condition and results of operations.

The U S Congress and the Administration have signaled growing interest in reforming the U S corporate income tax While the timing of such reform is unclear possible approaches include lowering the 35 percent corporate tax rate modifying the taxation of income earned outside of the U S and limiting or eliminating various other deductions tax credits and/or other tax preferences It is not possible at this time to quantify either the one-time impact from remeasuring deferred tax assets and liabilities that might result upon enactment of tax reform or the ongoing impact reform might have on income tax expense but either of these impacts could adversely affect our financial condition and results of operations

In addition the income from certain non-U S subsidiaries has not been subject to U S income tax as a result of long standing deferral provisions applicable to income that is derived in the active conduct of a banking and financing business (active finance income) The U S Congress has extended the application of these deferral provisions several times most recently in 2010 These provisions now are set to expire for taxable years beginning on or after January 1 2012 absent an extension of these provisions active financing income earned by certain non-U S subsidiaries will generally be subject to a tax provision that considers incremental U S income tax The impact of the expiration of these provisions would depend upon the amount composition and geographic mix of our future earnings

Other countries have also proposed and in some cases adopted certain regulatory changes targeted at financial institutions or that otherwise affect us The EU has adopted increased capital requirements and the U K has (i) increased liquidity requirements for local financial institutions including regulated U K subsidiaries of non-U K bank holding companies and other financial institutions as well as branches of non-U K banks located in the U K (ii) adopted a Bank Tax Levy which will apply to the aggregate balance sheet of branches and subsidiaries of non-U K banks and banking groups operating in the U K and (iii) proposed the creation and production of recovery and resolution plans by U K -regulated entities

On July 19 2011 the U K 2011 Finance Act was enacted which reduced the corporate income tax rate one percent to 26 percent beginning on April 1 2011 and then to 25 percent effective April 1 2012 These rate reductions will favorably affect income tax expense on future U K earnings but also required us to remeasure our U K net deferred tax assets using the lower tax rates The income tax benefit for 2011 included a $782 million charge for the remeasurement substantially all of which was recorded in GBAM If corporate income tax rates were to be reduced to 23 percent by 2014 as suggested in U K Treasury announcements and assuming no change in the deferred tax asset balance a charge to income tax expense of approximately $400 million for each one percent reduction in the rate would result in each period of enactment (for a total of approximately $800 million) We are also monitoring other international legislative proposals that could materially impact us such as changes to corporate income tax laws Currently in the U K net operating loss carryforwards (NOLs) have an indefinite life Were the U K

taxing authorities to introduce limitations on the future utilization of NOLs and were the Corporation unable to document its continued ability to fully utilize its NOLs we would be required to establish a valuation allowance by a charge to corporate income tax expense Depending upon the nature of the limitations such a charge could be material to our results of operations in the period of enactment

Risk of the Competitive Environment in which We Operate

We face significant and increasing competition in the financial services industry.

We operate in a highly competitive environment Over time there has been substantial consolidation among companies in the financial services industry and this trend accelerated in recent years This trend has also hastened the globalization of the securities and financial services markets We will continue to experience intensified competition as consolidation in and globalization of the financial services industry may result in larger better-capitalized and more geographically diverse companies that are capable of offering a wider array of financial products and services at more competitive prices To the extent we expand into new business areas and new geographic regions we may face competitors with more experience and more established relationships with clients regulators and industry participants in the relevant market which could adversely affect our ability to compete In addition technological advances and the growth of e-commerce have made it possible for non-depository institutions to offer products and services that traditionally were banking products and for financial institutions to compete with technology companies in providing electronic and internet-based financial solutions Increased competition may negatively affect our results of operations by creating pressure to lower prices on our products and services and reducing market share

Damage to our reputation could significantly harm our businesses, including our competitive position and business prospects.

Our ability to attract and retain customers clients investors and employees is impacted by our reputation Public perception of us and others in the financial services industry appeared to decline in 2011 We continue to face increased public and regulatory scrutiny resulting from the financial crisis and economic downturn as well as alleged irregularities in servicing foreclosure consumer collections mortgage loan modifications and other practices lending volumes compensation practices our acquisitions of Countrywide and Merrill Lynch and the suitability or reasonableness of recommending particular trading or investment strategies

Significant harm to our reputation can also arise from other sources including employee misconduct unethical behavior litigation or regulatory outcomes failing to deliver minimum or required standards of service and quality compliance failures unintended disclosure of confidential information and the activities of our clients customers and counterparties including vendors Actions by the financial services industry generally or by certain members or individuals in the industry also can significantly adversely affect our reputation

We are subject to complex and evolving laws and regulations regarding privacy data protections and other matters Principles concerning the appropriate scope of consumer and commercial privacy vary considerably in different jurisdictions and regulatory and public expectations regarding the definition and scope of consumer and commercial privacy may remain fluid into the future It is possible that these laws may be interpreted and applied by various jurisdictions in a manner that is inconsistent with our current or future practices or that is inconsistent with one another We face regulatory reputational and operational risks if personal confidential or proprietary information of customers or clients in our possession is mishandled or misused

We could suffer significant reputational harm if we fail to properly identify and manage potential conflicts of interest Management of potential conflicts of interests has become increasingly complex as we expand our business activities through more numerous transactions obligations and interests with and among our clients The failure to adequately address or the perceived failure to adequately address conflicts of interest could affect the willingness of clients to deal with us or give rise to litigation or enforcement actions which could adversely affect our businesses

Our actual or perceived failure to address these and other issues gives rise to reputational risk that could cause significant harm to us and our business prospects including failure to properly address operational risks Failure to appropriately address any of these issues could also give rise to additional regulatory restrictions legal risks and reputational harm which could among other consequences increase the size and number of litigation claims and damages asserted or subject us to enforcement actions fines and penalties and cause us to incur related costs and expenses

Our ability to attract and retain qualified employees is critical to the success of our businesses and failure to do so could adversely affect our business prospects, including our competitive position and results of operations.

Our performance is heavily dependent on the talents and efforts of highly skilled individuals Competition for qualified personnel within the financial services industry and from businesses outside the financial services industry has been and is expected to continue to be intense Our competitors include non-U S -based institutions and institutions otherwise not subject to compensation and hiring regulations imposed on U S institutions and financial institutions in particular The difficulty we face in competing for key personnel is exacerbated in emerging markets where we are often competing for qualified employees with entities that may have a significantly greater presence or more extensive experience in the region

In order to attract and retain qualified personnel we must provide market-level compensation As a large financial and banking institution we may be subject to limitations on compensation practices (which may or may not affect our competitors) by the Federal Reserve the FDIC or other regulators around the world Any future limitations on executive compensation imposed by legislation or regulation could adversely affect our ability to attract and maintain qualified employees Furthermore a substantial portion of our annual bonus compensation paid to our senior employees has in recent years taken the form of long-term equity awards The value of long term equity awards to senior employees generally has been negatively affected by the significant decline in the market price of our common stock If we are unable to continue to attract and retain qualified individuals our business prospects including our competitive position and results of operations could be adversely affected

In addition if we fail to retain the wealth advisors that we employ in GWIM particularly those with significant client relationships such failure could result in a significant loss of clients or the withdrawal of significant client assets Any such loss or withdrawal could adversely impact GWIM s business activities and our financial condition results of operations and cash flows

We may not be able to achieve expected cost savings from cost-saving initiatives, including from Project New BAC, or in accordance with currently anticipated time frames.

We are currently engaged in numerous efforts to achieve certain cost savings including among other things Project New BAC

Project New BAC is a two-phase enterprise-wide initiative to simplify and streamline workflows and processes align businesses and costs more closely with our overall strategic plan and operating principles and increase revenues Phase 1 focuses on the consumer businesses including *Deposits Card Services* and *CRES* and related support technology and operations functions Phase 2 focuses on *Global Commercial Banking GBAM* and *GWIM* and related support technology and operations functions not subject to evaluation in Phase 1 All aspects of Project New BAC are expected to be implemented by the end of 2014

We may be unable to fully realize the cost savings and other anticipated benefits from our cost saving initiatives or in accordance with currently anticipated timeframes

Our inability to adapt our products and services to evolving industry standards and consumer preferences could harm our businesses.

Our business model is based on a diversified mix of businesses that provide a broad range of financial products and services delivered through multiple distribution channels Our success depends in part on our ability to adapt our products and services to evolving industry standards There is increasing pressure by competitors to provide products and services at lower prices This can reduce our net interest margin and revenues from our fee-based products and services In addition the widespread adoption of new technologies including internet services could require us to incur substantial expenditures to modify or adapt our existing products and services We might not be successful in developing or introducing new products and services responding or adapting to changes in consumer spending and saving habits achieving market acceptance of our products and services or sufficiently developing and maintaining loyal customers

Risks Related to Risk Management

Our risk management framework may not be effective in mitigating risk and reducing the potential for significant losses.

Our risk management framework is designed to minimize risk and loss to us We seek to identify measure monitor report and control our exposure to the types of risk to which we are subject including strategic credit market liquidity compliance operational and reputational risks among others While we employ a broad and diversified set of risk monitoring and mitigation techniques those techniques are inherently limited because they cannot anticipate the existence or future development of currently unanticipated or unknown risks Recent economic conditions heightened legislative and regulatory scrutiny of the financial services industry and increases in the overall complexity of our operations among other developments have resulted in a heightened level of risk for us Accordingly we could suffer losses as a result of our failure to properly anticipate and manage these risks including all correlations and downstream secondary or follow-on effects that occur

For additional information about our risk management policies and procedures see Managing Risk in the MD&A on page 68

A failure in or breach of our operational or security systems or infrastructure, or those of third parties with which we do business, including as a result of cyber attacks, could disrupt our businesses, result in the disclosure or misuse of confidential or proprietary information, damage our reputation, increase our costs and cause losses. Any such failure also could have a material adverse effect on our business, financial condition and results of operations.

Our businesses are highly dependent on our ability to process record and monitor on a continuous basis a large number of transactions many of which are highly complex across numerous and diverse markets in many currencies The potential for operational risk exposure exists throughout our organization including losses resulting from unauthorized trades by any employee

Integral to our performance is the continued efficacy of our internal processes systems relationships with third parties and the vast array of employees and key executives in our day-to-day and ongoing operations With regard to the physical infrastructure and systems that support our operations we have taken measures to implement backup systems and other safeguards but our ability to conduct business may be adversely affected by any significant and widespread disruption to our infrastructure or systems Our financial accounting data processing backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control and adversely affect our ability to process these transactions or provide these services There could be sudden increases in customer transaction volume electrical or telecommunications outages natural disasters such as earthquakes tornadoes and hurricanes disease pandemics events arising from local or larger scale political or social matters including terrorist acts and cyber attacks We continuously update these systems to support our operations and growth This updating entails significant costs and creates risks associated with implementing new systems and integrating them with existing ones

Information security risks for large financial institutions such as the Corporation have significantly increased in recent years in part because of the proliferation of new technologies the use of the Internet and telecommunications technologies to conduct financial transactions and the increased sophistication and activities of organized crime hackers terrorists and other external parties including foreign state actors Our operations rely on the secure processing transmission and storage of confidential proprietary and other information in our computer systems and networks Our banking brokerage investment advisory and capital markets businesses rely on our digital technologies computer and email systems software and networks to conduct their operations In addition to access our products and services our customers may use personal smartphones tablet PCs and other mobile devices that are beyond our control systems Our technologies systems networks and our customers devices have been subject to and are likely to continue to be the target of cyber attacks computer viruses malicious code phishing attacks or information security breaches that could result in the unauthorized release gathering monitoring misuse loss or destruction of our or our customers confidential proprietary and other information or otherwise disrupt our or our customers or other third parties

business operations Because of our prominence we believe that such attacks may continue

Although to date we have not experienced any material losses relating to cyber attacks or other information security breaches there can be no assurance that we will not suffer such losses in the future Our risk and exposure to these matters remains heightened because of among other things the evolving nature of these threats the prominent size and scale of the Corporation and its role in the financial services industry our plans to continue to implement our internet banking and mobile banking channel strategies and develop additional remote connectivity solutions to serve our customers when and how they want to be served our expanded geographic footprint and international presence the outsourcing of some of our business operations the continued uncertain global economic environment and system and customer account conversions As a result cybersecurity and the continued development and enhancement of our controls processes and practices designed to protect our systems computers software data and networks from attack damage or unauthorized access remain a priority for us As cyber threats continue to evolve we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities

In addition we also face the risk of operational failure termination or capacity constraints of any of the third parties with which we do business or that facilitate our business activities including clearing agents exchanges clearing houses or other financial intermediaries we use to facilitate our securities transactions In recent years there has been significant consolidation among clearing agents exchanges and clearing houses and increased interconnectivity of multiple financial institutions with central agents exchanges and clearing houses This consolidation and interconnectivity increases the risk of operational failure on both individual and industry-wide bases as disparate complex systems need to be integrated often on an accelerated basis Any such failure termination or constraint could adversely affect our ability to effect transactions service our clients manage our exposure to risk or expand our businesses, and could have a significant adverse impact on our liquidity financial condition and results of operations

Disruptions or failures in the physical infrastructure or operating systems that support our businesses and customers or cyber attacks or security breaches of the networks systems or devices that our customers use to access our products and services could result in the loss of customers and business opportunities legal liability regulatory fines penalties or intervention reputational damage reimbursement or other compensatory costs and additional compliance costs any of which could materially adversely affect our business financial condition and results of operations

For more information on operational risks and our operational risk management, see Operational Risk Management in the MD&A on page 119

Risk of Being an International Business

We are subject to numerous political, economic, market, reputational, operational, legal, regulatory and other risks in the non-U.S. jurisdictions in which we operate which could adversely impact our businesses, financial condition and results of operations.

We do business throughout the world including in developing regions of the world commonly known as emerging markets Our businesses and revenues derived from non U S jurisdictions are subject to risk of loss from currency fluctuations social or judicial instability changes in governmental policies or policies of central banks expropriation nationalization and/or confiscation of assets price controls capital controls exchange controls other restrictive actions unfavorable political and diplomatic developments and changes in legislation These risks are especially acute in emerging markets Many non-U S jurisdictions in which we do business have been negatively impacted by recessionary conditions While a number of these jurisdictions are showing signs of recovery others continue to experience increasing levels of stress In addition the increasing potential risk of default on sovereign debt in some non-U S jurisdictions could expose us to substantial losses Risks in one country can affect our operations in another country or countries including our operations in the U S As a result any such unfavorable conditions or developments could have an adverse impact on our businesses financial condition and results of operations

Our non-U S businesses are also subject to extensive regulation by various non-U S regulators including governments securities exchanges central banks and other regulatory bodies in the jurisdictions in which those businesses operate In many countries the laws and regulations applicable to the financial services and securities industries are uncertain and evolving, and it may be difficult for us to determine the exact requirements of local laws in every market or manage our relationships with multiple regulators in various jurisdictions Our inability to remain in compliance with local laws in a particular market and manage our relationships with regulators could have a significant and adverse effect not only on our businesses in that market but also on our reputation generally

We also invest or trade in the securities of corporations and governments located in non-U S jurisdictions including emerging markets Revenues from the trading of non-U S securities may be subject to negative fluctuations as a result of the above factors Furthermore the impact of these fluctuations could be magnified because non-U S trading markets particularly in emerging market countries are generally smaller less liquid and more volatile than U S trading markets

We are subject to geopolitical risks including acts or threats of terrorism and actions taken by the U S or other governments in response thereto and/or military conflicts that could adversely affect business and economic conditions abroad as well as in the U S

For more information on our non U S credit and trading portfolio see Non-U S Portfolio in the MD&A on page 104

Risk from Accounting Changes

Changes in accounting standards or inaccurate estimates or assumptions in the application of accounting policies could adversely affect our financial condition and results of operations.

Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations Some of these policies require use of estimates and assumptions that may affect the reported value of our assets or liabilities and results of operations and are critical because they require management to make difficult, subjective and complex judgments about matters that are inherently uncertain If those assumptions estimates or judgments were incorrectly made we could be required to correct and restate prior period financial statements

Accounting standard-setters and those who interpret the accounting standards (such as the Financial Accounting Standards Board the SEC banking regulators and our independent registered public accounting firm) may also amend or even reverse their previous interpretations or positions on how various standards should be applied These changes can be difficult to predict and can materially impact how we record and report our financial condition and results of operations In some cases we could be required to apply a new or revised standard retroactively resulting in the Corporation needing to revise and republish prior period financial statements

For more information on some of our critical accounting policies and standards and recent accounting changes see Complex Accounting Estimates in the MD&A on page 120 and *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements

Item 1B. Unresolved Staff Comments

None

Item 2. Properties

As of December 31 2011 our principal offices and other materially important properties consisted of the following

Facility Name	Location	General Character of the Physical Property	Primary Business Segment	Property Status	Property Square Feet (1)
Corporate Center	Charlotte, NC	60 Story Building	Principal Executive Offices	Owned	1 222 129
One Bryant Park	New York, NY	54 Story Building	GBAM GWIM and Global Commercial Banking	Leased (2)	1 788 182
Bank of America Home Loans	Calabasas, CA	3 Story Building	CRES	Owned	243 000
Merrill Lynch Financial Center	London, UK	4 Building Campus	GBAM and GWIM	Leased	568 307
Nihombashi 1-Chome Building	Tokyo, Japan	24 Story Building	GBAM	Leased	263 723

(1) For leased properties property square feet represents the square footage occupied by the Corporation
(2) The Corporation has a 48 8 percent joint venture interest in this property

We own or lease approximately 115 5 million square feet in 25 912 locations globally including approximately 107 9 million square feet in the United States (all 50 U S states the District of Columbia the U S Virgin Islands and Puerto Rico) and approximately 7 6 million square feet in 46 non-U S countries

We believe our owned and leased properties are adequate for our business needs and are well maintained We continue to evaluate our owned and leased real estate and may determine from time to time that certain of our premises and facilities or ownership structures are no longer necessary for our operations In connection therewith we are evaluating the sale or sale/leaseback of certain properties and we may incur costs in connection with any such transactions

Item 3. Legal Proceedings

See Litigation and Regulatory Matters in *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements which is incorporated herein by reference

Item 4. Mine Safety Disclosures

None

Part II

Bank of America Corporation and Subsidiaries

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

The principal market on which our common stock is traded is the New York Stock Exchange Our common stock is also listed on the London Stock Exchange and certain shares are listed on the Tokyo Stock Exchange The table below sets forth the high and low closing sales prices of the common stock on the New York Stock Exchange for the periods indicated

	Quarter	High	Low
2010	first	$ 18 04	$ 14 45
	second	19 48	14 37
	third	15 67	12 32
	fourth	13 56	10 95
2011	first	15 25	13 33
	second	13 72	10 50
	third	11 09	6 08
	fourth	7 35	4 99

As of February 17 2012 there were 237 902 registered shareholders of common stock During 2010 and 2011 we paid dividends on the common stock on a quarterly basis

The table below sets forth dividends paid per share of our common stock for the periods indicated

	Quarter	Dividend
2010	first	$ 0 01
	second	0 01
	third	0 01
	fourth	0 01
2011	first	0 01
	second	0 01
	third	0 01
	fourth	0 01

For additional information regarding our ability to pay dividends see *Note 15 – Shareholders Equity* and *Note 18 – Regulatory Requirements and Restrictions* to the Consolidated Financial Statements which are incorporated herein by reference

For information on our equity compensation plans see *Note 20 – Stock-based Compensation Plans* to the Consolidated Financial Statements and Item 12 on page 278 of this report which are incorporated herein by reference

The table below presents share repurchase activity for the three months ended December 31 2011

(Dollars in millions except per share information shares in thousands)	Common Shares Repurchased (1)	Weighted-Average Per Share Price	Shares Purchased as Part of Publicly Announced Programs	Remaining Buyback Authority Amounts	Remaining Buyback Authority Shares
October 1 - 31 2011	281	$ 6 15	–	$ –	–
November 1 - 30 2011	3	6 44	–	–	–
December 1 - 31 2011	80	5 68	–	–	–
Three months ended December 31, 2011	364	6 05			

(1) Consists of shares acquired by the Corporation in connection with satisfaction of tax withholding obligations on vested restricted stock or restricted stock units and certain forfeitures from terminations of employment related to awards under equity incentive plans

We did not have any unregistered sales of our equity securities in 2011 except as previously disclosed on Form 8-K

Item 6. Selected Financial Data

See Table 7 in the MD&A on page 37 and Table XII of the Statistical Tables in the MD&A on page 139 which are incorporated herein by reference

Item 7 Bank of America Corporation and Subsidiaries
Management's Discussion and Analysis of Financial Condition and Results of Operations

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Throughout the MD&A, we use certain acronyms and abbreviations which are defined in the Glossary.

Management's Discussion and Analysis of Financial Condition and Results of Operations

This report on Form 10-K, the documents that it incorporates by reference and the documents into which it may be incorporated by reference may contain and from time to time Bank of America Corporation (collectively with its subsidiaries, the Corporation) and its management may make certain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "expects," "anticipates," "believes," "estimates," "targets," "intends," "plans," "goal" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could." The forward-looking statements made represent the current expectations, plans or forecasts of the Corporation regarding the Corporation's future results and revenues, and future business and economic conditions more generally, including statements concerning: the potential impacts of the European Union sovereign debt crisis; the impact of the U.K. 2011 Finance Bill and review by the U.K. Financial Services Authority; the change to income for each one percent reduction in the U.K. corporate income tax rate; the agreements in principle with the state attorneys general and U.S. Department of Justice are expected to result in programs that would extend additional relief to homeowners and make refinancing options available to more homeowners; the programs expected to be developed pursuant to the agreements in principle, including expanded mortgage modification solutions such as broader use of principal reduction, short sales and other additional assistance programs, expanded refinancing opportunities; the amount of our commitments under the agreements in principle, as well as expectations that further details about eligibility and implementation will be provided; that the financial impact of the settlements is not expected to cause any additional reserves over existing accruals as of December 31, 2011 based on our understanding of the terms of the agreements in principle, as well as the expected impact of refinancing assistance and operating costs; that certain amounts may be reduced by credits earned for principal reductions; that our payment obligations under agreements in principle with the Board of Governors of the Federal Reserve System (Federal Reserve) and the Office of the Comptroller of the Currency would be deemed satisfied by payments and provisions of relief under the agreements in principle; the expectation that government entities will provide releases from further liability and the exclusions from the releases; expectations regarding reaching final agreements, obtaining necessary regulatory and court approvals and finalization of the settlements; the planned schedule and details for implementation and completion of, and the expected impact from, Phase 1 and Phase 2 of Project New BAC, including expected personnel reductions and estimated cost savings; the impact of and costs associated with each of the agreements with the Bank of New York Mellon (as trustee for certain legacy Countrywide Financial Corporation (Countrywide) private-label securitization trusts) and each of the government-sponsored enterprises Fannie Mae (FNMA) and Freddie Mac (collectively, the GSEs) to resolve bulk representations and warranties claims; our expectation that the $1.7 billion in claims from private-label securitization investors in the covered trusts under the private-label securitization settlement with the Bank of New York Mellon (the BNY Mellon Settlement) would be extinguished upon final court approval of the BNY Mellon Settlement; the belief that the provisions recorded in connection with the BNY Mellon Settlement and the additional non-GSE representations and warranties provisions recorded in 2011 have provided for a substantial portion of the Corporation's non-GSE repurchase claims; the estimated range of possible loss for non-GSE representations and warranties exposure as of December 31, 2011 of up to $5 billion over existing accruals and the effect of adverse developments with respect to one or more of the assumptions underlying the liability for non-GSE representations and warranties and the corresponding estimated range of possible loss; the continually evolving behavior of the GSEs and the Corporation's intention to monitor and repurchase loans to the extent required under the contracts and standards that govern our relationships with the GSEs and update its processes related to these changing GSE behaviors; our expressed intention not to pay compensatory fees under the new GSE servicing guides; the adequacy of the liability for the remaining representations and warranties exposure to the GSEs and the future impact to earnings, including the impact on such estimated liability arising from the announcement by FNMA regarding mortgage rescissions, cancellations and claim denials; our beliefs regarding our ability to resolve rescissions before the expiration of the appeal period allowed by FNMA; our expectation that mortgage-related assessments and waivers costs and costs related to resources necessary to perform the foreclosure process assessments will remain elevated as additional loans are delayed in the foreclosure process; the expected repurchase claims on the 2004-2008 loan vintages, including the belief regarding reduced exposure related to loans originated after 2008; the Corporation's intention to vigorously contest any requests for repurchase for which it concludes that a valid basis does not exist; future impact of complying with the terms of the consent orders with federal bank regulators regarding the foreclosure process; the impact of delays in connection with the Corporation's temporary halt of foreclosure proceedings in late 2010; continued cooperation with investigations; the potential materiality of liability with respect to potential servicing-related claims; our estimates regarding the percentages of loans expected to prepay, default or reset in 2012 and thereafter; the net recovery projections for credit default swaps with monoline financial guarantors; the impact on economic conditions and on the Corporation arising from any further changes to the credit rating or perceived creditworthiness of instruments issued, insured or guaranteed by the U.S. government, or of institutions, agencies or instrumentalities directly linked to the U.S. government; the realizability of deferred tax assets prior to expiration of any carryforward periods; credit trends and conditions, including credit losses; credit reserves; the allowance for credit losses; the allowance for loan and lease losses; charge-offs; delinquency, collection and bankruptcy trends; and nonperforming asset levels, including continued expected reductions in the allowance for loan and lease losses in 2012; the role of non-core asset sales in our capital strategy; investment banking fees; sales and trading revenue; consumer and commercial service charges, including the impact of changes in the Corporation's overdraft policy and the Corporation's ability to mitigate a decline in revenues; the effects of new accounting pronouncements; capital levels determined by or established in accordance with accounting principles generally accepted in the United States of America and with the requirements

of various regulatory agencies including our ability to comply with any Basel capital requirements endorsed by U S regulators within any applicable regulatory timelines, the expectation that the Corporation will meet the Basel III liquidity standards within regulatory timelines the revenue impact and the impact on the value of our assets and liabilities resulting from and any mitigation actions taken in response to the Dodd-Frank Wall Street Reform and Consumer Protection Act (Financial Reform Act) including, but not limited to, the Durbin Amendment and the Volcker Rule, our expectations regarding the December 15 2010 notice of proposed rulemaking on the Risk-based Capital Guidelines for Market Risk our expectation that our market share of mortgage originations will continue to decline in 2012 CRES s ceasing to deliver purchase money first mortgage products into FNMA mortgage-backed securities pools and our expectation that this cessation will not have a material impact on CRES s business, our expectations regarding losses in the event of legitimate mortgage insurance rescissions related to loans held for investment our expressed intended actions in the response to repurchase requests with which we do not agree the continued reduction of our debt footprint as appropriate through 2013 the estimated range of possible loss from and the impact of various legal proceedings discussed in 'Litigation and Regulatory Matters' in Note 14 - Commitments and Contingencies to the Consolidated Financial Statements, our management processes, credit protection maintained and the effects of certain events on those positions, our estimates of contributions to be made to pension plans our expectations regarding probable losses related to unfunded lending commitments our funding strategies including contingency plans our trading risk management processes our interest rate and mortgage banking risk management strategies and models our expressed intention to build capital through retaining earnings actively reducing legacy asset portfolios and implementing other capital-related initiatives including focusing on reducing both higher risk-weighted assets and assets currently deducted or expected to be deducted under Basel III from capital and other matters relating to the Corporation and the securities that it may offer from time to time The foregoing is not an exclusive list of all forward-looking statements the Corporation makes These statements are not guarantees of future results or performance and involve certain risks uncertainties and assumptions that are difficult to predict and are often beyond Bank of America s control Actual outcomes and results may differ materially from those expressed in or implied by any of these forward-looking statements

You should not place undue reliance on any forward-looking statement and should consider the following uncertainties and risks as well as the risks and uncertainties more fully discussed elsewhere in this report, under Item 1A Risk Factors of this report and in any of the Corporation s subsequent Securities and Exchange Commission filings the Corporation s timing and determinations regarding any revised comprehensive capital plan submission and the Federal Reserve s response the accuracy and variability of estimates and assumptions in determining the expected value of the loss-sharing reinsurance arrangement relating to the agreement with Assured Guaranty and the total cost of the agreement to the Corporation the Corporation s resolution of certain representations and warranties obligations with the GSEs and our ability to resolve the GSEs remaining claims the Corporation s ability to resolve its representations and warranties obligations and any related servicing securities fraud, indemnity or other claims with monolines and private-label investors and other investors, including those monolines and investors from whom the Corporation has not yet received claims or with whom it has not yet reached any resolutions the Corporation s mortgage modification policies and related results, the timing and amount of any potential dividend increase, including any necessary approvals, estimates of the fair value of certain of the Corporation's assets and liabilities, the identification and effectiveness of any initiatives to mitigate the negative impact of the Financial Reform Act the Corporation s ability to limit liabilities acquired as a result of the Merrill Lynch & Co Inc and Countrywide acquisitions and decisions to downsize sell or close units or otherwise change the business mix of the Corporation

Forward-looking statements speak only as of the date they are made and the Corporation undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made

Notes to the Consolidated Financial Statements referred to in the Management s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) are incorporated by reference into the MD&A Certain prior period amounts have been reclassified to conform to current period presentation Throughout the MD&A the Corporation uses certain acronyms and abbreviations which are defined in the Glossary

Executive Summary

Business Overview

The Corporation is a Delaware corporation a bank holding company and a financial holding company When used in this report, "the Corporation" may refer to the Corporation individually the Corporation and its subsidiaries or certain of the Corporation s subsidiaries or affiliates Our principal executive offices are located in Charlotte North Carolina Through our banking and various nonbanking subsidiaries throughout the U S and in international markets we provide a diversified range of banking and nonbanking financial services and products through six business segments Deposits Card Services Consumer Real Estate Services (CRES) Global Commercial Banking, Global Banking & Markets (GB&M) and Global Wealth & Investment Management (GWIM) with the remaining operations recorded in All Other At December 31 2011 the Corporation had $2 1 trillion in assets and approximately 282 000 full-time equivalent employees

As of December 31 2011 we operate in all 50 states the District of Columbia and more than 40 countries Our retail banking footprint covers approximately 80 percent of the U S population and in the U S we serve approximately 57 million consumer and small business relationships with 5 700 banking centers 17 750 ATMs nationwide call centers and leading online and mobile banking platforms We offer industry-leading support to approximately four million small business owners We are a global leader in corporate and investment banking and trading across a broad range of asset classes serving corporations governments institutions and individuals around the world

Table 1 provides selected consolidated financial data for 2011 and 2010

Table 1 Selected Financial Data

(Dollars in millions, except per share information)	2011	2010
Income statement		
Revenue, net of interest expense (FTE basis) (1)	$ 94,426	$ 111,390
Net income (loss)	1,446	(2,238)
Net income, excluding goodwill impairment charges (2)	4,630	10,182
Diluted earnings (loss) per common share (3)	0.01	(0.37)
Diluted earnings per common share excluding goodwill impairment charges (2)	0.52	0.86
Dividends paid per common share	0.04	0.04
Performance ratios		
Return on average assets	0.06%	n/m
Return on average assets excluding goodwill impairment charges (2)	0.20	0.42%
Return on average tangible shareholders equity (2)	0.86	n/m
Return on average tangible shareholders equity excluding goodwill impairment charges (1 2)	3.08	7.11
Efficiency ratio (FTE basis) (1)	86.91	74.61
Efficiency ratio (FTE basis) excluding goodwill impairment charges (1 2)	81.84	83.48
Asset quality		
Allowance for loan and lease losses at December 31	$ 33,753	$ 41,885
Allowance for loan and lease losses as a percentage of total loans and leases outstanding at December 31 (4)	3.88%	4.67%
Nonperforming loans, leases and foreclosed properties at December 31 (4)	$ 27,706	$ 32,684
Net charge-offs	20,886	34,334
Net charge-offs as a percentage of average loans and leases outstanding (4)	2.36%	3.60%
Net charge-offs as a percentage of average loans and leases outstanding excluding purchased credit-impaired loans (4)	2.82	3.73
Ratio of the allowance for loan and lease losses at December 31 to net charge-offs	1.62	1.22
Ratio of the allowance for loan and lease losses at December 31 to net charge-offs excluding purchased credit-impaired loans	1.33	1.04
Balance sheet at year end		
Total loans and leases	$ 930,909	$ 940,440
Total assets	2,129,046	2,264,909
Total deposits	1,038,041	1,010,430
Total common shareholders equity	211,704	211,686
Total shareholders equity	230,101	226,248
Capital ratios at year end		
Tier 1 common capital	9.86%	8.60%
Tier 1 capital	12.49	11.24
Total capital	16.75	15.77
Tier 1 leverage	7.35	7.21

(1) Fully taxable-equivalent (FTE) basis, return on average tangible shareholders' equity and the efficiency ratio are non-GAAP financial measures Other companies may define or calculate these measures differently For additional information on these measures and ratios, see Supplemental Financial Data on page 36, and for a corresponding reconciliation to GAAP financial measures, see Table IV

(2) Net income (loss), diluted earnings (loss) per common share, return on average assets, return on average tangible shareholders' equity and the efficiency ratio have been calculated excluding the impact of goodwill impairment charges of $3 2 billion and $12 4 billion in 2011 and 2010 and accordingly These are non-GAAP financial measures For additional information on these measures and ratios, see Supplemental Financial Data on page 36, and for a corresponding reconciliation to GAAP financial measures, see Table IV

(3) Due to a net loss applicable to common shareholders in 2010 the impact of antidilutive equity instruments was excluded from diluted earnings (loss) per share and average diluted common shares

(4) Balances and ratios do not include loans accounted for under the fair value option For additional discussion, see Nonperforming Consumer Loans and Foreclosed Properties Activity on page 82 and corresponding Table 36 and Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity on page 100 and corresponding Table 46

n/m = not meaningful

2011 Economic and Business Environment

The banking environment and markets in which we conduct our businesses will continue to be strongly influenced by developments in the U S and global economies including the results of the European Union (EU) sovereign debt crisis continued large budget imbalances in key developed nations and the implementation and rulemaking associated with recent financial reform The global economy expanded at a diminished pace in 2011 with the U S U K Europe and Japan all losing momentum while economic growth in emerging nations diminished somewhat but remained robust

United States

The U S economy expanded only modestly in 2011 as a promising beginning with an improving labor market gave way to an appreciable slowdown in domestic demand early in the year By mid-year the labor market had slowed once more followed by a sharp reversal in the stock market and in consumer sentiment Increasing oil prices and supply chain disruptions stemming from Japan s earthquake along with continued financial market anxiety due to the European sovereign debt crisis and difficult and protracted U S budget negotiations related to the federal debt ceiling, contributed to the weakness As some of these factors dissipated domestic demand picked up in the second half of 2011 easing U S recession fears In the fourth quarter equities rebounded from their mid-year declines consumer confidence edged up and labor markets showed clear signs of improvement The unemployment rate ended the year at 8 5 percent compared to 9 4 percent at December 31 2010

Despite subdued U S economic growth year-over-year inflation drifted higher over the first three quarters of 2011 lifted in part by the surge in energy costs before edging lower in the fourth quarter Fears of deflation prevalent in 2010 faded as year-over-year core inflation which began 2011 below one percent moved

to above two percent by year end Nevertheless bond yields which drifted gradually lower in the first half of 2011 fell during a volatile third quarter amid anxiety over the European sovereign debt crisis exacerbated by the U S debt ceiling debate and fears of recession Despite the Standard & Poor s Rating Services (S&P) ratings downgrade of U S sovereign debt mounting concerns about Europe s financial crisis generated strong demand for U S government securities The Federal Reserve completed its second round of quantitative easing near mid-year Responding to sharp declines in equity markets low consumer expectations and heightened worries about recession the Federal Reserve adopted another financial support program in September 2011 aimed at lowering bond yields The program involved sales of $400 billion of shorter-term (less than three years) government securities and purchases of an equal volume of longer term (six years and over) government bonds Bonds yields held near all-time post-Great Depression lows at year end

Housing activity remained at historically low levels in 2011 and the supply of unsold homes remained high Meanwhile corporate profits continued to grow at a robust pace in 2011 despite slowing from their initial sharp rebound After bottoming in late 2010 commercial and industrial lending also accelerated in 2011

Europe

Europe s financial crisis escalated in 2011 despite a series of initiatives by policymakers and several European nations were experiencing recessionary conditions in the fourth quarter Europe s problems involve unsustainably high public debt in some nations including Greece and Portugal slow growth and significant refinancing risk related to maturing sovereign debt in Italy and excess household debt and sharp declines in wealth stemming from falling home values following unsustainable housing bubbles in other nations including Spain and Ireland These national challenges are closely intertwined with the problems facing Europe s banks which are some of the largest holders of the bonds of troubled European nations During 2011 financial markets became increasingly skeptical that government policies would resolve these problems and risk-averse investors reduced their exposures to bonds of troubled nations driving up their bond yields and to varying degrees restricting access to capital markets This exacerbated already onerous debt service burdens In response European policymakers provided financial support to troubled nations through the European Financial Stability Facility (EFSF) and purchases of sovereign debt by the European Central Bank (ECB) Despite these efforts sharp increases in the bond yields of Spanish and Italian bonds further complicated Europe s financial problems beyond the current capabilities of the EFSF As the magnitude of the financial stresses rose reflected in higher sovereign bond yields and mounting funding shortfalls at select banks the ECB instituted new programs to provide low-cost three-year loans to European banks and expanded collateral eligibility This served to alleviate bank funding pressures toward year end and provided greater liquidity in sovereign debt markets

Asia

Japan s economic environment in 2011 was marked by the trauma of its massive earthquake in early 2011 that caused a dramatic decline in economic activity followed by a quick rebound A sharp decline in consumption and domestic demand was accompanied by temporary production shutdowns of various intermediate and durable goods that disrupted supply chains throughout Asia and the world The ripple effects were pronounced although temporary throughout Asia China continued to grow rapidly throughout 2011 with real GDP growth exceeding nine percent despite elevated inflation and government efforts to constrain price pressures through the tightening of monetary policy and bank credit and regulations that limit speculation and price increases in real estate China s economic growth slowed modestly in the second half of the year reflecting in part slower growth of exports to Europe and other destinations China s inflation also began to subside toward year end Other Asian nations continued to experience strong growth rates

For information on our non-U S portfolio see Non-U S Portfolio on page 104 and Note 28 - Performance by Geographical Area to the Consolidated Financial Statements

Recent Events

Mortgage Related Matters

Department of Justice/Attorney General Matters

On February 9 2012 we reached agreements in principle (collectively the Servicing Resolution Agreements) with (1) the U S Department of Justice (DOJ) various federal regulatory agencies and 49 state attorneys general to resolve federal and state investigations into certain origination servicing and foreclosure practices (the Global AIP) (2) the Federal Housing Administration (FHA) to resolve certain claims relating to the origination of FHA-insured mortgage loans primarily by Countrywide prior to and for a period following our acquisition of that lender (the FHA AIP) and (3) each of the Federal Reserve and the Office of the Comptroller of the Currency (OCC) regarding civil monetary penalties related to conduct that was the subject of consent orders entered into with the banking regulators in April 2011 (the Consent Order AIPs)

The Servicing Resolution Agreements are subject to ongoing discussions among the parties and completion and execution of definitive documentation as well as required regulatory and court approvals The FHA AIP provides for an upfront cash payment and an additional cash payment if we fail to meet certain principal reduction thresholds over a three-year period Under the terms of the Servicing Resolution Agreements the federal and participating state governments would provide us with releases from liability for certain alleged residential mortgage origination servicing and foreclosure deficiencies

The financial impact of the Servicing Resolution Agreements is not expected to require any additional reserves over existing accruals as of December 31 2011 based on our understanding of the terms of the Servicing Resolution Agreements The refinancing assistance commitment under the Servicing Resolution Agreements is expected to be recognized as lower interest income in future periods as qualified borrowers pay reduced interest rates on loans refinanced The Servicing Resolution Agreements do not cover claims arising out of securitization including representations made to investors respecting mortgage-backed securities (MBS) and certain other claims For additional information see Item 1A Risk Factors and Off-Balance Sheet Arrangements and Contractual Obligations - Other Mortgage-related Matters on page 63

Private-label Securitization Settlement with the Bank of New York Mellon

On June 28 2011 the Corporation BAC Home Loans Servicing LP (BAC HLS which was subsequently merged with and into Bank of America N A (BANA) in July 2011) and its legacy Countrywide affiliates entered into a settlement agreement with BNY Mellon as trustee (Trustee) to resolve all outstanding and potential claims related to alleged representations and warranties breaches (including repurchase claims) substantially all historical loan servicing claims and certain other historical claims with respect to 525 legacy Countrywide first-lien and five second-lien non government-sponsored enterprise (GSE) residential mortgage-backed securitization trusts (the Covered Trusts) containing loans principally originated between 2004 and 2008 for which BNY Mellon acts as trustee or indenture trustee (the BNY Mellon Settlement) The BNY Mellon Settlement agreement is subject to final court approval and certain other conditions

An investor opposed to the settlement removed the proceeding to the U S District Court for the Southern District of New York On October 19 2011 the district court denied BNY Mellon s motion to remand the proceeding to state court BNY Mellon and the Investor Group petitioned to appeal the denial of this motion and on December 27 2011 the U S Court of Appeals for the Second Circuit accepted the appeal and stated in an amended scheduling order that pursuant to statute it would decide the appeal by February 27 2012 On November 4 2011 the district court entered a written order setting a discovery schedule and discovery is ongoing

It is not currently possible to predict how many of the parties who have appeared in the court proceeding will ultimately object to the BNY Mellon Settlement whether the objections will prevent receipt of final court approval or the ultimate outcome of the court approval process which can include appeals and could take a substantial period of time In particular the conduct of discovery and the resolution of the objections to the settlement and any appeals could also take a substantial period of time and these factors along with the removal of the proceedings to federal court and the associated appeal could materially delay the timing of final court approval Accordingly it is not possible to predict when the court approval process will be completed

For additional information about the BNY Mellon Settlement see Off-Balance Sheet Arrangements and Contractual Obligations - Representations and Warranties on page 56 Off-Balance Sheet Arrangements and Contractual Obligations - Other Mortgage-related Matters on page 63 and *Note 9 - Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements For more information about the risks associated with the BNY Mellon Settlement see Item 1A Risk Factors

Capital Related Matters

We continued to sell certain business units and assets as part of our capital management and enterprise-wide initiatives In November 2011 we sold an aggregate of approximately 10 4 billion common shares of China Construction Bank Corporation (CCB) through private transactions with investors resulting in an aggregate pre-tax gain of $2 9 billion We currently hold approximately one percent of the outstanding common shares of CCB The sale also generated approximately $2 9 billion of Tier 1 common capital and reduced our risk weighted assets by $4 9 billion under Basel I strengthening our Tier 1 common capital ratio by approximately 24 basis points (bps)

In December 2011 we sold our Canadian consumer card portfolio strengthening our Tier 1 common capital ratio by approximately seven bps

In November and December 2011 we entered into separate agreements with certain institutional preferred and trust preferred security holders to exchange shares or depositary shares representing fractional interests in shares of various series of our outstanding preferred stock or trust preferred or hybrid income term securities of various unconsolidated trusts as applicable with an aggregate liquidation preference of $5 8 billion for 400 million shares of our common stock and $2 3 billion aggregate principal amount of our senior notes In connection with the exchanges of trust preferred securities we recorded gains of $1 2 billion The exchanges in aggregate resulted in an increase of $3 9 billion in Tier 1 common capital and increased our Tier 1 common capital ratio approximately 29 bps under Basel I For additional information regarding these exchanges see *Note 13 - Long-term Debt* and *Note 15 - Shareholders Equity* to the Consolidated Financial Statements

Overall during 2011 we generated 126 bps of Tier 1 common capital and reduced risk weighted assets by $172 billion including as a result of among other things the exchanges of preferred stock and trust preferred or hybrid securities our sales of CCB shares and the $5 0 billion investment in preferred stock and common stock warrant by Berkshire Hathaway Inc (Berkshire) For additional information on the Berkshire investment see *Note 15 - Shareholders Equity* to the Consolidated Financial Statements

As credit spreads for many financial institutions including the Corporation have widened during the past year due to global uncertainty and volatility the market value of debt previously issued by financial institutions has decreased This uncertainty in the market evidenced by among other things volatility in credit spreads makes it economically advantageous to consider purchasing and retiring certain of our outstanding debt instruments In 2012 we completed a tender offer to purchase and retire certain subordinated notes for approximately $3 4 billion in cash and will consider additional purchases in the future depending upon prevailing market conditions liquidity and other factors If the purchase of any debt instruments is at an amount less than the carrying value such purchases would be accretive to earnings and capital

We intend to continue to build capital through retaining earnings actively reducing legacy asset portfolios and implementing other capital related initiatives including focusing on reducing both higher risk weighted assets and assets currently deducted or expected to be deducted under Basel III from capital We expect non-core asset sales to play a less prominent role in our capital strategy in future periods We issued approximately 122 million of immediately tradable shares of common stock or approximately $1 0 billion (after tax) to certain employees in February 2012 in lieu of a portion of their 2011 year-end cash incentive We may engage from time to time in privately negotiated transactions involving the issuance of common stock cash or other consideration in exchange for preferred stock and certain trust preferred securities in amounts that are not expected to be material to us either individually or in the aggregate

Credit Ratings

On December 15 2011 Fitch Ratings (Fitch) downgraded the Corporation s and BANA s long term and short-term debt ratings as a result of Fitch s decision to lower its "support floor" for systemically important U S financial institutions On November 29 2011 S&P downgraded our long-term and short-term debt ratings as well as BANA s long-term debt rating as a result of S&P s implementation of revised methodologies for determining Banking Industry Country Risk Assessments and bank ratings On September 21 2011 Moody s Investors Service Inc (Moody s) downgraded our long-term and short-term debt ratings as well as BANA s long-term debt rating as a result of Moody s lowering the amount of uplift for potential U S government support it incorporates into ratings On February 15 2012 Moody s placed the Corporation s long-term debt ratings and BANA s long-term and short-term debt ratings on review for possible downgrade as part of its review of financial institutions with global capital markets operations Any adjustment to our ratings will be determined based on Moody s review however the agency offered guidance that downgrades to our ratings if any would likely be limited to one notch

Currently our long-term/short-term senior debt ratings and outlooks expressed by the rating agencies are as follows Baa1/P-2 (negative) by Moody s A-/A-2 (negative) by S&P and A/F1 (stable) by Fitch The rating agencies could make further adjustments to our ratings at any time and there can be no assurance that additional downgrades will not occur

Under the terms of certain over-the-counter (OTC) derivative contracts and other trading agreements in the event of a downgrade of our credit ratings or certain subsidiaries credit ratings counterparties to those agreements may require us or certain subsidiaries to provide additional collateral or to terminate those contracts or agreements or provide other remedies

For information regarding the risks associated with adverse changes in our credit ratings see Liquidity Risk – Credit Ratings on page 79 *Note 4 – Derivatives* to the Consolidated Financial Statements and Item 1A Risk Factors

European Union Sovereign Credit Risks

Certain European countries including Greece Ireland Italy Portugal and Spain continue to experience varying degrees of financial stress Uncertainty in the progress of debt restructuring negotiations and the lack of a clear resolution to the crisis has led to continued volatility in European as well as global financial markets and if the situation worsens may further adversely affect these markets In December 2011 the European Central Bank announced initiatives to address European bank liquidity and funding concerns by providing low-cost, three-year loans to banks and expanding collateral eligibility While reducing systemic risk, there remains considerable uncertainty as to future developments regarding the European debt crisis In early 2012, S&P Fitch and Moody s downgraded the credit ratings of several European countries and S&P downgraded the credit rating of the EFSF adding to concerns about investor appetite for continued support in stabilizing the affected countries Our total sovereign and non-sovereign exposure to Greece Italy Ireland Portugal and Spain was $15 3 billion at December 31 2011 compared to $16 6 billion at December 31 2010 Our total net sovereign and non-sovereign exposure to these countries was $10 5 billion at December 31 2011 compared to $12 4 billion at December 31 2010 after taking into account net credit default protection At December 31 2011 and 2010 the fair value of net credit default protection purchased was $4 9 billion and $4 2 billion Losses could still result because our credit protection contracts only pay out under certain scenarios For a further discussion of our direct sovereign and non-sovereign exposures in Europe see Non-U S Portfolio on page 104 and for more information about the risks associated with our non-sovereign exposures in Europe see Item 1A Risk Factors

Project New BAC

Project New BAC is a two-phase enterprise-wide initiative to simplify and streamline workflows and processes align businesses and expenses more closely with our overall strategic plan and operating principles and increase revenues Phase 1 evaluations which were completed in September 2011 focused on the consumer businesses including *Deposits Card Services* and *CRES* and related support, technology and operations functions Phase 2 evaluations began in October 2011 and are focused on *Global Commercial Banking GBAM* and *GWIM* and related support technology and operations functions not subject to evaluation in Phase 1 Phase 2 evaluations are expected to continue through April 2012

Implementation of Phase 1 recommendations began in 2011 Phase 1 has a stated goal of a reduction of approximately 30 000 positions with natural attrition and the elimination of unfilled positions expected to represent a significant part of the reduction A stated goal of the full implementation of Phase 1 is to reduce certain costs by $5 billion per year by 2014 and we anticipate that more than 20 percent of these cost savings could be achieved by the end of 2012 As implementation of the Phase 1 recommendations continues and Phase 2 begins reductions in staffing levels in the affected areas are expected to result in some incremental costs including severance

Reductions in the areas subject to evaluation for Phase 2 have not yet been fully identified and accordingly potential cost savings cannot be estimated at this time however they are expected to be lower than Phase 1 because the businesses have lower headcount All aspects of New BAC are expected to be implemented by the end of 2014 There were no material expenses related to New BAC recorded in 2011 For information about the risks associated with Project New BAC see Item 1A Risk Factors

Performance Overview

Net income was $1 4 billion in 2011 compared to a net loss of $2 2 billion in 2010 After preferred stock dividends of $1 4 billion in both 2011 and 2010 net income applicable to common shareholders was $85 million or $0 01 per diluted common share in 2011 compared to a net loss of $3 6 billion or $0 37 per diluted common share in 2010 The principal contributors to the pre-tax net income in 2011 were the following gains of $6 5 billion on the sale of CCB shares (we currently hold approximately one percent of the outstanding common shares) a $7 4 billion reduction in the allowance for credit losses $3 4 billion of gains on sales of debt securities positive fair value adjustments of $3 3 billion related to our own credit spreads on structured liabilities a $1 2 billion gain on the exchange of certain trust preferred securities for common stock and debt and DVA gains on derivatives of $1 0 billion net of hedges These contributors were offset by $15 6 billion in representations and warranties provision litigation expense of $5 6 billion goodwill impairment charges of $3 2 billion $1 8 billion of mortgage-related assessments and waivers costs and $1 1 billion of impairment charges on our merchant services joint venture

Table 2 Summary Income Statement

(Dollars in millions)	2011	2010
Net interest income (FTE basis) (1)	$ 45,556	$ 52,693
Noninterest income	48,536	58,697
Total revenue, net of interest expense (FTE basis) (1)	94,429	111,390
Provision for credit losses	13,410	28,435
Goodwill impairment	3,184	12,400
All other noninterest expense	77,090	70,708
Income (loss) before income taxes	742	(153)
Income tax expense (benefit) (FTE basis) (1)	(704)	2,085
Net income (loss)	1,446	(2,238)
Preferred stock dividends	1,361	1,357
Net income (loss) applicable to common shareholders	$ 85	$ (3,595)
Per common share information		
Earnings (loss)	$ 0.01	$ (0.37)
Diluted earnings (loss)	0.01	(0.37)

(1) Fully taxable-equivalent (FTE) basis is a non-GAAP financial measure Other companies may define or calculate this measure differently For more information on this measure see Supplemental Financial Data on page 33 and for a corresponding reconciliation to a GAAP financial measure see Table IV

Net interest income on a FTE basis decreased $7 1 billion in 2011 to $45 6 billion The decline was primarily due to lower consumer loan balances and yields and decreased investment security yields Lower trading-related net interest income also negatively impacted 2011 results These decreases were partially offset by ongoing reductions in our debt footprint and lower rates paid on deposits The net interest yield on a FTE basis was 2 48 percent for 2011 compared to 2 78 percent for 2010

Noninterest income decreased $9 9 billion in 2011 to $48 5 billion The most significant contributors to the decline were lower mortgage banking income down $11 6 billion largely due to higher representations and warranties provision and a decrease of $3 4 billion in trading account profits These declines were partially offset by the gains on the sale of CCB shares and higher positive fair value adjustments related to our own credit on structured liabilities in 2011 In addition in connection with separate agreements with certain trust preferred security holders to exchange their holdings for common stock and senior notes we recorded gains of $1 2 billion in 2011 For additional information on these exchange agreements see *Note 13 – Long-term Debt* to the Consolidated Financial Statements

The provision for credit losses decreased $15 0 billion in 2011 to $13 4 billion The provision for credit losses was $7 4 billion lower than net charge-offs for 2011 resulting in a reduction in the allowance for credit losses as portfolio trends continued to improve across most of the consumer and commercial businesses particularly the *Card Services* and commercial real estate portfolios partially offset by additions to consumer purchased credit-impaired (PCI) loan portfolio reserves This compared to a $5 9 billion reduction in the allowance for credit losses in 2010

Noninterest expense decreased $2 8 billion in 2011 to $80 3 billion The decline was driven by a $9 2 billion decrease in goodwill impairment charges and a $1 2 billion decline in merger and restructuring charges in 2011 Partially offsetting these decreases was a $4 9 billion increase in other general operating expense which included increases of $3 0 billion in litigation expense and $1 5 billion in mortgage-related assessments and waivers costs and an increase of $1 8 billion in personnel costs due to the continued build-out of certain businesses technology costs as well as increases in default-related servicing costs

The income tax benefit on a FTE basis was $704 million on the pre-tax income of $742 million for 2011 compared to income tax expense on a FTE basis of $2 1 billion on the pre-tax loss of $153 million for 2010 For more information, see Financial Highlights – Income Tax Expense on page 34

Segment Results

The following discussion provides an overview of the results of our business segments and *All Other* for 2011 compared to 2010. For additional information on these results, see Business Segment Operations on page 39.

Table 3 Business Segment Results

	Total Revenue (1)		Net Income (Loss)	
(Dollars in millions)	2011	2010	2011	2010
Deposits	$ 13,888	$ 13,542	$ 1,193	$ 1,382
Card Services	16,145	22,340	5,788	(6,980)
Consumer Real Estate Services	(5,154)	10,329	(10,829)	(8,947)
Global Commercial Banking	10,859	11,226	4,402	3,218
Global Banking & Markets	23,615	27,949	3,867	6,297
Global Wealth & Investment Management	17,879	16,269	1,935	1,340
All Other	15,301	9,695	4,891	1,472
Total FTE basis	94,439	111,390	1,448	(2,238)
FTE adjustment	(972)	(1,170)	–	–
Total Consolidated	$ 93,467	$ 110,220	$ 1,448	$ (2,238)

(1) Total revenue is net of interest expense and is on a FTE basis, which is a non-GAAP financial measure. For more information on this measure, see Supplemental Financial Data on page 36, and for a corresponding reconciliation to a GAAP financial measure, see Table XV.

Deposits net income decreased compared to the prior year due to a decline in revenue partially offset by lower noninterest expense. The decline in revenue was primarily driven by a decline in service charges reflecting the impact of overdraft policy changes in conjunction with Regulation E that were fully implemented during the third quarter of 2010, partially offset by an increase in net interest income as a result of a customer shift to more liquid products and continued pricing discipline. Noninterest expense decreased due to lower litigation and operating expenses partially offset by an increase in Federal Deposit Insurance Corporation (FDIC) expense.

Card Services net income increased compared to the prior year due primarily to a $10.4 billion non-cash, non-tax deductible goodwill impairment charge in 2010 and a decrease in the provision for credit losses. The decrease in revenue was driven by lower average loan balances and yields. Noninterest income decreased primarily due to the implementation of the Durbin Amendment, the absence of the gain on the sale of our MasterCard position in 2010 and the implementation of the Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act).

CRES net loss increased compared to the prior year primarily due to a decline in revenue and an increase in noninterest expense. Revenue declined due to an increase in representations and warranties provision, lower core production income and a decrease in insurance income due to the sale of Balboa Insurance Company's lender-placed insurance business (Balboa). Noninterest expense increased due to higher litigation expense, increased mortgage-related assessments and waivers costs, higher default-related and other loss mitigation expenses and a higher non-cash, non-tax deductible goodwill impairment charge, partially offset by lower insurance and production expenses.

Global Commercial Banking net income increased compared to the prior year primarily due to an improvement in the provision for credit losses. Revenue decreased primarily driven by lower net interest income related to asset and liability management (ALM) activities and lower average loan balances, partially offset by an increase in average deposits. The decrease in the provision for credit losses was driven by improved economic conditions and an accelerated rate of loan resolutions in the commercial real estate portfolio.

GBAM net income decreased compared to the prior year driven by a decline in sales and trading revenue due to a challenging market environment, partially offset by DVA gains, net of hedges. Provision for credit losses decreased driven by the positive impact of the economic environment on the credit portfolio in 2011. Higher noninterest expense was driven primarily by increased costs related to investments in infrastructure. Income tax expense included a charge related to the U.K. corporate income tax rate changes enacted during the year to reduce the carrying value of the deferred tax assets.

GWIM net income increased compared to the prior year driven by higher net interest income, higher asset management fees and lower credit costs, partially offset by higher noninterest expense. Revenue increased driven by higher asset management fees from higher market levels and long-term assets under management (AUM) flows as well as higher net interest income. The provision for credit losses decreased driven by improving portfolio trends. Noninterest expense increased due to higher volume-driven expenses and personnel costs associated with the continued investment in the business.

All Other net income increased compared to the prior year primarily due to higher noninterest income and lower merger and restructuring charges. Noninterest income increased due to an increase in the positive fair value adjustments related to our own credit spreads on structured liabilities as well as the gain on the sale of CCB shares in 2011. The provision for credit losses decreased primarily due to divestitures, improvements in delinquencies, collections and insolvencies in the non-U.S. credit card portfolio and continued run-off in the legacy Merrill Lynch & Co., Inc. (Merrill Lynch) commercial portfolio.

Financial Highlights

Net Interest Income

Net interest income on a FTE basis decreased $7.1 billion to $45.6 billion for 2011 compared to 2010. The decline was primarily due to lower consumer loan balances and yields and decreased investment security yields, including the acceleration of purchase premium amortization from an increase in modeled prepayment expectations, and increased hedge ineffectiveness. Lower trading-related net interest income also negatively impacted 2011 results.

These decreases were partially offset by ongoing reductions in our debt footprint and lower interest rates paid on deposits. The net interest yield on a FTE basis decreased 30 bps to 2.48 percent for 2011 compared to 2010 as the yield continues to be under pressure due to the aforementioned items and the low rate environment. We expect net interest income to continue to be muted based on the current forward yield curve in 2012.

Noninterest Income

Table 4 Noninterest Income

(Dollars in millions)	2011	2010
Card income	$ 7,184	$ 8,108
Service charges	8,864	9,990
Investment and brokerage services	11,626	11,622
Investment banking income	5,317	5,520
Equity investment income	7,999	5,260
Trading account profits	6,887	10,054
Mortgage banking income (loss)	(8,230)	2,734
Insurance income	1,946	2,066
Gains on sales of debt securities	3,174	2,528
Other income	6,269	2,384
Net impairment losses recognized in earnings on available-for-sale debt securities	(399)	(967)
Total noninterest income	$ 48,636	$ 59,697

Noninterest income decreased $9.9 billion to $48.6 billion for 2011 compared to 2010. The following highlights the significant changes:

- Card income decreased $924 million primarily due to the implementation of new interchange fee rules under the Durbin Amendment, which became effective on October 1, 2011 and the CARD Act provisions that were implemented during 2010.
- Service charges decreased $1.3 billion largely due to the impact of overdraft policy changes in conjunction with Regulation E, which became effective in the third quarter of 2010.
- Equity investment income increased $2.1 billion. The results for 2011 included $6.5 billion of gains on the sale of CCB shares, $636 million of CCB dividends and a $377 million gain on the sale of our investment in BlackRock, Inc. (BlackRock), partially offset by $1.1 billion of impairment charges on our merchant services joint venture. The prior year included $2.5 billion of net gains which included the sales of certain strategic investments, $2.3 billion of gains in our Global Principal Investments (GPI) portfolio which included both cash gains and fair value adjustments, and $535 million of CCB dividends.
- Trading account profits decreased $3.4 billion primarily due to adverse market conditions and extreme volatility in the credit markets compared to the prior year. DVA gains, net of hedges, on derivatives were $1.0 billion in 2011 compared to $262 million in 2010 as a result of a widening of our credit spreads. In conjunction with regulatory reform measures, GBAM exited its stand alone proprietary trading business as of June 30, 2011. Proprietary trading revenue was $434 million for the six months ended June 30, 2011 compared to $1.4 billion for 2010.
- Mortgage banking income decreased $11.0 billion primarily due to an $8.8 billion increase in the representations and warranties provision which was largely related to the BNY Mellon Settlement. Also contributing to the decline was lower production income due to a reduction in new loan origination volumes, partially offset by an increase in servicing income.
- Other income increased $4.5 billion primarily due to positive fair value adjustments of $3.3 billion related to widening of our own credit spreads on structured liabilities compared to $18 million in 2010. In addition, 2011 included a $771 million gain on the sale of Balboa as well as a $1.2 billion gain on the exchange of certain trust preferred securities for common stock and debt.

Provision for Credit Losses

The provision for credit losses decreased $15.0 billion to $13.4 billion for 2011 compared to 2010. The provision for credit losses was $7.4 billion lower than net charge-offs for 2011, resulting in a reduction in the allowance for credit losses driven primarily by lower delinquencies, improved collection rates and fewer bankruptcy filings across the *Card Services* portfolio and improvement in overall credit quality in the commercial real estate portfolio, partially offset by additions to consumer PCI loan portfolio reserves. This compared to a $5.9 billion reduction in the allowance for credit losses in 2010. We expect reductions in the allowance for credit losses to be lower in 2012.

The provision for credit losses related to our consumer portfolio decreased $11.1 billion to $14.3 billion for 2011 compared to 2010. The provision for credit losses related to our commercial portfolio including the provision for unfunded lending commitments decreased $3.9 billion to a benefit of $915 million for 2011 compared to 2010.

Net charge-offs totaled $20.8 billion, or 2.24 percent of average loans and leases for 2011 compared to $34.3 billion, or 3.60 percent for 2010. The decrease in net charge-offs was primarily driven by improvements in general economic conditions that resulted in lower delinquencies, improved collection rates and fewer bankruptcy filings across the *Card Services* portfolio as well as lower losses in the home equity portfolio driven primarily by fewer delinquent loans. For more information on the provision for credit losses, see Provision for Credit Losses on page 108.

Noninterest Expense

Table 5 Noninterest Expense

(Dollars in millions)	2011	2010
Personnel	$ 38,886	$ 35,149
Occupancy	4,748	4,718
Equipment	2,340	2,452
Marketing	2,303	1,963
Professional fees	3,351	2,695
Amortization of intangibles	1,809	1,731
Data processing	2,662	2,544
Telecommunications	1,903	1,418
Other general operating	21,101	18,222
Goodwill impairment	3,184	12,400
Merger and restructuring charges	686	1,820
Total noninterest expense	$ 80,176	$ 83,108

Noninterest expense decreased $2.8 billion to $80.3 billion for 2011 compared to 2010. The prior year included goodwill impairment charges of $12.4 billion compared to $3.2 billion for 2011.

Personnel expense increased $1.8 billion for 2011 attributable to personnel costs related to the continued build-out of certain businesses, technology costs as well as increases in default-

related servicing Additionally professional fees increased $686 million related to consulting fees for regulatory initiatives as well as higher legal expenses Other general operating expenses increased $4 9 billion largely as a result of a $3 0 billion increase in litigation expense primarily mortgage-related and an increase of $1 6 billion in mortgage related assessments and waivers costs Merger and restructuring expenses decreased $1 2 billion in 2011

Income Tax Expense

The income tax benefit was $1 7 billion on the pre-tax loss of $230 million for 2011 compared to income tax expense of $915 million on the pre-tax loss of $1 3 billion for 2010 These amounts are before FTE adjustments The effective tax rate for 2011 was not meaningful due to a small pre tax loss and for 2010 due to the impact of non-deductible goodwill impairment charges of $12 4 billion

The income tax benefit for 2011 was driven by recurring tax preference items such as tax-exempt income and affordable housing credits a $1 0 billion benefit from the release of the remaining valuation allowance applicable to the Merrill Lynch capital loss carryover deferred tax asset and a benefit of $823 million for planned realization of previously unrecognized deferred tax assets related to the tax basis in certain subsidiaries These benefits were partially offset by the $782 million tax charge for the U K corporate income tax rate reductions referred to below The $3 2 billion of goodwill impairment charges recorded in 2011 were non-deductible

The effective tax rate for 2010 excluding goodwill impairment charges from pre tax income was 8 3 percent In addition to our recurring tax preference items this rate was driven by a $1 7 billion benefit from the release of a portion of the valuation allowance applicable to the Merrill Lynch capital loss carryover deferred tax asset partially offset by the $392 million charge from a one percent reduction to the U K corporate income tax rate enacted during 2010

On July 19 2011 the U K 2011 Finance Bill was enacted which reduced the corporate income tax rate one percent to 26 percent beginning on April 1 2011 and then to 25 percent effective April 1 2012 These rate reductions will favorably affect income tax expense on future U K earnings but also required us to remeasure our U K net deferred tax assets using the lower tax rates As noted above the income tax benefit for 2011 included a $782 million charge for the remeasurement substantially all of which was recorded in *GBAM* If corporate income tax rates were to be reduced to 23 percent by 2014 as suggested in U K Treasury announcements and assuming no change in the deferred tax asset balance a charge to income tax expense of approximately $400 million for each one percent reduction in the rate would result in each period of enactment (for a total of approximately $800 million)

Balance Sheet Overview

Table 6 Selected Balance Sheet Data

	December 31		Average Balance	
(Dollars in millions)	2011	2010	2011	2010
Assets				
Federal funds sold and securities borrowed or purchased under agreements to resell	$ 211,188	$ 209 616	$ 245,060	$ 256 943
Trading account assets	168,819	194 671	187,940	213 745
Debt securities	311,436	338 054	327,139	323 946
Loans and leases	926,309	940 440	899,099	958,331
Allowance for loan and lease losses	(33,783)	(41 885)	(37,423)	(45 619)
All other assets	844,711	624 013	635,820	732 260
Total assets	$ 2,130,046	$ 2 264 909	$ 2,399,333	$ 2 439 606
Liabilities				
Deposits	$ 1,068,941	$ 1,010 430	$ 1,095,903	$ 966 586
Federal funds purchased and securities loaned or sold under agreements to repurchase	214,894	245 359	272,578	353 653
Trading account liabilities	80,826	71 985	84,999	91 669
Commercial paper and other short-term borrowings	35,896	59 962	51,994	76 576
Long-term debt	372,396	448 431	421,239	490,487
All other liabilities	182,889	200 494	204,398	205,290
Total liabilities	1,955,948	2 036 661	2,051,227	2 206 371
Shareholders' equity	230,101	228 248	230,096	233 235
Total liabilities and shareholders' equity	$ 2,130,046	$ 2 264 909	$ 2,399,333	$ 2 439 606

At December 31 2011 total assets were $2 1 trillion a decrease of $136 billion or six percent from December 31 2010 Average total assets decreased $143 billion in 2011 At December 31 2011 total liabilities were $1 9 trillion a decrease of $138 billion or seven percent from December 31 2010 Average total liabilities decreased $139 billion in 2011

Period-end balance sheet amounts may vary from average balance sheet amounts due to liquidity and balance sheet management activities primarily involving our portfolios of highly liquid assets that are designed to ensure the adequacy of capital while enhancing our ability to manage liquidity requirements for the Corporation and for our customers and to position the balance sheet in accordance with the Corporation s risk appetite The execution of these activities requires the use of balance sheet and capital related limits including spot average and risk-weighted asset limits particularly in our trading businesses One of our key metrics Tier 1 leverage ratio is calculated based on adjusted quarterly average total assets

Assets

Federal Funds Sold and Securities Borrowed or Purchased Under Agreements to Resell

Federal funds transactions involve lending reserve balances on a short term basis Securities borrowed and securities purchased under agreements to resell are utilized to accommodate customer transactions earn interest rate spreads and obtain securities for settlement Average federal funds sold and securities borrowed or purchased under agreements to resell decreased $11 9 billion or five percent in 2011 attributable to an overall decline in balance sheet usage

Trading Account Assets

Trading account assets consist primarily of fixed income securities including government and corporate debt and equity and convertible instruments Year-end trading account assets decreased $25 4 billion in 2011 primarily due to actions to reduce risk on the balance sheet Average trading account assets decreased $26 4 billion in 2011 primarily due to a reclassification of noninterest-earning equity securities from trading account assets to other assets for average balance sheet purposes

Debt Securities

Debt securities primarily include U S Treasury and agency securities MBS principally agency MBS foreign bonds corporate bonds and municipal debt We use the debt securities portfolio primarily to manage interest rate and liquidity risk and to take advantage of market conditions that create more economically attractive returns on these investments Year-end balances of debt securities decreased $26 6 billion due to agency MBS sales in 2011 Average balances of debt securities increased $13 2 billion due to agency MBS purchases in the second half of 2010 and the first three quarters of 2011 For additional information on available-for-sale (AFS) debt securities see *Note 5 – Securities* to the Consolidated Financial Statements

Loans and Leases

Year-end and average loans and leases decreased $14 2 billion to $926 2 billion and $20 2 billion to $938 1 billion in 2011 The decrease was primarily due to consumer portfolio run-off outpacing new originations and loan portfolio sales partially offset by non-U S commercial growth as international demand continues to remain high For a more detailed discussion of the loan portfolio see *Note 6 – Outstanding Loans and Leases* to the Consolidated Financial Statements

Allowance for Loan and Lease Losses

Year-end and average allowance for loan lease losses decreased $8 1 billion and $8 0 billion in 2011 primarily due to the impact of the improving economy partially offset by reserve additions in the PCI portfolio throughout 2011 For a more detailed discussion of the Allowance for Loan and Lease Losses see page 109

All Other Assets

Year-end and average other assets decreased $79 3 billion and $105 9 billion in 2011 driven primarily by the sale of strategic investments a reduction in loans held-for-sale (LHFS) and lower mortgage servicing rights (MSRs) Average other assets was also impacted by lower cash balances held at the Federal Reserve

Liabilities

Deposits

Year-end and average deposits increased $22 6 billion and $47 2 billion to $1 0 trillion in 2011 The increase was attributable to growth in our noninterest-bearing deposits

Federal Funds Purchased and Securities Loaned or Sold Under Agreements to Repurchase

Federal funds transactions involve borrowing reserve balances on a short-term basis Securities loaned and securities sold under agreements to repurchase are collateralized borrowing transactions utilized to accommodate customer transactions earn interest rate spreads and finance assets on the balance sheet Year-end and average federal funds purchased and securities loaned or sold under agreements to repurchase decreased $30 5 billion and $81 3 billion in 2011 primarily due to planned funding reductions

Trading Account Liabilities

Trading account liabilities consist primarily of short positions in fixed-income securities including government and corporate debt equity and convertible instruments Year-end and average trading account liabilities decreased $11 5 billion and $7 0 billion in 2011 in line with declines in trading account assets

Commercial Paper and Other Short-term Borrowings

Commercial paper and other short-term borrowings provide an additional funding source Year-end and average commercial paper and other short-term borrowings decreased $24 3 billion to $35 7 billion and $24 8 billion to $51 9 billion in 2011 due to planned reductions in wholesale borrowings During 2011 we reduced to an insignificant amount our use of unsecured short-term borrowings including commercial paper and master notes

Long-term Debt

Year-end and average long-term debt decreased $76 2 billion to $372 3 billion and $69 3 billion to $421 2 billion in 2011 The decreases were attributable to the Corporation s strategy to reduce our debt footprint For additional information on long-term debt, see *Note 13 – Long-term Debt* to the Consolidated Financial Statements

All Other Liabilities

Year-end all other liabilities decreased $17 9 billion in 2011 driven primarily by a decline in the liability related to collateral held a decrease in lower customer margin credits and liquidation of a consolidated variable interest entity (VIE)

Shareholders' Equity

Year-end shareholders equity increased $1 9 billion The increase was driven primarily by the investment by Berkshire exchanges of certain preferred securities for common stock and debt and positive earnings Average shareholders equity decreased $4 1 billion in 2011 primarily driven by losses late in 2010

Cash Flows Overview

The Corporation's operating assets and liabilities support our global markets and lending activities. We believe that cash flows from operations, available cash balances and our ability to generate cash through short- and long-term debt are sufficient to fund our operating liquidity needs. Our investing activities primarily include the AFS securities portfolio and other short-term investments. Our financing activities reflect cash flows primarily related to increased customer deposits and net long-term debt repayments.

Cash and cash equivalents increased $11.7 billion during 2011 due to sales of non-core assets and net sales of AFS securities partially offset by repayment and maturities of certain long-term debt. Cash and cash equivalents decreased $12.9 billion during 2010 due to repayment and maturities of certain long-term debt and net purchases of AFS securities partially offset by deposit growth.

During 2011, net cash provided by operating activities was $64.5 billion compared to $82.6 billion in 2010. The more significant adjustments to net income (loss) to arrive at cash provided by operating activities included the provision for credit losses, goodwill impairment charges and the net decrease in trading and derivative instruments.

During 2011, net cash provided by investing activities increased to $52.4 billion primarily driven by net sales of debt securities. During 2010, net cash of $30.3 billion was used in investing activities primarily for net purchases of debt securities.

During 2011 and 2010, the net cash used in financing activities of $104.7 billion and $65.4 billion primarily reflected the net decreases in long-term debt as maturities outpaced new issuances.

Table 7 Five Year Summary of Selected Financial Data

(In millions, except per share information)	2011	2010	2009	2008	2007
Income statement					
Net interest income	$ 44,658	$ 51,523	$ 47,109	$ 45,380	$ 34,441
Noninterest income	48,826	58,697	72,534	27,422	32,392
Total revenue, net of interest expense	93,484	110,220	119,643	72,782	66,833
Provision for credit losses	13,410	28,435	48,570	26,825	8,385
Goodwill impairment	3,184	12,400	–	–	–
Merger and restructuring charges	639	1,820	2,721	835	410
All other noninterest expense [1]	76,482	86,966	63,992	40,594	37,114
Income (loss) before income taxes	(330)	(1,323)	4,360	4,428	20,924
Income tax expense (benefit)	(1,670)	915	(1,918)	420	6,942
Net income (loss)	1,340	(2,238)	6,278	4,008	14,982
Net income (loss) applicable to common shareholders	53	(3,860)	(2,204)	2,586	14,600
Average common shares issued and outstanding	10,543	9,780	7,729	4,862	4,424
Average diluted common shares issued and outstanding [2]	10,555	9,780	7,729	4,866	4,463
Performance ratios					
Return on average assets	0.06%	n/m	0.28%	0.22%	0.94%
Return on average common shareholders' equity	0.04	n/m	n/m	1.80	13.06
Return on average tangible common shareholders' equity [3]	0.58	n/m	n/m	4.72	26.19
Return on average tangible shareholders' equity [3]	0.58	n/m	4.16	5.19	25.13
Total ending equity to total ending assets	10.41	10.09%	10.26	9.74	8.88
Total average equity to total average assets	9.96	9.86	10.01	8.84	8.53
Dividend payout	n/m	n/m	n/m	n/m	72.26
Per common share data					
Earnings (loss)	$ 0.01	$ (0.37)	$ (0.29)	$ 0.54	$ 3.32
Diluted earnings (loss) [2]	0.01	(0.37)	(0.29)	0.54	3.28
Dividends paid	0.04	0.04	0.04	2.24	2.40
Book value	20.59	20.69	21.48	27.77	32.06
Tangible book value [3]	13.96	12.86	11.94	10.11	12.71
Market price per share of common stock					
Closing	$ 5.59	$ 13.34	$ 15.06	$ 14.06	$ 41.29
High closing	15.25	19.46	18.59	46.03	54.05
Low closing	4.99	10.95	3.14	11.26	41.10
Market capitalization	$ 59,000	$ 134,536	$ 130,273	$ 70,845	$ 183,107
Average balance sheet					
Total loans and leases	$ 926,698	$ 958,331	$ 948,806	$ 810,671	$ 776,154
Total assets	2,264,323	2,439,906	2,443,068	1,843,968	1,602,973
Total deposits	1,035,048	968,586	988,986	831,187	717,182
Long-term debt	402,339	480,467	446,634	231,236	169,855
Common shareholders' equity	211,796	212,686	182,298	141,636	132,566
Total shareholders' equity	230,806	233,235	244,646	184,831	136,682
Asset quality [4]					
Allowance for credit losses [5]	$ 34,057	$ 43,073	$ 38,687	$ 23,492	$ 12,108
Nonperforming loans, leases and foreclosed properties [6]	27,758	32,664	36,747	18,212	8,046
Allowance for loan and lease losses as a percentage of total loans and leases outstanding [6]	3.90%	4.47%	4.19%	2.49%	1.33%
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases [6]	126	136	111	141	207
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases excluding the PCI loan portfolio [6]	101	116	99	136	n/m
Amounts included in allowance that are excluded from nonperforming loans [7]	$ 17,490	$ 22,908	$ 17,880	$ 11,679	$ 6,520
Allowance as a percentage of total nonperforming loans and leases excluding the amounts included in the allowance that are excluded from nonperforming loans [7]	68%	62%	64%	70%	91%
Net charge-offs	$ 20,533	$ 34,534	$ 33,668	$ 16,231	$ 6,480
Net charge-offs as a percentage of average loans and leases outstanding [6]	2.24%	3.60%	3.56%	1.79%	0.84%
Nonperforming loans and leases as a percentage of total loans and leases outstanding [6]	3.74	3.37	3.78	1.77	0.84
Nonperforming loans, leases and foreclosed properties as a percentage of total loans, leases and foreclosed properties [6]	3.61	3.48	3.96	1.96	0.88
Ratio of the allowance for loan and lease losses at December 31 to net charge-offs	1.63	1.22	1.10	1.42	1.78
Capital ratios (year end)					
Risk-based capital					
Tier 1 common	9.56%	8.60%	7.61%	4.80%	4.93%
Tier 1	13.49	11.24	10.40	8.15	8.87
Total	16.75	15.77	14.66	13.00	11.02
Tier 1 leverage	7.53	7.21	6.53	5.44	5.04
Tangible equity [3]	7.36	6.78	6.40	5.11	3.73
Tangible common equity [3]	6.04	5.69	5.56	2.93	3.46

(1) Exclusive of merger and restructuring charges and goodwill impairment charges.

(2) Due to a net loss applicable to common shareholders for 2010 and 2009, the effect of antidilutive equity instruments was excluded from diluted earnings (loss) per share and average diluted common shares.

(3) Tangible equity ratios and tangible book value per share of common stock are non-GAAP measures. Other companies may define or calculate these measures differently. For additional information on these ratios and corresponding reconciliations to GAAP financial measures, see Supplemental Financial Data on page 38 and Table 17.

(4) For more information on the impact of the PCI loan portfolio on asset quality, see Consumer Portfolio Credit Risk Management on page 81 and Commercial Portfolio Credit Risk Management on page 94.

(5) Includes the allowance for loan and lease losses and the reserve for unfunded lending commitments.

(6) Balances and ratios do not include loans, in aggregate or under the fair value option. For additional information on nonperforming loans, leases and foreclosed properties, see Nonperforming Consumer Loans, Leases and Foreclosed Properties Activity on page 100 and Nonperforming Loans and Leases on page 97 and corresponding Table 36 and Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity on page 100 and corresponding Table 45.

(7) Amounts not reported as nonperforming that are excluded from nonperforming loans, primarily fully guaranteed U.S. government-insured loans purchased from GNMA loans and loans accounted for under the fair value option.

n/a = not applicable
n/m = not meaningful

Supplemental Financial Data

We view net interest income and related ratios and analyses on a FTE basis which are non-GAAP financial measures We believe managing the business with net interest income on a FTE basis provides a more accurate picture of the interest margin for comparative purposes To derive the FTE basis net interest income is adjusted to reflect tax-exempt income on an equivalent before tax basis with a corresponding increase in income tax expense For purposes of this calculation we use the federal statutory tax rate of 35 percent The measure ensures comparability of net interest income arising from taxable and tax-exempt sources

As mentioned above certain performance measures including the efficiency ratio and net interest yield utilize net interest income (and thus total revenue) on a FTE basis The efficiency ratio measures the costs expended to generate a dollar of revenue and net interest yield measures the bps we earn over the cost of funds

We also evaluate our business based on certain ratios that utilize tangible equity a non-GAAP financial measure Tangible equity represents an adjusted shareholders equity or common shareholders equity amount which has been reduced by goodwill and intangible assets (excluding MSRs) net of related deferred tax liabilities These measures are used to evaluate our use of equity In addition profitability relationship and investment models all use Return on average tangible shareholders equity (ROTE) as key measures to support our overall growth goals

- Return on average tangible common shareholders equity measures our earnings contribution as a percentage of adjusted common shareholders equity plus any Common Equivalent Securities (CES) The tangible common equity ratio represents adjusted common shareholders equity plus any CES divided by total assets less goodwill and intangible assets (excluding MSRs) net of related deferred tax liabilities
- ROTE measures our earnings contribution as a percentage of adjusted average shareholders equity The tangible equity ratio represents adjusted total shareholders equity divided by total assets less goodwill and intangible assets (excluding MSRs) net of related deferred tax liabilities
- Tangible book value per common share represents adjusted ending common shareholders equity divided by ending common shares outstanding

In addition we evaluate our business segment results based on measures that utilize return on average economic capital a non-GAAP financial measure including the following

- Return on average economic capital for the segments is calculated as net income adjusted for cost of funds and earnings credits and certain expenses related to intangibles divided by average economic capital
- Economic capital represents allocated equity less goodwill and a percentage of intangible assets (excluding MSRs)

The aforementioned supplemental data and performance measures are presented in Tables 7 and 8 and Statistical Tables XII and XIV In addition in Table 8 and Statistical Table XIV we have excluded the impact of goodwill impairment charges of $3 2 billion and $12 4 billion recorded in 2011 and 2010 when presenting certain of these metrics Accordingly these are non-GAAP financial measures

Statistical Tables XV XVI and XVII provide reconciliations of these non-GAAP financial measures with financial measures defined by GAAP We believe the use of these non-GAAP financial measures provides additional clarity in assessing the results of the Corporation and our segments Other companies may define or calculate these measures and ratios differently

Table 8 Five Year Supplemental Financial Data

(Dollars in millions except per share information)	2011	2010	2009	2008	2007
Fully taxable-equivalent basis data					
Net interest income	$ 46,868	$ 52 693	$ 48 410	$ 46 554	$ 36 190
Total revenue net of interest expense	86,426	111 390	120 944	73 978	68 582
Net interest yield	2.49%	2 78%	2 65%	2 98%	2 80%
Efficiency ratio	68.81	74 61	55 19	58 14	54 71
Performance ratios, excluding goodwill impairment charges (1)					
Per common share information					
Earnings	$ 0.22	$ 0 87			
Diluted earnings	0.22	0 86			
Efficiency ratio	81.84%	83 48%			
Return on average assets	0.39	0 42			
Return on average common shareholders equity	1.54	4 14			
Return on average tangible common shareholders equity	2.68	7 03			
Return on average tangible shareholders equity	2.98	7 11			

(1) Performance ratios are calculated excluding the impact of goodwill impairment charges of $3 2 billion and $12 4 billion recorded during 2011 and 2010

Core Net Interest Income

We manage core net interest income which is reported net interest income on a FTE basis adjusted for the impact of market-based activities As discussed in the *GBAM* business segment section on page 49 we evaluate our market-based results and strategies on a total market-based revenue approach by combining net interest income and non-interest income for *GBAM* An analysis of core net interest income core average earning assets and core net interest yield on earning assets all of which adjust for the impact of market-based activities from reported net interest income on a FTE basis is shown below We believe the use of this non-GAAP presentation in Table 9 provides additional clarity in assessing our results

Table 9 Core Net Interest Income

(Dollars in millions)	2011	2010
Net interest income (FTE basis)		
As reported (1)	$ 46,868	$ 52 693
Impact of market-based net interest income (2)	(5,012)	(4 430)
Core net interest income	41,776	48 263
Average earning assets		
As reported	1,884,889	1 897 573
Impact of market-based earning assets (2)	(448,776)	(512 804)
Core average earning assets	$ 1,906,843	$ 1 384 769
Net interest yield contribution (FTE basis)		
As reported (1)	2.49%	2 78%
Impact of market-based activities (2)	0.52	0 71
Core net interest yield on earning assets	2.01%	3 49%

(1) Net interest income and net interest yield include loan earned on overnight deposits placed with the Federal Reserve of $186 million and $368 million for 2011 and 2010

(2) Represents the impact of market-based amounts included in *GBAM*

Core net interest income decreased $6 5 billion to $41 8 billion for 2011 compared to 2010 The decline was primarily due to lower consumer loan balances and yields and decreased investment security yields including the acceleration of purchase premium amortization from an increase in modeled prepayment expectations and increased hedge ineffectiveness These decreases were partially offset by ongoing reductions in our debt footprint and lower interest rates paid on deposits

Core average earning assets increased $1 1 billion to $1 385 9 billion for 2011 compared to 2010 The increase was primarily due to growth in investment securities partially offset by declines in consumer loans

Core net interest yield decreased 48 bps to 3 01 percent for 2011 compared to 2010 primarily due to the factors noted above In addition the yield curve flattened significantly with long-term rates near historical lows at December 31 2011 This has resulted in net interest yield compression as assets have repriced down and liability yields have declined less significantly due to the absolute low level of short-end rates

Business Segment Operations

Segment Description and Basis of Presentation

We report the results of our operations through six business segments *Deposits*, *Card Services* *CRES*, *Global Commercial Banking*, *GBAM* and *GWIM* with the remaining operations recorded in *All Other*

We prepare and evaluate segment results using certain non-GAAP financial measures many of which are discussed in Supplemental Financial Data on page 38 We begin by evaluating the operating results of the segments which by definition exclude merger and restructuring charges

The management accounting and reporting process derives segment and business results by utilizing allocation methodologies for revenue and expense The net income derived for the businesses is dependent upon revenue and cost allocations using an activity-based costing model funds transfer pricing and other methodologies and assumptions management believes are appropriate to reflect the results of the business

Total revenue net of interest expense includes net interest income on a FTE basis and noninterest income The adjustment of net interest income to a FTE basis results in a corresponding increase in income tax expense The segment results also reflect certain revenue and expense methodologies that are utilized to determine net income The net interest income of the businesses includes the results of a funds transfer pricing process that matches assets and liabilities with similar interest rate sensitivity and maturity characteristics For presentation purposes in segments where the total of liabilities and equity exceeds assets which are generally deposit-taking segments we allocate assets to match liabilities Net interest income of the business segments also includes an allocation of net interest income generated by certain of our ALM activities

Our ALM activities include an overall interest rate risk management strategy that incorporates the use of various derivatives and cash instruments to manage fluctuations in earnings and capital that are caused by interest rate volatility Our goal is to manage interest rate sensitivity so that movements in interest rates do not significantly adversely affect earnings and capital The majority of our ALM activities are allocated to the business segments and fluctuate based on performance ALM activities include external product pricing decisions including deposit pricing strategies the effects of our internal funds transfer pricing process and the net effects of other ALM activities

Certain expenses not directly attributable to a specific business segment are allocated to the segments The most significant of these expenses include data and item processing costs and certain centralized or shared functions Data processing costs are allocated to the segments based on equipment usage Item processing costs are allocated to the segments based on the volume of items processed for each segment The costs of certain centralized or shared functions are allocated based on methodologies that reflect utilization

Equity is allocated to business segments and related businesses using a risk-adjusted methodology incorporating each segment's credit market interest rate strategic and operational risk components The nature of these risks is discussed further on page 68 We benefit from the diversification of risk across these components which is reflected as a reduction to allocated equity for each segment The total amount of average allocated equity reflects both risk-based capital and the portion of goodwill and intangibles specifically assigned to the business segments The risk-adjusted methodology is periodically refined and such refinements are reflected as changes to allocated equity in each segment

For more information on selected financial information for the business segments and reconciliations to consolidated total revenue net income (loss) and year-end total assets see *Note 26 – Business Segment Information* to the Consolidated Financial Statements

Deposits

(Dollars in millions)	2011	2010	% Change
Net interest income (FTE basis)	$ 6,471	$ 8,278	2 %
Noninterest income			
Service charges	3,865	5,057	(21)
All other income	228	227	(2)
Total noninterest income	4,313	5,284	(20)
Total revenue, net of interest expense	12,869	13,562	(6)
Provision for credit losses	179	201	(14)
Noninterest expense	10,629	11,196	(5)
Income before income taxes	1,869	2,165	(13)
Income tax expense (FTE basis)	691	803	(14)
Net income	$ 1,182	$ 1,362	(12)
Net interest yield (FTE basis)	2.02%	2.00%	
Return on average allocated equity	5.62	5.82	
Return on average economic capital (1)	20.69	21.97	
Efficiency ratio (FTE basis)	86.80	82.55	
Balance Sheet			
Average			
Total earning assets	$ 418,446	$ 413,595	1
Total assets	448,833	440,030	1
Total deposits	421,106	414,877	2
Allocated equity	20,736	24,222	(2)
Economic capital (1)	5,766	6,247	(7)
Year end			
Total earning assets	$ 418,839	$ 414,215	1
Total assets	448,889	440,954	1
Total deposits	421,671	415,189	2
Client brokerage assets	96,576	93,597	3

(1) Return on average economic capital and economic capital are non-GAAP financial measures. For additional information on these measures, see Supplemental Financial Data on page 38 and for corresponding reconciliations to GAAP financial measures, see Statistical Table XVI

Deposits includes the results of consumer deposit activities which consist of a comprehensive range of products provided to consumers and small businesses Our deposit products include traditional savings accounts money market savings accounts CDs and IRAs noninterest- and interest-bearing checking accounts as well as investment accounts and products Deposit products provide a relatively stable source of funding and liquidity for the Corporation We earn net interest spread revenue from investing this liquidity in earning assets through client-facing lending and ALM activities The revenue is allocated to the deposit products using our funds transfer pricing process which takes into account the interest rates and implied maturity of the deposits

Deposits also generates fees such as account service fees non-sufficient funds fees overdraft charges and ATM fees as well as investment and brokerage fees from Merrill Edge accounts Merrill Edge is an integrated investing and banking service targeted at clients with less than $250 000 in total assets Merrill Edge provides team based investment advice and guidance brokerage services a self-directed online investing platform and key banking capabilities including access to the Corporation's network of banking centers and ATMs *Deposits* includes the net impact of migrating customers and their related deposit balances between *Deposits* and other client managed businesses

Net income decreased $170 million to $1 2 billion in 2011 compared to 2010 due to a decrease in revenue partially offset by a decrease in noninterest expense Revenue of $12 7 billion was down $873 million from a year ago primarily driven by a decline in service charges reflecting the impact of overdraft policy changes in conjunction with Regulation E that were fully implemented during the third quarter of 2010 This was partially offset by an increase in net interest income due to a customer shift to more liquid products and continued pricing discipline Noninterest expense decreased $563 million or five percent to $10 6 billion due to lower litigation and operating expenses partially offset by an increase in FDIC expense

Average deposits increased $6 2 billion from a year ago driven by a customer shift to more liquid products in a low interest rate environment as checking traditional savings and money market savings grew $23 6 billion Growth in liquid products was partially offset by a decline in average time deposits of $17 4 billion As a result of the shift in the mix of deposits and our continued pricing discipline rates paid on average deposits declined by 16 bps to 27 bps in 2011 compared to 2010

Card Services

(Dollars in millions)	2011	2010	% Change
Net interest income (FTE basis)	$ 11,907	$ 14,913	(20)%
Noninterest income			
Card income	6,366	7,049	(11)
All other income	369	878	(60)
Total noninterest income	6,835	7,927	(18)
Total revenue, net of interest expense	18,142	22,340	(19)
Provision for credit losses	3,572	10,962	(72)
Goodwill impairment	–	10,400	n/m
All other noninterest expense	6,034	5,957	1
Income (loss) before income taxes	8,847	(4,979)	n/m
Income tax expense (FTE basis)	3,259	2,001	63
Net income (loss)	$ 5,788	$ (6,980)	n/m
Net interest yield (FTE basis)	9.04%	9.85%	
Return on average allocated equity	27.49	n/m	
Return on average economic capital (1)	35.08	23.62	
Efficiency ratio (FTE basis)	63.89	73.22	
Efficiency ratio, excluding goodwill impairment charge (FTE basis)	63.80	26.66	
Balance Sheet			
Average			
Total loans and leases	$ 136,064	$ 145,081	(13)
Total earning assets	137,189	146,304	(13)
Total assets	190,300	150,672	(14)
Allocated equity	21,135	32,418	(35)
Economic capital (1)	10,239	14,774	(29)
Year end			
Total loans and leases	$ 130,969	$ 137,024	(12)
Total earning assets	131,963	138,072	(12)
Total assets	127,836	138,491	(8)

(1) Return on average economic capital and economic capital are non-GAAP financial measures. For additional information on these measures, see Supplemental Financial Data on page 38 and for corresponding reconciliations to GAAP financial measures, see Statistical Table XVI
n/m = not meaningful

Card Services is one of the leading issuers of credit and debit cards in the U S to consumers and small businesses providing a broad offering of lending products including co-branded and affinity products During 2011 we sold our Canadian consumer card business and we are evaluating our remaining international consumer card operations In light of these actions the international consumer card business results were moved to *All Other* prior period results have been reclassified and the *Global Card Services* business segment was renamed *Card Services*

During 2010 and 2011 *Card Services* was negatively impacted by provisions of the CARD Act. The majority of the provisions of the CARD Act became effective on February 22 2010 while certain provisions became effective in the third quarter of 2010 The CARD Act has negatively impacted net interest income due to restrictions on our ability to reprice credit cards based on risk and card income due to restrictions imposed on certain fees

On June 29 2011 the Federal Reserve adopted a final rule with respect to the Durbin Amendment, effective October 1 2011 that established the maximum allowable interchange fees a bank can receive for a debit card transaction The Federal Reserve also adopted a rule to allow a debit card issuer to recover one cent per transaction for fraud prevention purposes if the issuer complies with certain fraud-related requirements with which we are currently in compliance In addition the Federal Reserve approved rules governing routing and exclusivity requiring issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product which are effective April 1 2012 For more information on the final interchange rules see Regulatory Matters on page 66 The new interchange fee rules resulted in a reduction of debit card revenue in the fourth quarter of 2011 of $430 million

Net income increased $12 8 billion to $5 8 billion in 2011 primarily due to the $10 4 billion goodwill impairment charge in 2010 and a $7 9 billion decrease in the provision for credit losses in 2011 This was partially offset by a decrease in revenue of $4 2 billion or 19 percent to $18 1 billion in 2011 compared to 2010

Net interest income decreased $2 9 billion or 20 percent to $11 5 billion in 2011 compared to 2010 driven by lower average loan balances and yields The net interest yield decreased 81 bps to 9 04 percent due to charge-offs and paydowns of higher interest rate products Noninterest income decreased $1 3 billion or 16 percent, to $6 6 billion in 2011 compared to 2010 due to the implementation of the Durbin Amendment on October 1 2011 the gain on the sale of our MasterCard position in 2010 and the implementation of the CARD Act in 2010

The provision for credit losses decreased $7 9 billion to $3 1 billion in 2011 compared to 2010 reflecting improving delinquencies and collections and fewer bankruptcies as a result of improving economic conditions and lower loan balances For more information on the provision for credit losses see Provision for Credit Losses on page 108

The return on average economic capital increased due to higher net income and a decrease in average economic capital Average economic capital decreased 29 percent due to lower levels of credit risk from a decline in loan balances as well as an improvement in credit quality Average allocated equity decreased primarily due to the $10 4 billion goodwill impairment charge in 2010 as well as the same reasons as the decrease in economic capital For more information regarding economic capital and allocated equity see Supplemental Financial Data on page 38

Average loans decreased $19 0 billion or 13 percent in 2011 compared to 2010 driven by higher payments charge-offs continued run-off of non-core portfolios and the impact of portfolio divestitures during 2011

Consumer Real Estate Services

(Dollars in millions)	2011 Home Loans	2011 Legacy Asset Servicing	2011 Other	2011 Total Consumer Real Estate Services	2010	% Change
Net interest income (FTE basis)	$ 1,994	$ 1,234	$ (61)	$ 2,907	$ 4 962	(41)%
Noninterest income						
Mortgage banking income (loss)	2,330	(13,170)	663	(9,196)	3 184	n/m
Insurance income	780	–	–	780	2 061	(64)
All other income	889	125	–	1,053	442	145
Total noninterest income (loss)	3,999	(13,045)	663	(8,383)	5 687	n/m
Total revenue, net of interest expense	7,003	(10,729)	672	(3,154)	10 329	n/m
Provision for credit losses	234	4,290	–	4,524	8 490	(47)
Goodwill impairment	–	–	2,000	2,000	2 000	30
All other noncterest expense	5,040	10,043	(1)	15,390	12 888	50
Income (loss) before income taxes	1,129	(25,062)	(1,326)	(25,571)	(13 047)	127
Income tax expense (benefit) (FTE basis)	425	(10,589)	281	(10,043)	(4 100)	145
Net income (loss)	$ 704	$ (17,972)	$ (1,361)	$ (18,829)	$ (8 947)	110
Net interest yield (FTE basis)	2.78%	2.86%	(0.42)%	2.97%	2 52%	
Efficiency ratio (FTE basis)	90.87	n/m	n/m	n/m	n/m	
Balance Sheet						
Average						
Total loans and leases	$ 84,794	$ 44,036	$ –	$ 118,830	$ 129 234	(7)
Total earning assets	70,813	67,818	16,780	154,899	185 344	(16)
Total assets	73,785	86,140	64,442	199,967	224 904	(15)
Allocated equity	n/a	n/a	n/a	16,302	26 018	(38)
Economic capital (1)	n/a	n/a	n/a	14,662	21 214	(30)
Year end						
Total loans and leases	$ 82,990	$ 30,960	$ –	$ 113,950	$ 122 933	(8)
Total earning assets	69,833	63,881	10,239	143,961	172 082	(23)
Total assets	82,417	70,039	28,272	180,728	212 412	(23)

(1) Average economic capital is a non-GAAP financial measure For additional information on these measures see Supplemental Financial Data on page 38 and for corresponding reconciliations to GAAP financial measures see Statistical Tables 15 and 16
n/m = not meaningful
n/a = not applicable

CRES was realigned effective January 1 2011 and its activities are now referred to as Home Loans Legacy Asset Servicing and Other This realignment allows *CRES* management to lead the ongoing home loan business while also providing greater focus and transparency on legacy mortgage issues

CRES generates revenue by providing an extensive line of consumer real estate products and services to customers nationwide *CRES* products include fixed- and adjustable-rate first-lien mortgage loans for home purchase and refinancing needs home equity lines of credit (HELOC) and home equity loans First mortgage products are either sold into the secondary mortgage market to investors while we retain MSRs and the Bank of America customer relationships or are held on our balance sheet in *All Other* for ALM purposes HELOC and home equity loans are retained on the *CRES* balance sheet *CRES* services mortgage loans including those loans it owns loans owned by other business segments and *All Other*, and loans owned by outside investors

The financial results of the on-balance sheet loans are reported in the business segment that owns the loans or *All Other* *CRES* is not impacted by the Corporation's first mortgage production retention decisions as *CRES* is compensated for loans held for ALM purposes on a management accounting basis with a corresponding offset recorded in *All Other*, and for servicing loans owned by other business segments and *All Other*

CRES includes the impact of transferring customers and their related loan balances between *GWIM* and *CRES* based on client segmentation thresholds For more information on the migration of customer balances see *GWIM* on page 52

Home Loans

Home Loans products are available to our customers through our retail network of approximately 5 700 banking centers mortgage loan officers in approximately 500 locations and a sales force offering our customers direct telephone and online access to our products These products were also offered through our correspondent lending channel however we exited this channel in late 2011 In 2011 we also exited the reverse mortgage origination business In October 2010 we exited the first mortgage wholesale acquisition channel These strategic changes were made to allow greater focus on our direct to consumer channels deepen relationships with existing customers and use mortgage products to acquire new relationships

Home Loans includes ongoing loan production activities certain servicing activities and the *CRES* home equity portfolio not originally selected for inclusion in the Legacy Asset Servicing portfolio Servicing activities include collecting cash for principal interest and escrow payments from borrowers and disbursing customer draws for lines of credit and accounting for and remitting principal and interest payments to investors and escrow payments to third parties along with responding to non-default related customer inquiries Home Loans also included insurance operations through June 30 2011 when the ongoing insurance business was transferred to *Card Services* following the sale of Balboa

Due to the realignment of *CRES* the composition of the Home Loans loan portfolio does not currently reflect a normalized level of credit losses and noninterest expense which we expect will develop over time

Legacy Asset Servicing

Legacy Asset Servicing is responsible for servicing and managing the exposures related to selected residential mortgage home equity and discontinued real estate loan portfolios These selected loan portfolios include owned loans and loans serviced for others including loans held in other business segments and *All Other* (collectively the Legacy Asset Servicing portfolio) The Legacy Asset Servicing portfolio includes residential mortgage loans home equity loans and discontinued real estate loans that would not have been originated under our underwriting standards at December 31 2010 Countrywide loans that were impaired at the time of acquisition (the Countrywide PCI portfolio) as well as certain loans that met a pre-defined delinquency status or probability of default threshold as of January 1 2011 are also included in the Legacy Asset Servicing portfolio Since determining the pool of loans to be included in the Legacy Asset Servicing portfolio as of January 1 2011 the criteria have not changed for this portfolio However the criteria for inclusion of certain assets and liabilities in the Legacy Asset Servicing portfolio will continue to be evaluated over time

Legacy Asset Servicing results reflect the net cost of legacy exposures that is included in the results of *CRES* including representations and warranties provision litigation costs and financial results of the *CRES* home equity portfolio selected as part of the Legacy Asset Servicing portfolio In addition certain revenues and expenses on loans serviced for others including loans serviced for other business segments and *All Other* are included in Legacy Asset Servicing results The results of the Legacy Asset Servicing residential mortgage and discontinued real estate portfolios are recorded primarily in *All Other*

Our home retention efforts are part of our servicing activities along with supervising foreclosures and property dispositions These default-related activities are performed by Legacy Asset Servicing In an effort to help our customers avoid foreclosure Legacy Asset Servicing evaluates various workout options prior to foreclosure sales which combined with our temporary halt of foreclosures announced in October 2010 has resulted in elongated default timelines For additional information on our servicing activities and foreclosures see Off-Balance Sheet Arrangements and Contractual Obligations – Other Mortgage-related Matters on page 63

The total owned loans in the Legacy Asset Servicing portfolio decreased $15 7 billion in 2011 to $154 9 billion at December 31 2011 of which $60 0 billion are reflected on the balance sheet of Legacy Asset Servicing within *CRES* and the remainder are held on the balance sheet of *All Other*

Other

The Other component within *CRES* includes the results of MSR activities including net hedge results together with any related assets or liabilities used as economic hedges The change in the value of the MSRs reflects the change in discount rates and prepayment speed assumptions as well as the effect of changes in other assumptions including the cost to service These amounts are not allocated between Home Loans and Legacy Asset Servicing since the MSRs are managed as a single asset For additional information on MSRs see *Note 25 – Mortgage Servicing Rights* to the Consolidated Financial Statements Goodwill assigned to *CRES* was included in Other however the remaining balance of goodwill was written off in its entirety in 2011

CRES Results

The *CRES* net loss increased $10 6 billion to $19 5 billion in 2011 compared to 2010 Revenue declined $13 5 billion to a loss of $3 2 billion due in large part to a decrease of $11 4 billion in mortgage banking income driven by an increase in representations and warranties provision of $8 8 billion and a decrease in core production income of $3 4 billion in 2011

The representations and warranties provision in 2011 included $8 6 billion related to the BNY Mellon Settlement and $7 0 billion related to other exposures For additional information on representations and warranties see Off-Balance Sheet Arrangements and Contractual Obligations – Representations and Warranties on page 56 and *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements The decrease in core production income was due to a decline in loan funding volume caused primarily by a drop in market share which reflected decisions to price certain loan products in order to align the volume of new loan applications with our underwriting capacity in both the retail and correspondent channels and our exit from the correspondent channel in late 2011 Also contributing to the decline in revenue was a $1 3 billion decrease in insurance income due to the sale of Balboa in 2011 and a decline in net interest income primarily due to lower average LHFS balances Revenue for 2011 also included a pre-tax gain on the sale of Balboa of $752 million net of an inter-segment advisory fee

The provision for credit losses decreased $4 0 billion to $4 5 billion in 2011 compared to 2010 driven primarily by improving portfolio trends including lower reserve additions in the Countrywide PCI home equity portfolio

Noninterest expense increased $7 0 billion to $21 9 billion in 2011 compared to 2010 primarily due to a $3 6 billion increase in litigation expense $1 6 billion higher mortgage-related assessments and waivers costs higher default-related and other loss mitigation servicing expenses and a non-cash non-tax deductible goodwill impairment charge of $2 6 billion in 2011 compared to a $2 0 billion goodwill impairment charge in 2010

In 2011 we recorded $1 8 billion of mortgage-related assessments and waivers costs which included $1 3 billion for compensatory fees as a result of elongated default timelines These increases were partially offset by a decrease of $1 1 billion in insurance expense due to the sale of Balboa and a decline of $640 million in production expense primarily due to lower origination volumes

Compensatory fees are fees that we expect to be assessed by the government-sponsored enterprises Fannie Mae (FNMA) and Freddie Mac (FHLMC) (collectively the GSEs) as a result of foreclosure delays pursuant to first mortgage seller/servicer guides with the GSEs which provide timelines to complete the liquidation of delinquent loans In instances where we fail to meet these timelines our agreements provide the GSEs with the option to assess compensatory fees The remainder of the mortgage-related assessments and waivers costs are out-of-pocket costs that we do not expect to recover We expect these costs will remain elevated as additional loans are delayed in the foreclosure process We also expect that continued elevated costs including costs related to resources necessary to perform the foreclosure process assessments and to implement other operational changes will continue

Average economic capital decreased 30 percent due to a reduction in credit risk driven by lower loan balances and the sale of Balboa Average allocated equity decreased for the same reasons as economic capital as well as the goodwill impairment charges in 2011 and 2010 For more information regarding economic capital and allocated equity see Supplemental Financial Data on page 38

Mortgage Banking Income

CRES mortgage banking income is categorized into production and servicing income Core production income is comprised of revenue from the fair value gains and losses recognized on our interest rate lock commitments (IRLCs) and LHFS the related secondary market execution and costs related to representations and warranties in the sales transactions along with other obligations incurred in the sales of mortgage loans In addition production income includes revenue which is offset in *All Other* for transfers of mortgage loans from *CRES* to the ALM portfolio related to the Corporation's mortgage production retention decisions Ongoing costs related to representations and warranties and other obligations that were incurred in the sales of mortgage loans in prior periods are also included in production income

Servicing income includes income earned in connection with servicing activities and MSR valuation adjustments net of economic hedge activities The costs associated with our servicing activities are included in noninterest expense

The table below summarizes the components of mortgage banking income

Mortgage Banking Income

(Dollars in millions)	2011	2010
Production loss		
Core production revenue	$ 2,797	$ 6 182
Representations and warranties provision	(15,581)	(6 785)
Total production loss	(12,784)	(603)
Servicing income		
Servicing fees	5,000	5 475
Impact of customer payments (1)	(2,621)	(3 750)
Fair value changes of MSRs net of economic hedge results (2)	806	376
Other servicing-related revenue	907	675
Total net servicing income	4,091	3 787
Total CRES mortgage banking income (loss)	(8,693)	3 184
Eliminations (3)	(997)	(430)
Total consolidated mortgage banking income (loss)	$ (9,690)	$ 2 754

(1) Represents the change in the market value of the MSR asset due to the impact of customer payments received during the year
(2) Includes sale of MSRs
(3) Includes the effect of transfers of mortgage loans from CRES to the ALM portfolio in *All Other*

Core production revenue of $2 8 billion in 2011 decreased $3 4 billion from 2010 due primarily to lower new loan origination volumes The 52 percent decline in new loan originations was caused primarily by a drop in market share as previously discussed combined with the decline in the overall market demand for mortgages from 2010 to 2011 The representations and warranties provision increased $8 8 billion to $15 6 billion in 2011 due to the BNY Mellon Settlement and other exposures

Net servicing income increased $834 million in 2011 due to a lower impact of customer payments partially offset by lower servicing fees driven by a decline in the servicing portfolio Improved MSR results net of hedges also contributed to the increase in net servicing income

Key Statistics

(Dollars in millions, except as noted)	2011	2010
Loan production		
CRES		
First mortgage	$ 150,178	$ 287,238
Home equity	3,884	7,626
Total Corporation (1)		
First mortgage	151,786	298,038
Home equity	4,286	8,437
Year end		
Mortgage servicing portfolio (in billions) (2, 3)	$ 1,766	$ 2,057
Mortgage loans serviced for investors (in billions) (3)	1,570	1,628
Mortgage servicing rights		
Balance	7,876	14,900
Capitalized mortgage servicing rights (% of loans serviced for investors)	84 bps	92 bps

(1) In addition to loan production in CRES, the remaining first mortgage and home equity loan production is primarily in All Other
(2) Servicing of residential mortgage loans, home equity lines of credit, home equity loans and discontinued real estate mortgage loans
(3) The total Corporation mortgage servicing portfolio included $1,029 billion in Home Loans and $734 billion in Legacy Asset Servicing at December 31, 2011. The total Corporation mortgage loans serviced for investors included $831 billion in Home Loans and $648 billion in Legacy Asset Servicing at December 31, 2011.

First mortgage production was $151.8 billion in 2011 compared to $298.0 billion in 2010 with the decrease primarily due to a reduction in both the correspondent and retail sales channels. Additionally, the overall industry market demand for mortgages dropped by approximately 17 percent in 2011 contributing to the decline in mortgage production. We expect our market share of mortgage originations in 2012 to be lower than our market share in 2011 due to our exit from the correspondent channel.

Home equity production was $4.4 billion in 2011 compared to $8.4 billion in 2010 with the decrease primarily due to a decline in reverse mortgage originations based on our decision to exit this business in 2011.

At December 31, 2011, the consumer MSR balance was $7.4 billion, which represented 54 bps of the related unpaid principal balance compared to $14.9 billion or 92 bps of the related unpaid principal balance at December 31, 2010. The decline in the consumer MSR balance was primarily driven by lower mortgage rates, which resulted in higher forecasted prepayment speeds, combined with the impact of elevated expected costs to service delinquent loans, which reduced expected cash flows and the value of the MSRs, and MSR sales. In addition, the MSRs declined as a result of customer payments. These declines were partially offset by adjustments to prepayment models to reflect muted refinancing activity relative to historic norms and by the addition of new MSRs recorded in connection with sales of loans. During 2011, MSRs in the amount of $896 million were sold. Gains recognized on these transactions were not significant. These sales were undertaken to reduce the balance of MSRs, lower our default-related servicing costs and reduce risk in certain portfolios in preparation of the implementation of Basel III. For additional information on Basel III, see Capital Management – Regulatory Capital Changes on page 73 and, for information on MSRs and the related hedge instruments, see Mortgage Banking Risk Management on page 119 and *Note 25 – Mortgage Servicing Rights* to the Consolidated Financial Statements.

Global Commercial Banking

(Dollars in millions)	2011	2010	% Change
Net interest income (FTE basis)	$ 7,176	$ 8,007	(10)%
Noninterest income			
Service charges	2,384	2,340	(3)
All other income	1,113	879	27
Total noninterest income	3,377	3,219	5
Total revenue, net of interest expense	10,553	11,226	(6)
Provision for credit losses	(634)	1,979	n/m
Noninterest expense	4,234	4,130	3
Income before income taxes	6,953	5,117	36
Income tax expense (FTE basis)	2,551	1,899	34
Net income	$ 4,402	$ 3,218	37
Net interest yield (FTE basis)	2.65%	2.94%	
Return on average allocated equity	10.77	7.38	
Return on average economic capital (1)	21.53	14.07	
Efficiency ratio (FTE basis)	40.12	36.79	
Balance Sheet			
Average			
Total loans and leases	$ 189,418	$ 203,824	(7)
Total earning assets	270,901	272,401	(1)
Total assets	308,044	309,126	–
Total deposits	169,193	148,836	14
Allocated equity	40,897	43,590	(6)
Economic capital (1)	20,173	22,806	(12)
Year end			
Total loans and leases	$ 180,362	$ 184,036	(2)
Total earning assets	260,843	274,824	(5)
Total assets	298,696	322,807	(7)
Total deposits	170,941	161,279	10

(1) Return on average allocated capital and economic capital are non-GAAP financial measures. For additional information on these measures, see Supplemental Financial Data on page 38 and for corresponding reconciliations to GAAP financial measures, see Statistical Tables XVI.
n/m = not meaningful

Global Commercial Banking provides a wide range of lending-related products and services, integrated working capital management and treasury solutions to clients through our network of offices and client relationship teams along with various product partners. Our clients include business banking and middle-market companies, commercial real estate firms and governments and are generally defined as companies with annual sales up to $2 billion. Our lending products and services include commercial loans and commitment facilities, real estate lending, asset-based lending and indirect consumer loans. Our capital management and treasury solutions include treasury management, foreign exchange and short-term investing options. Effective in 2011, management responsibility for the merchant services joint venture, Banc of America Merchant Services, LLC was moved from GBAM to *Global Commercial Banking* where it more closely aligns with the business model. Prior periods have been reclassified to reflect this change. In 2011, we recorded $1.1 billion of impairment charges on our investment in the joint venture. Because of the recent transfer of the joint venture to *Global Commercial Banking*, the impairment charges were recorded in *All Other*. For additional information, see *Note 5 – Securities* to the Consolidated Financial Statements.

Net income increased $1.2 billion to $4.4 billion in 2011 from 2010 primarily driven by an improvement in the provision for credit losses, offset by lower revenue and higher expenses.

Revenue decreased $673 million primarily driven by lower net interest income related to ALM activities and lower average loan balances, partially offset by an increase in average deposits as clients continue to maintain high levels of liquidity. Noninterest income increased $158 million, largely due to a gain on the termination of a purchase contract, an increase in tax credit and commercial card income, and higher investment gains in the commercial real estate portfolio.

The provision for credit losses decreased $2.6 billion to a benefit of $634 million for 2011 compared to 2010. The decrease was driven by improved economic conditions and an accelerated rate of loan resolutions in the commercial real estate portfolio.

Noninterest expense increased $104 million, driven primarily by higher FDIC expense.

The return on average economic capital increased due to higher net income and the 12 percent decrease in average economic capital. Economic capital decreased due to declining loan balances and improvements in credit quality. Average allocated equity decreased due to the same reasons as economic capital. For more information regarding economic capital and allocated equity, see Supplemental Financial Data on page 38.

Global Commercial Banking Revenue

Global Commercial Banking revenue can also be categorized into treasury services revenue primarily from capital and treasury management and business lending revenue derived from credit related products and services as shown in the table below

Global Commercial Banking

(Dollars in millions)	2011	2010
Global Treasury Services	$ 4,884	$ 4 741
Business Lending	5,888	6 485
Total revenue, net of interest expense	$ 10,523	$ 11,226
Total average deposits	$ 180,182	$ 148 838
Total average loans and leases	189,415	203 824

Treasury services revenue increased $113 million to $4 9 billion driven by increased net interest income from the funding benefit of increased deposits partially offset by lower treasury service charges As clients manage through current economic conditions we have seen usage of certain treasury services decline and increased conversion of paper to electronic services These actions combined with our clients leveraging compensating balances to offset fees have decreased treasury service charges

Business lending revenue decreased $786 million to $5 7 billion due to lower net interest income related to ALM activities and lower loan balances Average loan and lease balances decreased $14 4 billion to $189 4 billion as commercial real estate net paydowns and sales outpaced new originations and renewals

Global Banking & Markets

(Dollars in millions)	2011	2010	% Change
Net interest income (FTE basis)	$ 7,401	$ 8 000	(7)%
Noninterest income			
Service charges	1,780	1 874	(5)
Investment and brokerage services	2,048	2 377	(1)
Investment banking fees	5,343	5 408	(3)
Trading account profits	6,078	9 689	(32)
All other income	827	903	(48)
Total noninterest income	16,317	19 949	(19)
Total revenue, net of interest expense	23,818	27 949	(15)
Provision for credit losses	(296)	(166)	78
Noninterest expense	18,179	17 535	4
Income before income taxes	5,735	10 580	(46)
Income tax expense (FTE basis)	1,788	4 283	(35)
Net income	$ 3,947	$ 6 297	(53)
Return on average allocated equity	7.87%	12 58%	
Return on average economic capital (1)	11.23	15 82	
Efficiency ratio (FTE basis)	76.37	62 74	
Balance Sheet			
Average			
Total trading-related assets (2)	$ 478,861	$ 507 630	(7)
Total loans and leases	116,978	98 593	18
Total earning assets (2)	863,870	901 084	(6)
Total assets	725,177	753 844	(4)
Total deposits	114,088	97 858	19
Allocated equity	67,289	50 037	(26)
Economic capital (1)	34,883	39 931	(33)
Year end			
Total trading-related assets (2)	$ 398,302	$ 417 715	(4)
Total loans and leases	123,196	92 964	33
Total earning assets (2)	483,340	512 959	(4)
Total assets	697,784	653 737	(2)
Total deposits	122,296	109 891	11

(1) Return on average economic capital and economic capital are non-GAAP financial measures For additional information on these measures see Supplemental Financial Data on page 38 and for corresponding reconciliations to GAAP financial measures see Statistical Tables XVI

(2) Trading-related assets excludes assets which are not considered earning assets (i e derivative assets)

GBAM provides advisory services financing securities clearing settlement and custody services globally to our institutional investor clients in support of their investing and trading activities We also work with our commercial and corporate clients to provide debt and equity underwriting and distribution capabilities merger-related and other advisory services and risk management products using interest rate equity credit currency and commodity derivatives foreign exchange fixed-income and mortgage-related products As a result of our market-making activities in these products we may be required to manage positions in government securities equity and equity-linked securities high-grade and high-yield corporate debt securities commercial paper MBS and asset-backed securities (ABS) Underwriting debt and equity issuances fixed-income and equity research and certain market-based activities are executed through our global broker/dealer affiliates which are our primary dealers in several countries *GBAM* is a leader in the global distribution of fixed-income currency and energy commodity products and derivatives *GBAM* also has one of the largest equity trading operations in the world and is a leader in the origination and distribution of equity and equity-related products Our corporate banking services provide a wide range of lending-related products and services integrated working capital management and treasury solutions to clients through our network of offices and client relationship teams along with various product partners Our corporate clients are generally defined as companies with annual sales greater than $2 billion

Net income decreased $3 3 billion to $3 0 billion in 2011 primarily driven by a decline of $4 2 billion in sales and trading revenue The decrease in sales and trading revenue was due to a challenging market environment partially offset by DVA gains net of hedges In 2011 DVA gains net of hedges were $1 0 billion compared to $262 million in 2010 due to the widening of our credit spreads

The provision for credit losses decreased $130 million to a benefit of $296 million in 2011 from a benefit of $166 million in 2010 driven by the positive impact of the economic environment on the credit portfolio Noninterest expense increased $644 million driven primarily by higher costs related to investments in infrastructure

Income tax expense included a $774 million charge to reduce the carrying value of the deferred tax assets as a result of a reduction in the U.K. corporate income tax rate enacted during 2011 compared to a charge of $388 million for a rate reduction enacted in 2010. For additional information related to the U.K. corporate income tax rate reduction, see Financial Highlights – Income Tax Expense on page 34.

The return on average economic capital decreased due to lower net income partially offset by a 33 percent decrease in average economic capital due to reductions in credit risk driven by improved risk ratings, lower counterparty credit risk and a decline in market risk related trading exposures. Average allocated equity decreased due to the same reasons as economic capital. For more information regarding economic capital and allocated equity, see Supplemental Financial Data on page 38.

Sales and trading revenue and investment banking fees may continue to be adversely affected in 2012 by lower client activity and challenging market conditions as a result of, among other things, the European sovereign debt crisis, uncertainty regarding the outcome of the evolving domestic regulatory landscape, our credit ratings and market volatility.

Components of Global Banking & Markets

Sales and Trading Revenue

Sales and trading revenue is segregated into fixed income, including investment and non-investment grade corporate debt obligations, commercial mortgage-backed securities, residential mortgage-backed securities (RMBS), swaps and collateralized debt obligations (CDOs), currencies, including interest rate and foreign exchange contracts, commodities, including primarily futures, forwards and options, and equity income from equity-linked derivatives and cash equity activity.

Sales and Trading Revenue (1)

(Dollars in millions)	2011	2010
Fixed income, currencies and commodities	$ 8,666	$ 12,857
Equity income	3,968	4,155
Total sales and trading revenue	$ 12,634	$ 17,012

(1) Includes a FTE adjustment of $372 million and $274 million for 2011 and 2010. For additional information on sales and trading revenue, including sales and trading investment and brokerage services and net interest income, see Note 4 – Derivatives to the Consolidated Financial Statements.

Fixed income, currencies and commodities (FICC) revenue decreased $4.0 billion or 31 percent, to $8.9 billion in 2011 compared to 2010, primarily due to lower client activity and continued adverse market conditions impacting our mortgage products, credit and rates and currencies businesses, partially offset by DVA gains, net of hedges. Equity income decreased $187 million or five percent, to $4.0 billion in 2011 compared to 2010, primarily due to lower equity derivative trading volumes. Sales and trading revenue included total commissions and brokerage fee revenue of $2.3 billion ($2.2 billion from equities and $144 million from FICC) in 2011 compared to $2.4 billion ($2.2 billion from equities and $148 million from FICC) in 2010.

In conjunction with regulatory reform measures and our initiative to optimize our balance sheet, we exited our stand-alone proprietary trading business as of June 30, 2011, which involved trading activities in a variety of products including stocks, bonds, currencies and commodities. Proprietary trading revenue was $434 million for the six months ended June 30, 2011, compared to $1.4 billion for 2010. For additional information on restrictions on proprietary trading, see Regulatory Matters – Limitations on Proprietary Trading on page 66.

Investment Banking Fees

Product specialists within *GBAM* provide advisory services and underwrite and distribute debt and equity issuances and other loan products. The table below presents total investment banking fees for *GBAM*, which represent a majority of the Corporation's total investment banking income, with the remainder reported in *GWIM* and *Global Commercial Banking*.

Investment Banking Fees (1)

(Dollars in millions)	2011	2010
Advisory (2)	$ 1,346	$ 1,018
Debt issuance	2,696	3,059
Equity issuance	1,900	1,329
Total investment banking fees	$ 5,942	$ 5,406

(1) Includes self-led deals of $372 million and $364 million for 2011 and 2010.
(2) Advisory includes fees on debt and equity advisory services and mergers and acquisitions.

Investment banking fees decreased $164 million in 2011 compared to 2010, primarily driven by lower debt issuance fees due to challenging market conditions, partially offset by higher advisory fees.

Global Corporate Banking

Client relationship teams along with product partners work with our customers to provide a wide range of lending-related products and services, integrated working capital management and treasury solutions through the Corporation's global network of offices. The table below presents total net revenue, total average deposits and total average loans and leases for Global Corporate Banking.

Global Corporate Banking

(Dollars in millions)	2011	2010
Global Treasury Services	$ 2,448	$ 2,259
Business Lending	3,092	3,272
Total revenue, net of interest expense	$ 5,540	$ 5,531
Total average deposits	$ 108,093	$ 90,083
Total average loans and leases	87,946	81,415

Global Corporate Banking revenue of $5.5 billion for 2011 remained in line with 2010. Global Treasury Services revenue increased $189 million in 2011 compared to 2010 as growth in U.S. and non-U.S. deposit volumes was partially offset by a challenging rate environment. Business Lending revenues decreased $180 million in 2011 as growth in loans was offset by a declining rate environment and lower accretion on acquired portfolios due to the impact of prepayments in prior periods.

Global Corporate Banking average deposits increased 21 percent in 2011 compared to 2010 as balances continued to grow due to clients' excess liquidity and limited alternative investment options. Average loan and lease balances in Global Corporate Banking increased 20 percent in 2011 due to growth in the commercial loan and non-U.S. trade finance portfolios driven by continuing international demand and improved domestic momentum.

Collateralized Debt Obligation and Monoline Exposure

CDO vehicles hold diversified pools of fixed-income securities and issue multiple tranches of debt securities including commercial paper and mezzanine and equity securities. Our CDO-related exposure can be divided into funded and unfunded super senior liquidity commitment exposure and other super senior exposure including cash positions and derivative contracts. For more information on our CDO positions see *Note 8 – Securitizations and Other Variable Interest Entities* to the Consolidated Financial Statements. Super senior exposure represents the most senior class of notes that are issued by the CDO vehicles and benefits from the subordination of all other securities issued by the CDO vehicles. In 2011, we recorded losses of $86 million from our CDO related exposure compared to losses of $573 million in 2010.

At December 31, 2011, our super senior CDO exposure before consideration of insurance, net of write-downs, was $376 million, comprised solely of trading account assets compared to $2.0 billion, comprised of $1.3 billion in trading account assets and $675 million in AFS debt securities at December 31, 2010. Of our super senior CDO exposure at December 31, 2011, $224 million was hedged and $152 million was unhedged compared to $772 million hedged and $1.2 billion unhedged at December 31, 2010. At December 31, 2011, there were no unrealized losses recorded in accumulated other comprehensive income (OCI) on super senior cash positions and retained positions from liquidated CDOs compared to $466 million at December 31, 2010. The change was the result of sales of ABS CDOs.

With the Merrill Lynch acquisition, we acquired a loan that is collateralized by U.S. super senior ABS CDOs and recorded in *All Other*. For additional information, see *All Other* on page 54.

Excluding amounts related to transactions with a single counterparty which were transferred to other assets as discussed below, the table below presents our original total notional, mark-to-market receivable and credit valuation adjustment for credit default swaps (CDS) and other positions with monolines.

Credit Default Swaps with Monoline Financial Guarantors

	December 31	
(Dollars in millions)	2011	2010
Notional	$ 21,070	$ 38,424
Mark-to-market or guarantor receivable	$ 1,798	$ 9,201
Credit valuation adjustment	(417)	(5,275)
Total	$ 1,349	$ 3,926
Credit valuation adjustment %	24%	57%
Gains (losses)	$ 116	$ (24)

Total monoline exposure, net of credit valuation adjustments, decreased $2.6 billion to $1.3 billion at December 31, 2011, driven by terminated monoline contracts and the reclassification of certain exposures. During 2011, we terminated all of our monoline contracts referencing super senior ABS CDOs and reclassified net monoline exposure with a carrying value of $1.3 billion ($4.7 billion gross receivable less impairment) at December 31, 2011 from derivative assets to other assets because of the inherent default risk. Because these contracts no longer provide a hedge benefit, they are no longer considered derivative trading instruments. This exposure relates to a single counterparty and is recorded at fair value based on current net recovery projections. The net recovery projections take into account the present value of projected payments expected to be received from the counterparty.

Global Wealth & Investment Management

(Dollars in millions)	2011	2010	% Change
Net interest income (FTE basis)	$ 6,046	$ 5,677	6 %
Noninterest income			
Investment and brokerage services	8,819	8,660	8
All other income	2,029	1,952	3
Total noninterest income	11,830	10,612	7
Total revenue, net of interest expense	17,876	16,289	7
Provision for credit losses	268	646	(36)
Noninterest expense	14,308	13,227	9
Income before income taxes	3,303	2,416	7
Income tax expense (FTE basis)	946	1,076	(12)
Net income	$ 1,995	$ 1,340	22
Net interest yield (FTE basis)	2.36%	2.31%	
Return on average allocated equity	9.19	7.42	
Return on average economic capital (1)	25.44	19.57	
Efficiency ratio (FTE basis)	83.84	81.20	
Balance Sheet			
Average			
Total loans and leases	$ 102,143	$ 99,269	3
Total earning assets	270,429	246,236	10
Total assets	290,267	267,163	9
Total deposits	234,777	232,318	10
Allocated equity	17,903	18,066	(1)
Economic capital (1)	7,199	7,290	(3)
Year end			
Total loans and leases	$ 103,489	$ 100,724	3
Total earning assets	263,947	275,260	(4)
Total assets	283,844	296,251	(4)
Total deposits	253,029	257,982	(2)

(1) Return on average economic capital and economic capital are non-GAAP financial measures. For additional information on these measures, see Supplemental Financial Data on page 38 and for corresponding reconciliations to GAAP financial measures, see Statistical Table XVI.

GWIM consists of three primary businesses: *Merrill Lynch Global Wealth Management (MLGWM)*, *U.S. Trust, Bank of America Private Wealth Management (U.S. Trust)*, and *Retirement Services*.

MLGWM's advisory business provides a high-touch client experience through a network of more than 17,000 financial advisors focused on clients with over $250,000 in total investable assets. *MLGWM* provides tailored solutions to meet our clients' needs through a full set of brokerage, banking and retirement products in both domestic and international locations.

U.S. Trust, together with *MLGWM*'s Private Banking & Investments Group, provides comprehensive wealth management solutions targeted at wealthy and ultra-wealthy clients with investable assets of more than $5 million, as well as customized solutions to meet clients' wealth structuring, investment management, trust and banking needs, including specialty asset management services.

Retirement Services partners with financial advisors to provide institutional and personal retirement solutions, including investment management, administration, recordkeeping and custodial services for 401(k) pension, profit-sharing, equity award and non-qualified deferred compensation plans. *Retirement Services* also provides comprehensive investment advisory services to individuals, small to large corporations and pension plans.

In 2011, revenue from *MLGWM* was $13.5 billion, up eight percent from 2010, driven by an increase in asset management fees due to higher average market levels and long-term AUM flows, as well as higher net interest income. Revenue from *U.S. Trust* was $2.7 billion, which remained relatively unchanged from 2010, as an increase in asset management fees primarily from higher market levels was partially offset by lower net interest income. Revenue from *Retirement Services* was $1.0 billion, up 11 percent compared to 2010, primarily due to higher market levels.

GWIM results are impacted by the migration of clients and their related deposit and loan balances to or from *Deposits*, *CRES* and the ALM portfolio, as presented in the Migration Summary table. Migration in 2011 included the movement of balances to Merrill Edge, which is in *Deposits*. Subsequent to the date of the migration, the associated net interest income, noninterest income and noninterest expense are recorded in the business to which the clients migrated.

Migration Summary

(Dollars in millions)	2011	2010
Average		
Total deposits - *GWIM* from / (to) *Deposits*	$ (1,083)	$ 2,486
Total loans - *GWIM* to *CRES* and the ALM portfolio	(174)	(1,405)
Year end		
Total deposits - *GWIM* from / (to) *Deposits*	$ (1,914)	$ 4,317
Total loans - *GWIM* to *CRES* and the ALM portfolio	(299)	(1,625)

Net income increased $295 million, or 22 percent, to $1.6 billion in 2011 compared to 2010, driven by higher net interest income, higher asset management fees and lower credit costs, partially offset by higher noninterest expense. Net interest income increased $359 million, or six percent, to $6.0 billion as the impact of higher average deposit balances more than offset the impact of a lower rate environment. Noninterest income increased $718 million, or seven percent, to $11.8 billion, primarily due to higher asset management fees driven by higher average market levels in 2011 compared to 2010 and continued long-term AUM flows. The provision for credit losses decreased $248 million, or 38 percent, to $398 million, driven by improving portfolio trends. Noninterest expense increased $1.2 billion, or nine percent, to $14.4 billion due to increased volume-driven expenses and personnel costs associated with continued investment in the business.

Client Balances

The table below presents client balances which consist of AUM, client brokerage assets, assets in custody, client deposits, and loans and leases.

Client Balances by Type

	December 31	
(Dollars in millions)	2011	2010
Assets under management	$ 647,186	$ 643,343
Brokerage assets	1,034,186	1,084,518
Assets in custody	107,889	114,721
Deposits	256,629	257,982
Loans and leases	103,489	100,724
Total client balances	$ 2,149,799	$ 2,181,288

The decrease in client balances was driven by lower broad based market levels at December 31, 2011 compared to December 31, 2010, partially offset by client inflows, particularly into long-term AUM.

All Other

(Dollars in millions)	2011	2010	% Change
Net interest income (FTE basis)	$ 1,780	$ 3 658	(51)%
Noninterest income			
Card income	498	655	(24)
Equity investment income	7,087	4 549	55
Gains on sales of debt securities	2,098	2 313	34
All other income (loss)	2,821	(1 438)	n/m
Total noninterest income	12,421	6 039	122
Total revenue, net of interest expense	14,201	9 695	57
Provision for credit losses	6,179	6 323	(2)
Goodwill impairment	581	–	n/m
Merger and restructuring charges	698	1 820	(65)
All other noninterest expense	5,997	3 957	(7)
Income (loss) before income taxes	4,113	(2 405)	n/m
Income tax benefit (FTE basis)	(379)	(3 877)	(77)
Net income	$ 4,691	$ 1 472	n/m
Balance Sheet			
Average			
Loans and leases			
Residential mortgage	$ 227,896	$ 210 052	8
Credit card	24,049	28 013	(14)
Discontinued real estate	13,196	13 830	(12)
Other	20,088	29 747	(33)
Total loans and leases	285,230	281 642	1
Total assets (1)	295,189	293 577	(30)
Total deposits	49,369	67 945	(27)
Allocated equity (2)	73,136	38 984	85
Year end			
Loans and leases			
Residential mortgage	$ 224,884	$ 222 299	1
Credit card	14,418	27 485	(48)
Discontinued real estate	11,096	13 108	(15)
Other	17,484	22 215	(21)
Total loans and leases	267,881	285 087	(6)
Total assets (1)	180,488	210 257	(14)
Total deposits	52,570	40 142	(18)

(1) For presentation purposes, in segments where the total of liabilities and equity exceeds assets, which are generally deposit-taking segments, we allocate assets to those segments to match liabilities (i.e., deposits) and allocated equity. Such allocated assets were $462.2 billion and $612.2 billion for 2011 and 2010, and $521.7 billion and $478.5 billion at December 31, 2011 and 2010. The offsetting net asset or liability amounts of less than total loans and leases in All Other.

(2) Represents the economic capital assigned to All Other as well as the remaining portion of equity not specifically allocated to the business segments. Allocated equity fluctuated due to excess capital not being assigned to the business segments.

n/m = not meaningful

All Other consists of two broad groupings *Equity Investments* and *Other*. *Equity Investments* includes GPI, Strategic and other investments, and Corporate Investments. *Other* includes liquidating businesses, merger and restructuring charges, ALM functions such as the residential mortgage portfolio and investment securities and related activities including economic hedges and gains/losses on structured liabilities, the impact of certain allocation methodologies and accounting hedge ineffectiveness. *Other* also includes certain residential mortgage and discontinued real estate loans that are managed by Legacy Asset Servicing within *CRES*. During 2011, we sold our Canadian consumer card business and we are evaluating our remaining international consumer card operations. As a result of these actions, we reclassified results from these businesses, including prior periods, from *Card Services* to *All Other*. For additional information on the other activities included in *All Other*, see *Note 26 – Business Segment Information* to the Consolidated Financial Statements.

All Other reported net income of $5.0 billion in 2011 compared to $1.5 billion in 2010 with the increase primarily due to higher noninterest income and lower merger and restructuring charges. Noninterest income increased due to positive fair value adjustments related to our own credit on structured liabilities of $3.3 billion in 2011 compared to $18 million in 2010. Equity investment income increased $2.5 billion as a result of a $6.5 billion gain from the sale of CCB shares (we currently hold approximately one percent of the outstanding common shares) partially offset by $1.1 billion of impairment charges on our merchant services joint venture and a decrease of $1.9 billion in GPI income. A non-cash, non-tax deductible goodwill impairment charge of $581 million was taken during the fourth quarter of 2011 as a result of a change in the estimated value of the European consumer card business. The prior year included $1.2 billion of gains on the sales of certain strategic investments. The provision for credit losses decreased $150 million to $6.2 billion driven by lower balances due primarily to divestitures, improvements in delinquencies, collections and insolvencies in the non-U.S. credit card portfolio and continued run-off in the legacy Merrill Lynch commercial portfolio. These increases were largely offset by reserve additions to the Countrywide PCI discontinued real estate and residential mortgage portfolios and higher credit costs related to the non-PCI residential mortgage portfolio due primarily to the continuing decline in home prices.

The income tax benefit was $879 million compared to a benefit of $3.9 billion for 2010. The factors affecting taxes in *All Other* are discussed more fully in Financial Highlights – Income Tax Expense on page 34.

With the Merrill Lynch acquisition, we acquired a loan that is collateralized by U.S. super senior ABS CDOs with a current carrying value of $3.1 billion at December 31, 2011, down from $4.2 billion at December 31, 2010 primarily due to paydowns. The loan is recorded in *All Other* and all scheduled payments on the loan have been received to date. The loan matures in September 2023. For more information on our CDO exposure, see *GBAM – Collateralized Debt Obligation and Monoline Exposure* on page 51.

The tables below present the components of the equity investments in *All Other* at December 31, 2011 and 2010, and also a reconciliation to the total consolidated equity investment income for 2011 and 2010.

Equity Investments

	December 31	
(Dollars in millions)	2011	2010
Global Principal Investments	$ 8,627	$ 11 640
Strategic and other investments	1,300	22 545
Total equity investments included in All Other	$ 9,927	$ 34 185

Equity Investment Income

(Dollars in millions)	2011	2010
Global Principal Investments	$ 981	$ 2 299
Strategic and other investments	6,043	2 543
Corporate Investments	–	(293)
Total equity investment income included in All Other	7,087	4 549
Total equity investment income included in the business segments	826	711
Total consolidated equity investment income	$ 7,869	$ 5 260

Equity investments included in *All Other* decreased $27.3 billion during 2011 consistent with our continued efforts to reduce non-core assets including reducing both higher risk-weighted assets and assets currently deducted or expected to be deducted under Basel III from regulatory capital. For more information, see Capital Management – Regulatory Capital Changes on page 73.

GPI is comprised of a diversified portfolio of investments in private equity, real estate and other alternative investments. These investments are made either directly in a company or held through a fund with related income recorded in equity investment income. GPI had unfunded equity commitments of $710 million and $1.4 billion at December 31, 2011 and 2010 related to certain of these investments. The Corporation has actively reduced these commitments in a series of transactions involving its private equity fund investments.

Strategic and other investments included in *All Other* decreased $21.2 billion during 2011. The decrease was primarily the result of the sale of CCB shares and all of our investment in BlackRock during 2011. In connection with the sale of our investment in CCB, we recorded gains of $6.5 billion. At December 31, 2011 and 2010, we owned 2.0 billion shares and 25.6 billion shares, representing approximately one percent and 10 percent of CCB. Sales restrictions on the remaining 2.0 billion CCB shares continue until August 2013 and accordingly these shares are carried at cost. At December 31, 2011 and 2010, the cost basis of our total investment in CCB was $716 million and $9.2 billion, the carrying value was $716 million and $19.7 billion, and the fair value was $1.4 billion and $20.8 billion. During 2011 and 2010, we recorded dividends of $836 million and $535 million from CCB. During 2011, we sold our remaining ownership interest of approximately 13.6 million preferred shares, or seven percent of BlackRock, in connection with the sale, we recorded a gain of $377 million. For more information, see *Note 5 – Securities* to the Consolidated Financial Statements.

During 2011, we recorded $1.1 billion of impairment charges on our merchant services joint venture. The joint venture had a carrying value of $3.4 billion and $4.7 billion at December 31, 2011 and 2010, with the reduction in carrying value primarily the result of the impairment charges. The impairment charges were based on the ongoing financial performance of the joint venture and updated forecasts of its long-term financial performance. Because of the recent transfer of the joint venture investment from *GBAM* to *Global Commercial Banking*, the impairment charges were recorded in *All Other*. For additional information, see *Note 5 – Securities* to the Consolidated Financial Statements.

Off-Balance Sheet Arrangements and Contractual Obligations

We have contractual obligations to make future payments on debt and lease agreements. Additionally, in the normal course of business, we enter into contractual arrangements whereby we commit to future purchases of products or services from unaffiliated parties. Obligations that are legally binding agreements whereby we agree to purchase products or services with a specific minimum quantity defined at a fixed, minimum or variable price over a specified period of time are defined as purchase obligations. Included in purchase obligations are commitments to purchase loans of $2.5 billion and vendor contracts of $15.7 billion. The most significant vendor contracts include communication services, processing services and software contracts. Other long-term liabilities include our contractual funding obligations related to the Qualified Pension Plans, Non-U.S. Pension Plans, Nonqualified and Other Pension Plans and Postretirement Health and Life Plans (the Plans). Obligations to the Plans are based on the current and projected obligations of the Plans' participant populations, the Plans' performance, the Plans' assets and any participant contributions, if applicable. During 2011 and 2010, we contributed $287 million and $395 million to the Plans, and we expect to make at least $337 million of contributions during 2012.

Debt, lease, equity and other obligations are more fully discussed in *Note 13 – Long-term Debt* and *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements. The Plans are more fully discussed in *Note 19 – Employee Benefit Plans* to the Consolidated Financial Statements.

We enter into commitments to extend credit, such as loan commitments, standby letters of credit (SBLCs) and commercial letters of credit, to meet the financing needs of our customers. For a summary of the total unfunded, off-balance sheet credit extension commitment amounts by expiration date, see the table in *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements.

Table 10 presents total long-term debt and other obligations at December 31, 2011.

Table 10 Long-term Debt and Other Obligations

	December 31, 2011				
(Dollars in millions)	One Year or Less	One Year Through Three Years	Three Years Through Five Years	After Five Years	Total
Long-term debt and capital leases	$ 97,415	$ 93,825	$ 48,539	$ 132,686	$ 372,465
Operating lease obligations	3,008	4,573	2,803	6,117	16,501
Purchase obligations	7,130	4,781	3,742	4,206	19,859
Time deposits	133,807	14,228	6,094	3,197	157,326
Other long-term liabilities	768	991	753	1,128	3,640
Total long-term debt and other obligations	$ 242,228	$ 118,186	$ 62,031	$ 147,334	$ 569,791

Representations and Warranties

We securitize first-lien residential mortgage loans generally in the form of MBS guaranteed by the GSEs or by Government National Mortgage Association (GNMA) in the case of the FHA-insured, U.S. Department of Veterans Affairs (VA)-guaranteed and Rural Housing Service-guaranteed mortgage loans. In addition, in prior years, legacy companies and certain subsidiaries sold pools of first-lien residential mortgage loans and home equity loans as private-label securitizations (in certain of these securitizations, monolines or financial guarantee providers insured all or some of the securities) or in the form of whole loans. In connection with these transactions, we or our subsidiaries or legacy companies make or have made various representations and warranties. Breaches of these representations and warranties may result in the requirement to repurchase mortgage loans or to otherwise make whole or provide other remedies to the GSEs, U.S. Department of Housing and Urban Development (HUD), with respect to FHA-insured loans, VA, whole-loan buyers, securitization trusts, monoline insurers or other financial guarantors (collectively, repurchases). In such cases, we would be exposed to any credit loss on the repurchased mortgage loans after accounting for any mortgage insurance (MI) or mortgage guaranty payments that we may receive.

Subject to the requirements and limitations of the applicable sales and securitization agreements, these representations and warranties can be enforced by the GSEs, HUD, VA, the whole-loan buyer, the securitization trustee or others as governed by the applicable agreement or, in certain first-lien and home equity securitizations where monoline insurers or other financial guarantee providers have insured all or some of the securities issued, by the monoline insurer or other financial guarantor. In the case of loans sold to parties other than the GSEs or GNMA, the contractual liability to repurchase typically arises only if there is a breach of the representations and warranties that materially and adversely affects the interest of the investor or investors in the loan or of the monoline insurer or other financial guarantor (as applicable). Contracts with the GSEs do not contain equivalent language, while GNMA generally limits repurchases to loans that are not insured or guaranteed as required.

For additional information about accounting for representations and warranties and our representations and warranties claims and exposures, see Recent Events – Private-label Securitization Settlement with the Bank of New York Mellon, Complex Accounting Estimates – Representations and Warranties, *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* and *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements and Item 1A. Risk Factors.

Representations and Warranties Bulk Settlement Actions

Beginning in the fourth quarter of 2010, we have settled or entered into agreements to settle certain bulk representations and warranties claims with a trustee for certain legacy Countrywide private-label securitization trusts (the BNY Mellon Settlement), a monoline insurer (the Assured Guaranty Settlement) and with each of the GSEs (the GSE Agreements). We have vigorously contested any request for repurchase when we conclude that a valid basis for repurchase does not exist and will continue to do so in the future. However, in an effort to resolve these legacy mortgage-related issues, we have reached bulk settlements or agreements for bulk settlements, including settlement amounts which have been material, with the above-referenced counterparties in lieu of a loan-by-loan review process. We may reach other settlements in the future if opportunities arise on terms we believe to be advantageous. For a summary of the larger bulk settlement actions we have taken beginning in 2010 and the related impact on the representations and warranties provision and liability, see *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements. As indicated in *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* and *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements, these bulk settlements generally do not cover all transactions with the relevant counterparties or all potential claims that may arise, including in some instances securities law, fraud and servicing claims, and our liability in connection with the transactions and claims not covered by these settlements could be material.

Recent Developments Related to the BNY Mellon Settlement

Under an order entered by the court in connection with the BNY Mellon Settlement, potentially interested persons had the opportunity to give notice of intent to object to the settlement (including on the basis that more information was needed) until August 30, 2011. Approximately 44 groups or entities appeared prior to the deadline, two of those groups or entities have subsequently withdrawn from the proceeding, and one motion to intervene was denied. Certain of these groups or entities filed notices of intent to object, made motions to intervene, or both filed notices of intent to object and made motions to intervene. The parties filing motions to intervene include the Attorneys General of the states of New York and Delaware, whose motions to intervene were granted. Parties who filed notices stating that they wished to obtain more information about the settlement include the FDIC and the Federal Housing Finance Agency. We are not a party to the proceeding.

Certain of the motions to intervene and/or notices of intent to object allege various purported bases for opposition to the settlement, including challenges to the nature of the court proceeding and the lack of an opt-out mechanism, alleged conflicts of interest on the part of the institutional investor group and/or the Trustee, the inadequacy of the settlement amount, and the method of allocating the settlement amount among the Covered Trusts, while other motions do not make substantive objections but state that they need more information about the settlement. An investor opposed to the settlement removed the proceeding to federal court. On October 19, 2011, the federal court denied BNY Mellon's motion to remand the proceeding to state court. BNY Mellon, as well as the investors that have intervened in support of the BNY Mellon Settlement, petitioned to appeal the denial of this motion. On November 4, 2011, the district court entered a written order setting a discovery schedule, and discovery is ongoing. On December 27, 2011, the U.S. Court of Appeals for the Second Circuit accepted the appeal and stated in an amended scheduling order that, pursuant to statute, it would rule on the appeal by February 27, 2012.

It is not currently possible to predict how many of the parties who have appeared in the court proceeding will ultimately object to the BNY Mellon Settlement, whether the objections will prevent receipt of final court approval or the ultimate outcome of the court approval process, which can include appeals and could take a substantial period of time. In particular, conduct of discovery and the resolution of the objections to the settlement and any appeals could take a substantial period of time, and these factors could materially delay the timing of final court approval. Accordingly, it is not possible to predict when the court approval process will be completed.

If final court approval is not obtained by December 31, 2015, we and legacy Countrywide may withdraw from the BNY Mellon Settlement, if the Trustee consents. The BNY Mellon Settlement also provides that if Covered Trusts representing unpaid principal balance exceeding a specified amount are excluded from the final BNY Mellon Settlement based on investor objections or otherwise, we and legacy Countrywide have the option to withdraw from the BNY Mellon Settlement pursuant to the terms of the BNY Mellon Settlement agreement.

There can be no assurance that final court approval of the BNY Mellon Settlement will be obtained, that all conditions to the BNY Mellon Settlement will be satisfied or, if certain conditions to the BNY Mellon Settlement permitting withdrawal are met, that we and legacy Countrywide will not determine to withdraw from the settlement. If final court approval is not obtained or if we and legacy Countrywide determine to withdraw from the BNY Mellon Settlement in accordance with its terms, our future representations and warranties losses could be substantially different than existing accruals and the estimated range of possible loss over existing accruals described under Off-Balance Sheet Arrangements and Contractual Obligations – Experience with Investors Other than Government-sponsored Enterprises on page 61. For more information about the risks associated with the BNY Mellon Settlement, see Item 1A. Risk Factors.

Unresolved Claims Status

At December 31, 2011, our total unresolved repurchase claims were approximately $14.3 billion compared to $10.7 billion at December 31, 2010. These repurchase claims include $1.7 billion in demands from investors in the Covered Trusts received in 2010 but otherwise do not include any repurchase claims related to the Covered Trusts. During 2011, we received $17.5 billion in new repurchase claims, including $14.3 billion in new repurchase claims submitted by the GSEs for both legacy Countrywide originations not covered by the GSE Agreements and legacy Bank of America originations, and $3.2 billion in repurchase claims related to non-GSE transactions. During 2011, $14.1 billion in claims were resolved primarily with the GSEs and through the Assured Guaranty Settlement. Of the claims resolved, $7.5 billion were resolved through rescissions and $6.6 billion were resolved through mortgage repurchase and make whole payments. The GSEs' repurchase requests, standards for rescission of repurchase requests and resolution processes have become increasingly inconsistent with the GSEs' own past conduct and our interpretation of contractual liabilities. These developments have resulted in an increase in claims outstanding from the GSEs. Claims outstanding from the monolines declined as a result of the Assured Guaranty Settlement, and new claims from other monolines declined significantly during 2011, which we believe was due in part to the monolines focusing recent efforts towards litigation. Outstanding claims from whole-loan private-label

securitization and other investors increased during 2011 primarily as a result of the increase in repurchase claims received from trustees in non-GSE transactions Generally the volume of unresolved repurchase claims from the FHA and VA for loans in GNMA guaranteed securities is not significant because the requests are limited in number and are typically resolved quickly For additional information concerning FHA-insured loans see Off-Balance Sheet Arrangements and Contractual Obligations - Other Mortgage-related Matters on page 63

In addition to repurchase claims we receive notices from mortgage insurance companies of claim denials cancellations or coverage rescission (collectively MI rescission notices) and the amount of such notices have remained elevated When there is disagreement with the mortgage insurer as to the resolution of a MI rescission notice meaningful dialogue and negotiation are generally necessary between the parties to reach a conclusion on an individual notice The level of engagement of the mortgage insurance companies varies and on-going litigation involving some of the mortgage insurance companies over individual and bulk rescissions or claims for rescission limits our ability to engage in constructive dialogue leading to resolution

For loans sold to GSEs or private-label securitization trusts (including those wrapped by the monoline bond insurers) a MI rescission may give rise to a claim for breach of the applicable representations and warranties depending on the governing sale contracts In those cases where the governing contracts contain a MI-related representation and warranty which upon rescission requires us to repurchase the affected loan or indemnify the investor for the related loss we realize the loss without the benefit of MI If we are required to repurchase a loan or indemnify the investor as a result of a different breach of representations and warranties and there has been a MI rescission or if we hold the loan for investment we realize the loss without the benefit of MI In addition mortgage insurance companies have in some cases asserted the ability to curtail MI payments which in these cases would reduce the MI proceeds available to reduce such loss on the loan While a legitimate MI rescission may constitute a valid basis for repurchase or other remedies under the GSE agreements and a small number of private-label MBS securitizations and a MI rescission notice may result in a repurchase request we believe MI rescission notices in and of themselves are not valid repurchase requests

At December 31 2011 we had approximately 90 000 open MI rescission notices compared to 72 000 at December 31 2010 Through December 31 2011 26 percent of the MI rescission notices received have been resolved Of those resolved 24 percent were resolved through our acceptance of the MI rescission 46 percent were resolved through reinstatement of coverage or payment of the claim by the mortgage insurance company and 30 percent were resolved on an aggregate basis through settlement policy commutation or similar arrangement As of December 31 2011 74 percent of the MI rescission notices we have received have not yet been resolved Of those not yet resolved 48 percent are implicated by ongoing litigation where no loan-level review is currently contemplated (nor required to preserve our legal rights) In this litigation the litigating mortgage insurance companies are also seeking bulk rescission of certain policies separate and apart from loan-by-loan denials or rescissions We are in the process of reviewing 11 percent of the remaining open MI rescission notices and we have reviewed and are contesting the MI rescission with respect to 89 percent of these remaining open MI rescission notices Of the remaining open MI rescission notices 29 percent are also the subject of ongoing litigation although at present these MI rescissions are being processed in a manner generally consistent with those not affected by litigation

Representations and Warranties Liability

The liability for representations and warranties and corporate guarantees is included in accrued expenses and other liabilities on the Consolidated Balance Sheet and the related provision is included in mortgage banking income (loss) The methodology used to estimate the liability for representations and warranties is a function of the representations and warranties given and considers a variety of factors which include depending on the counterparty actual defaults estimated future defaults historical loss experience estimated home prices other economic conditions estimated probability that a repurchase claim will be received consideration of whether presentation thresholds will be met number of payments made by the borrower prior to default and estimated probability that a loan will be required to be repurchased as well as other relevant facts and circumstances such as bulk settlements and identity of the counterparty or type of counterparty as we believe appropriate In the case of private-label securitizations our estimate considers implied repurchase experience based on the BNY Mellon Settlement adjusted to reflect differences between the Covered Trusts and the remainder of the population of private-label securitizations and assumes that the conditions to the BNY Mellon Settlement will be met The estimate of the liability for representations and warranties is based on currently available information significant judgment and a number of factors including those set forth above that are subject to change

At December 31 2011 and 2010 the liability was $15 9 billion and $5 4 billion For 2011 the provision for representations and warranties and corporate guarantees was $15 6 billion compared to $6 8 billion in 2010 Of the $15 6 billion provision recorded in 2011 $8 6 billion was attributable to the BNY Mellon Settlement and $7 0 billion was related to other exposures The BNY Mellon Settlement led to the determination that we had sufficient experience to record a liability related to our exposure on certain other private-label securitizations This determination combined with higher estimated GSE repurchase rates were the primary drivers of the balance of the provision in 2011 GSE repurchase rates increased driven by higher than expected claims during 2011 including claims on loans that defaulted more than 18 months prior to the repurchase request and on loans where the borrower has made a significant number of payments (e g at least 25 payments) in each case in numbers that were not expected based on historical claims Changes to any one of these factors could significantly impact the estimate of the liability and could have a material adverse impact on our results of operations for any particular period

Estimated Range of Possible Loss

Government-sponsored Enterprises

Our estimated liability as of December 31 2011 for obligations under representations and warranties with respect to GSE exposures is necessarily dependent on and limited by our historical claims experience with the GSEs It includes our understanding of our agreements with the GSEs and projections of future defaults as well as certain other assumptions and judgmental factors Accordingly future provisions associated with obligations under representations and warranties made to the GSEs may be materially impacted if actual experiences are different from our assumptions The GSEs repurchase requests standards for rescission of repurchase requests and resolution processes have become increasingly inconsistent with the GSE s own past conduct and the Corporation s interpretation of its contractual obligations These developments have resulted in an increase in claims outstanding from the GSEs We intend to repurchase loans to the extent required under the contracts and standards that govern our relationships with the GSEs While we are seeking to resolve our differences with the GSEs concerning each party s interpretation of the requirements of the governing contracts whether we will be able to achieve a resolution of these differences on acceptable terms and timing thereof is subject to significant uncertainty

We are not able to predict changes in the behavior of the GSEs based on our past experiences Therefore it is not possible to reasonably estimate a possible loss or range of possible loss with respect to any such potential impact in excess of current accrued liabilities See Complex Accounting Estimates – Representations and Warranties on page 125 for information related to the sensitivity of the assumptions used to estimate our liability for obligations under representations and warranties

Non-Government-sponsored Enterprises

The population of private-label securitizations included in the BNY Mellon Settlement encompasses almost all legacy Countrywide first-lien private-label securitizations including loans originated principally in the 2004 through 2008 vintages For the remainder of the population of private-label securitizations we believe it is probable that other claimants in certain types of securitizations may come forward with claims that meet the requirements of the terms of the securitizations We have seen an increased trend in requests for loan files from private label securitization trustees and an increase in repurchase claims from private-label securitization trustees that meet the required standards We believe that the provisions recorded in connection with the BNY Mellon Settlement and the additional non-GSE representations and warranties provisions recorded in 2011 have provided for a substantial portion of our non-GSE representations and warranties exposure However it is reasonably possible that future representations and warranties losses may occur in excess of the amounts recorded for these exposures In addition we have not recorded any representations and warranties liability for certain potential monoline exposures and certain potential whole loan and other private-label securitization exposures We currently estimate that the range of possible loss related to non-GSE representations and warranties exposure as of December 31 2011 could be up to $5 billion over existing accruals The estimated range of possible loss for non-GSE representations and warranties does not represent a probable loss and is based on currently available information significant judgment and a number of assumptions including those set forth below that are subject to change

The methodology used to estimate the non-GSE representations and warranties liability and the corresponding range of possible loss considers a variety of factors including our experience related to actual defaults projected future defaults historical loss experience estimated home prices and other economic conditions Among the factors that impact the non-GSE representations and warranties liability and the corresponding estimated range of possible loss are (1) contractual loss causation requirements (2) the representations and warranties provided and (3) the requirement to meet certain presentation thresholds The first factor is based on our belief that a non-GSE contractual liability to repurchase a loan generally arises only if the counterparties prove there is a breach of representations and warranties that materially and adversely affects the interest of the investor or all investors or the monoline insurer (as applicable) in a securitization trust and accordingly we believe that the repurchase claimants must prove that the alleged representations and warranties breach was the cause of the loss The second factor is related to the fact that non-GSE securitizations include different types of representations and warranties than those provided to the GSEs We believe the non-GSE securitizations representations and warranties are less rigorous and actionable than the explicit provisions of the comparable agreements with the GSEs without regard to any variations that may have arisen as a result of dealings with the GSEs The third factor is related to the fact that certain presentation thresholds need to be met in order for any repurchase claim to be asserted on the initiative of investors under the non-GSE agreements A securitization trustee may investigate or demand repurchase on its own action and most agreements contain a threshold for example 25 percent of the voting rights per trust that allows investors to declare a servicing event of default under certain circumstances or to request certain action such as requesting loan files that the trustee may choose to accept and follow exempt from liability provided the trustee is acting in good faith If there is an uncured servicing event of default and the trustee fails to bring suit during a 60-day period then under most agreements investors may file suit In addition to this most agreements also allow investors to direct the securitization trustee to investigate loan files or demand the repurchase of loans if security holders hold a specified percentage for example 25 percent of the voting rights of each tranche of the outstanding securities Although we continue to believe that presentation thresholds are a factor in the determination of probable loss given the BNY Mellon Settlement the estimated range of possible loss assumes that the presentation threshold can be met for all of the non-GSE securitization transactions

In addition in the case of private-label securitizations our estimate considers implied repurchase experience based on the BNY Mellon Settlement adjusted to reflect differences between the Covered Trusts and the remainder of the population of private-label securitizations and assumes that the conditions to the BNY Mellon Settlement will be satisfied For additional information about the methodology used to estimate the non-GSE representations and warranties liability and the corresponding range of possible loss see *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements

Future provisions and/or ranges of possible loss for non-GSE representations and warranties may be significantly impacted if actual experiences are different from our assumptions in our predictive models including without limitation those regarding ultimate resolution of the BNY Mellon Settlement estimated repurchase rates economic conditions estimated home prices consumer and counterparty behavior and a variety of other judgmental factors Adverse developments with respect to one or more of the assumptions underlying the liability for representations and warranties and the corresponding estimated range of possible loss could result in significant increases to future provisions and this estimated range of possible loss For example if courts were to disagree with our interpretation that the underlying agreements require a claimant to prove that the representations and warranties breach was the cause of the loss it could significantly impact this

estimated range of possible loss Additionally if recent court rulings related to monoline litigation including one related to us that have allowed sampling of loan files instead of requiring a loan-by-loan review to determine if a representations and warranties breach has occurred are followed generally by the courts private-label securitization investors may view litigation as a more attractive alternative as compared to a loan-by-loan review For additional information regarding these issues see MBIA litigation in Litigation and Regulatory Matters in Note 14 – Commitments and Contingencies to the Consolidated Financial Statements Finally although we believe that the representations and warranties typically given in non-GSE transactions are less rigorous and actionable than those given in GSE transactions we do not have significant loan-level experience in non-GSE transactions to measure the impact of these differences on the probability that a loan will be required to be repurchased

The liability for obligations under representations and warranties with respect to GSE and non-GSE exposures and the corresponding estimated range of possible loss for non-GSE representations and warranties exposures do not include any losses related to litigation matters disclosed in *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements nor do they include any separate foreclosure costs and related costs assessments and compensatory fees or any possible losses related to potential claims for breaches of performance of servicing obligations (except as such losses are included as potential costs of the BNY Mellon Settlement) potential securities law or fraud claims or potential indemnity or other claims against us including claims related to loans insured by the FHA We are not able to reasonably estimate the amount of any possible loss with respect to any such servicing securities law (except to the extent reflected in the aggregate range of possible loss for litigation and regulatory matters disclosed in *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements) fraud or other claims against us however such loss could be material

Government-sponsored Enterprises Experience

Our current repurchase claims experience with the GSEs is predominantly concentrated in the 2004 through 2008 origination vintages where we believe that our exposure to representations and warranties liability is most significant Our repurchase claims experience related to loans originated prior to 2004 has not been significant and we believe that the changes made to our operations and underwriting policies have reduced our exposure related to loans originated after 2008

Bank of America and legacy Countrywide sold approximately $1 1 trillion of loans originated from 2004 through 2008 to the GSEs As of December 31 2011 11 percent of the loans in these vintages have defaulted or are 180 days or more past due (severely delinquent) At least 25 payments have been made on approximately 65 percent of severely delinquent or defaulted loans Through December 31 2011 we have received $32 4 billion in repurchase claims associated with these vintages representing approximately three percent of the loans sold to the GSEs in these vintages Including the agreement reached with FNMA on December 31 2010 we have resolved $25 7 billion of these claims with a net loss experience of approximately 31 percent The claims resolved and the loss rate do not include $839 million in claims extinguished as a result of the agreement with FHLMC due to the global nature of the agreement and specifically the absence of a formal apportionment of the agreement amount between current and future claims Our collateral loss severity rate on approved repurchases has averaged approximately 45 to 55 percent

Table 11 highlights our experience with the GSEs related to loans originated from 2004 through 2008 Outstanding GSE claims increased to $6 3 billion primarily attributable to $14 3 billion in new repurchase claims submitted by the GSEs for both legacy Countrywide originations not covered by the GSE Agreements and legacy Bank of America originations The high level of new claims was partially offset by the resolution of claims with the GSEs

Table 11 Overview of GSE Balances – 2004-2008 Originations

	Legacy Originator			
(Dollars in billions)	Countrywide	Other	Total	Percent of Total
Original funded balance	$ 848	$ 272	$ 1,118	
Principal payments	(452)	(153)	(605)	
Defaults	(56)	(9)	(65)	
Total outstanding balance at December 31, 2011	$ 340	$ 110	$ 448	
Outstanding principal balance 180 days or more past due (severely delinquent)	$ 50	$ 12	$ 62	
Defaults plus severely delinquent	106	21	127	
Payments made by borrower				
Less than 13		$	15	12%
13-24			99	78
25-36			84	67
More than 36			45	36
Total payments made by borrower		$	127	100%
Outstanding GSE representations and warranties claims (all vintages)				
As of December 31 2010		$	1.8	
As of December 31 2011			6.3	
Cumulative GSE representations and warranties losses (2004-2008 vintages)		$	6.3	

The GSEs repurchase requests standards for rescission of repurchase requests and resolution processes have become increasingly inconsistent with their past conduct as well as our interpretation of our contractual obligations Notably in recent periods we have been experiencing elevated levels of new claims from the GSEs including claims on loans on which borrowers have made a significant number of payments (e g at least 25 payments) or on loans which had defaulted more than 18 months prior to the repurchase request in each case in numbers that were not expected based on historical experience Also the criteria and the processes by which the GSEs are ultimately willing to resolve claims have changed in ways that are unfavorable to us These developments have resulted in an increase in claims outstanding from the GSEs We intend to repurchase loans to the extent required under the contracts and standards that govern our relationships with the GSEs While we are seeking to resolve our differences with the GSEs concerning each party's interpretation of the requirements of the governing contracts whether we will be able to achieve a resolution of these differences on acceptable terms and timing thereof is subject to significant uncertainty

Beginning in February 2012 we are no longer delivering purchase money and non-MHA refinance first lien residential mortgage products into FNMA MBS pools because of the expiration and mutual non-renewal of certain contractual delivery commitments and variances that permit efficient delivery of such loans to FNMA While we continue to have a valid agreement with FNMA permitting the delivery of purchase money and non-MHA refinance first lien residential mortgage products without such contractual variances the delivery of such products without contractual delivery commitments and variances would involve time and expense to implement the necessary operational and systems changes and otherwise present practical operational issues The non-renewal of these variances was influenced in part by our ongoing differences with FNMA in other contexts including repurchase claims We do not expect this change to have a material impact on our CRES business as we expect to rely on other sources of liquidity to actively extend mortgage credit to our customers including continuing to deliver such products into FHLMC MBS pools Additionally we continue to deliver MHA refinancing products into FNMA MBS pools and continue to engage in dialogue to attempt to address these differences

On June 30 2011 FNMA issued an announcement requiring servicers to report effective October 1 2011 all MI rescission notices with respect to loans sold to FNMA The announcement also confirmed FNMA's view of its position that a mortgage insurance company's issuance of a MI rescission notice constitutes a breach of the lender's representations and warranties and permits FNMA to require the lender to repurchase the mortgage loan or promptly remit a make-whole payment covering FNMA's loss even if the lender is contesting the MI rescission notice A related announcement included a ban on bulk settlements with mortgage insurers that provide for loss sharing in lieu of rescission According to FNMA's announcement through June 30 2012 lenders have 90 days to appeal FNMA's repurchase request and 30 days (or such other time frame specified by FNMA) to appeal after that date According to FNMA's announcement in order to be successful in its appeal a lender must provide documentation confirming reinstatement or continuation of coverage This announcement could result in more repurchase requests from FNMA than the assumptions in our estimated liability contemplate We also expect that in many cases (particularly in the context of individual or bulk rescissions being contested through litigation) we will not be able to resolve MI rescission notices with the mortgage insurance companies before the expiration of the appeal period prescribed by the FNMA announcement We have informed FNMA that we do not believe that the new policy is valid under our contracts with FNMA and that we do not intend to repurchase loans under the terms set forth in the new policy Our pipeline of outstanding repurchase claims from the GSEs resulting solely on MI rescission notices has increased during 2011 by $935 million to $1 2 billion at December 31 2011 If we are required to abide by the terms of the new FNMA policy our representations and warranties liability will likely increase

Experience with Investors Other than Government-sponsored Enterprises

In prior years legacy companies and certain subsidiaries have sold pools of first-lien mortgage loans and home equity loans as private-label securitizations or in the form of whole loans As detailed in Table 12 legacy companies and certain subsidiaries sold loans originated from 2004 through 2008 with an original principal balance of $963 billion to investors other than GSEs (although the GSEs are investors in certain private-label securitizations) of which approximately $506 billion in principal has been paid and $239 billion has defaulted or are severely delinquent at December 31 2011

As it relates to private-label securitizations a contractual liability to repurchase mortgage loans generally arises only if counterparties prove there is a breach of the representations and warranties that materially and adversely affects the interest of the investor or all investors in a securitization trust or of the monoline insurer or other financial guarantor (as applicable) We believe that the longer a loan performs the less likely it is that an alleged representations and warranties breach had a material impact on the loan's performance or that a breach even exists Because the majority of the borrowers in this population would have made a significant number of payments if they are not yet 180 days or more past due we believe that the principal balance at the greatest risk for repurchase claims in this population of private-label securitization investors is a combination of loans that have already defaulted and those that are currently severely delinquent Additionally the obligation to repurchase loans also requires that counterparties have the contractual right to demand repurchase of the loans (presentation thresholds) While we believe the agreements for private-label securitizations generally contain less rigorous representations and warranties and place higher burdens on investors seeking repurchases than the explicit provisions of the comparable agreements with the GSEs without regard to any variations that may have arisen as a result of dealings with the GSEs the agreements generally include a representation that underwriting practices were prudent and customary

Any amounts paid related to repurchase claims from a monoline insurer are paid to the securitization trust and are applied in accordance with the terms of the governing securitization documents which may include use by the securitization trust to repay any outstanding monoline advances or reduce future advances from the monolines To the extent that a monoline has not advanced funds or does not anticipate that it will be required to advance funds to the securitization trust the likelihood of receiving a repurchase claim from a monoline may be reduced as the monoline would receive limited or no benefit from the payment of repurchase claims Moreover some monolines are not currently

performing their obligations under the financial guaranty policies they issued which may in certain circumstances impact their ability to present repurchase claims although in those circumstances investors may be able to bring claims if contractual thresholds are met

Table 12 details the population of loans originated between 2004 and 2008 and the population of loans sold as whole loans or in non agency securitizations by entity and product together with the defaulted and severely delinquent loans stratified by the number of payments the borrower made prior to default or becoming severely delinquent at December 31 2011 As shown in Table 12 at least 25 payments have been made on approximately 63 percent of the defaulted and severely delinquent loans We believe many of the defaults observed in these securitizations have been and continue to be driven by external factors like the substantial depreciation in home prices persistently high unemployment and other negative economic trends diminishing the likelihood that any loan defect (assuming one exists at all) was the cause of a loan s default As of December 31 2011 approximately 25 percent of the loans sold to non-GSEs that were originated between 2004 and 2008 have defaulted or are severely delinquent Of the original principal balance for Countrywide $409 billion is included in the BNY Mellon Settlement

Table 12 Overview of Non-Agency Securitization and Whole Loan Balances

(Dollars in Billions)	Principal Balances				Defaulted or Severely Delinquent			
By Entity	Original Principal Balance	Outstanding Principal Balance December 31, 2011	Outstanding Principal Balance 180 Days or More Past Due	Defaulted Principal Balance	Defaulted or Severely Delinquent	Borrower Made less than 13 Payments	Borrower Made 13 to 24 Payments	Borrower Made more than 24 Payments
Bank of America	$ 100	$ 28	$ 5	$ 4	$ 9	$ 1	$ 2	$ 2	$ 4
Countrywide	718	252	84	100	184	24	45	46	69
Merrill Lynch	65	19	6	12	18	3	4	3	8
First Franklin	82	21	7	21	28	4	6	5	13
Total (1, 2)	$ 965	$ 320	$ 102	$ 137	$ 239	$ 32	$ 57	$ 56	$ 94
By Product									
Prime	$ 302	$ 102	$ 17	$ 15	$ 32	$ 2	$ 6	$ 7	$ 17
Alt-A	172	71	20	28	48	7	12	12	17
Pay option	150	56	28	26	56	5	14	16	21
Subprime	245	74	34	49	83	16	19	17	31
Home Equity	88	15	1	18	17	2	5	4	6
Other	6	2	2	1	3	–	1	–	2
Total	$ 965	$ 320	$ 102	$ 137	$ 239	$ 32	$ 57	$ 56	$ 94

(1) Excludes transactions sponsored by Bank of America and Merrill Lynch where no representations or warranties were made
(2) Includes exposures on third-party sponsored transactions related to legacy entity originations

Monoline Insurers

Legacy companies sold $184 5 billion of loans originated between 2004 and 2008 into monoline-insured securitizations which are included in Table 12 including $103 9 billion of first lien mortgages and $80 6 billion of home equity mortgages Of these balances $45 9 billion of the first-lien mortgages and $50 4 billion of the home equity mortgages have been paid in full and $36 3 billion of the first-lien mortgages and $16 7 billion of the home equity mortgages have defaulted or are severely delinquent at December 31 2011 At least 25 payments have been made on approximately 60 percent of the defaulted and severely delinquent loans Of the first-lien mortgages sold $39 1 billion or 38 percent were sold as whole loans to other institutions which subsequently included these loans with those of other originators in private-label securitization transactions in which the monolines typically insured one or more securities Through December 31 2011 we have received $6 0 billion of representations and warranties claims related to the monoline-insured transactions Of these repurchase claims $2 0 billion were resolved through the Assured Guaranty Settlement $813 million were resolved through repurchase or indemnification with losses of $703 million and $138 million were rescinded by the investor or paid in full The majority of these resolved claims related to home equity mortgages Experience with most of the monoline insurers has varied in terms of process and experience with these counterparties has not been predictable

At December 31 2011 for loans originated between 2004 and 2008 the unpaid principal balance of loans related to unresolved monoline repurchase claims was $3 1 billion substantially all of which we have reviewed and declined to repurchase based on an assessment of whether a material breach exists At December 31 2011 the unpaid principal balance of loans in these vintages for which the monolines had requested loan files for review but for which no repurchase claim had been received was $6 1 billion excluding loans that had been paid in full and file requests for loans included in the trusts settled with Assured Guaranty There will likely be additional requests for loan files in the future leading to repurchase claims

We have had limited experience with the monoline insurers other than Assured Guaranty in the repurchase process as each of these monoline insurers has instituted litigation against legacy Countrywide and/or Bank of America which limits our ability to enter into constructive dialogue with these monolines to resolve the open claims It is not possible at this time to reasonably estimate probable future repurchase obligations with respect to those monolines with whom we have limited repurchase experience and therefore no representations and warranties liability has been recorded in connection with these monolines other than a liability for repurchase claims where we have determined that there are valid loan defects Our estimated range of possible loss related to non-GSE representations and warranties exposure as of December 31 2011 included possible losses related to these monoline insurers

Whole Loans and Private-label Securitizations

Legacy entities and to a lesser extent Bank of America sold loans to investors as whole loans or via private-label securitizations The majority of the loans sold were included in private-label securitizations including third-party sponsored transactions The loans sold with total principal balance of $778 2 billion included in Table 12 were originated between 2004 and 2008 of which $409 4 billion have been paid in full and $186 1 billion are defaulted or severely delinquent at December 31 2011 In connection with these transactions we provided representations and warranties and the whole-loan investors may retain those rights even when the whole loans were aggregated with other collateral into private-label securitizations sponsored by the whole-loan investors At least 25 payments have been made on approximately 64 percent of the defaulted and severely delinquent loans We have received approximately $10 9 billion of representations and warranties claims from whole-loan investors and private-label securitization investors related to these vintages including $6 1 billion from whole loan investors $2 2 billion from private-label securitization trustees $1 7 billion in claims from private-label securitization investors in the Covered Trusts received in 2010 and $819 million from one private-label securitization counterparty which were submitted prior to 2008 In private-label securitizations certain representation thresholds need to be met in order for any repurchase claim to be asserted by the investors The majority of the claims that we have received outside of those from the GSEs and monolines are from third party whole-loan investors However the amount of claims received from private-label securitization trustees that meet the required standards has been increasing In 2011 we received $2 1 billion of repurchase claims from private-label securitization trustees In addition there has been an increase in requests for loan files from private-label securitization trustees as well as requests for tolling agreements to toll the applicable statutes of limitation relating to representations and warranties claims and we believe it is likely that these requests will lead to an increase in repurchase claims from private-label securitization trustees that meet the required standards

We have resolved $6 1 billion of the claims received from whole-loan investors and private-label securitization investors with losses of $1 4 billion Approximately $2 8 billion of these claims were resolved through repurchase or indemnification and $3 3 billion were rescinded by the investor Claims outstanding related to these vintages totaled $4 8 billion including $2 8 billion that have been reviewed where it is believed a valid defect has not been identified which would constitute an actionable breach of representations and warranties and $2 0 billion that are in the process of review

Certain whole-loan investors have engaged with us in a consistent repurchase process and we have used that experience to record a liability related to existing and future claims from such counterparties The BNY Mellon Settlement led to the determination in the second quarter of 2011 that we had sufficient experience to record a liability related to our exposure on certain other private-label securitizations However the BNY Mellon Settlement did not provide sufficient experience related to certain private-label securitizations sponsored by third-party whole-loan investors As it relates to certain private-label securitizations sponsored by third-party whole-loan investors and certain other whole loan sales it is not possible to determine whether a loss has occurred or is probable and therefore no representations and warranties liability has been recorded in connection with these transactions Our estimated range of possible loss related to non-GSE representations and warranties exposure as of December 31 2011 included possible losses related to these whole loan sales and private-label securitizations sponsored by third party whole-loan investors

Private-label securitization investors generally do not have the contractual right to demand repurchase of loans directly or the right to access loan files The inclusion of the $1 7 billion in outstanding claims noted on page 63 does not mean that we believe these claims have satisfied the contractual thresholds required for these investors to direct the securitization trustee to take action or that these claims are otherwise procedurally or substantively valid One of these claimants has filed litigation against us relating to certain of these claims the claims in this litigation would be extinguished if there is final court approval of the BNY Mellon Settlement Additionally certain private-label securitizations are insured by the monoline insurers which are not reflected in these amounts regarding whole loan sales and private-label securitizations

Other Mortgage-related Matters

Servicing Matters and Foreclosure Processes

We service a large portion of the loans we or our subsidiaries have securitized and also service loans on behalf of third-party securitization vehicles and other investors Servicing agreements with the GSEs generally provide the GSEs with broader rights relative to the servicer than are found in servicing agreements with private investors For example each GSE typically claims the right to demand that the servicer repurchase loans that breach the seller s representations and warranties made in connection with the initial sale of the loans even if the servicer was not the seller The GSEs also claim that they have the contractual right to demand indemnification or loan repurchase for certain servicing breaches In addition the GSEs first mortgage seller/servicer guides provide for timelines to resolve delinquent loans through workout efforts or liquidation if necessary and purport to require the imposition of compensatory fees if those deadlines are not satisfied except for reasons beyond the control of the servicer although we believe that the governing contracts our course of dealing and collective past practices and understandings should inform resolution of these matters In addition many non-agency RMBS and whole-loan servicing agreements require the servicer to indemnify the trustee or other investor for or against failures by the servicer to perform its servicing obligations or acts or omissions that involve willful malfeasance bad faith or gross negligence in the performance of or reckless disregard of the servicer s duties It is not possible to reasonably estimate our liability with respect to potential servicing-related claims While we have recorded certain accruals for servicing-related claims the amount of potential liability in excess of existing accruals could be material

In October 2010 we voluntarily stopped taking residential mortgage foreclosure proceedings to judgment in states where foreclosure requires a court order following a legal proceeding (judicial states) and stopped foreclosure sales in all states in order to complete an assessment of related business processes We have resumed foreclosure sales in nearly all non-judicial states While we have resumed foreclosure proceedings in nearly all judicial states our progress on foreclosure sales in judicial states

has been much slower than in non judicial states The pace of foreclosure sales in judicial states increased significantly by the fourth quarter of 2011 However there continues to be a backlog of foreclosure inventory in judicial states The implementation of changes in procedures and controls including loss mitigation procedures related to our ability to recover on FHA insurance related claims and governmental regulatory and judicial actions may result in continuing delays in foreclosure proceedings and foreclosure sales and create obstacles to the collection of certain fees and expenses in both judicial and non judicial foreclosures

We entered into a consent order with the Federal Reserve and BANA entered into a consent order with the OCC on April 13 2011 These consent orders require servicers to make several enhancements to their servicing operations including implementation of a single point of contact model for borrowers throughout the loss mitigation and foreclosure processes adoption of measures designed to ensure that foreclosure activity is halted once a borrower has been approved for a modification unless the borrower fails to make payments under the modified loan and implementation of enhanced controls over third-party vendors that provide default servicing support services In addition the OCC consent order required that we retain an independent consultant approved by the OCC to conduct a review of all foreclosure actions pending or foreclosure sales that occurred between January 1 2009 and December 31 2010 and submit a plan to the OCC to remediate all financial injury to borrowers caused by any deficiencies identified through the review The review is comprised of two parts a sample file review conducted by the independent consultant which began in October 2011 and file reviews by the independent consultant based upon requests for review from customers with in-scope foreclosures We began outreach to those customers in November 2011 and additional outreach efforts are underway Because the review process is available to a large number of potentially eligible borrowers and involves an examination of many details and documents each review could take several months to complete We cannot yet accurately determine how many borrowers will ultimately request a review how many borrowers will meet the eligibility requirements or how much in compensation might ultimately be paid to eligible borrowers

We continue to be subject to additional borrower and non-borrower litigation and governmental and regulatory scrutiny related to our past and current servicing and foreclosure activities including those claims not covered by the Servicing Resolution Agreements defined below This scrutiny may extend beyond our pending foreclosure matters to issues arising out of alleged irregularities with respect to previously completed foreclosure activities The current environment of heightened regulatory scrutiny may subject us to inquiries or investigations that could significantly adversely affect our reputation and result in material costs to us

Servicing Resolution Agreements

On February 9 2012 we reached agreements in principle (collectively the Servicing Resolution Agreements) with (1) the DOJ various federal regulatory agencies and 49 state attorneys general to resolve federal and state investigations into certain origination servicing and foreclosure practices (the Global AIP) (2) the Federal Housing Administration (the FHA) to resolve certain claims relating to the origination of FHA insured mortgage loans primarily by Countrywide prior to and for a period following our acquisition of that lender (the FHA AIP) and (3) each of the Federal Reserve and the OCC regarding civil monetary penalties related to conduct that was the subject of consent orders entered into with the banking regulators in April 2011 (the Consent Order AIPs) The Servicing Resolution Agreements are subject to ongoing discussions among the parties and completion and execution of definitive documentation as well as required regulatory and court approvals There can be no assurance as to when or whether binding settlement agreements will be reached that they will be on terms consistent with the Servicing Resolution Agreements or as to when or whether the necessary approvals will be obtained and the settlements will be finalized

The Global AIP calls for the establishment of certain uniform servicing standards upfront cash payments of approximately $1 9 billion to the state and federal governments and for borrower restitution approximately $7 6 billion in borrower assistance in the form of among other things principal reduction short sales deeds-in lieu of foreclosure and approximately $1 0 billion in refinancing assistance We could be required to make additional payments if we fail to meet our borrower assistance and refinancing assistance commitments over a three-year period In addition we could be required to pay an additional $350 million if we fail to meet certain first-lien principal reduction thresholds over a three-year period We also entered into agreements with several states under which we committed to perform certain minimum levels of principal reduction and related activities within those states as part of the Global AIP and under which we could be required to make additional payments if we fail to meet such minimum levels

The FHA AIP provides for an upfront cash payment of $500 million and the FHA would release us from all claims arising from loans originated on or before April 30 2009 that were submitted for FHA insurance claim payments prior to January 1 2012 and from multiple damages and penalties for loans that were originated on or before April 30 2009 but had not been submitted for FHA insurance claim payment An additional $500 million would be payable if we fail to meet certain principal reduction thresholds over a three-year period

Pursuant to an agreement in principle the OCC agreed to hold in abeyance the imposition of a civil monetary penalty of $164 million Pursuant to a separate agreement in principle the Federal Reserve will assess a civil monetary penalty in the amount of $176 million against us Satisfying our payment borrower assistance and remediation obligations under the Global AIP will satisfy any civil monetary penalty obligations arising under these agreements in principle If however we do not make certain required payments or undertake certain required actions under the Global AIP the OCC will assess and the Federal Reserve will require us to pay the difference between the aggregate value of the payments and actions under these agreements in principle and the penalty amounts

Under the terms of the Global AIP, the federal and participating state governments would release us from further liability for certain alleged residential mortgage origination servicing and foreclosure deficiencies In settling origination issues related to FHA guaranteed loans originated on or before April 30 2009 the FHA would provide us and our affiliates a release for all claims with respect to such loans if an insurance claim had been submitted to the FHA prior to January 1 2012 and a release of multiple damages and penalties (but not single damages) if no such claim had been submitted

The financial impact of the Servicing Resolution Agreements is not expected to require any additional reserves over existing accruals as of December 31 2011 based on our understanding

of the terms of the Servicing Resolution Agreements The refinancing assistance commitment under the Servicing Resolution Agreements is expected to be recognized as lower interest income in future periods as qualified borrowers pay reduced interest rates on loans refinanced Although we may incur additional operating costs (e g servicing costs) to implement parts of the Servicing Resolution Agreements in future periods it is expected that those costs will not be material

The Servicing Resolution Agreements do not cover claims arising out of securitization (including representations made to investors respecting MBS) criminal claims private claims by borrowers claims by certain states for injunctive relief or actual economic damages to borrowers related to the Mortgage Electronic Registration Systems Inc (MERS) and claims by the GSEs (including repurchase demands) among other items Failure to finalize the documentation related to the Servicing Resolution Agreements to obtain the required court and regulatory approvals to meet our borrower and refinancing commitments or other adverse developments with respect to the foregoing could have a material adverse effect on our financial condition and results of operations

Mortgage Electronic Registration Systems, Inc.

Mortgage notes assignments or other documents are often required to be maintained and are often necessary to enforce mortgage loans There has been significant public commentary regarding the common industry practice of recording mortgages in the name of MERS as nominee on behalf of the note holder and whether securitization trusts own the loans purported to be conveyed to them and have valid liens securing those loans We currently use the MERS system for a substantial portion of the residential mortgage loans that we originate including loans that have been sold to investors or securitization trusts A component of the OCC consent order requires significant changes in the manner in which we service loans identifying MERS as the mortgagee Additionally certain local and state governments have commenced legal actions against us MERS and other MERS members questioning the validity of the MERS model Other challenges have also been made to the process for transferring mortgage loans to securitization trusts asserting that having a mortgagee of record that is different than the holder of the mortgage note could "break the chain of title" and cloud the ownership of the loan In order to foreclose on a mortgage loan in certain cases it may be necessary or prudent for an assignment of the mortgage to be made to the holder of the note which in the case of a mortgage held in the name of MERS as nominee would need to be completed by a MERS signing officer As such our practice is to obtain assignments of mortgages from MERS prior to instituting foreclosure If certain required documents are missing or defective, or if the use of MERS is found not to be valid we could be obligated to cure certain defects or in some circumstances be subject to additional costs and expenses Our use of MERS as nominee for the mortgage may also create reputational risks for us

Impact of Foreclosure Delays

In 2011 we incurred $1 8 billion of mortgage-related assessments and waivers costs which included $1 3 billion for compensatory fees that we expect to be claimed by the GSEs as a result of foreclosure delays with the remainder being out-of-pocket costs that we do not expect to recover because of foreclosure delays We expect that mortgage-related assessments and waivers costs compensatory fees assessed by the GSEs and other costs associated with foreclosures will remain elevated as additional loans are delayed in the foreclosure process although we believe that the governing contracts our course of dealing and collective past practices and understandings should inform resolution of these matters We also expect additional costs related to resources necessary to perform the foreclosure process assessment and to implement other operational changes will continue This will likely result in continued higher noninterest expense including higher default servicing costs and legal expenses in *CRES* and has impacted and may continue to impact the value of our MSRs related to these serviced loans It is also possible that the delays in foreclosure sales may result in additional costs and expenses including costs associated with the maintenance of properties or possible home price declines while foreclosures are delayed In addition required process changes including those required under the consent orders with federal bank regulators are likely to result in further increases in our default servicing costs over the longer term Finally, the time to complete foreclosure sales may continue to be protracted which may result in a greater number of nonperforming loans and increased servicing advances and may impact the collectability of such advances and the value of our MSR asset MBS and real estate owned properties

An increase in the time to complete foreclosure sales also may increase the number of severely delinquent loans in our mortgage servicing portfolio result in increasing levels of consumer nonperforming loans and could have a dampening effect on net interest margin as nonperforming assets increase Accordingly delays in foreclosure sales including any delays beyond those currently anticipated our continued process enhancements including those required under the OCC and Federal Reserve consent orders and any issues that may arise out of alleged irregularities in our foreclosure process could significantly increase the costs associated with our mortgage operations

Mortgage-related Settlements – Servicing Matters

In connection with the BNY Mellon Settlement BANA has agreed to implement certain servicing changes The Trustee and BANA have agreed to clarify and conform certain servicing standards related to loss mitigation In particular the BNY Mellon Settlement would clarify that it is permissible to apply the same loss mitigation strategies to the Covered Trusts as are applied to BANA affiliates held-for investment (HFI) portfolios This portion of the agreement was effective in the second quarter of 2011 and is not conditioned on final court approval

BANA also agreed to transfer the servicing related to certain high-risk loans to qualified subservicers on a schedule that began with the signing of the BNY Mellon Settlement This servicing transfer protocol will reduce the servicing fees payable to BANA in the future Upon final court approval failure to meet the established benchmarking standards for loans not in subservicing arrangements can trigger the payment of agreed-upon fees Additionally we and legacy Countrywide have agreed to work to resolve with the Trustee certain mortgage documentation issues related to the enforceability of mortgages in foreclosure and to reimburse the related Covered Trust for any loss if BANA is unable to foreclose on the mortgage and the Covered Trust is not made whole by a title policy because of these documentation issues These agreements will terminate if final court approval of the BNY Mellon Settlement is not obtained although we could still have exposure under the pooling and servicing agreements related to

the mortgages in the Covered Trusts for these documentation issues

We estimate that the costs associated with additional servicing obligations under the BNY Mellon Settlement contributed $400 million to the 2011 valuation charge related to the MSR asset The additional servicing actions are consistent with the consent *orders with the OCC and the Federal Reserve*

In addition in connection with the Servicing Resolution Agreements BANA has agreed to implement certain additional servicing changes The uniform servicing standards established under the Servicing Resolution Agreements are broadly consistent with the residential mortgage servicing practices imposed by the *OCC* consent order however they are more prescriptive and cover a broader range of our residential mortgage servicing activities These standards are intended to strengthen procedural safeguards and documentation requirements associated with foreclosure bankruptcy and loss mitigation activities as well as addressing the imposition of fees and the integrity of documentation with a goal of ensuring greater transparency for borrowers These uniform servicing standards also obligate us to implement compliance *processes reasonably designed* to provide assurance of the achievement of these objectives Compliance with the uniform servicing standards will be assessed by a monitor based on the measurement of outcomes with respect to these objectives Implementation of these uniform servicing standards is expected to incrementally increase costs associated with the servicing process but is not expected to result in material delays or dislocation in the performance of our mortgage servicing obligations including the completion of foreclosures

Regulatory Matters

See Item 1A Risk Factors and *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements for additional information regarding regulatory matters and risks

Financial Reform Act

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Financial Reform Act) which was signed into law on July 21 2010 enacts sweeping financial regulatory reform and has altered and will continue to alter the way in which we conduct certain business increase our costs and reduce our revenues Many aspects of the Financial Reform Act remain subject *to final rulemaking and will take effect over several years* making it difficult to anticipate the precise impact on the Corporation our customers or the financial services industry

Debit Interchange Fees

On June 29 2011 the Federal Reserve adopted a final rule with respect to the Durbin Amendment effective on October 1 2011 which among other things established a regulatory cap for many types of debit interchange transactions to equal no more than 21 cents plus five bps of the value of the transaction The Federal Reserve also adopted a rule to allow a debit card issuer to recover one cent per transaction for fraud prevention purposes if the issuer complies with certain fraud related requirements with which we are currently in compliance The Federal Reserve also approved rules governing routing and exclusivity requiring issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product which are effective April 1 2012 *For additional information see Card Services* on page 41

Limitations on Proprietary Trading

On October 11 2011 the Federal Reserve OCC FDIC and Securities and Exchange Commission (SEC) representing four of the five regulatory agencies charged with promulgating regulations implementing limitations on proprietary trading as well as the sponsorship of or investment in hedge funds and private equity funds (the Volcker Rule) established by the Financial Reform Act released for comment proposed implementing regulations On January 11 2012 the Commodity Futures Trading Commission (CFTC) the fifth agency released for comment its proposed regulations under the Volcker Rule *The proposed regulations include clarifications* to the definition of proprietary trading and distinctions between permitted and prohibited activities However in light of the complexity of the proposed regulations and the large volume of comments received (the proposal requested comments on over 1 300 questions on 400 different topics) it is not possible to predict the content of the final regulations *or when they will be issued*

The statutory provisions of the Volcker Rule will become effective on July 21 2012 whether or not the final regulations are adopted and it gives certain financial institutions two years from the effective date with opportunities for additional extensions to bring activities and investments into compliance Although *GBAM* exited its stand-alone proprietary trading business as of June 30 2011 in anticipation of the Volcker Rule and further to our initiative to optimize our balance sheet the ultimate impact of the Volcker Rule on us remains uncertain *However based upon the content* of the proposed regulations it is possible that the implementation of the Volcker Rule could limit or restrict our remaining trading activities Implementation of the Volcker Rule could also limit or restrict our ability to sponsor and hold ownership interests in hedge funds private equity funds and other subsidiary operations increase our operational and compliance costs reduce our trading revenues and adversely affect our results of operations For additional information about our trading business see *GBAM on page 49*

Derivatives

The Financial Reform Act includes measures to broaden the scope of derivative instruments subject to regulation by requiring clearing and exchange trading of certain derivatives imposing new capital margin reporting registration and business conduct requirements for certain market participants and imposing position limits on certain OTC derivatives The *Financial Reform Act required regulators to promulgate* the rulemakings necessary to implement these regulations by July 16 2011 However the rulemaking process was not completed as of this date and is not expected to conclude *until well into 2012 Further the regulators granted temporary relief from* certain requirements that would have taken effect on July 16 2011 absent any rulemaking The SEC temporary relief is effective until final rules relevant to each requirement become effective The CFTC temporary relief is effective until the earlier of July 16 2012 or the date on which final rules relevant to each requirement become effective The ultimate impact of these derivatives regulations and the time it will take to comply continues to remain uncertain The final regulations will impose additional operational and compliance costs on us and may require us *to restructure certain businesses* thereby negatively impacting our revenues and results of operations

FDIC Deposit Insurance Assessments

In April 2011 a new regulation became effective that implements revisions to the assessment system mandated by the Financial Reform Act and increased our FDIC exposure The regulation was reflected in the June 30 2011 FDIC fund balance and in payments made beginning on September 30 2011 Among other things the regulation changed the assessment base for *insured depository institutions* from adjusted domestic deposits to average consolidated total assets during an assessment period less average tangible equity capital during that assessment period Additionally the FDIC has broad discretionary authority to increase assessments on large and highly complex institutions on a case by case basis Any future increases in required deposit insurance premiums or other bank industry fees could have an adverse impact on our financial condition and results of operations

Recovery and Resolution Planning

On October 17 2011 the Federal Reserve approved a rule that requires the Corporation and other bank holding companies with assets of $50 billion or more as well as companies designated as systemically important by *the Financial Stability* Oversight Council to periodically report to the FDIC and the Federal Reserve their plans for a rapid and orderly resolution in the event of material financial distress or failure

On January 17 2012 the FDIC approved a final rule requiring resolution plans for insured banks with total assets of $50 billion or more If the FDIC and the Federal Reserve determine that a company's plan is not credible and the company fails to cure the deficiencies in a timely manner then the FDIC and the Federal Reserve may jointly impose on the company or any of its subsidiaries more *stringent capital leverage or* liquidity requirements or restrictions on growth activities or operations The Corporation's initial plan is required to be submitted on or before July 1 2012 and updated annually Similarly in the U K the Financial Services Authority (FSA) has issued proposed rules requiring the submission of significant information about certain U K incorporated subsidiaries including information on intra group dependencies and legal entity separation to allow the FSA to develop resolution plans As a result of the FSA *review we could be required* to take certain actions over the next several years which could impose operational costs and potentially result in the restructuring of certain business and subsidiaries

Orderly Liquidation Authority

Under the Financial Reform Act where a systemically important financial institution such as the Corporation is in default or danger of default the FDIC may in certain circumstances be appointed receiver *in order to conduct an orderly liquidation of such* systemically important financial institution In such a case the FDIC could invoke a new form of resolution authority called the orderly liquidation authority instead of the U S Bankruptcy Code if the Secretary of the Treasury makes certain financial distress and systemic risk determinations The orderly liquidation authority is modeled in part on the Federal Deposit Insurance Act but also adopts certain concepts from the U S Bankruptcy Code

The orderly liquidation authority contains certain differences from the U S Bankruptcy Code Macroprudential systemic protection is the primary objective of the orderly liquidation authority subject to minimum threshold protections for creditors Accordingly in certain circumstances under the orderly liquidation authority the FDIC could *permit payment of obligations determined* to be systemically significant (e g short-term creditors or operating creditors) in lieu of the payment of other obligations (e g long term creditors) without the need to obtain creditors consent or prior court review Additionally under the orderly liquidation authority amounts owed to the U S government generally enjoy a statutory payment priority

Credit Risk Retention

On March 29 2011 federal regulators jointly issued a proposed rule regarding credit risk retention that would among other things require retention by sponsors of at least five percent of the credit risk of the assets *underlying certain* ABS *and* MBS securitizations and would limit the ability to transfer or hedge that credit risk The proposed rule as currently written would likely have an adverse impact on our ability to engage in many types of the MBS and ABS securitizations conducted in *CRES GBAM* and other business segments impose additional operational and compliance costs on us and negatively influence the value liquidity and transferability of ABS or MBS loans and other assets However it remains unclear what requirements will be included in the *final rule and what* the ultimate impact of the final rule will be on our *CRES GBAM* and other business segments or on our results of operations

The Consumer Financial Protection Bureau

The Financial Reform Act established the Consumer Financial Protection Bureau (CFPB) to regulate the offering of consumer financial products or services under federal consumer financial laws In addition the CFPB was granted general authority to prevent *covered persons or service providers from committing or engaging* in unfair deceptive or abusive acts or practices under federal law in connection with any transaction with a consumer for a consumer financial product or service or the offering of a consumer financial product or service Pursuant to the Financial Reform Act on July 21 2011 certain federal consumer financial protection statutes and related regulatory authority were transferred to the CFPB Consequently certain federal consumer financial laws to which the Corporation is subject including but not limited to the Equal Credit Opportunity Act Home Mortgage Disclosure Act Electronic Fund Transfers Act Fair Credit Reporting Act Truth in Lending and Truth in Savings Acts will be enforced by the CFPB subject to certain statutory limitations On January 4 2012 the CFPB's first director was appointed and accordingly was vested with full authority to exercise all *supervisory enforcement and rulemaking authorities* granted to the CFPB under the Financial Reform Act including its supervisory powers over non-bank financial institutions such as pay-day lenders and other types of non-bank financial institutions

Certain Other Provisions

The Financial Reform Act also expands the role of state regulators in enforcing consumer protection requirements over banks and disqualifies trust preferred securities and other hybrid capital securities from Tier 1 capital Many of the provisions under the Financial Reform Act have begun to be phased in or will be phased in over the next several months or years and will be subject both to further rulemaking and the discretion of applicable regulatory bodies For additional information regarding regulatory capital and other rules proposed by federal regulators see Capital Management – Regulatory Capital Changes on page 73

The Financial Reform Act will continue to have a significant and negative impact on our earnings through fee reductions higher costs and new restrictions as well as reductions to available capital The Financial Reform Act may also continue to have a material adverse impact on the value of certain assets and liabilities held on our balance sheet The ultimate impact of the Financial Reform Act on our businesses and results of operations will depend on regulatory interpretation and rulemaking as well as the success of any of our actions to mitigate the negative earnings impact of certain provisions For information on the impact of the Financial Reform Act on our credit ratings see Liquidity Risk on page 76

Transactions with Affiliates

The terms of certain of our OTC derivative contracts and other trading agreements of the Corporation provide that upon the occurrence of certain specified events such as a change in our credit ratings Merrill Lynch and other non bank affiliates may be required to provide additional collateral or to provide other remedies or our counterparties may have the right to terminate or otherwise diminish our rights under these contracts or agreements Following the recent downgrade of the credit ratings of the Corporation and other non-bank affiliates we have engaged in discussions with certain derivative and other counterparties regarding their rights under these agreements In response to counterparties inquiries and requests we have discussed and in some cases substituted derivative contracts and other trading agreements including naming BANA as the new counterparty Our ability to substitute or make changes to these agreements to meet counterparties requests may be subject to certain limitations including counterparty willingness regulatory limitations on naming BANA as the new counterparty and the type or amount of collateral required It is possible that such limitations on our ability to substitute or make changes to these agreements including naming BANA as the new counterparty could adversely affect our results of operations

Other Matters

The Corporation has established guidelines and policies for managing capital across its subsidiaries The guidance for the Corporation s subsidiaries with regulatory capital requirements including branch operations of banking subsidiaries requires each entity to maintain satisfactory capital levels This includes setting internal capital targets for the U S bank subsidiaries to exceed 'well capitalized' levels The U K has adopted increased capital and liquidity requirements for local financial institutions including regulated U K subsidiaries of non-U K bank holding companies and other financial institutions as well as branches of non-U K banks located in the U K In addition the U K has proposed the creation and production of recovery and resolution plans commonly referred to as 'living wills' by such entities We are currently monitoring the impact of these initiatives

Managing Risk

Overview

Risk is inherent in every material business activity that we undertake Our business exposes us to strategic credit market liquidity compliance operational and reputational risk We must manage these risks to maximize our long-term results by ensuring the integrity of our assets and the quality of our earnings

Strategic risk is the risk that results from adverse business decisions ineffective or inappropriate business plans or failure to respond to changes in the competitive environment business cycles customer preferences product obsolescence regulatory environment business strategy execution and/or other inherent risks of the business including reputational risk Credit risk is the risk of loss arising from a borrower s or counterparty s inability to meet its obligations Market risk is the risk that values of assets and liabilities or revenues will be adversely affected by changes in market conditions such as interest rate movements Liquidity risk is the inability to meet contractual and contingent financial obligations on-or off balance sheet as they come due Compliance risk is the risk that arises from the failure to adhere to laws rules regulations or internal policies and procedures Operational risk is the risk of loss resulting from inadequate or failed internal processes people and systems or external events Reputational risk is the potential that negative publicity regarding an organization s conduct or business practices will adversely affect its profitability operations or customer base or result in costly litigation or require other measures Reputational risk is evaluated along with all of the risk categories and throughout the risk management process and as such is not discussed separately herein The following sections Strategic Risk Management on page 71 Capital Management on page 71 Liquidity Risk on page 76 Credit Risk Management on page 80 Market Risk Management on page 112 Compliance Risk Management and Operational Risk Management both on page 119 address in more detail the specific procedures measures and analyses of the major categories of risk that we manage

In choosing when and how to take risks we evaluate our capacity for risk and seek to protect our brand and reputation our financial flexibility the value of our assets and the strategic potential of the Corporation We intend to maintain a strong and flexible financial position We also intend to focus on maintaining our relevance and value to customers employees and shareholders As part of our efforts to achieve these objectives we continue to build a comprehensive risk management culture and to implement governance and control measures to strengthen that culture

We take a comprehensive approach to risk management We have a defined risk framework and clearly articulated risk appetite which is approved annually by the Corporation s Board of Directors (the Board) Risk management planning is integrated with strategic financial and customer/client planning so that goals and responsibilities are aligned across the organization Risk is managed in a systematic manner by focusing on the Corporation as a whole as well as managing risk across the enterprise and within individual business units products services and transactions and across all geographic locations We maintain a governance structure that delineates the responsibilities for risk management activities as well as governance and oversight of those activities

Executive management assesses and the Board oversees the risk-adjusted returns of each business segment Management reviews and approves strategic and financial operating plans and recommends to the Board for approval a financial plan annually By allocating economic capital to and establishing a risk appetite for a business segment we seek to effectively manage the ability to take on risk Economic capital is assigned to each business segment using a risk adjusted methodology incorporating each segment s stand-alone credit market interest rate and operational risk components and is used to measure risk-adjusted returns

In addition to reputational considerations businesses operate within their credit market compliance and operational risk standards and limits in order to adhere to the risk appetite These limits are based on analyses of risk and reward in each business and executive management is responsible for tracking and reporting performance measurements as well as any exceptions to guidelines or limits The Board monitors financial performance execution of the strategic and financial operating plans compliance with the risk appetite and the adequacy of internal controls through its committees

The Board has completed its review of the Risk Framework and the Risk Appetite Statement for the Corporation and both the Risk Framework and Risk Appetite Statement were approved in January 2012 The Risk Framework defines the accountability of the Corporation and its employees and the Risk Appetite Statement defines the parameters under which we will take risk Both documents are intended to enable us to maximize our long-term results and ensure the integrity of our assets and the quality of our earnings The Risk Framework is designed to be used by our employees to understand risk management activities including their individual roles and accountabilities It also defines how risk management is integrated into our core business processes and it defines the risk management governance structure including management s involvement The risk management responsibilities of the businesses governance and control functions and Corporate Audit are also clearly defined The risk management process includes four critical elements identify and measure risk mitigate and control risk monitor and test risk and report and review risk and is applied across all business activities to enable an integrated and comprehensive review of risk consistent with the Board s Risk Appetite Statement

Risk Management Processes and Methods

To support our corporate goals and objectives risk appetite and business and risk strategies we maintain a governance structure that delineates the responsibilities for risk management activities as well as governance and oversight of those activities by management and the Board All employees have accountability for risk management Each employee s risk management responsibilities falls into one of three major categories businesses governance and control and Corporate Audit

Business managers and employees are accountable for identifying managing and escalating attention to all risks in their business units including existing and emerging risks Business managers must ensure that their business activities are conducted within the risk appetite defined by management and approved by the Board The limits and controls for each business must be consistent with the Risk Appetite Statement Employees in client and customer facing businesses are responsible for day-to-day business activities including developing and delivering profitable products and services fulfilling customer requests and maintaining desirable customer relationships These employees are accountable for conducting their daily work in accordance with policies and procedures It is the responsibility of each employee to protect the Corporation and defend the interests of the shareholders

Governance and control functions are comprised of Global Risk Management Global Compliance Legal and the enterprise control functions and are tasked with independently overseeing and managing risk activities Global Compliance (which included Regulatory Relations) and Legal report to the Chief Legal Compliance and Regulatory Relations Executive Enterprise control functions consist of the Chief Financial Officer Group Global Technology and Operations Global Human Resources Global Marketing and Corporate Affairs

Global Risk Management is led by the Chief Risk Officer (CRO) The CRO leads senior management in managing risk is independent from the Corporation s business and enterprise control functions and maintains sufficient autonomy to develop and implement meaningful risk management measures This position serves to protect the Corporation and its shareholders The CRO reports to the Chief Executive Officer (CEO) and is the management team lead or a participant in Board-level risk governance committees The CRO has the mandate to ensure that appropriate risk management practices are in place and are effective and consistent with our overall business strategy and risk appetite Global Risk Management is comprised of two types of risk teams Enterprise risk teams and independent business risk teams which report to the CRO and are independent from the business and enterprise control functions

Enterprise risk teams are responsible for setting and establishing enterprise policies programs and standards assessing program adherence providing enterprise level risk oversight and reporting and monitoring for systemic and emerging risk issues In addition the Enterprise Risk Teams are responsible for monitoring and ensuring that risk limits are reasonable and consistent with the risk appetite These risk teams also carry out risk-based oversight of the enterprise control functions

Independent business risk teams are responsible for establishing policies limits standards controls metrics and thresholds within the defined corporate standards for the businesses to which they are aligned The independent business risk teams are also responsible for ensuring that risk limits and standards are reasonable and consistent with the risk appetite

Enterprise control functions are independent of the businesses and have risk governance and control responsibilities for enterprise programs In this role they are responsible for setting policies standards and limits providing risk reporting monitoring for systemic risk issues including existing and emerging and implementing procedures and controls at the enterprise and business levels for their respective control functions

The Corporate Audit function and the Corporate General Auditor maintain independence from the businesses and governance and control functions by reporting directly to the Audit Committee of the Board Corporate Audit provides independent assessment and validation through testing of key processes and controls across the Corporation Corporate Audit also provides an independent assessment of the Corporation s management and internal control systems Corporate Audit activities are designed to provide reasonable assurance that resources are adequately protected significant financial managerial and operating information is materially complete accurate and reliable and employees actions are in compliance with the Corporation s policies standards procedures and applicable laws and regulations

To assist the Corporation in achieving its goals and objectives risk appetite and business and risk strategies we utilize a risk management process that is applied across the execution of all business activities This risk management process which is an integral part of our Risk Framework enables the Corporation to review risk in an integrated and comprehensive manner across all risk categories and make strategic and business decisions based on that comprehensive view Corporate goals and objectives are

established by management and management reflects these goals and objectives in our risk appetite which is approved by the Board and serves as a key driver for setting business and risk strategy

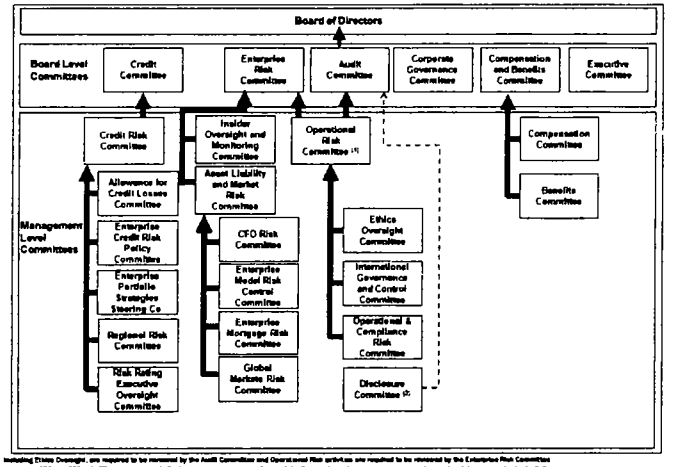
One of the key tools of the risk management process is the use of Risk and Control Self Assessments (RCSAs) RCSAs are the primary method for facilitating the management of Business Environment and Internal Control Factor data The end-to-end RCSA process incorporates risk identification and assessment of the control environment monitoring reporting and escalating risk quality assurance and data validation and integration with the risk appetite The RCSA process also incorporates documentation by either the business or governance and control functions of the business environment risks controls and monitoring and reporting This results in a comprehensive risk management view that enables understanding of and action on operational risks and controls for all of our processes products activities and systems

The formal processes used to manage risk represent a part of our overall risk management process Corporate culture and the actions of our employees are also critical to effective risk management Through our Code of Ethics we set a high standard for our employees The Code of Ethics provides a framework for all of our employees to conduct themselves with the highest integrity We instill a strong and comprehensive risk management culture through communications training policies procedures and organizational roles and responsibilities Additionally we continue to strengthen the link between the employee performance management process and individual compensation to encourage employees to work toward enterprise wide risk goals

Board Oversight of Risk

The Board comprised of a majority of independent directors including an independent Chairman of the Board oversees the management of the Corporation through a governance structure that includes Board committees and management committees The Board s standing committees that oversee the management of the majority of the risks faced by the Corporation include the Audit and Enterprise Risk Committees comprised of independent directors and the Credit Committee comprised of non-management directors This governance structure is designed to align the interests of the Board and management with those of our stockholders and to foster integrity throughout the Corporation

The chart below illustrates the inter-relationship between the Board Board committees and management committees with the majority of risk oversight responsibilities for the Corporation



[1] Comprehensive Risk activities including Ethics Oversight are required to be reviewed by the Audit Committee and Operational Risk activities are required to be reviewed by the Enterprise Risk Committee
[2] The Disclosure Committee assists the CEO and CFO in fulfilling their responsibility for the accuracy and timeliness of the Corporation s disclosures and reports the results of the process to the Audit Committee

Our Board s Audit Credit and Enterprise Risk Committees have the principal responsibility for assisting the Board with enterprise-wide oversight of the Corporation s management and handling of risk

Our Audit Committee assists the Board in the oversight of among other things the integrity of our consolidated financial statements our compliance with legal and regulatory requirements and the overall effectiveness of our system of internal controls Our Audit Committee also taking into consideration the Board s allocation of the review of risk among various committees of the Board discusses with management guidelines and policies to govern the process by which risk assessment and risk management are undertaken including the assessment of our major financial risk exposures and the steps management has taken to monitor and control such exposures

Our Credit Committee oversees among other things the identification and management of our credit exposures on an enterprise-wide basis our responses to trends affecting those exposures the adequacy of the allowance for credit losses and our credit related policies

Our Enterprise Risk Committee among other things oversees our identification of management of and planning for material risks on an enterprise-wide basis including market risk interest rate risk liquidity risk operational risk and reputational risk Our Enterprise Risk Committee also oversees our capital management and liquidity planning

Each of these committees regularly reports to our Board on risk-related matters within the committee s responsibilities which collectively provides our Board with integrated thorough insight about our management of our enterprise-wide risks At meetings of our Audit Credit and Enterprise Risk Committees and our Board directors receive updates from management regarding enterprise risk management including our performance against our risk appetite

Executive management develops for Board approval the Corporation s Risk Framework Risk Appetite Statement and financial operating plans Management monitors and the Board oversees through the Credit Enterprise Risk and Audit Committees financial performance execution of the strategic and financial operating plans compliance with the risk appetite and the adequacy of internal controls

Strategic Risk Management

Strategic risk is embedded in every business and is one of the major risk categories along with credit market liquidity compliance operational and reputational risks It is the risk that results from adverse business decisions ineffective or inappropriate business plans or failure to respond to changes in the competitive environment business cycles customer preferences product obsolescence regulatory environment business strategy execution and/or other inherent risks of the business including reputational and operational risk In the financial services industry strategic risk is elevated due to changing customer competitive and regulatory environments Our appetite for strategic risk is assessed within the context of the strategic plan with strategic risks selectively and carefully considered in the context of the evolving marketplace Strategic risk is managed in the context of our overall financial condition and assessed managed and acted on by the CEO and executive management team Significant strategic actions such as material acquisitions or capital actions require review and approval of the Board

Executive management approves a strategic plan every two to three years Annually executive management develops a financial operating plan that implements the strategic goals for that year and the Board reviews and approves the plan With oversight by the Board executive management ensures that the plans are consistent with the Corporation s strategic plan core operating tenets and risk appetite The following are assessed in their reviews forecasted earnings and returns on capital the current risk profile current capital and liquidity requirements staffing levels and changes required to support the plan stress testing results and other qualitative factors such as market growth rates and peer analysis At the business level as we introduce new products we monitor their performance to evaluate expectations (e g for earnings and returns on capital) With oversight by the Board executive management performs similar analyses throughout the year and evaluates changes to the financial forecast or the risk capital or liquidity positions as deemed appropriate to balance and optimize between achieving the targeted risk appetite shareholder returns and maintaining the targeted financial strength

We use proprietary models to measure the capital requirements for credit country market operational and strategic risks The economic capital assigned to each business is based on its unique risk exposures With oversight by the Board executive management assesses the risk-adjusted returns of each business in approving strategic and financial operating plans The businesses use economic capital to define business strategies price products and transactions and evaluate client profitability For additional information on how this measure is calculated see Supplemental Financial Data on page 38

Capital Management

Bank of America manages its capital position to ensure capital is sufficient to support our business activities and that capital risk and risk appetite are commensurate with one another ensure safety and soundness under adverse scenarios take advantage of growth and strategic opportunities maintain ready access to financial markets remain a source of strength for its subsidiaries and satisfy current and future regulatory capital requirements

To determine the appropriate level of capital we assess the results of our Internal Capital Adequacy Assessment Process (ICAAP) the current economic and market environment and feedback from investors rating agencies and regulators Based upon this analysis we set capital guidelines for Tier 1 common capital and Tier 1 capital to ensure we can maintain an adequate capital position in a severe adverse economic scenario We also target to maintain capital in excess of the capital required per our economic capital measurement process For additional information see Economic Capital on page 75 Management and the Board annually approve a comprehensive Capital Plan which documents the ICAAP and related results analysis and support for the capital guidelines and planned capital actions and capital adequacy assessment

The ICAAP incorporates capital forecasts stress test results economic capital qualitative risk assessments and assessment of regulatory changes We generate monthly regulatory capital and economic capital forecasts that are aligned to the most recent earnings balance sheet and risk forecasts We utilize quarterly stress tests to assess the potential impacts to our balance sheet earnings capital and liquidity for a variety of economic stress scenarios We perform qualitative risk assessments to identify and assess material risks not fully captured in the forecasts stress tests or economic capital Given the significant proposed regulatory capital changes we also regularly assess the potential capital impacts and monitor associated mitigation actions Management continuously assesses ICAAP results and provides documented quarterly assessments of the adequacy of the capital guidelines and capital position to the Board or its committees

Capital management is integrated into the risk and governance processes as capital is a key consideration in the development of the strategic plan risk appetite and risk limits Economic capital is allocated to each business unit and used to perform risk-adjusted return analysis at the business unit client relationship and transaction levels

Regulatory Capital

As a financial services holding company we are subject to the risk based capital guidelines (Basel I) issued by federal banking regulators At December 31 2011 we operated banking activities primarily under two charters BANA and FIA Card Services N A (FIA) Under these guidelines the Corporation and its affiliated banking entities measure capital adequacy based on Tier 1 common capital Tier 1 capital and Total capital (Tier 1 plus Tier 2 capital) Capital ratios are calculated by dividing each capital amount by risk-weighted assets Additionally Tier 1 capital is divided by adjusted quarterly average total assets to derive the Tier 1 leverage ratio

Tier 1 capital is calculated as the sum of "core capital elements " The predominate components of core capital elements are qualifying common stockholders equity and qualifying noncumulative perpetual preferred stock Also included in Tier 1 capital are qualifying trust preferred securities (Trust Securities) hybrid securities and qualifying non-controlling interest in subsidiaries which are subject to the rules governing restricted core capital elements " Goodwill other disallowed intangible assets disallowed deferred tax assets and the cumulative changes in fair value of all financial liabilities accounted for under the fair value option that are included in retained earnings and are attributable to changes in the company's own creditworthiness are deducted from the sum of the core capital elements Total capital is Tier 1 plus supplementary Tier 2 capital elements such as qualifying subordinated debt a limited portion of the allowance for loan and lease losses and a portion of net unrealized gains on AFS marketable equity securities Tier 1 common capital is not an official regulatory ratio but was introduced by the Federal Reserve during the Supervisory Capital Assessment Program in 2009 Tier 1 common capital is Tier 1 capital less preferred stock Trust Securities hybrid securities and qualifying non-controlling interest in subsidiaries

Risk-weighted assets are calculated for credit risk for all on- and off-balance sheet credit exposures and for market risk on trading assets and liabilities including derivative exposures Credit risk risk-weighted assets are calculated by assigning a prescribed risk weight to all on-balance sheet assets and to the credit equivalent amount of certain off-balance sheet exposures The risk-weight is defined in the regulatory rules based upon the obligor or guarantor type and collateral if applicable Off-balance sheet exposures include financial guarantees unfunded lending commitments letters of credit and derivatives Market risk risk-weighted assets are calculated using risk models for the trading account positions including all foreign exchange and commodity positions regardless of the applicable accounting guidance Under Basel I there are no risk-weighted assets calculated for operational risk Any assets that are a direct deduction from the computation of capital are excluded from risk-weighted assets and adjusted average total assets consistent with regulatory guidance

The Corporation has issued notes to certain unconsolidated corporate-sponsored trust companies which issued Trust Securities and hybrid securities In accordance with Federal Reserve guidance Trust Securities continue to qualify as Tier 1 capital with revised quantitative limits As a result the Corporation includes qualifying Trust Securities in Tier 1 capital The Financial Reform Act includes a provision under which the Corporation's outstanding Trust Securities in the aggregate amount of $16 1 billion (approximately 125 bps of Tier 1 capital) at December 31 2011 will be excluded from Tier 1 capital with the exclusion to be phased in incrementally over a three-year period beginning January 1 2013 This amount excludes $533 million of hybrid Trust Securities that are expected to be converted to preferred stock prior to the date of implementation The treatment of Trust Securities during the phase-in period is unknown and is subject to future rulemaking

For additional information on these and other regulatory requirements see *Note 18 – Regulatory Requirements and Restrictions* to the Consolidated Financial Statements

Capital Composition and Ratios

Tier 1 common capital increased $1 6 billion to $126 7 billion at December 31 2011 compared to 2010 The increase was driven primarily by the sale of CCB shares the exchanges of preferred shares Trust Securities and hybrid securities for common stock and debt and the warrants issued in connection with the investment made by Berkshire partially offset by an increase in deferred tax assets disallowed for regulatory capital purposes The sales related to CCB increased Tier 1 common capital $6 4 billion or approximately 55 bps while the exchanges increased Tier 1 common capital $3 9 billion or approximately 29 bps The warrants related to Berkshire increased Tier 1 common capital approximately $2 1 billion or 15 bps The $8 1 billion increase in the deferred tax asset disallowance at December 31 2011 compared to 2010 was primarily due to the expiration of the longer look-forward period granted by regulators at the time of the Merrill Lynch acquisition and an increase in net deferred tax assets Tier 1 capital and Total capital decreased $4 4 billion and $14 5 billion at December 31 2011 compared to 2010 For additional information regarding the sale of our investment in CCB see *Note 5 – Securities* to the Consolidated Financial Statements For additional information regarding the exchanges and the investment made by Berkshire see *Note 13 – Long-term Debt* and *Note 15 – Shareholders' Equity* to the Consolidated Financial Statements

Risk-weighted assets decreased $172 billion to $1 284 billion at December 31 2011 compared to 2010 The decrease was driven in part by our sale of CCB shares and our Canadian card business and is consistent with our continued efforts to reduce non-core assets and legacy loan portfolios The Tier 1 common capital ratio the Tier 1 capital ratio and the Total capital ratio increased due to the decline in risk-weighted assets The Tier 1 leverage ratio increased compared to 2010 reflecting the decrease in Tier 1 capital and a reduction in adjusted quarterly average total assets

Table 13 presents Bank of America Corporation's capital ratios and related information at December 31 2011 and 2010

Table 13 Bank of America Corporation Regulatory Capital

	December 31	
(Dollars in billions)	2011	2010
Tier 1 common capital ratio	8.86%	8.60%
Tier 1 capital ratio	13.40	11.24
Total capital ratio	16.78	15.77
Tier 1 leverage ratio	7.53	7.21
Risk-weighted assets	$ 1,284	$ 1,456
Adjusted quarterly average total assets (1)	2,114	2,270

(1) Reflects adjusted average total assets for the three months ended December 31 2011 and 2010

Table 14 presents the capital composition at December 31 2011 and 2010

Table 14 Capital Composition

	December 31	
(Dollars in millions)	2011	2010
Total common shareholders' equity	$ 211,706	$ 211,686
Goodwill	(69,867)	(73,861)
Nonqualifying intangible assets (includes core deposit intangibles affinity relationships customer relationships and other intangibles)	(5,846)	(6,846)
Net unrealized gains or losses on AFS debt and marketable equity securities and net losses on derivatives recorded in accumulated OCI net-of-tax	882	(4,137)
Unamortized net periodic benefit costs recorded in accumulated OCI net-of-tax	4,881	3,947
Exclusion of fair value adjustment related to structured liabilities (1)	844	2,984
Disallowed deferred tax asset	(16,788)	(8,663)
Other	1,888	29
Total Tier 1 common capital	126,880	125,139
Qualifying preferred stock	18,478	18,562
Trust preferred securities	16,797	21,451
Noncontrolling interest	836	474
Total Tier 1 capital	169,393	163,626
Long-term debt qualifying as Tier 2 capital	36,186	41,270
Allowance for loan and lease losses	33,783	41,885
Reserve for unfunded lending commitments	764	1,168
Allowance for loan and lease losses exceeding 1 25 percent of risk-weighted assets	(15,189)	(24,690)
45 percent of the pre-tax net unrealized gains on AFS marketable equity securities	1	4,777
Other	1,986	1,538
Total capital	$ 215,181	$ 229,584

(1) Represents loss on structured liabilities net-of-tax that is excluded from Tier 1 common capital Tier 1 capital and Total capital for regulatory purposes

Regulatory Capital Changes

We manage regulatory capital to adhere to regulatory standards of capital adequacy based on our current understanding of the rules and the application of such rules to our business as currently conducted The regulatory capital rules as written by the Basel Committee on Banking Supervision (Basel Committee) continue to evolve

We currently measure and report our capital ratios and related information in accordance with Basel I See Capital Management on page 71 for additional information Basel I has been subject to revisions which include final Basel II rules (Basel II) published in December 2007 by U S banking regulators and proposed Basel III rules (Basel III) published by the Basel Committee in December 2010 and further amended in July 2011 We are currently in the Basel II parallel period

On December 29, 2011 U S regulators issued a notice of proposed rulemaking (NPR) that would amend a December 2010 NPR on the Market Risk Rules This amended NPR is expected to increase the capital requirements for our trading assets and liabilities We continue to evaluate the capital impact of the proposed rules and currently anticipate that we will be in compliance with any final rules by the projected implementation date in late 2012

If implemented by U S banking regulators as proposed Basel III could significantly increase our capital requirements Basel III and the Financial Reform Act propose the disqualification of Trust Securities from Tier 1 capital with the Financial Reform Act proposing that the disqualification be phased in from 2013 to 2015 Basel III also proposes the deduction of certain assets from capital (deferred tax assets MSRs investments in financial firms and pension assets among others within prescribed limitations) the inclusion of accumulated OCI in capital increased capital for counterparty credit risk and new minimum capital and buffer requirements For additional information on deferred tax assets and MSRs see *Note 21 – Income Taxes* and *Note 25 – Mortgage Servicing Rights* to the Consolidated Financial Statements The phase-in period for the capital deductions is proposed to occur in 20 percent increments from 2014 through 2018 with full implementation by December 31 2018 An increase in capital requirements for counterparty credit risk is proposed to be effective January 2013 The phase in period for the new minimum capital requirements and related buffers is proposed to occur between 2013 and 2019 U S banking regulators have not yet issued proposed regulations that will implement these requirements

Preparing for the implementation of the new capital rules is a top strategic priority and we expect to comply with the final rules when issued and effective We intend to continue to build capital through retaining earnings actively reducing legacy asset portfolios and implementing other capital related initiatives including focusing on reducing both higher risk-weighted assets and assets currently deducted or expected to be deducted under Basel III from capital We expect non-core asset sales to play a less prominent role in our capital strategy in future periods

On June 17 2011 U S banking regulators proposed rules requiring all large bank holding companies (BHCs) to submit a comprehensive capital plan to the Federal Reserve as part of an annual Comprehensive Capital Analysis and Review (CCAR) The proposed regulations require BHCs to demonstrate adequate capital to support planned capital actions such as dividends share repurchases or other forms of distributing capital CCAR submissions are subject to the review and approval of the Federal Reserve The Federal Reserve may require BHCs to provide prior notice under certain circumstances before making a capital distribution On January 5 2012 we submitted a capital plan to the Federal Reserve consistent with the proposed rules The capital plan includes the ICAAP and related results analysis and support for the capital guidelines and planned capital actions The ICAAP incorporates capital forecasts stress test results economic capital qualitative risk assessments and assessment of regulatory changes all of which influence the capital adequacy assessment

On July 19 2011 the Basel Committee published the consultative document "Globally systemic important banks Assessment methodology and the additional loss absorbency requirement" which sets out measures for global systemically important financial institutions including the methodology for measuring systemic importance the additional capital required (the SIFI buffer) and the arrangements by which they will be phased in As proposed the SIFI buffer would be met with additional Tier 1 common equity ranging from one percent to 2 5 percent and in certain circumstances 3 5 percent This will be phased in from 2016 through 2018 U S banking regulators have not yet provided similar rules for U S implementation of a SIFI buffer

Given that the U S regulatory agencies have issued neither proposed rulemaking nor supervisory guidance on Basel III significant uncertainty exists regarding the eventual impacts of Basel III on U S financial institutions including us These regulatory changes also require approval by the U S regulatory agencies of analytical models used as part of our capital measurement and assessment especially in the case of more complex models If these more complex models are not approved it could require financial institutions to hold additional capital which in some cases could be significant

Based on the assumed approval of these models and our current assessment of Basel III continued focus on capital management expectations of future performance and continued efforts to build a fortress balance sheet we currently anticipate that our Tier 1 common equity ratio will be between 7 25 percent and 7 50 percent by the end of 2012 assuming phase-in per the regulations at that time of all deductions scheduled to occur between 2013 and 2019

On December 20 2011 the Federal Reserve issued proposed rules to implement enhanced supervisory and prudential requirements and the early remediation requirements established under the Financial Reform Act The enhanced standards include risk-based capital and leverage requirements liquidity standards requirements for overall risk management single-counterparty credit limits stress test requirements and a debt to-equity limit for certain companies determined to pose a threat to financial stability Comments on the proposed rules are due by March 31 2012 The final rules are likely to influence our regulatory capital and liquidity planning process and may impose additional operational and compliance costs on us

For additional information regarding Basel II Basel III Market Risk Rules and other proposed regulatory capital changes see *Note 18 – Regulatory Requirements and Restrictions* to the Consolidated Financial Statements

Bank of America, N.A. and FIA Card Services, N.A. Regulatory Capital

Table 15 presents regulatory capital information for BANA and FIA at December 31 2011 and 2010

Table 15 Bank of America, N.A. and FIA Card Services, N.A. Regulatory Capital

	December 31			
	2011		2010	
(Dollars in millions)	Ratio	Amount	Ratio	Amount
Tier 1				
Bank of America N A	11.74%	$ 112,681	10 78%	$ 114 345
FIA Card Services N A	17.88	24,680	15 30	25 589
Total				
Bank of America N A	15.17	154,665	14 26	151 253
FIA Card Services N A	19.01	26,594	16 94	28 343
Tier 1 leverage				
Bank of America N A	8.65	112,681	7 83	114 345
FIA Card Services N A	14.33	24,680	13 21	25 589

BANA s Tier 1 capital ratio increased 96 bps to 11 74 percent and the Total capital ratio increased 91 bps to 15 17 percent at December 31 2011 compared to 2010 The increase in the ratios was driven by $9 6 billion in earnings generated during 2011 The Tier 1 leverage ratio increased 82 bps to 8 65 percent benefiting from the improvement in Tier 1 capital combined with a $73 4 billion decrease in adjusted quarterly average total assets resulting from our continued efforts to reduce non-core assets and legacy loan portfolios

FIA s Tier 1 capital ratio increased 233 bps to 17 63 percent and the Total capital ratio increased 207 bps to 19 01 percent at December 31 2011 compared to 2010 The Tier 1 leverage ratio increased 101 bps to 14 22 percent at December 31 2011 compared to 2010 The increase in ratios was driven by $5 7 billion in earnings generated during 2011 and a reduction in risk-weighted assets

During 2011 BANA paid dividends of $9 8 billion to Bank of America Corporation FIA returned capital of $7 0 billion to Bank of America Corporation during 2011 and is anticipated to return an additional $3 0 billion in 2012

Broker/Dealer Regulatory Capital

The Corporation s principal U S broker/dealer subsidiaries are Merrill Lynch Pierce Fenner & Smith (MLPF&S) and Merrill Lynch Professional Clearing Corp (MLPCC) MLPCC is a fully-guaranteed subsidiary of MLPF&S and provides clearing and settlement services Both entities are subject to the net capital requirements of SEC Rule 15c3-1 Both entities are also registered as futures commission merchants and are subject to the CFTC Regulation 1 17

MLPF&S has elected to compute the minimum capital requirement in accordance with the Alternative Net Capital Requirement as permitted by SEC Rule 15c3-1 At December 31, 2011 MLPF&S s regulatory net capital as defined by Rule 15c3-1 was $10 8 billion and exceeded the minimum requirement of $803 million by $10 0 billion MLPCC s net capital of $3 5 billion exceeded the minimum requirement of $168 million by approximately $3 3 billion

In accordance with the Alternative Net Capital Requirements MLPF&S is required to maintain tentative net capital in excess of $1 billion net capital in excess of $500 million and notify the SEC in the event its tentative net capital is less than $5 billion At December 31 2011 MLPF&S had tentative net capital and net capital in excess of the minimum and notification requirements

Economic Capital

Our economic capital measurement process provides a risk based measurement of the capital required for unexpected credit, market and operational losses over a one-year time horizon at a 99 97 percent confidence level Economic capital is allocated to each business unit based upon its risk positions and contribution to enterprise risk and is used for capital adequacy performance measurement and risk management purposes The strategic planning process utilizes economic capital with the goal of allocating risk appropriately and measuring returns consistently across all businesses and activities Economic capital allocation plans are incorporated into the Corporation s financial plan which is approved by the Board on an annual basis

Credit Risk Capital

Economic capital for credit risk captures two types of risks default risk which represents the loss of principal due to outright default or the borrower s inability to repay an obligation in full and migration risk which represents potential loss in market value due to credit deterioration over the one-year capital time horizon Credit risk is assessed and modeled for all on- and off-balance sheet credit exposures within sub-categories for commercial retail counterparty and investment securities The economic capital methodology captures dimensions such as concentration and country risk and originated securitizations The economic capital methodology is based on the probability of default, loss given default (LGD) exposure at default (EAD) and maturity for each credit exposure and the portfolio correlations across exposures See page 80 for more information on Credit Risk Management.

Market Risk Capital

Market risk reflects the potential loss in the value of financial instruments or portfolios due to movements in interest and currency exchange rates equity and futures prices the implied volatility of interest rates credit spreads and other economic and business factors Bank of America s primary market risk exposures are in its trading portfolio equity investments MSRs and the interest rate exposure of its core balance sheet Economic capital is determined by utilizing the same models the Corporation used to manage these risks including for example Value-at Risk (VaR) simulation stress testing and scenario analysis See page 112 for additional information on Market Risk Management

Operational Risk Capital

We calculate operational risk capital at the business unit level using actuarial-based models and historical loss data We supplement the calculations with scenario analysis and risk control assessments See Operational Risk Management on page 119 for more information

Common Stock Dividends

Table 16 is a summary of our declared quarterly cash dividends on common stock during 2011 and through February 23 2012

Table 16 Common Stock Cash Dividend Summary

Declaration Date	Record Date	Payment Date	Dividend Per Share
January 11 2012	March 2 2012	March 23 2012	$0 01
November 18 2011	December 2 2011	December 23 2011	0 01
August 22 2011	September 2 2011	September 23 2011	0 01
May 11 2011	June 3 2011	June 24 2011	0 01
January 26 2011	March 4 2011	March 25 2011	0 01

Enterprise-wide Stress Testing

As a part of our core risk management practices we conduct enterprise-wide stress tests on a periodic basis to better understand balance sheet earnings capital and liquidity sensitivities to certain economic and business scenarios including economic and market conditions that are more severe than anticipated These enterprise-wide stress tests provide an understanding of the potential impacts from our risk profile on our balance sheet earnings capital and liquidity and serve as a key component of our capital and risk management practices Scenarios are selected by a group comprised of senior business risk and finance executives Impacts to each business from each scenario are then determined and analyzed primarily by leveraging the models and processes utilized in everyday management routines Impacts are assessed along with potential mitigating actions that may be taken Analysis from such stress scenarios is compiled for and reviewed through our Chief Financial Officer Risk Committee (CFORC) Asset Liability and Market Risk Committee (ALMRC) and the Board s Enterprise Risk Committee (ERC) and serves to inform decision making by management and the Board We have made substantial investments to establish stress testing capabilities as a core business process

Liquidity Risk

Funding and Liquidity Risk Management

We define liquidity risk as the potential inability to meet our contractual and contingent financial obligations on- or off balance sheet as they come due Our primary liquidity objective is to ensure adequate funding for our businesses throughout market cycles including periods of financial stress To achieve that objective we analyze and monitor our liquidity risk maintain excess liquidity and access diverse funding sources including our stable deposit base We define excess liquidity as readily available assets limited to cash and high-quality liquid unencumbered securities that we can use to meet our funding requirements as those obligations arise

Global funding and liquidity risk management activities are centralized within Corporate Treasury We believe that a centralized approach to funding and liquidity risk management enhances our ability to monitor liquidity requirements maximizes access to funding sources minimizes borrowing costs and facilitates timely responses to liquidity events

The Enterprise Risk Committee approves the Corporation s liquidity policy and contingency funding plan including establishing liquidity risk tolerance levels The ALMRC in conjunction with the Board and its committees monitors our liquidity position and reviews the impact of strategic decisions on our liquidity ALMRC is responsible for managing liquidity risks and ensuring exposures remain within the established tolerance levels ALMRC delegates additional oversight responsibilities to the CFORC which reports to the ALMRC The CFORC reviews and monitors our liquidity position cash flow forecasts stress testing scenarios and results and implements our liquidity limits and guidelines For more information see Board Oversight of Risk on page 70 Under this governance framework we have developed certain funding and liquidity risk management practices which include maintaining excess liquidity at the parent company and selected subsidiaries including our bank and broker/dealer subsidiaries determining what amounts of excess liquidity are appropriate for these entities based on analysis of debt maturities and other potential cash outflows including those that we may experience during stressed market conditions diversifying funding sources considering our asset profile and legal entity structure and performing contingency planning

Global Excess Liquidity Sources and Other Unencumbered Assets

We maintain excess liquidity available to Bank of America Corporation or the parent company and selected subsidiaries in the form of cash and high-quality liquid unencumbered securities These assets which we call our Global Excess Liquidity Sources serve as our primary means of liquidity risk mitigation Our cash is primarily on deposit with central banks such as the Federal Reserve We limit the composition of high-quality liquid unencumbered securities to U S government securities U S agency securities U S agency MBS and a select group of non-U S government and supranational securities We believe we can quickly obtain cash for these securities even in stressed market conditions through repurchase agreements or outright sales We hold our Global Excess Liquidity Sources in entities that allow us to meet the liquidity requirements of our global businesses and we consider the impact of potential regulatory tax legal and other restrictions that could limit the transferability of funds among entities

Our Global Excess Liquidity Sources increased $42 billion to $378 billion compared to December 31 2010 and were maintained as presented in Table 17 This increase was due primarily to liquidity generated by our bank subsidiaries through deposit growth reductions in LHFS and other factors Partially offsetting the increase were the results of our ongoing reductions of our debt footprint announced in 2010

Table 17 Global Excess Liquidity Sources

	December 31		Average for Three Months Ended December 31,
(Dollars in billions)	2011	2010	2011
Parent company	$ 125	$ 121	$ 116
Bank subsidiaries	222	180	218
Broker/dealers	31	35	28
Total global excess liquidity sources	$ 378	$ 336	$ 362

As shown in Table 17 the Global Excess Liquidity Sources available to the parent company totaled $125 billion and $121 billion at December 31 2011 and 2010 Typically parent company cash is deposited overnight with BANA

Table 18 presents the composition of Global Excess Liquidity Sources at December 31 2011 and 2010

Table 18 Global Excess Liquidity Sources Composition

	December 31	
(Dollars in billions)	2011	2010
Cash on deposit	$ 79	$ 80
U S treasuries	46	65
U S agency securities and mortgage-backed securities	226	174
Non-U S government and supranational securities	28	17
Total global excess liquidity sources	$ 378	$ 336

Global Excess Liquidity Sources available to our bank subsidiaries at December 31 2011 and 2010 totaled $222 billion and $180 billion These amounts are distinct from the cash deposited by the parent company presented in Table 17 In addition to their Global Excess Liquidity Sources our bank subsidiaries hold significant amounts of other unencumbered securities that we believe could also be used to generate liquidity primarily investment-grade MBS Our bank subsidiaries can also generate incremental liquidity by pledging a range of other unencumbered loans and securities to certain Federal Home Loan Banks (FHLBs) and the Federal Reserve Discount Window The cash we could have obtained by borrowing against this pool of specifically-identified eligible assets was approximately $189 billion and $170 billion at December 31 2011 and 2010 We have established operational procedures to enable us to borrow against these assets including regularly monitoring our total pool of eligible loans and securities collateral Due to regulatory restrictions liquidity generated by the bank subsidiaries can only be used to fund obligations within the bank subsidiaries and can only be transferred to the parent company or non-bank subsidiaries with prior regulatory approval

Global Excess Liquidity Sources available to our broker/dealer subsidiaries at December 31 2011 and 2010 totaled $31 billion and $35 billion Our broker/dealers also held significant amounts of other unencumbered securities that we believe could also be used to generate additional liquidity including investment-grade securities and equities Liquidity held in a broker/dealer subsidiary is only available to meet the obligations of that entity and can only be transferred to the parent company or to any other subsidiary with prior regulatory approval due to regulatory restrictions and minimum requirements

Time to Required Funding and Stress Modeling

We use a variety of metrics to determine the appropriate amounts of excess liquidity to maintain at the parent company and our bank and broker/dealer subsidiaries One metric we use to evaluate the appropriate level of excess liquidity at the parent company is Time to Required Funding This debt coverage measure indicates the number of months that the parent company can continue to meet its unsecured contractual obligations as they come due using only its Global Excess Liquidity Sources without issuing any new debt or accessing any additional liquidity sources We define unsecured contractual obligations for purposes of this metric as maturities of senior or subordinated debt issued or guaranteed by Bank of America Corporation or Merrill Lynch These include certain unsecured debt instruments primarily structured liabilities which we may be required to settle for cash prior to maturity and issuances under the FDIC s Temporary Liquidity Guarantee Program (TLGP) all of which will mature by June 30 2012 The Corporation has established a target for Time to Required Funding of 21 months Our Time to Required Funding at December 31 2011 was 29 months For purposes of calculating Time to Required Funding for December 31 2011 we have also included in the amount of unsecured contractual obligations the $8 6 billion liability related to the BNY Mellon Settlement This settlement is subject to final court approval and certain other conditions and the timing of the payment is not certain

We utilize liquidity stress models to assist us in determining the appropriate amounts of excess liquidity to maintain at the parent company and our bank and broker/dealer subsidiaries These models are risk sensitive and have become increasingly important in analyzing our potential contractual and contingent cash outflows beyond those outflows considered in the Time to Required Funding analysis

We evaluate the liquidity requirements under a range of scenarios with varying levels of severity and time horizons These scenarios incorporate market-wide and Corporation-specific events including potential credit ratings downgrades for the parent company and our subsidiaries We consider and utilize scenarios based on historical experience regulatory guidance and both expected and unexpected future events

The types of contractual and contingent cash outflows we consider in our scenarios may include but are not limited to upcoming contractual maturities of unsecured debt and reductions in new debt issuance diminished access to secured financing markets potential deposit withdrawals and reduced rollover of maturing term deposits by customers increased draws on loan commitment and liquidity facilities including Variable Rate Demand Notes additional collateral that counterparties could call if our credit ratings were further downgraded collateral margin and subsidiary capital requirements arising from losses and potential liquidity required to maintain businesses and finance customer activities

We consider all sources of funds that we could access during each stress scenario and focus particularly on matching available sources with corresponding liquidity requirements by legal entity We also use the stress modeling results to manage our asset-liability profile and establish limits and guidelines on certain funding sources and businesses

Basel III Liquidity Standards

In December 2010 the Basel Committee issued International framework for liquidity risk measurement standards and monitoring which includes two proposed measures of liquidity risk These two minimum liquidity measures were initially introduced in guidance in December 2009 and are considered part of Basel III

The first proposed liquidity measure is the Liquidity Coverage Ratio (LCR) which is calculated as the amount of a financial institution s unencumbered high-quality liquid assets relative to the net cash outflows the institution could encounter under an acute 30-day stress scenario The second proposed liquidity measure is the Net Stable Funding Ratio (NSFR) which measures the amount of longer-term stable sources of funding employed by a financial institution relative to the liquidity profiles of the assets funded and the potential for contingent calls on funding liquidity arising from off-balance sheet commitments and obligations over a one-year period The Basel Committee expects the LCR requirement to be implemented in January 2015 and the NSFR requirement to be implemented in January 2018 following an observation period that began in 2011 We continue to monitor the development and the potential impact of these proposals and assuming adoption by U S banking regulators we expect to meet the final standards within the regulatory timelines

Diversified Funding Sources

We fund our assets primarily with a mix of deposits and secured and unsecured liabilities through a globally coordinated funding strategy We diversify our funding globally across products programs markets currencies and investor groups

We fund a substantial portion of our lending activities through our deposit base which was $1 033 billion and $1 010 billion at December 31 2011 and 2010 Deposits are primarily generated by our *Deposits Global Commercial Banking GWIM* and *GBAM* segments These deposits are diversified by clients product type and geography and the majority of our U S deposits are insured by the FDIC We consider a substantial portion of our deposits to be a stable low-cost and consistent source of funding We believe this deposit funding is generally less sensitive to interest rate changes market volatility or changes in our credit ratings than wholesale funding sources Our lending activities may also be financed through secured borrowings including securitizations and FHLB loans

Our trading activities in broker/dealer subsidiaries are primarily funded on a secured basis through securities lending and repurchase agreements and these amounts will vary based on customer activity and market conditions We believe funding these activities in the secured financing markets is more cost efficient and less sensitive to changes in our credit ratings than unsecured financing Repurchase agreements are generally short-term and often overnight Disruptions in secured financing markets for financial institutions have occurred in prior market cycles which resulted in adverse changes in terms or significant reductions in the availability of such financing We manage the liquidity risks arising from secured funding by sourcing funding globally from a diverse group of counterparties providing a range of securities collateral and pursuing longer durations when appropriate

We reduced our use of unsecured short-term borrowings at the parent company and broker/dealer subsidiaries including commercial paper and master notes to relatively insignificant amounts in 2011 These short-term borrowings were used to support customer activities short-term financing requirements and cash management objectives For average and period-end balance discussions see Balance Sheet Overview on page 34 For more information see *Note 12 – Federal Funds Sold Securities Borrowed or Purchased Under Agreements to Resell and Short-term Borrowings* to the Consolidated Financial Statements

Our mortgage business accesses a liquid market for the sale of newly originated mortgages through contracts with the GSEs and FHA Contracts with the GSEs are subject to the seller/servicer guides issued by the GSEs

We issue the majority of our long-term unsecured debt at the parent company During 2011 the parent company issued $21 0 billion of long-term unsecured debt We may also issue long-term unsecured debt at BANA although there were no new issuances during 2011

We issue long term unsecured debt in a variety of maturities and currencies to achieve cost efficient funding and to maintain an appropriate maturity profile While the cost and availability of unsecured funding may be negatively impacted by general market conditions or by matters specific to the financial services industry or the Corporation we seek to mitigate refinancing risk by actively managing the amount of our borrowings that we anticipate will mature within any month or quarter

The primary benefits of our centralized funding strategy include greater control reduced funding costs wider name recognition by investors and greater flexibility to meet the variable funding requirements of subsidiaries Where regulations time zone differences or other business considerations make parent company funding impractical certain other subsidiaries may issue their own debt

At December 31 2011 and 2010 our long term debt was in the currencies presented in Table 19

Table 19 Long-term Debt by Major Currency

	December 31	
(Dollars in millions)	2011	2010
U S Dollar	$ 356,363	$ 302 487
Euro	66,799	67 482
Japanese Yen	19,866	19 901
British Pound	13,554	16 505
Australian Dollar	4,909	8 924
Canadian Dollar	4,821	8 628
Swiss Franc	2,299	3 089
Other	4,299	5 435
Total long-term debt	$ 473,309	$ 448 431

Total long term debt decreased $76 2 billion or 17 percent in 2011 This decrease reflects our ongoing initiative to reduce our debt footprint over time and we anticipate that we will continue to reduce our debt footprint as appropriate through 2013 We may from time to time purchase outstanding debt securities in various transactions depending on prevailing market conditions liquidity and other factors In addition we also may make markets in our debt instruments to provide liquidity for investors For additional information on long-term debt funding see *Note 13 – Long-term Debt* to the Consolidated Financial Statements

We use derivative transactions to manage the duration interest rate and currency risks of our borrowings considering the characteristics of the assets they are funding For further details on our ALM activities see Interest Rate Risk Management for Nontrading Activities on page 116

We also diversify our unsecured funding sources by issuing various types of debt instruments including structured liabilities which are debt obligations that pay investors with returns linked to other debt or equity securities indices currencies or commodities We typically hedge the returns we are obligated to pay on these liabilities with derivative positions and/or investments in the underlying instruments so that from a funding perspective the cost is similar to our other unsecured long-term debt We could be required to settle certain structured liability obligations for cash or other securities immediately under certain circumstances which we consider for liquidity planning purposes We believe however that a portion of such borrowings will remain outstanding beyond the earliest put or redemption date We had outstanding structured liabilities with a book value of $50 9 billion and $61 1 billion at December 31 2011 and 2010

Substantially all of our senior and subordinated debt obligations contain no provisions that could trigger a requirement for an early repayment require additional collateral support result in changes to terms accelerate maturity or create additional financial obligations upon an adverse change in our credit ratings financial ratios earnings cash flows or stock price

Prior to 2010 we participated in the TLGP which allowed us to issue senior unsecured debt that the FDIC guaranteed in return for a fee based on the amount and maturity of the debt At December 31 2011 we had $23 9 billion outstanding under the program We no longer issue debt under this program and all of our debt issued under TLGP will mature by June 30 2012 TLGP issuances are included in the unsecured contractual obligations for the Time to Required Funding metric Under this program our debt received the highest long-term ratings from the major credit rating agencies which resulted in a lower total cost of issuance than if we had issued non-FDIC guaranteed long-term debt

Contingency Planning

We maintain contingency funding plans that outline our potential responses to liquidity stress events at various levels of severity These policies and plans are based on stress scenarios and include potential funding strategies and communication and notification procedures that we would implement in the event we experienced stressed liquidity conditions We periodically review and test the contingency funding plans to validate efficacy and assess readiness

Our U S bank subsidiaries can access contingency funding through the Federal Reserve Discount Window Certain non-U S subsidiaries have access to central bank facilities in the jurisdictions in which they operate While we do not rely on these sources in our liquidity modeling we maintain the policies procedures and governance processes that would enable us to access these sources if necessary

Credit Ratings

Our borrowing costs and ability to raise funds are directly impacted by our credit ratings In addition credit ratings may be important to customers or counterparties when we compete in certain markets and when we seek to engage in certain transactions including OTC derivatives Thus it is our objective to maintain high-quality credit ratings

Credit ratings and outlooks are opinions on our creditworthiness and that of our obligations or securities including long-term debt short-term borrowings preferred stock and other securities including asset securitizations Our credit ratings are subject to ongoing review by the rating agencies which consider a number of factors including our own financial strength performance prospects and operations as well as factors not under our control The rating agencies could make adjustments to our ratings at any time and provide no assurances that they will maintain our ratings at current levels

Other factors that influence our credit ratings include changes to the rating agencies methodologies for our industry or certain security types the rating agencies assessment of the general operating environment for financial services companies our mortgage exposures our relative positions in the markets in which we compete reputation liquidity position diversity of funding sources funding costs the level and volatility of earnings corporate governance and risk management policies capital position capital management practices and current or future regulatory and legislative initiatives

Each of the three primary rating agencies Moody s S&P and Fitch downgraded the Corporation and its subsidiaries in late 2011 They have each also indicated that as a systemically important financial institution our credit ratings currently reflect their expectation that if necessary we would receive significant support from the U S government They have indicated that they will continue to assess this view of support as financial services regulations and legislation evolve On December 15 2011 Fitch downgraded the Corporation s and BANA s long-term and short-term debt ratings as a result of Fitch s decision to lower its "support floor" for systemically important U S financial institutions This downgrade resolves the Rating Watch Negative Fitch placed on the Corporation s ratings on October 22 2010 On November 29 2011 S&P downgraded the Corporation s long term and short term debt ratings as well as BANA s long-term debt rating as a result of S&P s implementation of revised methodologies for determining Banking Industry Country Risk Assessments and bank ratings On September 21 2011 Moody s downgraded the Corporation s long-term and short-term debt ratings as well as BANA s long-term debt rating as a result of Moody s lowering the amount of uplift for potential U S government support it incorporates into ratings On February 15 2012 Moody s placed the Corporation s long-term debt ratings and BANA s long-term and short-term debt ratings on review for possible downgrade as part of its review of financial institutions with global capital markets operations Any adjustment to our ratings will be determined based on Moody s review however the agency offered guidance that downgrades to our ratings if any would likely be limited to one notch The rating agencies could make further adjustments to our ratings at any time and provide no assurances that they will maintain our ratings at current levels

Currently the Corporation s long-term/short-term senior debt ratings and outlooks expressed by the rating agencies are as follows Baa1/P 2 (negative) by Moody s A-/A 2 (negative) by S&P and A/F1 (stable) by Fitch BANA s long-term/short-term senior debt ratings and outlooks currently are as follows A2/P-1 (negative) by Moody s A/A-1 (negative) by S&P and A/F1 (stable) by Fitch MLPF&S s long-term/short-term senior debt ratings and outlooks are A/A-1 (negative) by S&P and A/F1 (stable) by Fitch Merrill Lynch International s long-term/short term senior debt ratings are A/A-1 (negative) by S&P The credit ratings of Merrill Lynch from the three primary credit rating agencies are the same as those of Bank of America Corporation The primary credit rating agencies have indicated that the major drivers of Merrill Lynch s credit ratings are Bank of America Corporation s credit ratings

A further reduction in certain of our credit ratings or the ratings of certain asset-backed securitizations may have a material adverse effect on our liquidity potential loss of access to credit markets the related cost of funds our businesses and on certain trading revenues particularly in those businesses where counterparty creditworthiness is critical In addition under the terms of certain OTC derivative contracts and other trading agreements the counterparties to those agreements may require us to provide additional collateral or to terminate these contracts or agreements which could cause us to sustain losses and/or adversely impact our liquidity If the short-term credit ratings of our parent company bank or broker/dealer subsidiaries were downgraded by one or more levels the potential loss of access to short-term funding sources such as repo financing and the effect on our incremental cost of funds could be material

At December 31 2011 if the rating agencies had downgraded their long-term senior debt ratings for the Corporation or certain subsidiaries by one incremental notch the amount of additional collateral contractually required by derivative contracts and other trading agreements would have been approximately $1 6 billion comprised of $1 2 billion for BANA and approximately $375 million for Merrill Lynch and certain of its subsidiaries If the agencies had downgraded their long-term senior debt ratings for these entities by a second incremental notch approximately $1 1 billion in additional collateral comprised of $871 million for BANA and $269 million for Merrill Lynch and certain of its subsidiaries would have been required

Also if the rating agencies had downgraded their long-term senior debt ratings for the Corporation or certain subsidiaries by one incremental notch the derivative liability that would be subject to unilateral termination by counterparties as of December 31 2011 was $2 9 billion against which $2 7 billion of collateral had been posted If the rating agencies had downgraded their long-term senior debt ratings for the Corporation or certain subsidiaries a second incremental notch the derivative liability that would be subject to unilateral termination by counterparties as of December 31 2011 was an incremental $5 6 billion against which $5 4 billion of collateral had been posted

While certain potential impacts are contractual and quantifiable the full scope of consequences of a credit ratings downgrade to a financial institution are inherently uncertain as they depend upon numerous dynamic complex and inter-related factors and assumptions including whether any downgrade of a firm s long-term credit ratings precipitates downgrades to its short-term credit ratings and assumptions about the potential behaviors of various customers investors and counterparties

For information regarding the additional collateral and termination payments that could be required in connection with certain OTC derivative contracts and other trading agreements as a result of such a credit ratings downgrade see *Note 4 - Derivatives* to the Consolidated Financial Statements and Item 1A Risk Factors

During the third quarter of 2011 Moody's and S&P placed the sovereign rating of the United States on review for possible downgrade due to the possibility of a default on the government s debt obligations because of a failure to increase the debt limit On August 2 2011 Moody s affirmed its Aaa rating and revised its outlook to negative On August 5 2011 S&P downgraded the long-term sovereign credit rating of the United States to AA+ and affirmed the short-term sovereign credit rating the outlook is negative On November 28 2011 Fitch affirmed its AAA long-term rating of the United States but changed the outlook from stable to negative On the same day Fitch affirmed its F1+ short term rating of the U S All three rating agencies have indicated that they will continue to assess fiscal projections and consolidation measures as well as the medium term economic outlook for the United States

Credit Risk Management

Credit quality continued to improve during 2011 Continued economic stability and our proactive credit risk management initiatives positively impacted the credit portfolio as charge-offs and delinquencies continued to improve across most portfolios and risk ratings improved in the commercial portfolios However global and national economic uncertainty home price declines and regulatory reform continued to weigh on the credit portfolios through December 31 2011 For more information see Executive Summary - 2011 Economic and Business Environment on page 27

Credit risk is the risk of loss arising from the inability or failure of a borrower or counterparty to meet its obligations Credit risk can also arise from operational failures that result in an erroneous advance commitment or investment of funds We define the credit exposure to a borrower or counterparty as the loss potential arising from all product classifications including loans and leases deposit overdrafts derivatives assets held-for-sale and unfunded lending commitments which include loan commitments letters of credit and financial guarantees Derivative positions are recorded at fair value and assets held-for sale are recorded at either fair value or the lower of cost or fair value Certain loans and unfunded commitments are accounted for under the fair value option Credit risk for these categories of assets is not accounted for as part of the allowance for credit losses but as part of the fair value adjustments recorded in earnings For derivative positions our credit risk is measured as the net cost in the event the counterparties with contracts in which we are in a gain position fail to perform under the terms of those contracts We use the current mark-to-market value to represent credit exposure without giving consideration to future mark-to-market changes The credit risk amounts take into consideration the effects of legally enforceable master netting agreements and cash collateral Our consumer and commercial credit extension and review procedures take into account funded and unfunded credit exposures For additional information on derivative and credit extension commitments see *Note 4 - Derivatives* and *Note 14 - Commitments and Contingencies* to the Consolidated Financial Statements

We manage credit risk based on the risk profile of the borrower or counterparty repayment sources the nature of underlying collateral and other support given current events conditions and expectations We classify our portfolios as either consumer or commercial and monitor credit risk in each as discussed below

We proactively refine our underwriting and credit management practices as well as credit standards to meet the changing economic environment To actively mitigate losses and enhance customer support in our consumer businesses we have expanded collections loan modification and customer assistance infrastructures We also have implemented a number of actions to mitigate losses in the commercial businesses including increasing the frequency and intensity of portfolio monitoring hedging activity and our practice of transferring management of deteriorating commercial exposures to independent special asset officers as credits enter criticized categories

Since January 2008 and through 2011 Bank of America and Countrywide have completed over one million loan modifications with customers During 2011 we completed over 225 000 customer loan modifications with a total unpaid principal balance of approximately $49 9 billion including approximately 104 000 permanent modifications under the government s Making Home Affordable Program Of the loan modifications completed in 2011 in terms of both the volume of modifications and the unpaid principal balance associated with the underlying loans most were in the portfolio serviced for investors and were not on our balance sheet The most common types of modifications include a combination of rate reduction and capitalization of past due amounts which represent 60 percent of the volume of modifications completed in 2011 while principal forbearance represented 19 percent principal reductions and forgiveness represented six percent and capitalization of past due amounts represented eight percent These modification types are generally considered troubled debt restructurings (TDRs) For more information on TDRs and portfolio impacts see Nonperforming Consumer Loans and Foreclosed Properties Activity on page 92 and *Note 6 - Outstanding Loans and Leases* to the Consolidated Financial Statements

Certain European countries including Greece Ireland Italy Portugal and Spain continue to experience varying degrees of financial stress In early 2012 S&P Fitch and Moody s downgraded the credit ratings of several European countries and S&P downgraded the credit rating of the EFSF adding to concerns about investor appetite for continued support in stabilizing the affected countries Uncertainty in the progress of debt restructuring negotiations and the lack of a clear resolution to the crisis has led to continued volatility in the European financial markets and if the situation worsens may spread into the global financial markets In December 2011 the ECB announced initiatives to address European bank liquidity and funding concerns by providing low-cost three-year loans to banks and expanding collateral eligibility While these initiatives may reduce systemic risk there remains considerable uncertainty as to future developments regarding the European debt crisis For additional information on our direct sovereign and non-sovereign exposures in non-U S countries see Non-U S Portfolio on page 104 and Item 1A Risk Factors

Consumer Portfolio Credit Risk Management

Credit risk management for the consumer portfolio begins with initial underwriting and continues throughout a borrower s credit cycle Statistical techniques in conjunction with experiential judgment are used in all aspects of portfolio management including underwriting product pricing risk appetite setting credit limits and establishing operating processes and metrics to quantify and balance risks and returns Statistical models are built using detailed behavioral information from external sources such as credit bureaus and/or internal historical experience These models are a component of our consumer credit risk management process and are used in part to help make both new and existing credit decisions and portfolio management strategies including authorizations and line management collection practices and strategies determination of the allowance for loan and lease losses and economic capital allocations for credit risk

For information on our accounting policies regarding delinquencies nonperforming status charge-offs and TDRs for the consumer portfolio see *Note 1 - Summary of Significant Accounting Principles* to the Consolidated Financial Statements

Consumer Credit Portfolio

Improvement in the U S economy and labor markets during 2011 resulted in lower credit losses in most consumer portfolios during 2011 compared to 2010 However continued stress in the housing market including declines in home prices continued to adversely impact the home loans portfolio

Table 20 presents our outstanding consumer loans and the Countrywide PCI loan portfolio Loans that were acquired from Countrywide and considered credit-impaired were recorded at fair value upon acquisition In addition to being included in the "Outstandings" columns in Table 20 these loans are also shown separately net of purchase accounting adjustments in the "Countrywide Purchased Credit-impaired Loan Portfolio" column For additional information see *Note 6 - Outstanding Loans and Leases* to the Consolidated Financial Statements The impact of the Countrywide PCI loan portfolio on certain credit statistics is reported where appropriate See Countrywide Purchased Credit-impaired Loan Portfolio on page 89 for more information Under certain circumstances loans that were originally classified as discontinued real estate loans upon acquisition have been subsequently modified from pay option or subprime loans into loans with more conventional terms and are now included in the residential mortgage portfolio but continue to be classified as PCI loans as shown in Table 20

Table 20 Consumer Loans

(Dollars in millions)	December 31 Outstandings 2011	Outstandings 2010	Countrywide Purchased Credit-Impaired Loan Portfolio 2011	Countrywide Purchased Credit-Impaired Loan Portfolio 2010
Residential mortgage (1)	$ 262,990	$ 257,973	$ 9,896	$ 10,592
Home equity	134,099	137,981	11,978	12,590
Discontinued real estate (2)	11,096	13,108	6,857	11,852
U.S. credit card	102,291	113,785	n/a	n/a
Non-U.S. credit card	14,418	27,485	n/a	n/a
Direct/Indirect consumer (3)	89,719	90,308	n/a	n/a
Other consumer (4)	2,988	2,830	n/a	n/a
Consumer loans excluding loans accounted for under the fair value option	607,196	643,450	31,801	34,834
Loans accounted for under the fair value option (5)	2,190	n/a	n/a	n/a
Total consumer loans	$ 609,386	$ 643,450	$ 31,801	$ 34,834

(1) Outstandings include non-U.S. residential mortgages of $86 million and $80 million at December 31, 2011 and 2010
(2) Outstandings include $8.9 billion and $11.8 billion of pay option loans and $1.2 billion and $1.3 billion of subprime loans at December 31, 2011 and 2010. We no longer originate these products.
(3) Outstandings include dealer financial services loans of $43.5 billion and $43.1 billion, consumer lending loans of $8.9 billion and $13.4 billion, U.S. securities-based lending margin loans of $15.6 billion and $16.6 billion, student loans of $6.0 billion and $6.6 billion, non-U.S. consumer loans of $7.8 billion and $8.0 billion, and other consumer loans of $11.8 billion and $3.2 billion at December 31, 2011 and 2010.
(4) Outstandings include consumer finance loans of $1.7 billion and $1.8 billion, other non-U.S. consumer loans of $920 million and $803 million, and consumer overdrafts of $103 million and $88 million at December 31, 2011 and 2010.
(5) Consumer loans accounted for under the fair value option include residential mortgage loans of $908 million and discontinued real estate loans of $1.3 billion at December 31, 2011. There were no consumer loans accounted for under the fair value option at December 31, 2010. See Consumer Credit Risk – Consumer Loans Accounted for Under the Fair Value Option on page 82 and Note 23 – Fair Value Option to the Consolidated Financial Statements for additional information on the fair value option.
n/a = not applicable

Table 21 presents accruing consumer loans past due 90 days or more and consumer nonperforming loans. Nonperforming loans do not include past due consumer credit card loans, consumer non-real estate-secured loans or unsecured consumer loans as these loans are generally charged off no later than the end of the month in which the loan becomes 180 days past due. Real estate-secured past due consumer loans which include loans insured by the FHA and individually insured long-term stand-by agreements with FNMA and FHLMC (fully-insured loan portfolio) are reported as accruing as opposed to nonperforming since the principal repayment is insured. Fully-insured loans included in accruing past due 90 days or more are primarily related to our purchases of delinquent FHA loans pursuant to our servicing agreements. Additionally nonperforming loans and accruing balances past due 90 days or more do not include the Countrywide PCI loan portfolio or loans accounted for under the fair value option even though the customer may be contractually past due. For additional information on FHA loans see Off-Balance Sheet Arrangements and Contractual Obligations – Unresolved Claims Status on page 57.

Table 21 Consumer Credit Quality

(Dollars in millions)	December 31 Accruing Past Due 90 Days or More 2011	Accruing Past Due 90 Days or More 2010	Nonperforming 2011	Nonperforming 2010
Residential mortgage (1)	$ 21,184	$ 18,768	$ 13,979	$ 17,691
Home equity	–	–	1,453	2,694
Discontinued real estate	–	–	280	331
U.S. credit card	3,870	3,320	n/a	n/a
Non-U.S. credit card	343	599	n/a	n/a
Direct/Indirect consumer	748	1,058	40	90
Other consumer	3	3	13	48
Total (2)	$ 26,536	$ 21,747	$ 15,766	$ 20,854
Consumer loans as a percentage of outstanding consumer loans (2)	4.01%	3.38%	2.59%	3.24%
Consumer loans as a percentage of outstanding loans excluding Countrywide PCI and fully-insured loan portfolios (2)	0.86	0.92	0.60	0.85

(1) Balances accruing past due 90 days or more are fully-insured loans. These balances include $17.0 billion and $8.2 billion of loans on which interest has been curtailed by the FHA, and therefore are no longer accruing interest, although principal is still insured, and $4.2 billion and $6.5 billion of loans on which interest was still accruing at December 31, 2011 and 2010.
(2) Balances exclude consumer loans accounted for under the fair value option. At December 31, 2011 approximately $713 million of loans accounted for under the fair value option were past due 90 days or more and not accruing interest. There were no consumer loans accounted for under the fair value option at December 31, 2010.
n/a = not applicable

Table 22 presents net charge-offs and related ratios for consumer loans and leases for 2011 and 2010.

Table 22 Consumer Net Charge-offs and Related Ratios

(Dollars in millions)	Net Charge-offs 2011	Net Charge-offs 2010	Net Charge-off Ratios (1) 2011	Net Charge-off Ratios (1) 2010
Residential mortgage	$ 5,533	$ 3,670	1.48%	1.49%
Home equity	4,473	6,781	3.43	4.65
Discontinued real estate	81	68	0.73	0.49
U.S. credit card	7,276	13,027	6.80	11.04
Non-U.S. credit card	1,169	2,207	4.86	7.88
Direct/Indirect consumer	1,476	3,336	1.64	3.45
Other consumer	303	261	7.33	8.89
Total	$ 18,530	$ 29,350	2.94	4.51

(1) Net charge-off ratios are calculated on net charge-offs divided by average outstanding loans excluding loans accounted for under the fair value option.

Net charge-off ratios excluding the Countrywide PCI and fully-insured loan portfolios were 2.27 percent and 1.86 percent for residential mortgage, 3.77 percent and 5.10 percent for home equity, 7.14 percent and 4.20 percent for discontinued real estate and 3.62 percent and 5.08 percent for the total consumer portfolio for 2011 and 2010. These are the only product classifications materially impacted by the Countrywide PCI and fully-insured loan portfolios for 2011 and 2010.

Legacy Asset Servicing within *CRES* manages our exposures to certain residential mortgage, home equity and discontinued real estate products. Legacy Asset Servicing manages both our owned loans, as well as loans serviced for others that meet certain criteria. The criteria generally represent home lending standards which we do not consider as part of our continuing core business. The Legacy Asset Servicing portfolio includes the following:

- Discontinued real estate loans including subprime and pay option
- Residential mortgage loans and home equity loans for products we no longer originate including reduced documentation loans and interest-only loans not underwritten to fully amortizing payment
- Loans that would not have been originated under our underwriting standards at December 31, 2010 including conventional loans with an original loan-to-value (LTV) greater than 95 percent and government-insured loans for which the borrower has a FICO score less than 620
- Countrywide PCI loan portfolios
- Certain loans that met a pre-defined delinquency and probability of default threshold as of January 1, 2011

For more information on Legacy Asset Servicing within *CRES* see page 43.

Table 23 presents outstandings, nonperforming balances and net charge-offs by the Core portfolio and the Legacy Asset Servicing portfolio for the home loans portfolio.

Table 23 Home Loans Portfolio

(Dollars in millions)	December 31 Outstandings 2011	Outstandings 2010	Nonperforming 2011	Nonperforming 2010	Net Charge-offs 2011
Core portfolio					
Residential mortgage	$ 176,897	$ 166,827	$ 2,414	$ 1,510	$ 966
Home equity	67,058	71,519	439	107	801
Legacy Asset Servicing portfolio					
Residential mortgage (1)	83,969	91,046	13,586	16,181	5,494
Home equity	67,044	66,462	2,014	2,587	3,672
Discontinued real estate (1)	11,096	13,108	280	331	82
Home loans portfolio					
Residential mortgage	262,990	257,973	15,979	17,691	6,553
Home equity	134,099	137,981	1,453	2,694	4,473
Discontinued real estate	11,096	13,108	280	331	82
Total home loans portfolio	$ 396,084	$ 409,062	$ 16,713	$ 20,716	$ 10,997

(1) Balances include consumer loans accounted for under the fair value option of $908 million for residential mortgage loans and $1.3 billion for discontinued real estate loans at December 31, 2011. There were no consumer loans accounted for under the fair value option at December 31, 2010. See Note 23 – Fair Value Option to the Consolidated Financial Statements for additional information on the fair value option.

We believe that the presentation of information adjusted to exclude the impact of the Countrywide PCI loan portfolio, the fully-insured loan portfolio and loans accounted for under the fair value option is more representative of the ongoing operations and credit quality of the business. As a result, in the following discussions of the residential mortgage, home equity and discontinued real estate portfolios we provide information that excludes the impact of the Countrywide PCI loan portfolio, the fully-insured loan portfolio and loans accounted for under the fair value option in certain credit quality statistics. We separately disclose information on the Countrywide PCI loan portfolios on page 89.

Residential Mortgage

The residential mortgage portfolio which for purposes of the consumer credit portfolio discussion and related tables excludes the discontinued real estate portfolio acquired from Countrywide makes up the largest percentage of our consumer loan portfolio at 43 percent of consumer loans at December 31 2011 Approximately 14 percent of the residential mortgage portfolio is in GWIM and represents residential mortgages that are originated for the home purchase and refinancing needs of our wealth management clients The remaining portion of the portfolio is mostly in All Other and is comprised of both originated loans as well as purchased loans used in our overall ALM activities

Outstanding balances in the residential mortgage portfolio excluding $905 million of loans accounted for under the fair value option increased $4 3 billion at December 31 2011 compared to December 31 2010 as new origination volume the majority of which is fully-insured was partially offset by paydowns charge-offs and transfers to foreclosed properties In addition repurchases of FHA delinquent loans pursuant to our servicing agreements with GNMA also increased the residential mortgage portfolio during 2011 At December 31 2011 and 2010 the residential mortgage portfolio included $93 9 billion and $67 2 billion of outstanding fully-insured loans On this portion of the residential mortgage portfolio we are protected against principal loss as a result of FHA insurance and long-term stand-by agreements with FNMA and FHLMC At December 31 2011 and 2010 $24 0 billion and $20 1 billion were related to repurchases of FHA delinquent loans pursuant to our servicing agreements with GNMA and the remainder of the fully insured portfolio represents originations that were retained on-balance sheet

At December 31 2011 and 2010 principal balances of $23 8 billion and $12 9 billion were protected by long term stand-by agreements All of these loans are individually insured and therefore the Corporation does not record an allowance for credit losses

In addition to the abovementioned long-term stand-by agreements with FNMA and FHLMC we have mitigated a portion of our credit risk on the residential mortgage portfolio through the use of synthetic securitization vehicles as described in Note 6 – *Outstanding Loans and Leases* to the Consolidated Financial Statements

At December 31 2011 and 2010 the synthetic securitization vehicles referenced principal balances of $23 9 billion and $53 9 billion of residential mortgage loans and provided loss protection up to $783 million and $1 1 billion At December 31 2011 and 2010 the Corporation had a receivable of $359 million and $722 million from these vehicles for reimbursement of losses The Corporation records an allowance for credit losses on loans referenced by the synthetic securitization vehicles The reported net charge-offs for the residential mortgage portfolio do not include the benefit of amounts reimbursable from these vehicles Adjusting for the benefit of the credit protection from the synthetic securitizations the residential mortgage net charge-off ratio excluding the Countrywide PCI and fully-insured loan portfolios for 2011 would have been reduced by 13 bps and eight bps for 2010

Synthetic securitizations and the long-term stand-by agreements with FNMA and FHLMC together reduce our regulatory risk-weighted assets due to the transfer of a portion of our credit risk to unaffiliated parties At December 31 2011 and 2010 these programs had the cumulative effect of reducing our risk weighted assets by $7 9 billion and $8 2 billion increased our Tier 1 capital ratio by eight bps and six bps and our Tier 1 common capital ratio by six bps and five bps

Table 24 presents certain residential mortgage key credit statistics on both a reported basis and excluding the Countrywide PCI loan portfolio the fully insured loan portfolio and loans accounted for under the fair value option We believe the presentation of information adjusted to exclude these loan portfolios is more representative of the credit risk in the residential mortgage loan portfolio As such the following discussion presents the residential mortgage portfolio excluding the Countrywide PCI loan portfolio the fully-insured loan portfolio and loans accounted for under the fair value option For more information on the Countrywide PCI loan portfolio see page 89

Table 24 Residential Mortgage – Key Credit Statistics

	December 31			
	Reported Basis (1)		Excluding Countrywide Purchased Credit-Impaired and Fully-Insured Loans	
(Dollars in millions)	2011	2010	2011	2010
Outstandings	$ 263,990	$ 257,973	$ 180,479	$ 180,136
Accruing past due 30 days or more	30,068	24,267	5,589	5,117
Accruing past due 90 days or more	21,184	18,768	n/a	n/a
Nonperforming loans	18,979	17,691	18,979	17,691
Percent of portfolio				
Refreshed LTV greater than 90 but less than 100	13%	15%	11%	11%
Refreshed LTV greater than 100	30	32	26	24
Refreshed FICO below 620	21	20	15	15
2006 and 2007 vintages (2)	37	32	37	40
Net charge-off ratio (3)	1.49	1.49	1.37	1.86

(1) Outstandings accruing past due nonperforming loans and percentages of portfolio exclude loans accounted for under the fair value option These were residential mortgage loans accounted for under the fair value option at December 31 2010 See Note 23 – Fair Value Option to the Consolidated Financial Statements for additional information on the fair value option

(2) These vintages of loans accounted for 53 percent and 67 percent of nonperforming residential mortgage loans at December 31 2011 and 2010 These vintages of loans accounted for 73 percent and 77 percent of residential mortgage net charge-offs in 2011 and 2010

(3) Net charge-off ratios are calculated on net charge-offs divided by average outstanding loans excluding loans accounted for under the fair value option

n/a = not applicable

Nonperforming residential mortgage loans decreased $1 7 billion compared to December 31 2010 as outflows outpaced new inflows which continued to slow in 2011 due to favorable delinquency trends Accruing loans past due 30 days or more decreased $1 2 billion to $4 0 billion at December 31 2011 At December 31 2011 $11 4 billion or 71 percent of the nonperforming residential mortgage loans were 180 days or more past due and had been written down to the estimated fair value of the collateral less estimated costs to sell Net charge-offs increased $162 million to $3 8 billion in 2011 or 2 27 percent of total average residential mortgage loans compared to 1 86 percent for 2010 This increase in net charge-offs for 2011 was primarily driven by further deterioration in home prices on loans greater than 180 days past due which were written down to the estimated fair value of the collateral less estimated costs to sell partially offset by favorable delinquency trends Net charge-off ratios were further impacted by lower loan balances primarily due to paydowns and charge-offs outpacing new originations

Loans in the residential mortgage portfolio with certain characteristics have greater risk of loss than others These characteristics include loans with a high refreshed LTV loans originated at the peak of home prices in 2006 and 2007 interest-only loans and loans to borrowers located in California and Florida where we have concentrations and where significant declines in home prices have been experienced Although the following disclosures address each of these risk characteristics separately there is significant overlap in loans with these characteristics which contributed to a disproportionate share of the losses in the portfolio The residential mortgage loans with all of these higher risk characteristics comprised six percent of the residential mortgage portfolio at both December 31 2011 and 2010 but accounted for 23 percent of the residential mortgage net charge-offs in 2011 and 26 percent in 2010

Residential mortgage loans with a greater than 90 percent but less than 100 percent refreshed LTV represented 11 percent of the residential mortgage portfolio at both December 31 2011 and 2010 Loans with a refreshed LTV greater than 100 percent represented 26 percent and 24 percent of the residential mortgage loan portfolio at December 31 2011 and 2010 Of the loans with a refreshed LTV greater than 100 percent 92 percent and 88 percent were performing at December 31 2011 and 2010 Loans with a refreshed LTV greater than 100 percent reflect loans where the outstanding carrying value of the loan is greater than the most recent valuation of the property securing the loan The majority of these loans have a refreshed LTV greater than 100 percent due primarily to home price deterioration over the past several years Loans to borrowers with refreshed FICO scores below 620 represented 15 percent of the residential mortgage portfolio at both December 31 2011 and 2010

Of the $158 5 billion and $180 1 billion in total residential mortgage loans outstanding at December 31 2011 and 2010 as shown in Table 24 40 percent and 38 percent were originated as interest-only loans The outstanding balance of interest-only residential mortgage loans that have entered the amortization period was $13 3 billion or 21 percent at December 31 2011 Residential mortgage loans that have entered the amortization period have experienced a higher rate of early stage delinquencies and nonperforming status compared to the residential mortgage portfolio as a whole As of December 31 2011 $484 million or four percent of outstanding residential mortgages that had entered the amortization period were accruing past due 30 days or more compared to $4 0 billion or two percent of accruing past due 30 days or more for the entire residential mortgage portfolio In addition at December 31 2011 $2 0 billion or 15 percent of outstanding residential mortgages that had entered the amortization period were nonperforming compared to $15 0 billion or 10 percent of nonperforming loans for the entire residential mortgage portfolio Loans in our interest-only residential mortgage portfolio have an interest-only period of three to 10 years and more than 80 percent of these loans will not be required to make a fully-amortizing payment until 2015 or later

Table 25 presents outstandings nonperforming loans and net charge-offs by certain state concentrations for the residential mortgage portfolio The Los Angeles-Long Beach-Santa Ana Metropolitan Statistical Area (MSA) within California represented 12 percent and 13 percent of outstandings at December 31 2011 and 2010 but comprised only seven percent of net charge-offs for both 2011 and 2010

Table 25 Residential Mortgage State Concentrations

	December 31					
	Outstandings (1)		Nonperforming (1)		Net Charge-offs	
(Dollars in millions)	2011	2010	2011	2010	2011	2010
California	$ 64,309	$ 63,877	$ 8,606	$ 6,389	$ 1,230	$ 1,392
Florida	12,236	13,298	1,809	2,054	396	604
New York	11,230	12,198	930	772	108	44
Texas	7,515	8,466	438	492	85	52
Virginia	6,709	8,441	389	450	64	72
Other U S /Non-U S	67,186	76,056	6,803	7,534	1,886	1,506
Residential mortgage loans (2)	$ 180,479	$ 180,136	$ 18,979	$ 17,691	$ 3,883	$ 3,870
Fully-insured loan portfolio	93,864	67,245				
Countrywide purchased credit-impaired residential mortgage loan portfolio	9,646	10,592				
Total residential mortgage loan portfolio	$ 263,990	$ 257,973				

(1) Outstandings and nonperforming amounts exclude loans accounted for under the fair value option at December 31 2011 These were residential mortgage loans accounted for under the fair value option at December 31, 2010 See Note 23 – Fair Value Option to the Consolidated Financial Statements for additional information on the fair value option

(2) Amount includes the Countrywide PCI residential mortgage and fully-insured loan portfolios

The Community Reinvestment Act (CRA) encourages banks to meet the credit needs of their communities for housing and other purposes particularly in neighborhoods with low or moderate incomes At December 31 2011 and 2010 our CRA portfolio was $12 5 billion and $13 8 billion or eight percent of the residential mortgage loan balances for both periods The CRA portfolio included $2 5 billion and $3 0 billion of nonperforming loans at December 31 2011 and 2010 representing 15 percent and 17 percent of total nonperforming residential mortgage loans Net charge-offs related to the CRA portfolio were $732 million and $857 million for 2011 and 2010 or 19 percent and 23 percent of total net charge offs for the residential mortgage portfolio

For information on representations and warranties related to our residential mortgage portfolio see Off Balance Sheet Arrangements and Contractual Obligations – Representations and Warranties on page 56 and Note 9 – *Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements

Home Equity

The home equity portfolio makes up 20 percent of the consumer portfolio and is comprised of HELOCs home equity loans and reverse mortgages As of December 31 2011 our HELOC portfolio had an outstanding balance of $103 4 billion or 83 percent of the home equity portfolio HELOCs generally have an initial draw period of 10 years with approximately 11 percent of the portfolio having a draw period of five years with a five-year renewal option During the initial draw period the borrowers are only required to pay the interest due on the loans on a monthly basis After the initial draw period ends the loans generally convert to 15-year amortizing loans

As of December 31 2011 our home equity loan portfolio had an outstanding balance of $20 2 billion or 16 percent of the home equity portfolio Home equity loans are almost all fixed-rate loans with amortizing payment terms of 10 to 30 years and approximately 52 percent of these loans have 25 to 30-year terms

As of December 31 2011 our reverse mortgage portfolio had an outstanding balance of $1 1 billion or one percent of the total home equity portfolio In 2011 we exited the reverse mortgage origination business

At December 31 2011 approximately 88 percent of the home equity portfolio was included in *CRES* while the remainder of the portfolio was primarily in *GWIM* Outstanding balances in the home equity portfolio decreased $13 3 billion in 2011 primarily due to paydowns and charge offs outpacing new originations and draws on existing lines Of the total home equity portfolio at December 31 2011 and 2010 $24 5 billion or 20 percent and $24 8 billion or 18 percent were in first-lien positions (22 percent and 20 percent excluding the Countrywide PCI home equity portfolio) As of December 31 2011 outstanding balances in the home equity portfolio that were in a second-lien or more junior-lien position and where we also held the first lien loan totaled $37 2 billion or 33 percent of our home equity portfolio excluding the Countrywide PCI loan portfolio

Unused HELOCs totaled $67 5 billion at December 31 2011 compared to $80 1 billion at December 31 2010 This decrease was due primarily to customers choosing to close accounts as well as line management initiatives on deteriorating accounts which more than offset new production The HELOC utilization rate was 61 percent at December 31 2011 compared to 59 percent at December 31 2010

Table 26 presents certain home equity portfolio key credit statistics on both a reported basis as well as excluding the Countrywide PCI loan portfolio We believe the presentation of information adjusted to exclude the impact of the Countrywide PCI loan portfolio is more representative of the credit risk in this portfolio

Table 26 Home Equity – Key Credit Statistics

	December 31			
	Reported Basis		Excluding Countrywide Purchased Credit-Impaired Loans	
(Dollars in millions)	2011	2010	2011	2010
Outstandings	$ 134,899	$ 137,981	$ 112,731	$ 125,391
Accruing past due 30 days or more (1)	1,669	1,829	1,669	1,829
Nonperforming loans (1)	2,458	2,694	2,458	2,694
Percent of portfolio				
Refreshed combined LTV greater than 90 but less than 100	10%	11%	11%	11%
Refreshed combined LTV greater than 100	28	34	33	30
Refreshed FICO below 620	10	14	12	12
2006 and 2007 vintages (2)	39	50	46	47
Net charge-off ratio (3)	3.43	4.65	3.77	5.10

(1) Reported past due 30 days or more excludes $809 million and $982 million and nonperforming loans excludes $753 million and $480 million of loans where we serviced the underlying first lien at December 31 2011 and 2010

(2) These vintages of loans have higher refreshed combined LTV ratios and accounted for 64 percent and 67 percent of nonperforming home equity loans at December 31 2011 and 2010 These vintages of loans accounted for 55 percent and 66 percent of net charge-offs in 2011 and 2010

(3) Net charge-off ratios are calculated on net charge-offs divided by average outstanding loans

The following discussion presents the home equity portfolio excluding the Countrywide PCI loan portfolio

Nonperforming outstanding balances in the home equity portfolio decreased $241 million compared to December 31 2010 driven primarily by charge-offs and nonperforming loans returning to performing status which together outpaced delinquency inflows which continued to slow during 2011 due to favorable early stage delinquency trends Accruing outstanding balances past due 30 days or more decreased $271 million in 2011 At December 31 2011 $1 1 billion or 43 percent of the nonperforming home equity portfolio was 180 days or more past due and had been written down to their fair values

In some cases the junior-lien home equity outstanding balance that we hold is current but the underlying first lien is not For outstanding balances in the home equity portfolio in which we service the first lien loan we are able to track whether the first-lien loan is in default For loans in which the first lien is serviced by a third party we utilize credit bureau data to estimate the delinquency status of the first lien Given that the credit bureau database we use does not include a property address for the mortgages we are unable to identify with certainty whether a reported delinquent first mortgage pertains to the same property for which we hold a second- or more junior-lien loan As of December 31 2011 we estimate that $4 7 billion of current second- or more junior-lien loans were behind a delinquent first-lien loan We service the first-lien loans on $1 3 billion of that amount with the remaining $3 4 billion serviced by third parties Of the $4 7 billion current second-lien loans we estimate based on available credit bureau data as discussed above that approximately $2 5 billion had first lien loans that were 120 days or more past due of which approximately $2 1 billion had first-lien loans serviced by third parties

Net charge-offs decreased $2 3 billion to $4 5 billion or 3 77 percent of the total average home equity portfolio for 2011 compared to $6 8 billion or 5 10 percent for 2010 primarily driven by favorable portfolio trends due in part to improvement in the U S economy In addition the net charge-off amounts during 2010 were impacted by the implementation of regulatory guidance on collateral-dependent modified loans which resulted in $822 million in net charge-offs Net charge-off ratios were further impacted by lower outstanding balances primarily as a result of paydowns and charge-offs outpacing new originations and draws on existing lines

There are certain characteristics of the outstanding loan balances in the home equity portfolio that have contributed to higher losses including those loans with a high refreshed combined loan-to-value (CLTV) loans that were originated at the peak of home prices in 2006 and 2007 and loans in geographic areas that have experienced the most significant declines in home prices Home price declines coupled with the fact that most home equity outstandings are secured by second-lien positions have significantly reduced and in some cases eliminated all collateral value after consideration of the first-lien position Although the disclosures below address each of these risk characteristics separately there is significant overlap in outstanding balances with these characteristics which has contributed to a disproportionate share of losses in the portfolio Outstanding balances in the home equity portfolio with all of these higher risk characteristics comprised 10 percent of the total home equity portfolio at both December 31 2011 and 2010 but have accounted for 28 percent of the home equity net charge-offs in 2011 and 29 percent in 2010

Outstanding balances in the home equity portfolio with greater than 90 percent but less than 100 percent refreshed CLTVs comprised 11 percent of the home equity portfolio at both December 31 2011 and 2010 Outstanding balances with refreshed CLTVs greater than 100 percent comprised 32 percent and 30 percent of the home equity portfolio at December 31 2011 and 2010 Outstanding balances in the home equity portfolio with a refreshed CLTV greater than 100 percent reflect loans where the carrying value and available line of credit of the combined loans are equal to or greater than the most recent valuation of the property securing the loan Depending on the value of the property there may be collateral in excess of the first-lien that is available to reduce the severity of loss on the second-lien Home price deterioration over the past several years has contributed to an increase in CLTV ratios Of those outstanding balances with a refreshed CLTV greater than 100 percent 95 percent of the customers were current at December 31 2011 For second-lien loans with a refreshed CLTV greater than 100 percent that are current 89 percent were also current on the underlying first-lien loans at December 31 2011 Outstanding balances in the home equity portfolio to borrowers with a refreshed FICO score below 620 represented 12 percent of the home equity portfolio at both December 31 2011 and 2010

Of the $112 7 billion in total home equity portfolio outstandings 78 percent and 75 percent at December 31 2011 and 2010 were originated as interest-only loans almost all of which were HELOCs The outstanding balance of HELOCs that have entered the amortization period was $1 6 billion or two percent of total HELOCs at December 31 2011 The HELOCs that have entered the amortization period have experienced a higher percentage of early stage delinquencies and nonperforming status when compared to the HELOC portfolio as a whole As of December 31 2011 $49 million or three percent of outstanding HELOCs that had entered the amortization period were accruing past due 30 days or more compared to $1 4 billion or one percent of outstanding accruing past due 30 days or more for the entire HELOC portfolio In addition at December 31 2011 $57 million or four percent of outstanding HELOCs that had entered the amortization period were nonperforming compared to $2 0 billion or two percent of outstandings that were nonperforming for the entire HELOC portfolio Loans in our HELOC portfolio generally have an initial draw period of 10 years and more than 85 percent of these loans will not be required to make a fully-amortizing payment until 2015 or later

Although we do not actively track how many of our home equity customers pay only the minimum amount due on their home equity loans and lines we can infer some of this information through a review of our HELOC portfolio that we service and that is still in its revolving period (i e customers may draw on and repay their line of credit but are generally only required to pay interest on a monthly basis) During 2011 approximately 51 percent of these customers did not pay down any principal on their HELOCs

Table 27 presents outstandings nonperforming balances and net charge-offs by certain state concentrations for the home equity portfolio in the New York area the New York-Northern New Jersey-Long Island MSA made up 11 percent of the outstanding home equity portfolio at both December 31 2011 and 2010 This MSA comprised seven percent and six percent of net charge-offs for 2011 and 2010 The Los Angeles-Long Beach-Santa Ana MSA within California made up 12 percent and 11 percent of the outstanding home equity portfolio at December 31 2011 and 2010 This MSA comprised 12 percent and 11 percent of net charge-offs for 2011 and 2010

For information on representations and warranties related to our home equity portfolio see Off-Balance Sheet Arrangements and Contractual Obligations – Representations and Warranties on page 56 and *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements

Table 27 Home Equity State Concentrations

	December 31					
	Outstandings		Nonperforming		Net Charge-offs	
(Dollars in millions)	2011	2010	2011	2010	2011	2010
California	$ 32,988	$ 35,426	$ 637	$ 708	$ 1,481	$ 2,341
Florida	13,480	15,028	411	482	889	1,420
New Jersey	7,489	8,153	175	189	584	219
New York	7,429	8,061	242	246	196	273
Massachusetts	4,819	5,657	67	71	71	102
Other U.S./Non-U.S.	47,966	53,066	951	1,018	1,705	2,426
Home equity loans (1)	$ 114,731	$ 125,391	$ 2,483	$ 2,684	$ 4,476	$ 6,781
Countrywide purchased credit-impaired home equity portfolio	11,978	12,590				
Total home equity loan portfolio	$ 126,709	$ 137,981				

(1) Amount excludes the Countrywide PCI home equity loan portfolio.

Discontinued Real Estate

The discontinued real estate portfolio excluding $1.3 billion of loans accounted for under the fair value option totaled $11.1 billion at December 31 2011 and consists of pay option and subprime loans acquired in the Countrywide acquisition Upon acquisition the majority of the discontinued real estate portfolio was considered credit-impaired and written down to fair value At December 31 2011 the Countrywide PCI loan portfolio was $9.9 billion or 89 percent of the total discontinued real estate portfolio This portfolio is included in *All Other* and is managed as part of our overall ALM activities See Countrywide Purchased Credit-impaired Loan Portfolio on page 89 for more information on the discontinued real estate portfolio

At December 31 2011 the purchased discontinued real estate portfolio that was not credit-impaired was $1.2 billion Loans with greater than 90 percent refreshed LTVs and CLTVs comprised 28 percent of the portfolio and those with refreshed FICO scores below 620 represented 44 percent of the portfolio The Los Angeles-Long Beach-Santa Ana MSA within California made up 16 percent of outstanding discontinued real estate loans at December 31 2011

Pay option adjustable-rate mortgages (ARMs) which are included in the discontinued real estate portfolio have interest rates that adjust monthly and minimum required payments that adjust annually subject to resetting of the loan if minimum payments are made and deferred interest limits are reached Annual payment adjustments are subject to a 7.5 percent maximum change To ensure that contractual loan payments are adequate to repay a loan the fully-amortizing loan payment amount is re-established after the initial five- or 10-year period and again every five years thereafter These payment adjustments are not subject to the 7.5 percent limit and may be substantial due to changes in interest rates and the addition of unpaid interest to the loan balance Payment advantage ARMs have interest rates that are fixed for an initial period of five years Payments are subject to reset if the minimum payments are made and deferred interest limits are reached If interest deferrals cause a loan's principal balance to reach a certain level within the first 10 years of the life of the loan the payment is reset to the interest-only payment then at the 10-year point the fully-amortizing payment is required

The difference between the frequency of changes in a loan's interest rates and payments along with a limitation on changes in the minimum monthly payments of 7.5 percent per year can result in payments that are not sufficient to pay all of the monthly interest charges (i.e. negative amortization) Unpaid interest is added to the loan balance until the loan balance increases to a specified limit which can be no more than 115 percent of the original loan amount at which time a new monthly payment amount adequate to repay the loan over its remaining contractual life is established

At December 31 2011 the unpaid principal balance of pay option loans was $11.7 billion with a carrying amount of $9.9 billion including $9.0 billion of loans that were credit-impaired upon acquisition and accordingly are reserved for based on a life-of-loan loss estimate The total unpaid principal balance of pay option loans with accumulated negative amortization was $9.5 billion including $672 million of negative amortization For those borrowers who are making payments in accordance with their contractual terms the percentage electing to make only the minimum payment on option ARMs was 72 percent at December 31 2011 and 69 percent at December 31 2010 We continue to evaluate our exposure to payment resets on the acquired negative-amortizing loans including the Countrywide PCI pay option loan portfolio and have taken into consideration several assumptions regarding this evaluation including prepayment and default rates Of the loans in the pay option portfolio at December 31 2011 that have not already experienced a payment reset seven percent are expected to reset in 2012 and approximately 17 percent are expected to reset thereafter In addition approximately seven percent are expected to prepay and approximately 69 percent are expected to default prior to being reset most of which were severely delinquent as of December 31 2011

Countrywide Purchased Credit-Impaired Loan Portfolio

Loans acquired with evidence of credit quality deterioration since origination and for which it is probable at purchase that we will be unable to collect all contractually required payments are accounted for under the accounting guidance for PCI loans which addresses accounting for differences between contractual and expected cash flows to be collected from the purchaser's initial investment in loans if those differences are attributable at least in part to credit quality Evidence of credit quality deterioration as of the acquisition date may include statistics such as past due status refreshed FICO scores and refreshed LTVs PCI loans are recorded at fair value upon acquisition and the applicable accounting guidance prohibits carrying over or recording a valuation allowance in the initial accounting

Table 28 presents the unpaid principal balance carrying value related valuation allowance and the net carrying value as a percentage of the unpaid principal balance for the Countrywide PCI loan portfolio at December 31 2011 and 2010

Table 28 Countrywide Purchased Credit-Impaired Loan Portfolio

	December 31, 2011				
(Dollars in millions)	Unpaid Principal Balance	Carrying Value	Related Valuation Allowance	Carrying Value Net of Valuation Allowance	% of Unpaid Principal Balance
Residential mortgage	$ 10,426	$ 8,996	$ 1,831	$ 6,835	83.82%
Home equity	12,818	11,978	3,139	8,849	84.72
Discontinued real estate	11,891	9,857	1,969	7,888	66.08
Total Countrywide purchased credit-impaired loan portfolio	$ 34,835	$ 30,831	$ 6,939	$ 23,943	67.04

	December 31, 2010				
Residential mortgage	$ 11,481	$ 10,592	$ 863	$ 9,929	86.48%
Home equity	15,072	12,580	4,457	8,123	53.89
Discontinued real estate	14,893	11,852	1,204	10,448	70.15
Total Countrywide purchased credit-impaired loan portfolio	$ 41,446	$ 34,834	$ 6,334	$ 28,500	68.76

Of the unpaid principal balance at December 31 2011 $12.7 billion was 180 days or more past due including $9.0 billion of first-lien and $3.7 billion of home equity Of the $22.1 billion that is less than 180 days past due $19.1 billion or 86 percent of the total unpaid principal balance was current based on the contractual terms while $1.6 billion or seven percent was in early stage delinquency During 2011 we recorded $2.1 billion of provision for credit losses for the Countrywide PCI loan portfolio including $1.1 billion for discontinued real estate $667 million for home equity loans and $355 million for residential mortgage This compared to a total provision of $2.3 billion in 2010 Provision expense in 2011 was driven primarily by a more negative home price outlook versus previous expectations For further information on the Countrywide PCI loan portfolio see *Note 6 – Outstanding Loans and Leases* to the Consolidated Financial Statements

Additional information is provided in the following sections on the Countrywide PCI residential mortgage home equity and discontinued real estate loan portfolios

Purchased Credit-Impaired Residential Mortgage Loan Portfolio

The Countrywide PCI residential mortgage loan portfolio comprised 31 percent of the total Countrywide PCI loan portfolio Those loans to borrowers with a refreshed FICO score below 620 represented 38 percent of the Countrywide PCI residential mortgage loan portfolio at December 31 2011 Loans with a refreshed LTV greater than 90 percent represented 62 percent of the Countrywide PCI residential mortgage loan portfolio after consideration of purchase accounting adjustments and the related valuation allowance and 84 percent based on the unpaid principal balance at December 31 2011 Those loans that were originally classified as Countrywide PCI discontinued real estate loans upon acquisition and have been subsequently modified are now included in the Countrywide PCI residential mortgage outstandings Table 29 presents outstandings net of purchase accounting adjustments and before the related valuation allowance by certain state concentrations

Table 29 Outstanding Countrywide Purchased Credit-Impaired Loan Portfolio – Residential Mortgage State Concentrations

	December 31	
(Dollars in millions)	2011	2010
California	$ 6,895	$ 5,882
Florida	787	779
Virginia	583	579
Maryland	286	271
Texas	189	184
Other U.S./Non-U.S.	2,756	2,917
Total Countrywide purchased credit-impaired residential mortgage loan portfolio	$ 9,995	$ 10,592

Purchased Credit-Impaired Home Equity Loan Portfolio

The Countrywide PCI home equity portfolio comprised 38 percent of the total Countrywide PCI loan portfolio. Those loans with a refreshed FICO score below 620 represented 27 percent of the Countrywide PCI home equity portfolio at December 31 2011. Loans with a refreshed CLTV greater than 90 percent represented 61 percent of the Countrywide PCI home equity portfolio after consideration of purchase accounting adjustments and the related valuation allowance, and 83 percent based on the unpaid principal balance at December 31 2011. Table 30 presents outstandings net of purchase accounting adjustments and before the related valuation allowance by certain state concentrations.

Table 30 Outstanding Countrywide Purchased Credit-Impaired Loan Portfolio – Home Equity State Concentrations

	December 31	
(Dollars in millions)	2011	2010
California	$ 3,899	$ 4,178
Florida	786	750
Arizona	508	520
Virginia	468	532
Colorado	387	375
Other U.S./Non-U.S.	6,911	6,235
Total Countrywide purchased credit-impaired home equity portfolio	$ 11,979	$ 12,590

Purchased Credit-Impaired Discontinued Real Estate Loan Portfolio

The Countrywide PCI discontinued real estate loan portfolio comprised 31 percent of the total Countrywide PCI loan portfolio. Those loans to borrowers with a refreshed FICO score below 620 represented 61 percent of the Countrywide PCI discontinued real estate loan portfolio at December 31 2011. Loans with a refreshed LTV or CLTV in the case of second-liens greater than 90 percent represented 40 percent of the Countrywide PCI discontinued real estate loan portfolio after consideration of purchase accounting adjustments and the related valuation allowance, and 84 percent based on the unpaid principal balance at December 31 2011. Those loans that were originally classified as discontinued real estate loans upon acquisition and have been subsequently modified are now excluded from this portfolio and included in the Countrywide PCI residential mortgage loan portfolio, but remain in the PCI loan pool. Table 31 presents outstandings net of purchase accounting adjustments and before the related valuation adjustment, by certain state concentrations.

Table 31 Outstanding Countrywide Purchased Credit-Impaired Loan Portfolio – Discontinued Real Estate State Concentrations

	December 31	
(Dollars in millions)	2011	2010
California	$ 5,561	$ 6,322
Florida	986	1,121
Washington	551	368
Virginia	377	344
Arizona	251	339
Other U.S./Non-U.S.	2,779	3,158
Total Countrywide purchased credit-impaired discontinued real estate loan portfolio	$ 9,907	$ 11,652

U.S. Credit Card

The consumer U.S. credit card portfolio is managed in *Card Services*. Outstandings in the U.S. credit card loan portfolio decreased $11.5 billion compared to December 31 2010 due to higher payment rates, charge-offs and portfolio divestitures. For 2011, net charge-offs decreased $5.8 billion to $7.3 billion compared to 2010 due to improvements in delinquencies, collections and bankruptcies as a result of an improved economic environment and the impact of higher credit quality originations. U.S. credit card loans 30 days or more past due and still accruing interest decreased $2.1 billion while loans 90 days or more past due and still accruing interest decreased $1.3 billion compared to December 31 2010 due to improvement in the U.S. economy. Table 32 presents certain key credit statistics for the consumer U.S. credit card portfolio.

Table 32 U.S. Credit Card – Key Credit Statistics

	December 31	
(Dollars in millions)	2011	2010
Outstandings	$ 102,391	$ 113,785
Accruing past due 30 days or more	5,433	5,913
Accruing past due 90 days or more	3,079	3,320
	2011	2010
Net charge-offs	$ 7,376	$ 13,027
Net charge-off ratios (1)	6.80%	11.04%

(1) Net charge-off ratios are calculated as net charge-offs divided by average outstanding loans and leases.

Unused lines of credit for U.S. credit card totaled $368.1 billion and $399.7 billion at December 31 2011 and 2010. The $31.6 billion decrease was driven by portfolio divestitures, closure of inactive accounts and account management initiatives on higher risk accounts.

Table 33 presents certain state concentrations for the U.S. credit card portfolio.

Table 33 U.S. Credit Card State Concentrations

	December 31					
	Outstandings		Accruing Past Due 90 Days or More		Net Charge-offs	
(Dollars in millions)	2011	2010	2011	2010	2011	2010
California	$ 15,366	$ 17,028	$ 362	$ 612	$ 1,402	$ 2,752
Florida	7,899	9,121	221	376	630	1,011
Texas	6,995	7,581	181	207	439	784
New York	6,135	6,962	136	182	409	694
New Jersey	4,185	4,378	96	132	276	452
Other U.S.	61,822	68,614	1,184	1,801	3,920	6,734
Total U.S. credit card portfolio	$ 102,391	$ 113,785	$ 2,079	$ 3,320	$ 7,376	$ 13,027

Non-U.S. Credit Card

During 2011 we sold our Canadian consumer card business and we are evaluating our remaining international consumer card portfolios. In light of these actions, the international consumer card portfolios were moved from *Card Services* to *All Other*.

Outstandings in the non-U.S. credit card portfolio decreased $13.0 billion in 2011 primarily due to the sale of the Canadian consumer credit card portfolio, lower origination volume and charge-offs. Net charge-offs decreased $1.0 billion in 2011 to $1.2 billion due to the sale of previously charged-off loans, portfolio sales and improvements in delinquencies, collections and insolvencies.

Unused lines of credit for non-U.S. credit card totaled $36.8 billion and $60.3 billion at December 31 2011 and 2010. The $23.5 billion decrease was driven primarily by the sale of the Canadian consumer credit card portfolio.

Table 34 presents certain key credit statistics for the non-U.S. credit card portfolio.

Table 34 Non-U.S. Credit Card – Key Credit Statistics

	December 31	
(Dollars in millions)	2011	2010
Outstandings	$ 14,418	$ 27,465
Accruing past due 30 days or more	610	1,354
Accruing past due 90 days or more	342	599
	2011	2010
Net charge-offs	$ 1,169	$ 2,207
Net charge-off ratios (1)	4.89%	7.88%

(1) Net charge-off ratios are calculated as net charge-offs divided by average outstanding loans and leases.

Direct/Indirect Consumer

At December 31 2011, approximately 48 percent of the direct/indirect portfolio was included in *Global Commercial Banking* (dealer financial services - automotive, marine, aircraft and recreational vehicle loans). 36 percent was included in *GWIM* (principally other non-real estate-secured, unsecured personal loans and securities-based lending margin loans), nine percent was included in *Card Services* (consumer personal loans) and the remainder was in *All Other* (student loans).

Outstanding loans and leases decreased $595 million to $89.7 billion in 2011 due to lower outstandings in the *Card Services* unsecured consumer lending portfolio partially offset by growth in securities based lending and product transfers from U.S. commercial. For 2011, net charge-offs decreased $1.9 billion to $1.5 billion or 1.64 percent of total average direct/indirect loans compared to 3.45 percent for 2010. This decrease was primarily driven by improvements in delinquencies, collections and bankruptcies in the unsecured consumer lending portfolio as a result of an improved economic environment as well as reduced outstandings. An additional driver was lower net charge-offs in the dealer financial services portfolio due to the impact of higher credit quality originations and higher resale values.

Net charge-offs in the unsecured consumer lending portfolio decreased $1.6 billion to $1.1 billion in 2011, or 10.93 percent of total average unsecured consumer lending loans compared to 17.24 percent for 2010. Net charge-offs in the dealer financial services portfolio decreased $199 million to $293 million in 2011, or 0.69 percent of total average dealer financial services loans compared to 1.08 percent for 2010. Direct/indirect loans that were past due 30 days or more and still accruing interest declined $745 million to $1.9 billion at December 31 2011 compared to $2.6 billion at December 31 2010 due to improvements in both the unsecured consumer lending and dealer financial services portfolios.

Table 35 presents certain state concentrations for the direct/indirect consumer loan portfolio

Table 35 Direct/Indirect State Concentrations

	December 31					
	Outstandings		Accruing Past Due 90 Days or More		Net Charge-offs	
(Dollars in millions)	2011	2010	2011	2010	2011	2010
California	$ 11,162	$ 10,558	$ 61	$ 132	$ 223	$ 591
Texas	7,862	7,885	84	78	117	262
Florida	7,455	6,725	85	80	146	343
New York	5,160	4,770	40	56	70	183
Georgia	3,238	2,814	35	44	61	126
Other U.S./Non-U.S.	55,298	57,556	478	668	849	1,831
Total direct/indirect loan portfolio	$ 89,719	$ 90,308	$ 748	$ 1,058	$ 1,476	$ 3,336

Other Consumer

At December 31, 2011, approximately 96 percent of the $2.7 billion other consumer portfolio was associated with certain consumer finance businesses that we previously exited and non-U.S. consumer loan portfolios that are included in *All Other*. The remainder is primarily deposit overdrafts in Deposits.

Consumer Loans Accounted for Under the Fair Value Option

Outstanding consumer loans accounted for under the fair value option were $2.2 billion at December 31, 2011 and include $1.3 billion of discontinued real estate loans and $906 million of residential mortgage loans as a result of the consolidation of VIEs. During 2011, we recorded losses of $837 million resulting from changes in the fair value of the loan portfolio. These losses were offset by gains recorded on the related long-term debt.

Nonperforming Consumer Loans and Foreclosed Properties Activity

Table 36 presents nonperforming consumer loans and foreclosed properties activity during 2011 and 2010. Nonperforming LHFS are excluded from nonperforming loans as they are recorded at either fair value or the lower of cost or fair value. Nonperforming loans do not include past due consumer credit card loans and, in general, past due consumer loans not secured by real estate as these loans are generally charged off no later than the end of the month in which the loan becomes 180 days past due. The fully-insured loan portfolio is not reported as nonperforming as principal repayment is insured. Additionally, nonperforming loans do not include the Countrywide PCI loan portfolio or loans that we account for under the fair value option. For further information on nonperforming loans, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements. Nonperforming loans declined to $18.8 billion at December 31, 2011 compared to $20.9 billion at December 31, 2010. Delinquency inflows to nonperforming loans slowed compared to the prior year due to favorable portfolio trends and were more than offset by charge-offs, nonperforming loans returning to performing status, and paydowns and payoffs.

The outstanding balance of a real estate-secured loan that is in excess of the estimated property value, after reducing the estimated property value for estimated costs to sell, is charged off no later than the end of the month in which the loan becomes 180 days past due unless repayment of the loan is fully insured. At December 31, 2011, $14.6 billion, or 71 percent, of nonperforming consumer real estate loans and foreclosed properties had been written down to their estimated property value less estimated costs to sell, including $12.6 billion of nonperforming loans 180 days or more past due and $2.0 billion of foreclosed properties.

Foreclosed properties increased $742 million in 2011 as additions outpaced liquidations. PCI loans are excluded from nonperforming loans as these loans were written down to fair value at the acquisition date. However, once the underlying real estate is acquired by the Corporation upon foreclosure of the delinquent PCI loan, it is included in foreclosed properties. Net changes to foreclosed properties related to PCI loans increased $411 million in 2011. Not included in foreclosed properties at December 31, 2011 was $1.4 billion of real estate that was acquired upon foreclosure of delinquent FHA-insured loans. We hold this real estate on our balance sheet until we convey these properties to the FHA. We exclude these amounts from our nonperforming loans and foreclosed properties activity as we will be reimbursed once the property is conveyed to the FHA for principal and, up to certain limits, costs incurred during the foreclosure process and interest incurred during the holding period. For additional information on the review of our foreclosure processes, see Off-Balance Sheet Arrangements and Contractual Obligations – Other Mortgage-related Matters on page 63.

Restructured Loans

Nonperforming loans also include certain loans that have been modified in TDRs where economic concessions have been granted to borrowers experiencing financial difficulties. These concessions typically result from the Corporation's loss mitigation activities and could include reductions in the interest rate, payment extensions, forgiveness of principal, forbearance or other actions. Certain TDRs are classified as nonperforming at the time of restructuring and may only be returned to performing status after considering the borrower's sustained repayment performance under revised payment terms for a reasonable period, generally six months. Nonperforming TDRs, excluding those modified loans in the Countrywide PCI loan portfolio, are included in Table 36.

As a result of accounting guidance on PCI loans beginning January 1, 2010, modifications of loans in the PCI loan portfolio do not result in removal of the loan from the PCI loan pool. TDRs in the consumer real estate portfolio that were removed from the PCI loan portfolio prior to the adoption of this accounting guidance were $1.9 billion and $2.1 billion at December 31, 2011 and 2010, of which $477 million and $426 million were nonperforming. These nonperforming loans are excluded from Table 36.

Nonperforming consumer real estate TDRs as a percentage of total nonperforming consumer loans and foreclosed properties increased to 26 percent at December 31, 2011 from 16 percent at December 31, 2010.

Table 36 Nonperforming Consumer Loans and Foreclosed Properties Activity[1]

(Dollars in millions)	2011	2010
Nonperforming loans, January 1	$ 20,994	$ 20,839
Additions to nonperforming loans		
New nonperforming loans[2]	16,725	21,584
Reductions to nonperforming loans		
Paydowns and payoffs	(5,514)	(2,809)
Returns to performing status[3]	(4,741)	(7,647)
Charge-offs[4]	(3,065)	(9,772)
Transfers to foreclosed properties	(1,628)	(1,341)
Total net additions (reductions) to nonperforming loans	(2,063)	15
Total nonperforming loans, December 31[5]	18,786	20,854
Foreclosed properties, January 1	1,349	1,428
Additions to foreclosed properties		
New foreclosed properties	2,866	2,337
Reductions to foreclosed properties		
Sales	(1,987)	(2,327)
Write-downs	(391)	(189)
Total net additions (reductions) to foreclosed properties	742	(179)
Total foreclosed properties, December 31	2,091	1,249
Nonperforming consumer loans and foreclosed properties, December 31	$ 20,780	$ 22,103
Nonperforming consumer loans as a percentage of outstanding consumer loans[6]	2.09%	2.24%
Nonperforming consumer loans and foreclosed properties as a percentage of outstanding consumer loans and foreclosed properties[6]	2.31	2.43

[1] Balances do not include nonperforming LHFS of $680 million and $1.0 billion at December 31, 2011 and 2010, as well as loans accruing past due 90 days or more as presented in Table 21 and Note 6 – Outstanding Loans and Leases to the Consolidated Financial Statements.

[2] 2010 includes $443 million of nonperforming loans as a result of the consolidation of multiple-seller conduits.

[3] Consumer loans may be returned to performing status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected, or when the loan otherwise becomes well-secured and is in the process of collection. Certain TDRs are classified as nonperforming at the time of restructuring and may only be returned to performing status after considering the borrower's sustained repayment performance for a reasonable period, generally six months.

[4] Our policy is to not classify consumer credit card and consumer loans, not secured by real estate, as nonperforming; therefore, charge-offs on these loans have no impact on nonperforming activity and, accordingly, are excluded from this table.

[5] At December 31, 2011, 67 percent of nonperforming loans 180 days or more past due were written down through charge-offs to 84 percent of the unpaid principal balances.

[6] Outstanding consumer loans exclude loans accounted for under the fair value option.

Our policy is to record any losses in the value of foreclosed properties as a reduction in the allowance for loan and lease losses during the first 90 days after transfer of a loan to foreclosed properties. Thereafter, all gains and losses in value are recorded in noninterest expense. New foreclosed properties in Table 36 are net of $352 million and $575 million of charge-offs for 2011 and 2010, recorded during the first 90 days after transfer.

We also work with customers that are experiencing financial difficulty by modifying credit card and other consumer loans while complying with Federal Financial Institutions Examination Council (FFIEC) guidelines. Substantially all of our credit card and other consumer loan modifications involve a reduction in the cardholder's interest rate on the account and placing the customer on a fixed payment plan not exceeding 60 months, all of which are considered to be TDRs (the renegotiated TDR portfolio). We make modifications primarily through internal renegotiation programs utilizing direct customer contact, but may also utilize external renegotiation programs. The renegotiated TDR portfolio is excluded from Table 36 as substantially all of these loans remain on accrual status until either charged-off or paid in full. At December 31, 2011, our renegotiated TDR portfolio was $7.1 billion, of which $5.5 billion was current or less than 30 days past due under the modified terms compared to $11.4 billion at December 31, 2010, of which $8.7 billion was current or less than 30 days past due under the modified terms. The decline in the renegotiated TDR portfolio was primarily driven by attrition throughout 2011 as well as lower new program enrollments. For more information on the renegotiated TDR portfolio, see *Note 6 – Outstanding Loans and Leases* to the Consolidated Financial Statements.

As a result of new accounting guidance on TDRs, loans that are participating in or that have been offered a binding trial modification are classified as TDRs. At December 31, 2011, we classified an additional $2.6 billion of home loans as TDRs that were participating in or had been offered a trial modification. These home loans had an aggregate allowance for credit losses of $154 million at December 31, 2011. For additional information, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements.

Table 37 presents TDRs for the home loans portfolio Performing TDR balances are excluded from nonperforming loans in Table 36

Table 37 Home Loans Troubled Debt Restructurings

	December 31					
	2011			2010		
(Dollars in millions)	Total	Nonperforming	Performing	Total	Nonperforming	Performing
Residential mortgage (1, 2)	$ 18,367	$ 5,084	$ 14,283	$ 11 788	$ 3 297	$ 8 491
Home equity (3)	4,776	648	1,335	1 721	541	1 180
Discontinued real estate (4)	398	114	198	395	706	189
Total home loans troubled debt restructurings	$ 23,483	$ 5,781	$ 15,671	$ 13 904	$ 4 044	$ 9 860

(1) Residential mortgage TDRs deemed collateral dependent totaled $8 3 billion and $3 3 billion and included $2 2 billion and $821 million of loans classified as nonperforming and $3 1 billion and $2 3 billion of loans classified as performing at December 31 2011 and 2010

(2) Residential mortgage performing TDRs included $7 0 billion and $2 8 billion of loans that were fully-insured at December 31 2011 and 2010

(3) Home equity TDRs deemed collateral dependent totaled $824 million and $798 million and included $282 million and $245 million of loans classified as nonperforming and $542 million and $553 million of loans classified as performing at December 31 2011 and 2010

(4) Discontinued real estate TDRs deemed collateral dependent totaled $239 million and $213 million and included $118 million and $87 million of loans classified as nonperforming and $112 million and $126 million as performing at December 31 2011 and 2010

Commercial Portfolio Credit Risk Management

Credit risk management for the commercial portfolio begins with an assessment of the credit risk profile of the borrower or counterparty based on an analysis of its financial position As part of the overall credit risk assessment our commercial credit exposures are assigned a risk rating and are subject to approval based on defined credit approval standards Subsequent to loan origination risk ratings are monitored on an ongoing basis and if necessary adjusted to reflect changes in the financial condition cash flow risk profile or outlook of a borrower or counterparty In making credit decisions we consider risk rating collateral country industry and single name concentration limits while also balancing the total borrower or counterparty relationship Our business and risk management personnel use a variety of tools to continuously monitor the ability of a borrower or counterparty to perform under its obligations We use risk rating aggregations to measure and evaluate concentrations within portfolios In addition risk ratings are a factor in determining the level of assigned economic capital and the allowance for credit losses

For information on our accounting policies regarding delinquencies nonperforming status and net charge-offs for the commercial portfolio see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements

Management of Commercial Credit Risk Concentrations

Commercial credit risk is evaluated and managed with the goal that concentrations of credit exposure do not result in undesirable levels of risk We review measure and manage concentrations of credit exposure by industry product geography customer relationship and loan size We also review measure and manage commercial real estate loans by geographic location and property type In addition within our international portfolio we evaluate exposures by region and by country Tables 42 47 53 and 54 summarize our concentrations We also utilize syndications of exposure to third parties loan sales hedging and other risk mitigation techniques to manage the size and risk profile of the commercial credit portfolio

As part of our ongoing risk mitigation initiatives we attempt to work with clients experiencing financial difficulty to modify their loans to terms that better align with their current ability to pay In situations where an economic concession has been granted to a borrower experiencing financial difficulty we identify these loans as TDRs

We account for certain large corporate loans and loan commitments including issued but unfunded letters of credit which are considered utilized for credit risk management purposes that exceed our single name credit risk concentration guidelines under the fair value option Lending commitments both funded and unfunded are actively managed and monitored and as appropriate credit risk for these lending relationships may be mitigated through the use of credit derivatives with the Corporation s credit view and market perspectives determining the size and timing of the hedging activity In addition we purchase credit protection to cover the funded portion as well as the unfunded portion of certain other credit exposures To lessen the cost of obtaining our desired credit protection levels credit exposure may be added within an industry borrower or counterparty group by selling protection These credit derivatives do not meet the requirements for treatment as accounting hedges They are carried at fair value with changes in fair value recorded in other income (loss)

Commercial Credit Portfolio

During 2011 credit quality in the commercial loans portfolio showed improvement relative to 2010 Commercial loans increased in 2011 primarily due to growth in commercial and industrial lending Non-U S commercial loan growth centered in corporate loans and trade finance was driven by higher client demand enterprise-wide initiatives regional economic conditions and disruption in debt and equity markets leading to higher utilization Growth in U S commercial loans was driven by domestic economic momentum This was partially offset by declines in commercial real estate loans as net paydowns and sales outpaced new originations and renewals

Reservable criticized balances net charge-offs and nonperforming loans leases and foreclosed property balances in the commercial credit portfolio declined in 2011 The reductions in reservable criticized and nonperforming loans leases and foreclosed property were primarily in the commercial real estate and U S commercial portfolios Commercial real estate continued to show improvement during 2011 compared to 2010 in both the homebuilder and non-homebuilder portfolios However levels of stressed commercial real estate loans remain elevated The reduction in reservable criticized U S commercial loans was driven by broad-based improvements in terms of clients industries and businesses Most other credit indicators across the remaining commercial portfolios also improved

Table 38 presents our commercial loans and leases and related credit quality information at December 31 2011 and 2010

Table 38 Commercial Loans and Leases

	December 31					
	Outstandings		Nonperforming		Accruing Past Due 90 Days or More	
(Dollars in millions)	2011	2010	2011	2010	2011	2010
U S commercial	$ 178,946	$ 175 546	$ 2,174	$ 3 453	$ 75	$ 236
Commercial real estate (1)	50,996	49 901	5,880	5 629	7	47
Commercial lease financing	21,999	21,942	98	117	16	18
Non-U S commercial	98,410	32 079	149	233	–	6
	350,351	278 950	8,333	9 832	98	307
U S small business commercial (2)	15,381	14 719	114	204	218	325
Commercial loans excluding loans accounted for under the fair value option	310,302	293 669	8,887	9 836	316	632
Loans accounted for under the fair value option (3)	8,814	3 321	73	30	–	–
Total commercial loans and leases	$ 319,816	$ 296 990	$ 8,460	$ 9 866	$ 316	$ 632

(1) Includes U S commercial real estate loans of $37 5 billion and $40 9 billion and non-U S commercial real estate loans of $13 0 billion and $9 0 billion at December 31 2011 and 2010

(2) Includes card-related products

(3) Commercial loans accounted for under the fair value option include U S commercial loans of $2 2 billion and $1 6 billion non-U S commercial loans of $4 4 billion and $1 7 billion and commercial real estate loans of $0 and $79 million at December 31 2011 and 2010 See Note 23 – Fair Value Option to the Consolidated Financial Statements for additional information on the fair value option

Nonperforming commercial loans and leases as a percentage of outstanding commercial loans and leases were 2 02 percent and 3 32 percent (2 04 percent and 3 35 percent excluding loans accounted for under the fair value option) at December 31 2011 and 2010 Accruing commercial loans and leases past due 90 days or more as a percentage of outstanding commercial loans and leases were 0 10 percent and 0 21 percent (0 10 percent and 0 22 percent excluding loans accounted for under the fair value option) at December 31 2011 and 2010

Table 39 presents net charge-offs and related ratios for our commercial loans and leases for 2011 and 2010 Improving portfolio trends drove lower charge-offs and higher recoveries across most of the portfolio Commercial real estate net charge-offs during 2011 declined in both the homebuilder and non-homebuilder portfolios U S small business commercial net charge-offs declined primarily due to improvements in delinquencies collections and bankruptcies U S commercial charge-offs decreased during 2011 due to broad-based declines from improvements in client profiles industries and businesses

Table 39 Commercial Net Charge-offs and Related Ratios

	Net Charge-offs		Net Charge-off Ratios (1)	
(Dollars in millions)	2011	2010	2011	2010
U S commercial	$ 196	$ 881	0.11%	0.50%
Commercial real estate	947	2 017	2.18	3 37
Commercial lease financing	94	57	0.41	0 27
Non-U S commercial	153	111	0.09	0 19
	1,316	3 066	0.40	1 07
U S small business commercial	998	1 918	7.13	12 00
Total commercial	$ 2,314	$ 4 984	0.77	1 64

(1) Net charge-off ratios are calculated as net charge-offs divided by average outstanding loans and leases excluding loans accounted for under the fair value option

Table 40 presents commercial credit exposure by type for utilized unfunded and total binding committed credit exposure Commercial utilized credit exposure includes SBLCs financial guarantees bankers acceptances and commercial letters of credit for which the Corporation is legally bound to advance funds under prescribed conditions during a specified period Although funds have not yet been advanced these exposure types are considered utilized for credit risk management purposes Total commercial committed credit exposure increased $10 4 billion at December 31 2011 compared to December 31 2010 driven primarily by increases in loans and leases partially offset by decreases in SBLCs LHFS and bankers acceptances

Total commercial utilized credit exposure increased $6 1 billion in 2011 driven primarily by increases in loans and leases partially offset by decreases in SBLCs LHFS and bankers acceptances Utilized loans and leases increased primarily due to growth and higher revolver utilization in our international franchise and were partially offset by run-off in the commercial real estate portfolio and the transfer of securities-based lending exposures from our U S commercial portfolio to the consumer portfolio during 2011 The utilization rate for loans and leases SBLCs and financial guarantees and bankers acceptances was 57 percent at both December 31 2011 and 2010

Table 40 Commercial Credit Exposure by Type

	December 31					
	Commercial Utilized (1)		Commercial Unfunded (2, 3)		Total Commercial Committed	
(Dollars in millions)	2011	2010	2011	2010	2011	2010
Loans and leases	$ 316,516	$ 296 000	$ 276,185	$ 272 172	$ 592,701	$ 569 182
Derivative assets (4)	73,039	73 000	--	--	73,039	73 000
Standby letters of credit and financial guarantees	56,394	62 745	1,582	1 511	58,976	64 256
Debt securities and other investments (5)	11,109	10 216	5,147	4 546	16,256	14 762
Loans held-for-sale	8,006	10 360	239	242	8,245	10 622
Commercial letters of credit	2,411	2 654	832	1 179	3,243	3 833
Bankers acceptances	797	3 708	26	23	823	3 729
Foreclosed properties and other (6)	1,864	731	--	--	1,864	731
Total	$ 490,309	$ 480 422	$ 284,029	$ 279 673	$ 780,863	$ 740 095

(1) Total commercial utilized exposure at December 31 2011 and 2010 includes loans outstanding of $9 6 billion and $3 2 billion and letters of credit with a notional value of $1 2 billion and $1 4 billion accounted for under the fair value option
(2) Total commercial unfunded exposure at December 31 2011 and 2010 includes loan commitments accounted for under the fair value option with a notional value of $24 4 billion and $29 8 billion
(3) Excludes unused business card lines which are not legally binding
(4) Derivative assets are carried at fair value reflect the effects of legally enforceable master netting agreements and have been reduced by cash collateral of $56 9 billion and $66 3 billion at December 31 2011 and 2010 Not reflected in utilized and committed exposure is additional derivative collateral held of $18 1 billion and $17 7 billion which consists primarily of other marketable securities
(5) Total commercial committed exposure consists of $10 3 billion and $14 2 billion of debt securities and $6 and $800 million of other investments at December 31 2011 and 2010
(6) Includes $1 3 billion of net recorded exposure at December 31 2011 as discussed in Variable Interest Entities and Related Exposure on page 101

Table 41 presents commercial utilized reservable criticized exposure by product type Criticized exposure corresponds to the Special Mention Substandard and Doubtful asset categories as defined by regulatory authorities Total commercial utilized reservable criticized exposure decreased $15 4 billion or 36 percent in 2011 due to broad-based decreases across most portfolios primarily in commercial real estate and U S commercial driven largely by continued paydowns sales and ratings upgrades outpacing downgrades Despite the improvements utilized reservable criticized levels remain elevated particularly in commercial real estate and U S small business commercial At December 31 2011 approximately 85 percent of commercial utilized reservable criticized exposure was secured compared to 88 percent at December 31 2010

Table 41 Commercial Utilized Reservable Criticized Exposure

	December 31			
	2011		2010	
(Dollars in millions)	Amount (1)	Percent (2)	Amount (1)	Percent (2)
U S commercial	$ 11,731	3.69%	$ 17 195	7 44%
Commercial real estate	11,825	37.13	20 518	38 88
Commercial lease financing	1,149	3.13	1 188	5 41
Non-U S commercial	1,834	2.64	2 043	5 01
	26,539	7.53	40 944	11 81
U S small business commercial	1,827	10.01	1,677	11 37
Total commercial utilized reservable criticized exposure	$ 27,947	7.41	$ 42 621	11 80

(1) Total commercial utilized reservable criticized exposure at December 31 2011 and 2010 includes loans and leases of $38 2 billion and $39 3 billion and non-covered letters of credit of $1 9 billion and $2 8 billion
(2) Percentages are calculated as commercial utilized reservable criticized exposure divided by total commercial utilized reservable exposure for each exposure category

U.S. Commercial

At December 31 2011 56 percent of the U S commercial loan portfolio excluding small business was managed in *Global Commercial Banking* and 30 percent in *GBAM* The remaining 12 percent was mostly in *GWIM* (business-purpose loans for wealthy clients) U S commercial loans excluding loans accounted for under the fair value option increased $4 4 billion in 2011 due to continued growth and higher revolver utilization across the portfolio This increase was net of a product reclassification for certain trade loans to non-U S commercial in 2011 as well as the transfer of securities-based lending loans to the consumer portfolio earlier in 2011 which together totaled $5 3 billion Reservable criticized balances and nonperforming loans and leases declined $5 5 billion and $1 3 billion in 2011 The declines were broad-based in terms of clients and industries and were driven by improved client credit profiles and liquidity Net charge-offs decreased $686 million in 2011 due to broad-based declines from credit quality improvements mentioned above driving lower charge-offs and higher recoveries

Commercial Real Estate

The commercial real estate portfolio is predominantly managed in *Global Commercial Banking* and consists of loans made primarily to public and private developers homebuilders and commercial real estate firms Outstanding loans decreased $9 8 billion in 2011 due to paydowns and sales which outpaced new originations and renewals Over 90 percent of this decrease occurred within reservable criticized

The portfolio remains diversified across property types and geographic regions California represented the largest state concentration of commercial real estate loans and leases at 20 percent and 18 percent at December 31 2011 and 2010 For more information on geographic and property concentrations see Table 42

Credit quality for commercial real estate continued to show signs of improvement, however we expect that elevated unemployment and ongoing pressure on vacancy and rental rates will continue to affect primarily the non-homebuilder portfolio Nonperforming commercial real estate loans and foreclosed properties decreased 31 percent in 2011 split evenly across the homebuilder and non-homebuilder portfolios The decline in nonperforming loans and foreclosed properties in the non-homebuilder portfolio was driven by decreases in the shopping centers/retail land and land development, and office property types Reservable criticized balances decreased $9 0 billion primarily due to declines in the office shopping centers/retail and multi-family rental property types in the non-homebuilder portfolio and improvement in the homebuilder portfolio Net charge-offs declined $1 1 billion in 2011 due to improvement in both the homebuilder and non-homebuilder portfolio

Table 42 presents outstanding commercial real estate loans by geographic region which is based on the geographic location of the collateral and property type Commercial real estate primarily includes commercial loans and leases secured by non-owner-occupied real estate which is dependent on the sale or lease of the real estate as the primary source of repayment

Table 42 Outstanding Commercial Real Estate Loans

	December 31	
(Dollars in millions)	2011	2010
By Geographic Region		
California	$ 7,867	$ 9 012
Northeast	6,864	7 639
Southwest	5,349	6 169
Southeast	4,844	5 806
Midwest	4,051	5 301
Florida	3,803	3 849
Illinois	1,871	2 811
Midsouth	1,781	2 827
Northwest	1,874	2 243
Non-U S	1,834	2 515
Other (1)	1,435	1 701
Total outstanding commercial real estate loans (2)	$ 39,896	$ 49 473
By Property Type		
Non-homebuilder		
Office	$ 7,871	$ 8 688
Multi-family rental	6,105	7 721
Shopping centers/retail	5,966	7 484
Industrial/warehouse	5,965	5 039
Multi-use	3,215	4 266
Hotels/motels	2,865	2 650
Land and land development	1,859	2 378
Other	6,080	5 950
Total non-homebuilder	37,169	46 174
Homebuilder	2,427	3 299
Total outstanding commercial real estate loans (2)	$ 39,896	$ 49 473

(1) Other states primarily represents properties in the states of Colorado Utah Hawaii Wyoming and Montana
(2) Includes commercial real estate loans accounted for under the fair value option of $79 million at December 31 2010 none at December 31 2011

During 2011 we continued to see improvement in the homebuilder portfolio Certain portions of the non-homebuilder portfolio remain at risk as occupancy rates rental rates and commercial property prices remain under pressure We use a number of proactive risk mitigation initiatives to reduce utilized and potential exposure in the commercial real estate portfolios including refinement of our credit standards additional transfers of deteriorating exposures to management by independent special asset officers and the pursuit of alternative resolution methods to achieve the best results for our customers and the Corporation

Tables 43 and 44 present commercial real estate credit quality data by non-homebuilder and homebuilder property types The homebuilder portfolio presented in Tables 42 43 and 44 includes condominiums and other residential real estate Other property types in Tables 42 43 and 44 primarily include special purpose nursing/retirement homes medical facilities and restaurants as well as unsecured loans to borrowers whose primary business is commercial real estate

Table 43 Commercial Real Estate Credit Quality Data

	December 31			
	Nonperforming Loans and Foreclosed Properties (1)		Utilized Reservable Criticized Exposure (2)	
(Dollars in millions)	2011	2010	2011	2010
Non-homebuilder				
Office	$ 807	$ 1,061	$ 2,575	$ 3,956
Multi-family rental	330	500	1,804	2,940
Shopping centers/retail	861	1,000	1,870	2,837
Industrial/warehouse	321	420	1,217	1,878
Multi-use	345	483	975	1,316
Hotels/motels	170	139	758	1,191
Land and land development	520	820	749	1,420
Other	225	168	997	1,604
Total non-homebuilder	3,499	4,591	10,971	17,142
Homebuilder	903	1,963	1,410	3,376
Total commercial real estate	$ 4,402	$ 6,554	$ 12,381	$ 20,518

(1) Includes commercial foreclosed properties of $812 million and $725 million at December 31, 2011 and 2010
(2) Includes loans, excluding those accounted for under the fair value option, SBLCs and bankers' acceptances

Table 44 Commercial Real Estate Net Charge-offs and Related Ratios

	Net Charge-offs		Net Charge-off Ratios (1)	
(Dollars in millions)	2011	2010	2011	2010
Non-homebuilder				
Office	$ 136	$ 273	1.81%	2.49%
Multi-family rental	96	118	0.82	1.21
Shopping centers/retail	184	318	2.09	3.58
Industrial/warehouse	68	59	1.04	1.07
Multi-use	61	143	1.08	2.82
Hotels/motels	23	45	0.88	1.02
Land and land development	182	377	7.86	13.04
Other	19	220	0.86	3.14
Total non-homebuilder	669	1,551	1.67	2.96
Homebuilder	298	466	6.69	8.26
Total commercial real estate	$ 967	$ 2,017	2.13	3.37

(1) Net charge-off ratios are calculated as net charge-offs divided by average outstanding loans, excluding loans accounted for under the fair value option

At December 31 2011 total committed non-homebuilder exposure was $53 1 billion compared to $64 2 billion at December 31 2010 with the decrease due to exposure reductions in all non-homebuilder property types Non-homebuilder nonperforming loans and foreclosed properties were $3 5 billion and $4 6 billion at December 31 2011 and 2010 which represented 9 29 percent and 10 08 percent of total non-homebuilder loans and foreclosed properties Non-homebuilder utilized reservable criticized exposure decreased to $10 1 billion or 25 34 percent of non-homebuilder utilized reservable exposure at December 31 2011 compared to $17 1 billion or 35 55 percent at December 31 2010 The decrease in reservable criticized exposure was driven primarily by office shopping centers/retail and multi-family rental property types For the non-homebuilder portfolio net charge-offs decreased $662 million in 2011 due in part to resolution of criticized assets through payoffs and sales

At December 31 2011 we had committed homebuilder exposure of $3 9 billion compared to $6 0 billion at December 31 2010 of which $2 4 billion and $4 3 billion were funded secured loans The decline in homebuilder committed exposure was due to repayments net charge-offs reductions in new home construction and continued risk mitigation initiatives with market conditions providing fewer origination opportunities to offset the reductions Homebuilder nonperforming loans and foreclosed properties decreased $970 million due to repayments a decline in the volume of loans being downgraded to nonaccrual status and net charge-offs Homebuilder utilized reservable criticized exposure decreased $2 0 billion to $1 4 billion due to repayments and net charge-offs The nonperforming loans leases and foreclosed properties and the utilized reservable criticized ratios for the homebuilder portfolio were 38 89 percent and 54 65 percent at December 31 2011 compared to 42 80 percent and 74 27 percent at December 31 2010 Net charge-offs for the homebuilder portfolio decreased $208 million in 2011

At December 31 2011 and 2010 the commercial real estate loan portfolio included $10 9 billion and $19 1 billion of construction and land development loans that were originated to fund the construction and/or rehabilitation of commercial properties The decline in construction and land development loans was driven by repayments net charge-offs and continued risk mitigation initiatives which outpaced new originations This portfolio is mostly secured and diversified across property types and geographic regions but faces continuing challenges in the housing and rental markets Weak rental demand and cash flows along with depressed property valuations of land have contributed to elevated levels of reservable criticized exposure nonperforming loans and foreclosed properties and net charge-offs Reservable criticized construction and land development loans totaled $4 9 billion and $10 5 billion and nonperforming construction and land development loans and foreclosed properties totaled $2 1 billion and $4 0 billion at December 31 2011 and 2010 During a property's construction phase interest income is typically paid from interest reserves that are established at the inception of the loan As construction is completed and the property is put into service these interest reserves are depleted and interest payments from operating cash flows begin Loans continue to be classified as construction loans until they are refinanced We do not recognize interest income on nonperforming loans regardless of the existence of an interest reserve

Non-U.S. Commercial

The non-U S commercial loan portfolio is managed primarily in *GBAM* Outstanding loans excluding loans accounted for under the fair value option increased $23 4 billion in 2011 from continued growth in corporate loans and trade finance due to client demand enterprise-wide initiatives regional economic conditions and disruption in debt and equity markets along with the product reclassification from U S commercial in 2011 For additional information on the non-U S commercial portfolio see Non-U S Portfolio on page 104

U.S. Small Business Commercial

The U S small business commercial loan portfolio is comprised of business card and small business loans managed in *Card Services* and *Global Commercial Banking* U S small business commercial net charge-offs declined $923 million in 2011 driven by improvements in delinquencies collections and bankruptcies resulting from an improved economic environment as well as the reduction of higher risk vintages and the impact of higher credit quality originations Of the U S small business commercial net charge-offs 74 percent were credit card-related products for 2011 compared to 79 percent for 2010

Commercial Loans Carried at Fair Value

The portfolio of commercial loans accounted for under the fair value option is managed primarily in *GBAM* Outstanding commercial loans accounted for under the fair value option increased $3 3 billion to an aggregate fair value of $6 6 billion at December 31 2011 due primarily to increased corporate borrowings under bank credit facilities We recorded net losses of $174 million resulting from changes in the fair value of the loan portfolio during 2011 compared to net gains of $82 million in 2010 These amounts were primarily attributable to changes in instrument specific credit risk were recorded in other income (loss) and do not reflect the results of hedging activities

In addition unfunded lending commitments and letters of credit accounted for under the fair value option had an aggregate fair value of $1 2 billion and $866 million at December 31 2011 and 2010 which was recorded in accrued expenses and other liabilities The associated aggregate notional amount of unfunded lending commitments and letters of credit accounted for under the fair value option was $25 7 billion and $27 3 billion at December 31 2011 and 2010 During 2011 we recorded net losses of $429 million from changes in the fair value of commitments and letters of credit compared to net gains of $23 million in 2010 These amounts were primarily attributable to changes in instrument-specific credit risk were recorded in other income (loss) and do not reflect the results of hedging activities

Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity

Table 45 presents the nonperforming commercial loans leases and foreclosed properties activity during 2011 and 2010 Nonperforming commercial loans and leases decreased $3 5 billion during 2011 to $6 3 billion at December 31 2011 driven by paydowns charge-offs returns to performing status and sales partially offset by new nonaccrual loans in the commercial real estate and U S commercial portfolios Approximately 96 percent of commercial nonperforming loans leases and foreclosed properties are secured and approximately 51 percent are contractually current In addition commercial nonperforming loans are carried at approximately 68 percent of their unpaid principal balance before consideration of the allowance for loan and lease losses as the carrying value of these loans has been reduced to the estimated property value less estimated costs to sell

Table 45 Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity (1, 2)

(Dollars in millions)	2011	2010
Nonperforming loans and leases, January 1	$ 8,838	$ 12 703
Additions to nonperforming loans and leases		
New nonperforming loans and leases	4,888	7 809
Advances	187	330
Reductions in nonperforming loans and leases		
Paydowns and payoffs	(3,457)	(3 938)
Sales	(1,183)	(841)
Returns to performing status (3)	(1,183)	(1 807)
Charge-offs (4)	(1,578)	(3 221)
Transfers to foreclosed properties	(774)	(1 045)
Transfers to loans held-for-sale	(189)	(354)
Total net reductions to nonperforming loans and leases	(2,489)	(2 887)
Total nonperforming loans and leases, December 31	6,337	9 836
Foreclosed properties, January 1	725	777
Additions to foreclosed properties		
New foreclosed properties	897	818
Reductions in foreclosed properties		
Sales	(888)	(780)
Write-downs	(91)	(90)
Total net reductions to foreclosed properties	(112)	(52)
Total foreclosed properties, December 31	613	725
Nonperforming commercial loans, leases and foreclosed properties, December 31	$ 6,949	$ 10 561
Nonperforming commercial loans, leases and foreclosed properties as a percentage of outstanding commercial loans, leases and foreclosed properties (5)	2.04%	3 35%
Nonperforming commercial loans, leases and foreclosed properties as a percentage of outstanding commercial loans, leases and foreclosed properties (5)	2.36	3 59

(1) Balances do not include nonperforming LHFS of $1 1 billion and $1 8 billion at December 31 2011 and 2010
(2) Includes U S small business commercial activity
(3) Commercial loans and leases may be returned to performing status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected or when the loan otherwise becomes well-secured and is in the process of collection TDRs are generally classified as performing after a sustained period of demonstrated payment performance
(4) Business card loans are not classified as nonperforming therefore the charge-offs on these loans have no impact on nonperforming activity and accordingly are excluded from this table
(5) Excludes loans accounted for under the fair value option

As a result of the retrospective application of new accounting guidance on TDRs effective September 30 2011 the Corporation classified $1 1 billion of commercial loan modifications as TDRs that in previous periods had not been classified as TDRs These loans were newly identified as TDRs typically because the Corporation was not able to demonstrate that the modified rate of interest although significantly higher than the rate prior to modification was a market rate of interest These newly identified TDRs did not have a significant impact on the allowance for credit losses or the provision for credit losses Included in this amount was $402 million of performing commercial loans at December 31 2011 that were not previously considered to be impaired loans For additional information see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements

Table 46 presents our commercial TDRs by product type and status U S small business commercial TDRs are comprised of renegotiated business card loans and are not classified as nonperforming as they are charged off no later than the end of the month in which the loan becomes 180 days past due

Table 46 Commercial Troubled Debt Restructurings

	December 31					
	2011			2010		
(Dollars in millions)	Total	Nonperforming	Performing	Total	Nonperforming	Performing
U S commercial	$ 1,230	$ 331	$ 799	$ 356	$ 175	$ 181
Commercial real estate	1,578	1,078	500	815	770	45
Non-U S commercial	84	66	18	19	7	12
U S small business commercial	555	--	555	688	--	688
Total commercial troubled debt restructurings	$ 3,447	$ 1,645	$ 1,802	$ 1,878	$ 952	$ 926

Industry Concentrations

Table 47 presents commercial committed and utilized credit exposure by industry and the total net credit default protection purchased to cover the funded and unfunded portions of certain credit exposures Our commercial credit exposure is diversified across a broad range of industries The increase in commercial committed exposure of $10 4 billion in 2011 was concentrated in banks diversified financials and energy partially offset by lower real estate insurance (including monolines) and other committed exposure

Industry limits are used internally to manage industry concentrations and are based on committed exposures and capital usage that are allocated on an industry-by-industry basis A risk management framework is in place to set and approve industry limits as well as to provide ongoing monitoring Management s Credit Risk Committee (CRC) oversees industry limit governance

Diversified financials our largest industry concentration experienced an increase in committed exposure of $8 2 billion or nine percent in 2011 driven primarily by increases in consumer finance lending and traded products exposure

Real estate our second largest industry concentration experienced a decrease in committed exposure of $9 4 billion or 13 percent in 2011 due primarily to paydowns and sales which outpaced new originations and renewals Real estate construction and land development exposure represented 20 percent and 27 percent of the total real estate industry committed exposure at December 31 2011 and 2010 For more information on the commercial real estate and related portfolios see Commercial Real Estate on page 97

Committed exposure in the banking industry increased $9 1 billion or 31 percent in 2011 primarily due to increases in trade finance as a result of momentum from regional economies and growth initiatives in foreign markets

Energy committed exposure increased $5 7 billion or 22 percent in 2011 due to increases in working capital lines for state-related enterprises and increases in large investment-grade energy companies

Insurance including monolines committed exposure decreased $8 3 billion or 34 percent in 2011 due primarily to the settlement/termination of monoline positions For more information on our monoline exposure see Monolines and Related Exposure below

Other committed exposure decreased $6 0 billion or 44 percent in 2011 due to reductions primarily in traded products exposure

The Corporation s committed state and municipal exposure of $46 1 billion at December 31 2011 consisted of $34 4 billion of commercial utilized exposure (including $18 6 billion of funded loans $11 3 billion of SBLCs and $4 1 billion of derivative assets) and unutilized commercial exposure of $11 7 billion (primarily unfunded loan commitments and letters of credit) and is reported in the Government and public education industry in Table 47 Economic conditions continue to impact debt issued by state and local municipalities and certain exposures to these municipalities While historical default rates have been low as part of our overall and ongoing risk management processes we continually monitor these exposures through a rigorous review process Additionally internal communications surrounding certain at-risk counterparties and/or sectors are regularly circulated ensuring exposure levels are in compliance with established concentration guidelines

Monoline and Related Exposure

Monoline exposure is reported in the insurance industry and managed under insurance portfolio industry limits

We have indirect exposure to monolines primarily in the form of guarantees supporting our loans investment portfolios securitizations and credit-enhanced securities as part of our public finance business and other selected products Such indirect exposure exists when we purchase credit protection from monolines to hedge all or a portion of the credit risk on certain credit exposures including loans and CDOs We underwrite our public finance exposure by evaluating the underlying securities

We also have indirect exposure to monolines in the form of guarantees supporting our mortgage and other loan sales Indirect exposure may exist when credit protection was purchased from monolines to hedge all or a portion of the credit risk on certain mortgage and other loan exposures A loss may occur when we are required to repurchase a loan and the market value of the loan has declined or we are required to indemnify or provide recourse for a guarantor s loss For additional information regarding our exposure to representations and warranties see Off-Balance Sheet Arrangements and Contractual Obligations – Representations and Warranties on page 56 and *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements

During 2011 we terminated all of our monoline contracts referencing super senior ABS CDOs and reclassified net monoline exposure with a carrying value of $1.3 billion ($4.7 billion gross receivable less impairment) at December 31 2011 from derivative assets to other assets because of the inherent default risk. Because these contracts no longer provide a hedge benefit, they are no longer considered derivative trading instruments. This exposure relates to a single counterparty and is recorded at fair value based on current net recovery projections. The net recovery projections take into account the present value of projected payments expected to be received from the counterparty.

Monoline derivative credit exposure had a notional value of $21.1 billion and $38.4 billion at December 31 2011 and 2010. Mark-to-market monoline derivative credit exposure was $1.8 billion and $9.2 billion at December 31 2011 and 2010 with the decrease driven by positive valuation adjustments on legacy assets, terminated monoline contracts and the reclassification of net monoline exposure to other assets mentioned above. The counterparty credit valuation adjustment related to monoline derivative exposure was $417 million and $5.3 billion at December 31 2011 and 2010. This adjustment reduced our net mark-to-market exposure to $1.3 billion at December 31 2011 compared to $3.9 billion at December 31 2010 and covered 24 percent of the mark-to-market exposure at December 31 2011, down from 57 percent at December 31 2010. We do not hold collateral against these derivative exposures. For more information on our monoline exposure, termination of certain monoline contracts and the transfer of monoline exposure to other assets, see GBAM on page 49.

We also have indirect exposure to monolines as we invest in securities where the issuers have purchased wraps. For example, municipalities and corporations purchase insurance in order to reduce their cost of borrowing. If the rating agencies downgrade the monolines, the credit rating of the bond may fall and may have an adverse impact on the market value of the security. In the case of default, we first look to the underlying securities and then to the purchased insurance for recovery. Investments in securities with purchased wraps issued by municipalities and corporations had a notional amount of $150 million and $2.4 billion at December 31 2011 and 2010. Mark-to-market investment exposure was $89 million at December 31 2011 compared to $2.2 billion at December 31 2010.

Table 47 Commercial Credit Exposure by Industry (1)

	December 31			
	Commercial Utilized		Total Commercial Committed	
(Dollars in millions)	2011	2010	2011	2010
Diversified financials	$ 64,667	$ 58,698	$ 94,088	$ 88,750
Real estate (2)	46,139	58,531	62,899	72,004
Government and public education	45,080	44,131	57,021	59,594
Healthcare equipment and services	31,396	30,420	46,141	47,589
Capital goods	24,429	21,940	46,013	46,087
Retailing	28,479	24,660	46,390	43,950
Banks	88,231	29,831	98,785	29,687
Consumer services	24,448	24,759	38,496	39,694
Materials	18,894	15,873	28,679	33,048
Energy	18,186	9,765	33,074	26,328
Commercial services and supplies	20,089	20,058	30,881	30,517
Food, beverage and tobacco	15,904	14,777	30,801	28,126
Utilities	8,102	6,990	24,882	24,207
Media	11,447	11,611	21,158	20,619
Transportation	12,869	12,070	18,098	18,436
Individuals and trusts	14,988	16,316	18,091	22,937
Insurance, including monolines	18,089	17,293	28,127	24,417
Technology hardware and equipment	8,367	4,373	13,178	10,932
Pharmaceuticals and biotechnology	4,141	3,859	11,936	11,008
Religious and social organizations	6,896	6,409	11,180	10,823
Telecommunication services	4,287	5,823	10,484	9,321
Software and services	4,804	3,837	8,879	9,531
Consumer durables and apparel	4,886	4,297	8,886	8,836
Automobiles and components	2,818	2,090	7,178	5,841
Food and staples retailing	5,279	3,222	8,479	6,161
Other	4,886	9,821	7,886	13,593
Total commercial credit exposure by industry	$ 486,809	$ 460,422	$ 790,833	$ 740,095
Net credit default protection purchased on total commitments (3)			$ (18,886)	$ (20,118)

(1) Includes U.S. small business commercial exposure.

(2) Supplies are derived from a variety of perspectives to best analyze the perceived risks. For purposes of this table, the real estate industry is defined based on the borrower's or counterparty's primary business activity using operating cash flows and primary source of repayment as key factors.

(3) Represents net notional credit protection purchased. See Risk Mitigation below for additional information.

Risk Mitigation

We purchase credit protection to cover the funded portion as well as the unfunded portion of certain credit exposures. To lower the cost of obtaining our desired credit protection levels, credit exposure may be added within an industry, borrower or counterparty group by selling protection.

At December 31 2011 and 2010, net notional credit default protection purchased in our credit derivatives portfolio to hedge our funded and unfunded exposures for which we elected the fair value option, as well as certain other credit exposures was $19.4 billion and $20.1 billion. The mark-to-market effects, including the cost of net credit default protection hedging our credit exposure, resulted in net gains of $121 million in 2011 compared to net losses of $546 million in 2010.

The average VaR for these credit derivative hedges was $60 million in 2011 compared to $53 million in 2010. The average VaR for the related credit exposure was $74 million in 2011 compared to $65 million in 2010. There is a diversification effect between the net credit default protection hedging our credit exposure and the related credit exposure such that the combined average VaR was $38 million in 2011 compared to $41 million in 2010. See Trading Risk Management on page 113 for a description of our VaR calculation for the market based trading portfolio.

Tables 48 and 49 present the maturity profiles and the credit exposure debt ratings of the net credit default protection portfolio at December 31 2011 and 2010. The distribution of debt ratings for net notional credit default protection purchased is shown as a negative amount.

Table 48 Net Credit Default Protection by Maturity Profile

	December 31	
	2011	2010
Less than or equal to one year	16%	14%
Greater than one year and less than or equal to five years	77	80
Greater than five years	7	6
Total net credit default protection	100%	100%

Table 49 Net Credit Default Protection by Credit Exposure Debt Rating

	December 31			
	2011		2010	
(Dollars in millions)	Net Notional	Percent of Total	Net Notional	Percent of Total
Ratings (1, 2)				
AAA	$ (52)	0.3%	$ –	–%
AA	(779)	4.0	(188)	0.9
A	(7,184)	37.5	(6,485)	32.2
BBB	(7,436)	38.4	(7,731)	38.4
BB	(1,837)	7.9	(2,106)	10.5
B	(1,284)	7.9	(1,260)	6.3
CCC and below	(964)	5.6	(762)	3.8
NR (3)	(360)	2.1	(1,566)	7.9
Total net credit default protection	$ (19,886)	100.0%	$ (20,118)	100.0%

(1) Ratings are refreshed on a quarterly basis.

(2) The Corporation considers ratings of BBB- or higher to meet the definition of investment grade.

(3) In addition to names which have not been rated, "NR" includes $(13.8) billion and $(13.8) billion of net credit default swap index positions at December 31 2011 and 2010. While index positions are principally investment grade, credit default swap indices include names in and across each of the ratings categories.

In addition to our net notional credit default protection purchased to cover the funded and unfunded portion of certain credit exposures, credit derivatives are used for market-making activities for clients and establishing positions intended to profit from directional or relative value changes. We execute the majority of our credit derivative trades in the OTC market with large multinational financial institutions, including broker/dealers and to a lesser degree, with a variety of other investors. Because these transactions are executed in the OTC market, we are subject to settlement risk. We are also subject to credit risk in the event that these counterparties fail to perform under the terms of these contracts. In most cases, credit derivative transactions are executed on a daily margin basis. Therefore, events such as a credit downgrade, depending on the ultimate rating level, or a breach of credit covenants would typically require an increase in the amount of collateral required of the counterparty, where applicable, and/or allow us to take additional protective measures such as early termination of all trades.

Table 50 presents the total contract/notional amount of credit derivatives outstanding and includes both purchased and written credit derivatives. The credit risk amounts are measured as the net replacement cost in the event the counterparties with contracts in a gain position to us fail to perform under the terms of those contracts. For information on our written credit derivatives, see *Note 4 – Derivatives* to the Consolidated Financial Statements.

The credit risk amounts discussed above and presented in Table 50 take into consideration the effects of legally enforceable master netting agreements while amounts disclosed in *Note 4 – Derivatives* to the Consolidated Financial Statements are shown on a gross basis. Credit risk reflects the potential benefit from offsetting exposure to non-credit derivative products with the same counterparties that may be netted upon the occurrence of certain events thereby reducing our overall exposure.

Table 50 Credit Derivatives

	December 31			
	2011		2010	
(Dollars in millions)	Contract/ Notional	Credit Risk	Contract/ Notional	Credit Risk
Purchased credit derivatives:				
Credit default swaps	$ 1,944,796	$ 14,185	$ 2,184,703	$ 18,150
Total return swaps/other	17,619	778	26,038	1,013
Total purchased credit derivatives	1,962,365	14,963	2,210,741	19,163
Written credit derivatives:				
Credit default swaps	1,886,944	n/a	2,133,488	n/a
Total return swaps/other	17,838	n/a	22,474	n/a
Total written credit derivatives	1,904,782	n/a	2,155,962	n/a
Total credit derivatives	$ 3,866,065	$ 14,963	$ 4,366,703	$ 19,163

n/a = not applicable

Counterparty Credit Risk Valuation Adjustments

We record a counterparty credit risk valuation adjustment on certain derivative assets including our credit default protection purchased in order to properly reflect the credit quality of the counterparty. These adjustments are necessary as the market quotes on derivatives do not fully reflect the credit risk of the counterparties to the derivative assets. We consider collateral and legally enforceable master netting agreements that mitigate our credit exposure to each counterparty in determining the counterparty credit risk valuation adjustment. All or a portion of these counterparty credit risk valuation adjustments are subsequently adjusted due to changes in the value of the derivative contract, collateral and creditworthiness of the counterparty.

During 2011 and 2010 credit valuation gains (losses) of $(1.9) billion and $731 million ($(806) million and $(8) million, net of hedges) for counterparty credit risk were recognized in trading account profits for counterparty credit risk related to derivative assets. For information on our monoline counterparty credit risk see *GBAM – Collateralized Debt Obligation and Monoline Exposure* on page 51 and *Monoline and Related Exposure* on page 101.

Non-U.S. Portfolio

Our non-U.S. credit and trading portfolios are subject to country risk. We define country risk as the risk of loss from unfavorable economic and political conditions, currency fluctuations, social instability and changes in government policies. A risk management framework is in place to measure, monitor and manage non-U.S. risk and exposures. Management oversight of country risk, including cross-border risk, is provided by the Regional Risk Committee, a subcommittee of the CRC.

Table 51 sets forth total non-U.S. exposure broken out by region at December 31, 2011 and 2010. Non-U.S. exposure includes credit exposure net of local liabilities, securities and other investments issued by or domiciled in countries other than the U.S. Total non-U.S. exposure can be adjusted for externally guaranteed loans outstanding and certain collateral types. Exposures which are subject to external guarantees are reported under the country of the guarantor. Exposures with tangible collateral are reflected in the country where the collateral is held. For securities received other than cross-border resale agreements, outstandings are assigned to the domicile of the issuer of the securities. Resale agreements are generally presented based on the domicile of the counterparty, consistent with FFIEC reporting requirements.

Table 51 Regional Non-U.S. Exposure (1, 2, 3)

	December 31	
(Dollars in millions)	2011	2010
Europe	$ 116,814	$ 148,078
Asia Pacific	74,877	73,255
Latin America	17,415	14,848
Middle East and Africa	6,814	5,868
Other	90,101	22,188
Total	$ 282,021	$ 262,057

(1) Local funding or liabilities are subtracted from local exposure consistent with FFIEC reporting requirements.
(2) Derivative assets included in the exposure amounts have been reduced by the amount of cash collateral applied of $48.8 billion and $44.2 billion at December 31, 2011 and 2010.
(3) Cross-border resale agreements where the underlying securities are U.S. Treasury securities, in which case the domicile is the U.S., are excluded from this presentation.

Our total non-U.S. exposure was $232.6 billion at December 31, 2011, a decrease of $29.4 billion from December 31, 2010. Our non-U.S. exposure remained concentrated in Europe which accounted for $115.9 billion or 50 percent of total non-U.S. exposure. The European exposure was mostly in Western Europe and was distributed across a variety of industries. The decrease of $32.2 billion in Europe was primarily driven by our efforts to reduce risk in countries affected by the ongoing debt crisis in the Eurozone. Select European countries are further detailed in Table 54. Asia Pacific was our second largest non-U.S. exposure at $74.6 billion or 32 percent. The $1.3 billion increase in Asia Pacific was driven by increases in securities and local exposure in Japan and increases in the emerging markets, predominately in local exposure loans and securities offset by the sale of CCB shares. For more information on our CCB investment see *Note 5 – Securities* to the Consolidated Financial Statements. Latin America accounted for $17.4 billion or seven percent, of total non-U.S. exposure. The $2.6 billion increase in Latin America was primarily driven by an increase in Brazil in securities and local country exposure. Middle East and Africa increased $926 million to $4.6 billion, representing two percent of total non-U.S. exposure. Other non-U.S. exposure was $20.1 billion at December 31, 2011, a decrease of $2.1 billion in 2011 resulting primarily from a decrease in local exposure as a result of the sale of our Canadian consumer card business. For more information on our Asia Pacific and Latin America exposure, see non-U.S. exposure to selected countries defined as emerging markets on page 106.

Table 52 presents countries where total cross-border exposure exceeded one percent of our total assets. At December 31, 2011, the United Kingdom and Japan were the only countries where total cross-border exposure exceeded one percent of our total assets. At December 31, 2011, Canada and France had total cross-border exposure of $16.9 billion and $16.1 billion, representing 0.79 percent and 0.75 percent of total assets. Canada and France were the only other countries that had total cross-border exposure that exceeded 0.75 percent of our total assets at December 31, 2011.

Exposure includes cross-border claims by our non-U.S. offices, including loans, acceptances, time deposits placed, trading account assets, securities, derivative assets, other interest-earning investments and other monetary assets. Amounts also include unused commitments, SBLCs, commercial letters of credit and formal guarantees. Sector definitions are consistent with FFIEC reporting requirements for preparing the Country Exposure Report.

Table 52 Total Cross-border Exposure Exceeding One Percent of Total Assets (1)

(Dollars in millions)	December 31	Public Sector	Banks	Private Sector	Cross-border Exposure	Exposure as a Percentage of Total Assets
United Kingdom	2011	$ 6,401	$ 4,434	$ 18,086	$ 28,921	1.26%
	2010	101	5,544	32,354	37,999	1.68
Japan (2)	2011	4,803	10,369	8,089	23,046	1.00

(1) Total cross-border exposure for the United Kingdom and Japan included derivatives exposure of $3.9 billion and $2.9 billion at December 31, 2011 and $2.8 billion and $2.8 billion at December 31, 2010 which has been reduced by the amount of cash collateral applied of $9.3 billion and $1.2 billion at December 31, 2011 and $12.0 billion and $1.6 billion at December 31, 2010. Derivative assets were additionally reduced by other marketable securities of $242 million and $1.7 billion at December 31, 2011 and $88 million and $743 million at December 31, 2010.
(2) At December 31, 2010 total cross-border exposure for Japan was $37.0 billion, representing 0.75 percent of total assets.

As presented in Table 53 non-U S exposure to borrowers or counterparties in emerging markets decreased $3 4 billion to $61 6 billion at December 31 2011 The decrease was due to the sale of CCB shares partially offset by growth in the rest of Asia Pacific and other regions Non-U S exposure to borrowers or counterparties in emerging markets represented 26 percent and 25 percent of total non-U S exposure at December 31 2011 and 2010

Table 53 Selected Emerging Markets (1)

(Dollars in millions)	Loans and Leases and Loan Commitments	Other Financing (2)	Derivative Assets (3)	Securities/ Other Investments (4)	Total Cross-border Exposure (5)	Local Country Exposure Net of Local Liabilities (6)	Total Selected Emerging Market Exposure at December 31, 2011	Increase (Decrease) From December 31 2010
Region/Country								
Asia Pacific								
India	$ 4 737	$ 1 886	$ 1 078	$ 2 272	$ 9 773	$ 712	$ 10,485	$ 2 217
South Korea	1 842	1 228	690	2 207	5 767	1 795	7,562	2 283
China	3 807	315	1 276	1 751	7 249	83	7,332	(16,596)
Hong Kong	417	278	179	1 074	1 948	1 259	3,207	1 183
Singapore	514	130	478	1 932	3 055	–	3,055	509
Taiwan	573	35	80	672	1 360	1 191	2,551	696
Thailand	29	8	44	813	894	–	894	25
Other Asia Pacific (7)	663	356	174	682	1 875	35	1,910	1 196
Total Asia Pacific	$ 12 482	$ 4 034	$ 4 000	$ 11 203	$ 31 719	$ 5 075	$ 36,796	$ (8 507)
Latin America								
Brazil	$ 1 985	$ 374	$ 436	$ 3 346	$ 6 121	$ 3 010	$ 9,131	$ 3 325
Mexico	2 381	305	309	996	3 991	–	3,991	(394)
Chile	1 100	180	314	22	1 616	29	1,645	119
Colombia	380	114	15	29	538	–	538	(159)
Other Latin America (7)	255	218	32	334	839	184	988	(385)
Total Latin America	$ 6 061	$ 1 191	$ 1 106	$ 4 727	$ 13 085	$ 3 193	$ 16,278	$ 2 506
Middle East and Africa								
United Arab Emirates	$ 1 134	$ 87	$ 461	$ 12	$ 1 694	$ –	$ 1,694	$ 518
Bahrain	78	1	2	907	988	3	983	(168)
South Africa	498	53	48	54	653	–	653	82
Other Middle East and Africa (7)	759	71	118	303	1 249	26	1,275	494
Total Middle East and Africa	$ 2 470	$ 212	$ 627	$ 1 276	$ 4 585	$ 29	$ 4,614	$ 926
Central and Eastern Europe								
Russian Federation	$ 1 595	$ 145	$ 22	$ 96	$ 1 859	$ 17	$ 1,876	$ 1 340
Turkey	553	81	10	344	988	217	1,205	705
Other Central and Eastern Europe (7)	109	143	290	328	870	–	870	(383)
Total Central and Eastern Europe	$ 2 258	$ 369	$ 322	$ 768	$ 3 717	$ 234	$ 3,951	$ 1 662
Total emerging market exposure	$ 23 271	$ 5 806	$ 6 055	$ 17 974	$ 53 106	$ 8 531	$ 61,637	$ (3 413)

(1) There is no generally accepted definition of emerging markets The definition that we use includes all countries in Asia Pacific excluding Japan Australia and New Zealand all countries in Latin America excluding Cayman Islands and Bermuda all countries in Middle East and Africa and all countries in Central and Eastern Europe At December 31 2011 and 2010 there was $1 7 billion and $480 million in emerging market exposure associated for under the fair value option

(2) Includes acceptances, shot finans SBLCs and financial letters of credit and farmer guarantees

(3) Derivative assets are carried at fair value and have been reduced by the amount of cash collateral applied of $1 2 billion at both December 31, 2011 and 2010 At December 31 2011 and 2010 there were $353 million and $408 million of other marketable securities collateralizing derivative assets

(4) Generally cross-border resale agreements are presented based on the domicile of the counterparty consistent with FFIEC reporting requirements Cross-border resale agreements where the underlying securities are U S Treasury securities in which case the domicile is the U S are excluded from this presentation

(5) Cross-border exposure includes amounts payable to the Corporation by borrowers or counterparties with a country of residence other than the one in which the credit is booked regardless of the currency in which the claim is denominated consistent with FFIEC reporting requirements

(6) Local country exposure includes amounts payable to the Corporation by borrowers with a country of residence in which the credit is booked regardless of the currency in which the claim is denominated Local funding or liabilities are subtracted from local exposure consistent with FFIEC reporting requirements Total amount of available local liabilities funding local country exposure was $18 7 billion and $18 7 billion at December 31 2011 and 2010 Local liabilities at December 31, 2011 in Asia Pacific Latin America and Middle East and Africa were $13 3 billion $1 0 billion and $278 million respectively of which $6 2 billion was in Singapore $2 3 billion in China $2 3 billion in Hong Kong $1 3 billion in India $973 million in Mexico and $804 million in Korea There were no other countries with available local liabilities funding local country exposure greater than $800 million

(7) No country included in Other Asia Pacific Other Latin America Other Middle East and Africa and Other Central and Eastern Europe had total non-U S exposure of more than $800 million

At December 31 2011 and 2010 60 percent and 70 percent of our emerging markets exposure was in Asia Pacific Emerging markets exposure in Asia Pacific decreased by $8 5 billion driven by a $19 0 billion decrease related to the sale of CCB shares partially offset by increases in loans and securities predominately in India China (excluding CCB) and South Korea

At December 31, 2011 and 2010 26 percent and 21 percent of our emerging markets exposure was in Latin America Latin America emerging markets exposure increased $2 5 billion driven by increases in securities and local exposure in Brazil

At December 31 2011 and 2010 eight percent and six percent of our emerging markets exposure was in Middle East and Africa with an increase of $926 million primarily driven by increases in loans and derivatives in United Arab Emirates and by increases in loans in Other Middle East and Africa At December 31 2011 and 2010 six percent and three percent of the emerging markets exposure was in Central and Eastern Europe with the increase driven by an increase in loans in the Russian Federation

Certain European countries including Greece Ireland Italy Portugal and Spain have experienced varying degrees of financial stress Risks from the continued debt crisis in Europe could continue to disrupt the financial markets which could have a detrimental impact on global economic conditions and sovereign and non-sovereign debt in these countries Uncertainty in the progress of debt restructuring negotiations and the lack of a clear resolution to the crisis have led to continued volatility in European financial markets as well as global financial markets In December 2011 the ECB announced initiatives to address European bank liquidity and funding concerns by providing low-cost, three-year loans to banks and expanding collateral eligibility In early 2012 S&P Fitch and Moody's downgraded the credit ratings of several European countries and S&P downgraded the credit rating of the EFSF adding to concerns about investor appetite for continued support in stabilizing the affected countries

Table 54 shows our direct sovereign and non-sovereign exposures excluding consumer credit card exposure in these countries at December 31 2011 Our total sovereign and non-sovereign exposure to these countries was $15 3 billion at December 31 2011 compared to $16 6 billion at December 31 2010 The total exposure to these countries net of hedges was $10 5 billion at December 31 2011 compared to $12 4 billion at December 31 2010 of which $252 million and $91 million was total sovereign exposure At December 31 2011 and 2010 the fair value of net credit default protection purchased was $4 9 billion and $4 2 billion

We hedge certain of our selected European country exposure with credit default protection in the form of CDS The majority of our CDS contracts are with highly-rated financial institutions primarily outside of the Eurozone and we work to limit or eliminate correlated CDS Due to our engagement in market-making activities our CDS portfolio contains contracts with various maturities to a diverse set of counterparties

In addition to our direct sovereign and non-sovereign exposures a significant deterioration of the European debt crisis could result in material reductions in the value of sovereign debt and other asset classes disruptions in capital markets widening of credit spreads loss of investor confidence in the financial services industry a slowdown in global economic activity and other adverse developments For additional information on the debt crisis in Europe see Item 1A Risk Factors

Losses could still result even if there is credit default protection purchased because the purchased credit protection contracts only pay out under certain scenarios and thus not all losses may be covered by the credit protection contracts The effectiveness of our CDS protection as a hedge of these risks is influenced by a number of factors including the contractual terms of the CDS Generally only the occurrence of a credit event as defined by the CDS terms (which may include among other events the failure to pay by or restructuring of, the reference entity) results in a payment under the purchased credit protection contracts The determination as to whether a credit event has occurred is made by the relevant International Swaps and Derivatives Association Inc (ISDA) Determination Committee (comprised of various ISDA member firms) based on the terms of the CDS and facts and circumstances for the event Accordingly uncertainties exist as to whether any particular strategy or policy action for addressing European debt crisis would constitute a credit event under the CDS A voluntary restructuring may not trigger a credit event under CDS terms and consequently may not trigger a payment under the CDS contract

Table 54 Selected European Countries

(Dollars in millions)	Funded Loans and Loan Equivalents (1)	Unfunded Loan Commitments	Derivative Assets (2)	Securities/Other Investments (3)	Country Exposure at December 31 2011	Hedges and Credit Default Protection (4)	Net Country Exposure at December 31, 2011 (5)	Increase (Decrease) from December 31, 2010
Greece								
Sovereign	$ 1	$ –	$ –	$ 34	$ 35	$ (6)	$ 29	$ (69)
Financial institutions	–	–	3	10	13	(19)	(6)	(31)
Corporates	322	97	33	7	459	(25)	434	62
Total Greece	$ 323	$ 97	$ 36	$ 51	$ 507	$ (50)	$ 457	$ (38)
Ireland								
Sovereign	$ 18	$ –	$ 12	$ 24	$ 54	$ (1)	$ 53	$ (357)
Financial institutions	120	20	173	470	783	(33)	750	(38)
Corporates	1 235	154	100	57	1 546	(35)	1,511	(474)
Total Ireland	$ 1,373	$ 174	$ 285	$ 551	$ 2 383	$ (69)	$ 2,314	$ (867)
Italy								
Sovereign	$ –	$ –	$ 1 542	$ 29	$ 1 571	$ (1 398)	$ 173	$ 208
Financial institutions	2 077	76	139	83	2 375	(705)	1,670	(567)
Corporates	1 560	1 813	541	259	4 173	(1 181)	2,992	790
Total Italy	$ 3 637	$ 1 889	$ 2 222	$ 371	$ 8 119	$ (3 285)	$ 4,834	$ 429
Portugal								
Sovereign	$ –	$ –	$ 41	$ –	$ 41	$ (50)	$ (9)	$ 49
Financial institutions	34	–	2	35	71	(80)	(9)	(354)
Corporates	159	73	21	15	268	(207)	61	19
Total Portugal	$ 193	$ 73	$ 64	$ 50	$ 380	$ (337)	$ 43	$ (286)
Spain								
Sovereign	$ 74	$ 8	$ 71	$ 2	$ 153	$ (146)	$ 7	$ 332
Financial institutions	458	7	143	487	1 095	(136)	959	(958)
Corporates	1 586	871	112	121	2 690	(835)	1,855	(588)
Total Spain	$ 2 119	$ 884	$ 326	$ 610	$ 3 939	$ (1 119)	$ 2,820	$ (1 214)
Total								
Sovereign	$ 93	$ 8	$ 1 666	$ 89	$ 1 854	$ (1 602)	$ 252	$ 161
Financial institutions	2 690	103	490	1 085	4 338	(975)	3,363	(2 946)
Corporates	4 862	3 008	807	459	9 136	(2 283)	6,853	(191)
Total selected European exposure	$ 7 645	$ 3 117	$ 2 933	$ 1 633	$ 15 328	$ (4 860)	$ 10,468	$ (1 976)

(1) Includes loans, leases, overdrafts, commitments due within one year or on demand and trade finance-related exposure, which have not been reduced by associated hedges or credit default protection. Previously classified loan exposures are no longer offset by loan liabilities, which totaled $530 million at December 31, 2011. Of the $630 million previously applied for exposure reduction, $542 million was in Ireland, $217 million in Italy, $126 million in Spain and $34 million in Greece.

(2) Derivative assets are carried at fair value and have been reduced by the amount of cash collateral applied of $3.6 billion at December 31, 2011. At December 31, 2011, there was $83 million of other marketable securities collateralizing derivative assets. Derivative assets have not been reduced by hedges or credit default protection.

(3) Includes $388 million in notional value of reverse repurchase agreements, which are presented based on the domicile of the counterparty consistent with FFIEC reporting requirements. Cross-border resale agreements where the underlying collateral is U.S. Treasury securities are excluded from this presentation. Derivative exposures are reduced by hedges and short positions on a single-name basis to, but not less than, zero.

(4) Represents the fair value of credit default protection purchased, including $(3.4) billion in net credit default protection purchased by hedge funds and counterparties, $(1.4) billion in additional credit default protection to hedge derivative assets and $(74) million in other short positions.

(5) Represents country exposure less the fair value of hedges and credit default protection.

Provision for Credit Losses

The provision for credit losses decreased $15.0 billion to $13.4 billion for 2011 compared to 2010. The provision for credit losses was $7.4 billion lower than net charge-offs for 2011, resulting in a reduction in the allowance for credit losses driven primarily by lower delinquencies, improved collection rates and fewer bankruptcy filings across the Card Services portfolio and improvement in overall credit quality in the commercial real estate portfolio partially offset by additions to consumer PCI loan portfolio reserves. This compared to a $5.9 billion reduction in the allowance for credit losses in 2010.

The provision for credit losses for the consumer portfolio decreased $11.1 billion to $14.3 billion for 2011 compared to 2010 reflecting improving economic conditions and improvement in the current and projected levels of delinquencies, collections and bankruptcies in the U.S. consumer credit card and unsecured consumer lending portfolios. Also contributing to the decrease were lower credit costs in the non-PCI home equity loan portfolio due to improving portfolio trends, partially offset by higher credit costs in the residential mortgage portfolio primarily reflecting further deterioration in home prices. For the consumer PCI loan portfolios, updates to our expected cash flows resulted in an increase in reserves of $2.2 billion in 2011 due primarily to our updated home price outlook. Reserve increases related to the consumer PCI loan portfolios in 2010 were also $2.2 billion.

The provision for credit losses for the commercial portfolio, including the provision for unfunded lending commitments, decreased $3.9 billion to a benefit of $915 million in 2011 compared to 2010 due to continued economic improvement and the resulting impact on property values in the commercial real estate portfolio, lower current and projected levels of delinquencies and bankruptcies in the U.S. small business commercial portfolio and improvement in borrower credit profiles across the remainder of the commercial portfolio.

Allowance for Credit Losses

Allowance for Loan and Lease Losses

The allowance for loan and lease losses is comprised of two components, as described below. We evaluate the adequacy of the allowance for loan and lease losses based on the total of these two components. The allowance for loan and lease losses excludes LHFS and loans accounted for under the fair value option as the fair value reflects a credit risk component.

The first component of the allowance for loan and lease losses covers nonperforming commercial loans and performing commercial loans that have been modified in a TDR, consumer real estate loans that have been modified in a TDR, renegotiated credit card and renegotiated unsecured consumer and small business loans. These loans are subject to impairment measurement based on the present value of expected future cash flows discounted at the loan's original effective interest rate or, in certain circumstances, impairment may also be based upon the collateral value or the loan's observable market price if available. Impairment measurement for the renegotiated credit card, unsecured consumer and small business TDR portfolios is based on the present value of projected cash flows discounted using the average portfolio contractual interest rate, excluding promotionally priced loans in effect prior to restructuring and prior to any risk-based or penalty-based increase in rate on the restructured loans. For purposes of computing this specific loss component of the allowance, larger impaired loans are evaluated individually and smaller impaired loans are evaluated as a pool using historical loss experience for the respective product types and risk ratings of the loans.

The second component of the allowance for loan and lease losses covers the remaining consumer and commercial loans and leases that have incurred losses but are not yet individually identifiable. The allowance for consumer and certain homogeneous commercial loan and lease products is based on aggregated portfolio evaluations, generally by product type. Loss forecast models are utilized that consider a variety of factors including, but not limited to, historical loss experience, estimated defaults or foreclosures based on portfolio trends, delinquencies, economic trends and credit scores. Our consumer real estate loss forecast model estimates the portion of loans that will default based on individual loan attributes, the most significant of which are refreshed LTV or CLTV, and borrower credit score as well as vintage and geography, all of which are further broken down into current delinquency status. Incorporating refreshed LTV and CLTV into our probability of default allows us to factor the impact of changes in home prices into our allowance for loan and lease losses. These loss forecast models are updated on a quarterly basis to incorporate information reflecting the current economic environment. As of December 31, 2011, the loss forecast process resulted in reductions in the allowance for most consumer portfolios, particularly the credit card and direct/indirect portfolios.

The allowance for commercial loan and lease losses is established by product type after analyzing historical loss experience by internal risk rating, current economic conditions, industry performance trends, geographic and obligor concentrations within each portfolio, and any other pertinent information. The statistical models for commercial loans are generally updated annually and utilize our historical database of actual defaults and other data. The loan risk ratings and composition of the commercial portfolios are updated at least quarterly to incorporate the most recent data reflecting the current economic environment. For risk rated commercial loans, we estimate the probability of default and the LGD based on our historical experience of defaults and credit losses. Factors considered when assessing the internal risk rating include the value of the underlying collateral, if applicable, the industry in which the obligor operates, the obligor's liquidity and other financial indicators, and other quantitative and qualitative factors relevant to the obligor's credit risk. When estimating the allowance for loan and lease losses, management relies not only on models derived from historical experience but also on its judgment in considering the effect on probable losses inherent in the portfolios due to the current macroeconomic environment and trends, inherent uncertainty in models and other qualitative factors. As of December 31, 2011, updates to the loan risk ratings and portfolio composition resulted in reductions in the allowance for all commercial portfolios.

Also included within this second component of the allowance for loan and lease losses and determined separately from the procedures outlined above are reserves that are maintained to cover uncertainties that affect our estimate of probable losses including domestic and global economic uncertainty, large single name defaults, significant events which could disrupt financial markets and model imprecision.

We monitor differences between estimated and actual incurred loan and lease losses. This monitoring process includes periodic assessments by senior management of loan and lease portfolios and the models used to estimate incurred losses in those portfolios.

Additions to or reductions of the allowance for loan and lease losses generally are recorded through charges or credits to the provision for credit losses. Credit exposures deemed to be uncollectible are charged against the allowance for loan and lease losses. Recoveries of previously charged off amounts are credited to the allowance for loan and lease losses.

The allowance for loan and lease losses for the consumer portfolio as presented in Table 56 was $29.6 billion at December 31, 2011, a decrease of $5.1 billion from December 31, 2010. This decrease was primarily due to improving economic conditions and improvement in the current and projected levels of delinquencies, collections and bankruptcies in the U.S. consumer credit card and unsecured consumer lending portfolios. With respect to the consumer PCI loan portfolios, updates to our expected cash flows resulted in an increase in reserves through provision of $2.2 billion in 2011, within the discontinued real estate, home equity and residential mortgage portfolios, primarily due to our updated home price outlook. Reserve increases related to the consumer PCI loan portfolios in 2010 were also $2.2 billion.

The allowance for loan and lease losses for the commercial portfolio was $4.1 billion at December 31, 2011, a $3.0 billion decrease from December 31, 2010. The decrease was driven by improvement in the economy and the resulting impact on property values in the commercial real estate portfolio, improvement in projected delinquencies in the U.S. small business commercial portfolio, mostly within *Card Services*, and stronger borrower credit profiles in the U.S. commercial portfolios, primarily in *Global Commercial Banking* and *GBAM*.

The allowance for loan and lease losses as a percentage of total loans and leases outstanding was 3.68 percent at December 31, 2011 compared to 4.47 percent at December 31, 2010. The decrease in the ratio was largely due to improved credit quality and economic conditions which led to the reduction in the

allowance for credit losses discussed above The December 31 2011 and 2010 ratios above include the PCI loan portfolio Excluding the PCI loan portfolio the allowance for loan and lease losses as a percentage of total loans and leases outstanding was 2 86 percent at December 31 2011 compared to 3 94 percent at December 31 2010

Absent unexpected deterioration in the economy we expect reductions in the allowance for loan and lease losses to continue in 2012 However in both consumer and commercial portfolios we expect these reductions to be less than those in 2011 and 2010

Table 55 presents a rollforward of the allowance for credit losses for 2011 and 2010

Table 55 Allowance for Credit Losses

(Dollars in millions)	2011	2010
Allowance for loan and lease losses, January 1 (1)	$ 41,868	$ 47 968
Loans and leases charged off		
Residential mortgage	(4,188)	(3 778)
Home equity	(4,880)	(7 059)
Discontinued real estate	(105)	(77)
U S credit card	(9,114)	(13 818)
Non-U S credit card	(1,881)	(2 424)
Direct/Indirect consumer	(3,180)	(4 303)
Other consumer	(332)	(320)
Total consumer charge-offs	(23,680)	(31 780)
U S commercial (2)	(1,880)	(3 190)
Commercial real estate	(1,298)	(2 185)
Commercial lease financing	(81)	(96)
Non-U S commercial	(159)	(139)
Total commercial charge-offs	(3,304)	(5 610)
Total loans and leases charged off	(26,742)	(37 390)
Recoveries of loans and leases previously charged off		
Residential mortgage	883	109
Home equity	817	278
Discontinued real estate	14	9
U S credit card	836	791
Non-U S credit card	833	217
Direct/Indirect consumer	754	967
Other consumer	89	59
Total consumer recoveries	3,818	2 430
U S commercial (3)	800	391
Commercial real estate	861	188
Commercial lease financing	87	39
Non-U S commercial	8	28
Total commercial recoveries	881	626
Total recoveries of loans and leases previously charged off	3,809	3 056
Net charge-offs	(20,833)	(34 334)
Provision for loan and lease losses	19,829	28 185
Other (4)	(292)	36
Allowance for loan and lease losses, December 31	39,788	41 885
Reserve for unfunded lending commitments, January 1	1,185	1 487
Provision for unfunded lending commitments	(218)	240
Other (5)	(268)	(539)
Reserve for unfunded lending commitments, December 31	714	1 188
Allowance for credit losses, December 31	$ 34,497	$ 43 073

(1) The 2010 balance includes $10 5 billion of allowance for loan and lease losses related to the adoption of new consolidation guidance
(2) Includes U S small business commercial charge-offs of $1 1 billion and $2 0 billion in 2011 and 2010
(3) Includes U S small business commercial recoveries of $106 million and $107 million in 2011 and 2010
(4) The 2011 amount includes a $448 million reduction to the allowance for loan and lease losses related to Canadian consumer card loans that were transferred to LHFS
(5) The 2011 and 2010 amounts primarily represent reversal of the Merrill Lynch purchase accounting adjustment and the impact of funding previously unfunded positions

Table 55 Allowance for Credit Losses (continued)

(Dollars in millions)	2011	2010
Loan and allowance ratios		
Loans and leases outstanding at December 31 (6)	$ 947,396	$ 937 119
Allowance for loan and lease losses as a percentage of total loans and leases outstanding at December 31 (6)	2.86%	4 47
Consumer allowance for loan and lease losses as a percentage of total consumer loans outstanding at December 31 (6)	3.89	5 46
Commercial allowance for loan and lease losses as a percentage of total commercial loans and leases outstanding at December 31 (7)	1.89	2 44
Average loans and leases outstanding (8)	$ 928,641	$ 954 271
Net charge-offs as a percentage of average loans and leases outstanding (8)	2.24%	3 60
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases at December 31 (6, 9)	136	136
Ratio of the allowance for loan and lease losses at December 31 to net charge-offs	1.92	1 22
Amounts included in allowance for loan and lease losses that are excluded from nonperforming loans and leases at December 31 (9)	$ 17,490	$ 22 804
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases excluding amounts included in the allowance for loan and lease losses that are excluded from nonperforming loans and leases at December 31 (9)	66%	6
Loan and allowance ratios excluding purchased credit-impaired loans		
Allowance for loan and lease losses as a percentage of total loans and leases outstanding at December 31 (6)	2.66%	3 94
Consumer allowance for loan and lease losses as a percentage of total consumer loans outstanding at December 31 (6)	3.66	4 96
Commercial allowance for loan and lease losses as a percentage of total commercial loans and leases outstanding at December 31 (7)	1.86	2 44
Net charge-offs as a percentage of average loans and leases outstanding (8)	2.32	3 71
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases at December 31 (6, 9)	161	139
Ratio of the allowance for loan and lease losses at December 31 to net charge-offs	1.93	1 04

(6) Outstanding loan and lease balances and ratios do not include loans accounted for under the fair value option Loans accounted for under the fair value option were $6 8 billion and $3 3 billion at December 31 2011 and 2010 Average loans accounted for under the fair value option were $4 4 billion and $4 1 billion in 2011 and 2010
(7) Excludes consumer loans accounted for under the fair value option of $2 2 billion at December 31 2011 There were no consumer loans accounted for under the fair value option at December 31 2010
(8) Excludes commercial loans accounted for under the fair value option of $6 8 billion and $3 3 billion at December 31 2011 and 2010
(9) For more information on our definitions of nonperforming loans see pages 62 and 100
(10) Primarily includes amounts allocated to Card Services portfolios PCI loans and the non-U S credit portfolio in All Other

For reporting purposes we allocate the allowance for credit losses across products However the allowance is available to absorb any credit losses without restriction Table 56 presents our allocation by product type

Table 56 Allocation of the Allowance for Credit Losses by Product Type

	December 31, 2011			December 31 2010		
(Dollars in millions)	Amount	Percent of Total	Percent of Loans and Leases Outstanding (1)	Amount	Percent of Total	Percent of Loans and Leases Outstanding (1)
Allowance for loan and lease losses						
Residential mortgage	$ 5,695	17.57%	2.30%	$ 5 082	12 14%	1 97%
Home equity	12,084	36.76	10.89	12 887	30 77	8 34
Discontinued real estate	1,680	6.07	16.46	1 283	3 06	9 79
U S credit card	6,833	16.71	6.16	10 876	25 97	8 56
Non-U S credit card	646	2.60	6.88	2 045	4 88	7 45
Direct/Indirect consumer	1,189	0.41	1.29	2 381	5 68	2 84
Other consumer	149	0.44	8.80	161	0 38	5 67
Total consumer	28,845	87 76	4.86	34 715	82 88	5 40
U S commercial (2)	2,841	7.23	1.36	3 578	8 54	1 88
Commercial real estate	1,340	3.39	3.41	3 137	7 48	8 35
Commercial lease financing	82	0.27	0.43	126	0 30	0 57
Non-U S commercial	253	0.75	0.46	331	0 79	1 03
Total commercial (3)	4,135	12.34	1.96	7 170	17 12	2 44
Allowance for loan and lease losses	32,783	100.00%	3.86	41 885	100 00%	4 47
Reserve for unfunded lending commitments	714			1 188		
Allowance for credit losses (4)	$ 34,497			$ 43 073		

(1) Ratios are calculated as allowance for loan and lease losses as a percentage of loans and leases outstanding excluding loans accounted for under the fair value option Consumer loans accounted for under the fair value option included residential mortgage loans of $908 million and discontinued real estate of $1 3 billion at December 31 2011 There were no consumer loans accounted for under the fair value option at December 31 2010 Commercial loans accounted for under the fair value option included U S commercial loans of $2 2 billion and $1 9 billion non-U S commercial loans of $4 4 billion and $1 7 billion and commercial real estate loans of $0 and $79 million at December 31 2011 and 2010
(2) Includes allowance for U S small business commercial loans of $883 million and $1 5 billion at December 31 2011 and 2010
(3) Includes allowance for loan and lease losses for impaired commercial loans of $545 million and $1 1 billion at December 31 2011 and 2010
(4) Includes $6 5 billion and $8 4 billion of valuation reserves presented with the allowance for credit losses related to PCI loans at December 31 2011 and 2010

Reserve for Unfunded Lending Commitments

In addition to the allowance for loan and lease losses we also estimate probable losses related to unfunded lending commitments such as letters of credit financial guarantees unfunded bankers acceptances and binding loan commitments excluding commitments accounted for under the fair value option Unfunded lending commitments are subject to the same assessment as funded loans including estimates of probability of default and LGD Due to the nature of unfunded commitments the estimate of probable losses must also consider utilization To estimate the portion of these undrawn commitments that is likely to be drawn by a borrower at the time of estimated default analyses of the Corporation s historical experience are applied to the unfunded commitments to estimate the funded EAD The expected loss for unfunded lending commitments is the product of the probability of default the LGD and the EAD adjusted for any qualitative factors including economic uncertainty and inherent imprecision in models

The reserve for unfunded lending commitments at December 31 2011 was $714 million $474 million lower than December 31 2010 driven by accretion of purchase accounting adjustments on acquired Merrill Lynch unfunded positions and improved credit quality in the unfunded portfolio

Market Risk Management

Market risk is the risk that values of assets and liabilities or revenues will be adversely affected by changes in market conditions This risk is inherent in the financial instruments associated with our operations and/or activities including loans deposits securities short-term borrowings long-term debt trading account assets and liabilities and derivatives Market-sensitive assets and liabilities are generated through loans and deposits associated with our traditional banking business customer and other trading operations the ALM process credit risk mitigation activities and mortgage banking activities In the event of market volatility factors such as underlying market movements and liquidity have an impact on the results of the Corporation

Our traditional banking loan and deposit products are nontrading positions and are generally reported at amortized cost for assets or the amount owed for liabilities (historical cost) However these positions are still subject to changes in economic value based on varying market conditions primarily changes in the levels of interest rates The risk of adverse changes in the economic value of our nontrading positions is managed through our ALM activities We have elected to account for certain assets and liabilities under the fair value option For further information on the fair value of certain financial assets and liabilities see *Note 22 – Fair Value Measurements* to the Consolidated Financial Statements

Our trading positions are reported at fair value with changes currently reflected in income Trading positions are subject to various risk factors which include exposures to interest rates and foreign exchange rates as well as mortgage equity commodity issuer credit and market liquidity risk factors We seek to mitigate these risk exposures by using techniques that encompass a variety of financial instruments in both the cash and derivatives markets The following discusses the key risk components along with respective risk mitigation techniques

Interest Rate Risk

Interest rate risk represents exposures to instruments whose values vary with the level or volatility of interest rates These instruments include but are not limited to loans debt securities certain trading-related assets and liabilities deposits borrowings and derivatives Hedging instruments used to mitigate these risks include derivatives such as options futures forwards and swaps

Foreign Exchange Risk

Foreign exchange risk represents exposures to changes in the values of current holdings and future cash flows denominated in currencies other than the U S dollar The types of instruments exposed to this risk include investments in non-U S subsidiaries foreign currency-denominated loans and securities future cash flows in foreign currencies arising from foreign exchange transactions foreign currency-denominated debt and various foreign exchange derivatives whose values fluctuate with changes in the level or volatility of currency exchange rates or non-U S interest rates Hedging instruments used to mitigate this risk include foreign exchange options currency swaps futures forwards foreign currency-denominated debt and deposits

Mortgage Risk

Mortgage risk represents exposures to changes in the value of mortgage-related instruments The values of these instruments are sensitive to prepayment rates mortgage rates agency debt ratings default market liquidity government participation and interest rate volatility Our exposure to these instruments takes several forms First we trade and engage in market-making activities in a variety of mortgage securities including whole loans pass-through certificates commercial mortgages and collateralized mortgage obligations including CDOs using mortgages as underlying collateral Second we originate a variety of MBS which involves the accumulation of mortgage related loans in anticipation of eventual securitization Third we may hold positions in mortgage securities and residential mortgage loans as part of the ALM portfolio Fourth we create MSRs as part of our mortgage origination activities See *Note 1 – Summary of Significant Accounting Principles* and *Note 25 – Mortgage Servicing Rights* to the Consolidated Financial Statements for additional information on MSRs Hedging instruments used to mitigate this risk include foreign exchange options currency swaps futures forwards and foreign currency-denominated debt

Equity Market Risk

Equity market risk represents exposures to securities that represent an ownership interest in a corporation in the form of domestic and foreign common stock or other equity-linked instruments Instruments that would lead to this exposure include but are not limited to the following common stock exchange-traded funds American Depositary Receipts convertible bonds listed equity options (puts and calls) OTC equity options equity total return swaps equity index futures and other equity derivative products Hedging instruments used to mitigate this risk include options futures swaps convertible bonds and cash positions

Commodity Risk

Commodity risk represents exposures to instruments traded in the petroleum natural gas power and metals markets These instruments consist primarily of futures forwards swaps and options Hedging instruments used to mitigate this risk include options futures and swaps in the same or similar commodity product as well as cash positions

Issuer Credit Risk

Issuer credit risk represents exposures to changes in the creditworthiness of individual issuers or groups of issuers Our portfolio is exposed to issuer credit risk where the value of an asset may be adversely impacted by changes in the levels of credit spreads by credit migration or by defaults Hedging instruments used to mitigate this risk include bonds CDS and other credit fixed-income instruments

Market Liquidity Risk

Market liquidity risk represents the risk that the level of expected market activity changes dramatically and in certain cases may even cease This exposes us to the risk that we will not be able to transact business and execute trades in an orderly manner which may impact our results This impact could further be exacerbated if expected hedging or pricing correlations are compromised by disproportionate demand or lack of demand for certain instruments We utilize various risk mitigating techniques as discussed in more detail in Trading Risk Management

Trading Risk Management

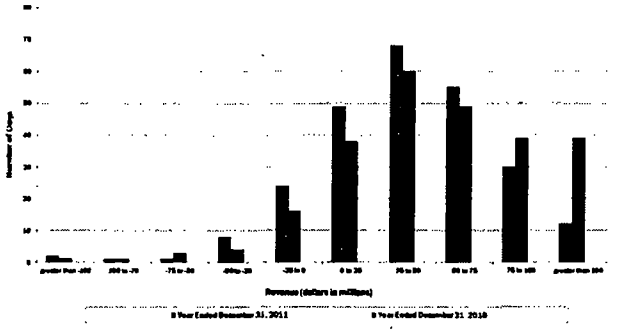
Trading-related revenues represent the amount earned from trading positions including market-based net interest income which are taken in a diverse range of financial instruments and markets Trading account assets and liabilities and derivative positions are reported at fair value For more information on fair value see *Note 22 – Fair Value Measurements* to the Consolidated Financial Statements Trading-related revenues can be volatile and are largely driven by general market conditions and customer demand Also trading-related revenues are dependent on the volume and type of transactions the level of risk assumed and the volatility of price and rate movements at any given time within the ever-changing market environment

The Global Markets Risk Committee (GRC) chaired by the Global Markets Risk Executive has been designated by ALMRC as the primary governance authority for global markets risk management including trading risk management The GRC s focus is to take a forward-looking view of the primary credit and market risks impacting GBAM and prioritize those that need a proactive risk mitigation strategy Market risks that impact businesses outside of GBAM are monitored and governed by their respective governance authorities

The GRC monitors significant daily revenues and losses by business and the primary drivers of the revenues or losses Thresholds are in place for each of our businesses in order to determine if the revenue or loss is considered to be significant for that business If any of the thresholds are exceeded an explanation of the variance is provided to the GRC The thresholds are developed in coordination with the respective risk managers to highlight those revenues or losses that exceed what is considered to be normal daily income statement volatility

The histogram below is a graphic depiction of trading volatility and illustrates the daily level of trading related revenue for 2011 and 2010 During 2011 positive trading related revenue was recorded for 86 percent (214 days) of the trading days of which 66 percent (165 days) were daily trading gains of over $25 million five percent (12 days) of the trading days had losses greater than $25 million and the largest loss was $119 million This is compared to 2010 where positive trading-related revenue was recorded for 90 percent (225 days) of the trading days of which 75 percent (187 days) were daily trading gains of over $25 million four percent (nine days) of the trading days had losses greater than $25 million and the largest loss was $102 million

Histogram of Daily Trading-related Revenue



To evaluate risk in our trading activities we focus on the actual and potential volatility of individual positions as well as portfolios VaR is a key statistic used to measure market risk In order to manage day-to-day risks VaR is subject to trading limits both for our overall trading portfolio and within individual businesses All limit excesses are communicated to management for review

A VaR model simulates the value of a portfolio under a range of hypothetical scenarios in order to generate a distribution of potential gains and losses VaR represents the worst loss the portfolio is expected to experience based on historical trends with a given level of confidence and depends on the volatility of the positions in the portfolio and on how strongly their risks are correlated Within any VaR model there are significant and numerous assumptions that will differ from company to company In addition the accuracy of a VaR model depends on the availability and quality of historical data for each of the positions in the portfolio A VaR model may require additional modeling assumptions for new products that do not have extensive historical price data or for illiquid positions for which accurate daily prices are not consistently available

A VaR model is an effective tool in estimating ranges of potential gains and losses on our trading portfolios There are however many limitations inherent in a VaR model as it utilizes historical results over a defined time period to estimate future performance Historical results may not always be indicative of future results and changes in market conditions or in the composition of the underlying portfolio could have a material impact on the accuracy of the VaR model In order for the VaR model to reflect current market conditions we update the historical data underlying our VaR model on a bi-weekly basis and regularly review the assumptions underlying the model Our VaR model utilizes three years of historical data This time period was chosen to ensure that the VaR reflects both a broad range of market movements as well as being sensitive to recent changes in market volatility

We continually review evaluate and enhance our VaR model so that it reflects the material risks in our trading portfolio Nevertheless due to the limitations previously discussed we have historically used the VaR model as only one of the components in managing our trading risk and also use other techniques such as stress testing and desk level limits Periods of extreme market stress influence the reliability of these techniques to varying degrees

The accuracy of the VaR methodology is reviewed by backtesting which involves comparing actual results against expectations derived from historical data the VaR results against the daily profit and loss Graphic representation of the backtesting results with additional explanation of backtesting excesses are reported to the GRC Backtesting excesses occur when trading losses exceed VaR Senior management reviews and evaluates the results of these tests In periods of market stress the GRC members communicate daily to discuss losses and VaR limit excesses As a result of this process the businesses may selectively reduce risk Where economically feasible positions are sold or macroeconomic hedges are executed to reduce the exposure

Our VaR model uses a historical simulation approach based on three years of historical data and an expected shortfall methodology equivalent to a 99 percent confidence level Statistically this means that losses will exceed VaR on average one out of 100 trading days or two to three times each year The number of actual backtesting excesses observed is dependent on current market performance relative to historic market volatility For most of 2011 the three years of historical market data utilized for VaR included the volatile fourth quarter of 2008 Subsequent market volatility has generally been lower and as a result the size of the largest trading losses experienced since then has been lower than would be expected based on the VaR measure Actual losses did not exceed daily trading VaR in 2011 or 2010 The graph below shows daily trading-related revenue and VaR for 2011

Trading Risk and Return
Daily Trading-related Revenue and VaR

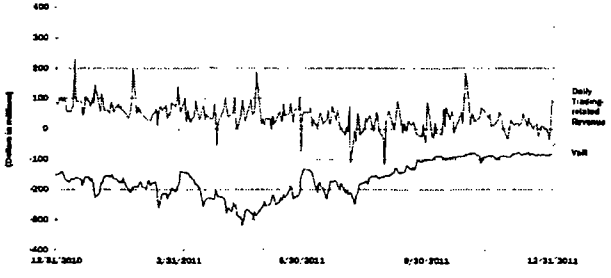


Table 57 presents average high and low daily trading VaR for 2011 and 2010

Table 57 Market Risk VaR for Trading Activities

	2011			2010		
(Dollars in millions)	Average	High (1)	Low (1)	Average	High (1)	Low (1)
Foreign exchange	$ 50.0	$ 68.0	$ 5.0	$ 23.8	$ 73.1	$ 4.9
Interest rate	99.6	93.7	29.3	64.1	128.3	33.2
Credit	109.0	156.5	68.0	171.5	287.2	122.9
Real estate/mortgage	50.0	106.0	21.5	83.1	138.5	42.9
Equities	99.3	68.0	25.1	39.4	90.9	20.6
Commodities	18.0	39.0	8.4	19.9	31.7	12.8
Portfolio diversification	(163.1)	–	–	(200.5)	–	–
Total market-based trading portfolio	$ 163.0	$ 314.5	$ 78.0	$ 201.3	$ 375.2	$ 123.0

(1) The high and low for the total portfolio may not equal the sum of the individual components as the high or loss of the individual portfolios may have occurred on different trading days

The $35 million decrease in average VaR during 2011 was primarily due to a reduction in risk during the year This was driven primarily by a decrease in credit exposures where average VaR decreased $62 million compared to 2010 In addition for 2010 and 2011 data from the more volatile periods of 2007 and 2008 were no longer included in our three-year historical dataset These impacts were partially offset by a reduction in portfolio diversification VaR of $37 million

the business and enterprise control function levels to address operational risk in revenue producing and non-revenue producing units A sound internal governance structure enhances the effectiveness of the Corporation's Operational Risk Management Program and is accomplished at the enterprise level through formal oversight by the Board the CRO and a variety of management committees and risk oversight groups aligned to the Corporation's overall risk governance framework and practices Of these the Operational Risk Committee (ORC) oversees and approves the Corporation's policies and processes for sound operational risk management The ORC also serves as an escalation point for critical operational risk matters within the Corporation The ORC reports operational risk activities to the Enterprise Risk Committee of the Board

Within the Global Risk Management organization the Corporate Operational Risk team develops and guides the strategies policies practices controls and monitoring tools for assessing and managing operational risks across the organization and reports results to the businesses enterprise control functions senior management governance committees and the Board

The business and enterprise control functions are responsible for all the risks within the business line including operational risks In addition to enterprise risk management tools such as loss reporting scenario analysis and RCSAs operational risk executives working in conjunction with senior business executives have developed key tools to help identify measure mitigate and monitor risk in each business and enterprise control function Examples of these include personnel management practices data reconciliation processes fraud management units transaction processing monitoring and analysis business recovery planning and new product introduction processes The business and enterprise control functions are also responsible for consistently implementing and monitoring adherence to corporate practices

Business and enterprise control function management uses the enterprise risk and control self-assessment process to identify and evaluate the status of risk and control issues including mitigation plans as appropriate The goal of this process is to assess changing market and business conditions to evaluate key risks impacting each business and enterprise control function and assess the controls in place to mitigate the risks The risk and control self-assessment process is documented at periodic intervals Key operational risk indicators for these risks have been developed and are used to help identify trends and issues on an enterprise business and enterprise control function level Independent review and challenge to the Corporation's overall operational risk management framework is performed by the Corporate Operational Risk Validation Team

The enterprise control functions participate in the operational risk management process in two ways First these organizations manage risk in their functional department Second they provide specialized risk management services (e.g. information management vendor management) within their area of expertise to the enterprise and the businesses and other enterprise control functions they support These groups also work with business and risk executives to develop and guide appropriate strategies policies practices controls and monitoring tools for each business and enterprise control function relative to these programs

Additionally where appropriate insurance policies are purchased to mitigate the impact of operational losses when and if they occur These insurance policies are explicitly incorporated in the structural features of operational risk evaluation As insurance recoveries especially given recent market events are subject to legal and financial uncertainty the inclusion of these insurance policies is subject to reductions in their expected mitigating benefits

Complex Accounting Estimates

Our significant accounting principles as described in Note 1 – Summary of Significant Accounting Principles to the Consolidated Financial Statements are essential in understanding the Management's Discussion and Analysis of Financial Condition and Results of Operations Many of our significant accounting principles require complex judgments to estimate the values of assets and liabilities We have procedures and processes in place to facilitate making these judgments

The more judgmental estimates are summarized in the following discussion We have identified and described the development of the variables most important in the estimation processes that with the exception of accrued taxes involve mathematical models to derive the estimates In many cases there are numerous alternative judgments that could be used in the process of determining the inputs to the models Where alternatives exist we have used the factors that we believe represent the most reasonable value in developing the inputs Actual performance that differs from our estimates of the key variables could impact our results of operations Separate from the possible future impact to our results of operations from input and model variables the value of our lending portfolio and market-sensitive assets and liabilities may change subsequent to the balance sheet date often significantly due to the nature and magnitude of future credit and market conditions Such credit and market conditions may change quickly and in unforeseen ways and the resulting volatility could have a significant negative effect on future operating results These fluctuations would not be indicative of deficiencies in our models or inputs

Allowance for Credit Losses

The allowance for credit losses which includes the allowance for loan and lease losses and the reserve for unfunded lending commitments represents management's estimate of probable losses inherent in the Corporation's loan portfolio excluding those loans accounted for under the fair value option Changes to the allowance for credit losses are reported in the Consolidated Statement of Income in the provision for credit losses Our process for determining the allowance for credit losses is discussed in Note 1 – Summary of Significant Accounting Principles to the Consolidated Financial Statements We evaluate our allowance at the portfolio segment level and our portfolio segments are home loans credit card and other consumer and commercial Due to the variability in the drivers of the assumptions used in this process estimates of the portfolio's inherent risks and overall collectability change with changes in the economy individual industries countries and borrowers' or counterparties' ability and willingness to repay their obligations The degree to which any particular assumption affects the allowance for credit losses depends on the severity of the change and its relationship to the other assumptions

Key judgments used in determining the allowance for credit losses include risk ratings for pools of commercial loans and leases market and collateral values and discount rates for individually evaluated loans product type classifications for consumer and commercial loans and leases loss rates used for

consumer and commercial loans and leases adjustments made to address current events and conditions considerations regarding domestic and global economic uncertainty and overall credit conditions

Our estimate for the allowance for loan and lease losses is sensitive to the loss rates and expected cash flows from our home loans and credit card and other consumer portfolio segments For each one percent increase in the loss rates on loans collectively evaluated for impairment in our home loans portfolio segment excluding PCI loans coupled with a one percent decrease in the discounted cash flows on those loans individually evaluated for impairment within the portfolio segment the allowance for loan and lease losses at December 31 2011 would have increased by $158 million PCI loans within our home loans portfolio segment are initially recorded at fair value Applicable accounting guidance prohibits carry-over or creation of valuation allowances in the initial accounting However subsequent decreases in the expected cash flows from the date of acquisition result in a charge to the provision for credit losses and a corresponding increase to the allowance for loan and lease losses We subject our PCI portfolio to stress scenarios to evaluate the potential impact given certain events A one percent decrease in the expected cash flows could result in a $241 million impairment of the portfolio of which $115 million would be related to our discontinued real estate portfolio For each one percent increase in the loss rates on loans collectively evaluated for impairment within our credit card and other consumer portfolio segment coupled with a one percent decrease in the expected cash flows on those loans individually evaluated for impairment within this portfolio segment the allowance for loan and lease losses at December 31 2011 would have increased by $84 million

Our allowance for loan and lease losses is sensitive to the risk ratings assigned to loans and leases within our commercial portfolio segment Assuming a downgrade of one level in the internal risk ratings for commercial loans and leases except loans and leases already risk-rated Doubtful as defined by regulatory authorities the allowance for loan and lease losses would have increased by $3 1 billion at December 31 2011

The allowance for loan and lease losses as a percentage of total loans and leases at December 31 2011 was 3 69 percent and these hypothetical increases in the allowance would raise the ratio to 4 00 percent

These sensitivity analyses do not represent management's expectations of the deterioration in risk ratings or the increases in loss rates but are provided as hypothetical scenarios to assess the sensitivity of the allowance for loan and lease losses to changes in key inputs We believe the risk ratings and loss severities currently in use are appropriate and that the probability of the alternative scenarios outlined above occurring within a short period of time is remote

The process of determining the level of the allowance for credit losses requires a high degree of judgment It is possible that others given the same information may at any point in time reach different reasonable conclusions

Mortgage Servicing Rights

MSRs are nonfinancial assets that are created when a mortgage loan is sold and we retain the right to service the loan We account for consumer MSRs at fair value with changes in fair value recorded in the Consolidated Statement of Income in mortgage banking income Commercial-related and residential reverse mortgage MSRs are accounted for using the amortization method lower of amortized cost or fair value with impairment recognized as a reduction of mortgage banking income At December 31 2011 our total MSR balance was $7 5 billion

We determine the fair value of our consumer MSRs using a valuation model that calculates the present value of estimated future net servicing income The model incorporates key economic assumptions including estimates of prepayment rates and resultant weighted-average lives of the MSRs and the option-adjusted spread levels These variables can and generally do change from quarter to quarter as market conditions and projected interest rates change These assumptions are subjective in nature and changes in these assumptions could materially affect our operating results For example decreasing the prepayment rate assumption used in the valuation of our consumer MSRs by 10 percent while keeping all other assumptions unchanged could have resulted in an estimated increase of $839 million in MSRs and mortgage banking income at December 31 2011 This impact does not reflect any hedge strategies that may be undertaken to mitigate such risk

We manage potential changes in the fair value of MSRs through a comprehensive risk management program The intent is to mitigate the effects of changes in the fair value of MSRs through the use of risk management instruments To reduce the sensitivity of earnings to interest rate and market value fluctuations securities as well as certain derivatives such as options and interest rate swaps may be used as economic hedges of the MSRs but are not designated as accounting hedges These instruments are carried at fair value with changes in fair value recognized in mortgage banking income For more information see Mortgage Banking Risk Management on page 119

For additional information on MSRs including the sensitivity of weighted-average lives and the fair value of MSRs to changes in modeled assumptions see Note 25 – Mortgage Servicing Rights to the Consolidated Financial Statements

Fair Value of Financial Instruments

We determine the fair values of financial instruments based on the fair value hierarchy under applicable accounting guidance which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value Applicable accounting guidance establishes three levels of inputs used to measure fair value We carry trading account assets and liabilities derivative assets and liabilities AFS debt and marketable equity securities certain MSRs and certain other assets at fair value Also we account for certain corporate loans and loan commitments LHFS other short-term borrowings securities financing agreements asset-backed secured financings long-term deposits and long-term debt under the fair value option For more information see Note 22 – Fair Value Measurements and Note 23 – Fair Value Option to the Consolidated Financial Statements

The fair values of assets and liabilities include adjustments for market liquidity credit quality and other deal specific factors where appropriate Valuations of products using models or other techniques are sensitive to assumptions used for the significant inputs Where market data is available the inputs used for valuation reflect that information as of our valuation date Inputs to valuation models are considered unobservable if they are supported by little or no market activity In periods of extreme volatility lessened liquidity or an illiquid market there may be

more variability in market pricing or a lack of market data to use in the valuation process In keeping with the prudent application of estimates and management judgment in determining the fair value of assets and liabilities we have in place various processes and controls that include a model validation policy that requires review and approval of quantitative models used for deal pricing financial statement fair value determination and risk quantification a trading product valuation policy that requires verification of all traded product valuations and a periodic review and substantiation of daily profit and loss reporting for all traded products Primarily through validation controls we utilize both broker and pricing service inputs which can and do include both market observable and internally-modeled values and/or valuation inputs Our reliance on this information is tempered by the knowledge of how the broker and/or pricing service develops its data with a higher degree of reliance applied to those that are more directly observable and lesser reliance applied to those developed through their own internal modeling Similarly broker quotes that are executable are given a higher level of reliance than indicative broker quotes which are not executable These processes and controls are performed independently of the business

Trading account assets and liabilities are carried at fair value based primarily on actively traded markets where prices are from either direct market quotes or observed transactions Liquidity is a significant factor in the determination of the fair value of trading account assets and liabilities Market price quotes may not be readily available for some positions or positions within a market sector where trading activity has slowed significantly or ceased Situations of illiquidity generally are triggered by market perception of credit uncertainty regarding a single company or a specific market sector In these instances fair value is determined based on limited available market information and other factors principally from reviewing the issuer's financial statements and changes in credit ratings made by one or more of the rating agencies

Trading account profits which represent the net amount earned from our trading positions can be volatile and are largely driven by general market conditions and customer demand Trading account profits are dependent on the volume and type of transactions the level of risk assumed and the volatility of price and rate movements at any given time within the ever-changing market environment To evaluate risk in our trading activities we focus on the actual and potential volatility of individual positions as well as portfolios At a portfolio and corporate level we use trading limits stress testing and tools such as VaR modeling which estimates a potential daily loss that we do not expect to exceed with a specified confidence level to measure and manage market risk For more information on VaR see Trading Risk Management on page 113

The fair values of derivative assets and liabilities traded in the OTC market are determined using quantitative models that require the use of multiple market inputs including interest rates prices and indices to generate continuous yield or pricing curves and volatility factors which are used to value the positions The majority of market inputs are actively quoted and can be validated through external sources including brokers market transactions and third-party pricing services Estimation risk is greater for derivative asset and liability positions that are either option-based or have longer maturity dates where observable market inputs are less readily available or are unobservable in which case quantitative-based extrapolations of rate price or index scenarios are used in determining fair values The Corporation incorporates within its fair value measurements of OTC derivatives a valuation adjustment to reflect the credit risk associated with the net position Positions are netted by counterparty and fair value for net long exposures is adjusted for counterparty credit risk while the fair value for net short exposures is adjusted for our own credit risk The credit adjustments are determined by reference to existing direct market reference costs of credit or where direct references are not available a proxy is applied consistent with direct references for other counterparties that are similar in credit risk An estimate of severity of loss is also used in the determination of fair value primarily based on market implied experience adjusted for any more recent name specific expectations

Level 3 Assets and Liabilities

Financial assets and liabilities whose values are based on valuation techniques that require inputs that are both unobservable and are significant to the overall fair value measurement are classified as Level 3 under the fair value hierarchy established in applicable accounting guidance The Level 3 financial assets and liabilities include consumer MSRs highly structured complex or long-dated derivative contracts and private equity investments as well as certain loans MBS ABS structured liabilities and CDOs The fair value of these Level 3 financial assets and liabilities is determined using pricing models discounted cash flow methodologies or similar techniques for which the determination of fair value requires significant management judgment or estimation

Table 61 Level 3 Asset and Liability Summary

(Dollars in millions)	December 31, 2011 Level 3 Fair Value	As a % of Total Level 3 Assets	As a % of Total Assets	December 31, 2010 Level 3 Fair Value	As a % of Total Level 3 Assets	As a % of Total Assets
Trading account assets	$ 11,488	23.31%	0.56%	$ 15 525	19 56%	0 69%
Derivative assets	14,306	27.66	0.67	18 773	23 65	0 83
AFS securities	6,813	13.89	0.33	15 873	19 99	0 70
All other Level 3 assets at fair value	17,744	34.41	0.83	29 217	36 80	1 29
Total Level 3 assets at fair value (1)	$ 51,377	100.00%	2.42%	$ 79 388	100 00%	3 51%

	Level 3 Fair Value	As a % of Total Level 3 Liabilities	As a % of Total Liabilities	Level 3 Fair Value	As a % of Total Level 3 Liabilities	As a % of Total Liabilities
Derivative liabilities	$ 6,809	78.66%	0.68%	$ 11 026	70 90%	0 54%
Long-term debt	2,048	23.66	0.15	2 986	19 20	0 15
All other Level 3 liabilities at fair value	135	1.11	0.01	1 541	9 90	0 07
Total Level 3 liabilities at fair value (1)	$ 11,871	100.00%	0.81%	$ 15 555	100 00%	0 78%

(1) Level 3 total assets and liabilities are shown before the impact of counterparty netting related to our derivative positions

During 2011 we recognized net gains of $451 million on Level 3 assets and liabilities The net gains during the year were primarily in trading account profits combined with gains on IRLCs partially offset by losses on MSRs There were net unrealized gains of $19 million in accumulated OCI on Level 3 assets and liabilities at December 31 2011

Level 3 financial instruments such as our consumer MSRs may be economically hedged with derivatives classified as Level 1 or 2 therefore gains or losses associated with Level 3 financial instruments may be offset by gains or losses associated with financial instruments classified in other levels of the fair value hierarchy The Level 3 gains and losses recorded in earnings did not have a significant impact on our liquidity or capital resources

We conduct a review of our fair value hierarchy classifications on a quarterly basis Transfers into or out of Level 3 are made if the significant inputs used in the financial models measuring the fair values of the assets and liabilities became unobservable or observable respectively in the current marketplace These transfers are considered to be effective as of the beginning of the quarter in which they occur For additional information on the significant transfers into and out of Level 3 during 2011 see *Note 22 – Fair Value Measurements* to the Consolidated Financial Statements

Global Principal Investments

GPI is included within Equity Investments in *All Other* on page 54 GPI is comprised of a diversified portfolio of private equity real estate and other alternative investments in both privately-held and publicly-traded companies These investments are made either directly in a company or held through a fund At December 31 2011 this portfolio totaled $5 6 billion including $4 3 billion of non-public investments

Certain equity investments in the portfolio are subject to investment company accounting under applicable accounting guidance and accordingly are carried at fair value with changes in fair value reported in equity investment income Initially the transaction price of the investment is generally considered to be the best indicator of fair value Thereafter valuation of direct investments is based on an assessment of each individual investment using methodologies that include publicly-traded comparables derived by multiplying a key performance metric (e g earnings before interest taxes depreciation and amortization) of the portfolio company by the relevant valuation multiple observed for comparable companies acquisition comparables entry-level multiples and discounted cash flows and are subject to appropriate discounts for lack of liquidity or marketability Certain factors that may influence changes in fair value include but are not limited to recapitalizations subsequent rounds of financing and offerings in the equity or debt capital markets For fund investments we generally record the fair value of our proportionate interest in the fund's capital as reported by the fund's respective managers

Accrued Income Taxes and Deferred Tax Assets

Accrued income taxes reported as a component of accrued expenses and other liabilities on our Consolidated Balance Sheet represent the net amount of current income taxes we expect to pay to or receive from various taxing jurisdictions attributable to our operations to date We currently file income tax returns in more than 100 jurisdictions and consider many factors including statutory judicial and regulatory guidance, in estimating the appropriate accrued income taxes for each jurisdiction

In applying the applicable accounting guidance we monitor relevant tax authorities and change our estimate of accrued income taxes due to changes in income tax laws and their interpretation by the courts and regulatory authorities These revisions of our estimate of accrued income taxes which also may result from our income tax planning and from the resolution of income tax controversies may be material to our operating results for any given period

Net deferred tax assets reported as a component of other assets on our Consolidated Balance Sheet represent the net decrease in taxes expected to be paid in the future because of net operating loss (NOL) and tax credit carryforwards and because of future reversals of temporary differences in the bases of assets and liabilities as measured by tax laws and their bases as reported in the financial statements NOL and tax credit carryforwards result in reductions to future tax liabilities and many of these attributes can expire if not utilized within certain periods We consider the need for valuation allowances to reduce net deferred tax assets to the amounts we estimate are more-likely-than-not to be realized

While we have established some valuation allowances for certain state and non-U S deferred tax assets we have concluded that our estimates of future taxable income by jurisdiction will be sufficient to realize all U S federal and U K deferred tax assets including NOL and tax credit carryforwards that are not subject to any special limitations (such as change-in-control limitations) prior to any expiration Significant decreases to our estimate of future taxable income by jurisdiction could materially change our conclusions about how much of our tax attributes and other deferred tax assets are more likely than not to be realized prior to their expiration See *Note 21 – Income Taxes* to the Consolidated Financial Statements for a table of significant tax attributes and additional information

Goodwill and Intangible Assets

Background

The nature of and accounting for goodwill and intangible assets are discussed in *Note 1 – Summary of Significant Accounting Principles* and *Note 10 – Goodwill and Intangible Assets* to the Consolidated Financial Statements Goodwill is reviewed for potential impairment at the reporting unit level on an annual basis which for the Corporation is performed as of June 30 and in interim periods if events or circumstances indicate a potential impairment A reporting unit is an operating segment or one level below As reporting units are determined after an acquisition or evolve with changes in business strategy goodwill is assigned to reporting units and it no longer retains its association with a particular acquisition All of the revenue streams and related activities of a reporting unit whether acquired or organic are available to support the value of the goodwill

We use the reporting units allocated equity as a proxy for the carrying amount of equity for each reporting unit in our goodwill impairment tests as we do not maintain a record of equity as defined under GAAP at the reporting unit level Allocated equity includes economic capital goodwill and a percentage of intangible assets allocated to the reporting units The allocation of economic capital to the reporting units utilized for goodwill impairment testing has the same basis as the allocation of economic capital to our operating segments Economic capital allocation plans are incorporated into the Corporation s financial plan which is approved by the Board on an annual basis Allocated equity is updated on a quarterly basis

The Corporation s common stock price remained volatile during 2011 and 2010 primarily due to the continued uncertainty in the economy and in the financial services industry as well as adverse developments related to our mortgage business and increased regulation During these periods our market capitalization remained below our recorded book value We estimate that the fair value of all reporting units in aggregate as of the June 30 2011 annual goodwill impairment test was $210 2 billion and the common stock market capitalization of the Corporation as of that date was $111 1 billion ($58 6 billion at December 31 2011) As none of our reporting units are publicly-traded individual reporting unit fair value determinations do not directly correlate to the Corporation s stock price Although we believe it is reasonable to conclude that market capitalization could be an indicator of fair value over time we do not believe that recent fluctuations in our market capitalization reflect the fair value of our individual reporting units

Estimating the fair value of reporting units is a subjective process that involves the use of estimates and judgments particularly related to cash flows the appropriate discount rates and an applicable control premium We determined the fair values of the reporting units using a combination of valuation techniques consistent with the market approach and the income approach and included the use of independent valuation specialists

The market approach we used estimates the fair value of the individual reporting units by incorporating any combination of the tangible capital book capital and earnings multiples from comparable publicly-traded companies in industries similar to that of the reporting unit The relative weight assigned to these multiples varies among the reporting units based on qualitative and quantitative characteristics primarily the size and relative profitability of the reporting unit as compared to the comparable publicly-traded companies Since the fair values determined under the market approach are representative of a noncontrolling interest a control premium was added to arrive at the reporting units estimated fair values on a controlling basis

For purposes of the income approach we calculated discounted cash flows by taking the net present value of estimated future cash flows and an appropriate terminal value Our discounted cash flow analysis employs a capital asset pricing model in estimating the discount rate (i e cost of equity financing) for each reporting unit The inputs to this model include the risk free rate of return beta which is a measure of the level of non diversifiable risk associated with comparable companies for each specific reporting unit market equity risk premium and in certain cases an unsystematic (company-specific) risk factor The unsystematic risk factor is the input that specifically addresses uncertainty related to our projections of earnings and growth including the uncertainty related to loss expectations We utilized discount rates that we believe adequately reflect the risk and uncertainty in the financial markets generally and specifically in our internally developed forecasts We estimated expected rates of equity returns based on historical market returns and risk/return rates for similar industries of the reporting unit We use our internal forecasts to estimate future cash flows and actual results may differ from forecasted results

International Consumer Card Businesses

Of the $1 9 billion of goodwill associated with the international consumer card businesses $526 million of goodwill was allocated on a relative fair value basis to the Canadian consumer card business which was sold on December 1 2011

During the three months ended December 31 2011 a goodwill impairment test was performed for the European consumer card businesses reporting unit as it was likely that the carrying amount of the business exceeded the fair value due to a decrease in future growth projections We concluded that goodwill was impaired and accordingly recorded a non-cash non-tax deductible goodwill impairment charge of $581 million for the European consumer card businesses

Consumer Real Estate Services

In connection with the sale of Balboa on June 1 2011 we allocated on a relative fair value basis $193 million of *CRES* goodwill to the business in determining the gain on the sale

During the three months ended June 30 2011 as a consequence of the BNY Mellon Settlement entered into by the Corporation on June 28 2011 the adverse impact of the incremental mortgage-related charges and the continued economic slowdown in the mortgage business we performed a goodwill impairment test for the *CRES* reporting unit We concluded that the remaining balance of goodwill of $2 6 billion was impaired and accordingly recorded a non cash non-tax deductible goodwill impairment charge to reduce the carrying value of the goodwill in *CRES* to zero

2011 Annual Impairment Test

During the three months ended September 30 2011 we completed our annual goodwill impairment test as of June 30 2011 for all reporting units which had goodwill In performing the first step of the annual goodwill impairment analysis we compared the fair value of each reporting unit to its current carrying value including goodwill To determine fair value we utilized a combination of the market approach and income approach Under the market approach we compared earnings and equity multiples of the individual reporting units to multiples of public companies comparable to the individual reporting units The control premiums used in the June 30 2011 annual goodwill impairment test ranged from 25 percent to 35 percent Under the income approach we updated our assumptions to reflect the current market environment The discount rates used in the June 30 2011 annual goodwill impairment test ranged from 11 percent to 16 percent depending on the relative risk of a reporting unit Growth rates developed by management for individual revenue and expense items in each reporting unit ranged from 0 7 percent to 6 7 percent For certain revenue and expense items that have been significantly affected by the current economic environment and financial reform management developed separate long-term forecasts

Based on the results of step one of the annual goodwill impairment test we determined that step two was not required for any of the reporting units as their fair value exceeded their carrying value indicating there was no impairment

2010 Impairment Tests

During the three months ended September 30 2010 we performed a goodwill impairment test for *Card Services* due to the continued stress on the business and the uncertain debit card interchange provisions under the Financial Reform Act We concluded that goodwill was impaired and accordingly recorded a non-cash non-tax deductible goodwill impairment charge of $10 4 billion to reduce the carrying value of the goodwill in *Card Services*

During the three months ended December 31 2010 we performed a goodwill impairment test for the *CRES* reporting unit as it was likely that there was a decline in its fair value as a result of increased uncertainties including existing and potential litigation exposure and other related risks higher servicing costs including those related to loss mitigation foreclosure related issues and the redeployment of centralized sales resources We concluded that goodwill was impaired and accordingly recorded a non-cash non-tax deductible goodwill impairment charge of $2 0 billion in *CRES*

Representations and Warranties

The methodology used to estimate the liability for obligations under representations and warranties related to transfers of residential mortgage loans is a function of the representations and warranties given and considers a variety of factors Depending upon the counterparty these factors include actual defaults estimated future defaults historical loss experience estimated home prices other economic conditions estimated probability that we will receive a repurchase request including consideration of whether presentation thresholds will be met number of payments made by the borrower prior to default estimated probability that we will be required to repurchase a loan and the experience with and the behavior of the counterparty It also considers bulk settlements as appropriate The estimate of the liability for obligations under representations and warranties is based upon currently available information significant judgment and a number of factors including those set forth above that are subject to change Changes to any one of these factors could significantly impact the estimate of our liability

The provision for representations and warranties may vary significantly each period as the methodology used to estimate the expense continues to be refined based on the level and type of repurchase requests presented defects identified the latest experience gained on repurchase requests and other relevant facts and circumstances The estimated range of possible loss related to non-GSE representations and warranties exposure has been disclosed For the GSE claims where we have established a representations and warranties liability as discussed in *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* to the Consolidated Financial Statements an assumed simultaneous increase or decrease of 10 percent in estimated future defaults loss severity and the net repurchase rate would result in an increase of approximately $850 million or decrease of approximately $800 million in the representations and warranties liability as of December 31 2011 Viewed from the perspective of home prices for each one percent change in home prices the liability for representations and warranties on unsettled GSE originations is estimated to be impacted by $125 million based on projected collateral losses and defect rates These sensitivities are hypothetical and are intended to provide an indication of the impact of a significant change in these key assumptions on the representations and warranties liability In reality changes in one assumption may result in changes in other assumptions which may or may not counteract the sensitivity

For additional information on representations and warranties see Off-Balance Sheet Arrangements and Contractual Obligations – Representations and Warranties on page 56 as well as *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* and *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements

Litigation Reserve

In accordance with applicable accounting guidance the Corporation establishes an accrued liability for litigation and regulatory matters when those matters present loss contingencies that are both probable and estimable In such cases there may be an exposure to loss in excess of any amounts accrued When a loss contingency is not both probable and estimable the Corporation does not establish an accrued liability As a litigation or regulatory matter develops the Corporation in conjunction with any outside counsel handling the matter evaluates on an ongoing basis whether such matter presents a loss contingency that is both probable and estimable If at the time of evaluation the loss contingency related to a litigation or regulatory matter is not both probable and estimable the matter will continue to be monitored for further developments that would make such loss contingency both probable and estimable Once the loss contingency related to a litigation or regulatory matter is deemed to be both probable and estimable the Corporation will establish an accrued liability with respect to such loss contingency and record a corresponding amount of litigation-related expense The Corporation will continue to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established

For a limited number of the matters disclosed in *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements for which a loss is probable or reasonably possible in future periods whether in excess of a related accrued liability or where there is no accrued liability we are able to estimate a range of possible loss In determining whether it is possible to provide an estimate of loss or range of possible loss the Corporation reviews and evaluates its material litigation and regulatory matters on an ongoing basis in conjunction with any outside counsel handling the matter in light of potentially relevant factual and legal developments These may include information learned through the discovery process rulings on dispositive motions settlement discussions and other rulings by courts arbitrators or others In cases in which the Corporation possesses sufficient information to develop an estimate of loss or range of possible loss that estimate is aggregated and disclosed in *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements For other disclosed matters for which a loss is probable or reasonably possible such an estimate is not possible Those matters for which an estimate is not possible are not included within this estimated range Therefore the estimated range of possible loss represents what we believe to be an estimate of possible loss only for certain matters meeting these criteria It does not represent the Corporation's maximum loss exposure Information is provided in *Note 14 – Commitments and Contingencies* to the Consolidated Financial Statements regarding the nature of all of these contingencies and where specified the amount of the claim associated with these loss contingencies

Consolidation and Accounting for Variable Interest Entities

In accordance with applicable accounting guidance an entity that has a controlling financial interest in a VIE is referred to as the primary beneficiary and consolidates the VIE The Corporation is deemed to have a controlling financial interest and is the primary beneficiary of a VIE if it has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE

Determining whether an entity has a controlling financial interest in a VIE requires significant judgment An entity must assess the purpose and design of the VIE including explicit and implicit contractual arrangements and the entity's involvement in both the design of the VIE and its ongoing activities The entity must then determine which activities have the most significant impact on the economic performance of the VIE and whether the entity has the power to direct such activities For VIEs that hold financial assets the party that services the assets or makes investment management decisions may have the power to direct the most significant activities of a VIE Alternatively a third party that has the unilateral right to replace the servicer or investment manager or to liquidate the VIE may be deemed to be the party with power If there are no significant ongoing activities the party that was responsible for the design of the VIE may be deemed to have power If the entity determines that it has the power to direct the most significant activities of the VIE then the entity must determine if it has either an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE Such economic interests may include investments in debt or equity instruments issued by the VIE liquidity commitments and explicit and implicit guarantees

On a quarterly basis we reassess whether we have a controlling financial interest and are the primary beneficiary of a VIE The quarterly reassessment process considers whether we have acquired or divested the power to direct the activities of the VIE through changes in governing documents or other circumstances The reassessment also considers whether we have acquired or disposed of a financial interest that could be significant to the VIE or whether an interest in the VIE has become significant or is no longer significant The consolidation status of the VIEs with which we are involved may change as a result of such reassessments Changes in consolidation status are applied prospectively with assets and liabilities of a newly consolidated VIE initially recorded at fair value A gain or loss may be recognized upon deconsolidation of a VIE depending on the carrying amounts of deconsolidated assets and liabilities compared to the fair value of retained interests and ongoing contractual arrangements

2010 Compared to 2009

The following discussion and analysis provides a comparison of our results of operations for 2010 and 2009 This discussion should be read in conjunction with the Consolidated Financial Statements and related Notes Tables 7 and 8 contain financial data to supplement this discussion

Overview

Net Income/Loss

Net loss totaled $2 2 billion in 2010 compared to net income of $6 3 billion in 2009 Including preferred stock dividends the net loss applicable to common shareholders was $3 6 billion or $(0 37) per diluted share Those results compared to a net loss applicable to common shareholders of $2 2 billion or $(0 29) per diluted share for 2009

Net Interest Income

Net interest income on a FTE basis increased $4 3 billion to $52 7 billion for 2010 compared to 2009 The increase was due to the impact of deposit pricing and the adoption of new consolidation guidance which contributed $10 5 billion to net interest income in 2010 The increase was partially offset by lower commercial and consumer loan levels the sale of First Republic in 2010 and lower rates on core assets and trading assets and liabilities including derivative exposures The net interest yield on a FTE basis increased 13 bps to 2 78 percent for 2010 compared to 2009 due to the factors described above

Noninterest Income

Noninterest income decreased $13 6 billion to $58 7 billion in 2010 compared to 2009 Card income decreased $245 million due to the implementation of the CARD Act partially offset by the impact of the new consolidation guidance and higher interchange income Service charges decreased $1 6 billion largely due to the impact of overdraft policy changes in conjunction with Regulation E which became effective in the third quarter of 2010 and the impact of our overdraft policy changes implemented in late 2009 Equity investment income decreased $4 8 billion as net gains on the sales of certain strategic investments during 2010 were less than gains in 2009 that included a $7 3 billion gain related to the sale of a portion of our investment in CCB Trading account profits decreased $2 2 billion due to more favorable market conditions in 2009 and investor concerns regarding sovereign debt fears and regulatory uncertainty DVA gains net of hedges on derivative liabilities of $262 million for 2010 compared to losses of $662 million for 2009 Mortgage banking income decreased $6 1 billion due to an increase of $4 9 billion in representations and warranties provision and lower volume and margins Gains on sales of debt securities decreased $2 2 billion driven by a lower volume of sales of debt securities The decrease also included the impact of losses in 2010 related to portfolio restructuring activities Other income (loss) improved by $2 4 billion 2009 included a net negative fair value adjustment related to our own credit of $4 9 billion on structured liabilities compared to a net positive adjustment of $18 million in 2010 and 2009 also included a $3 8 billion gain on the contribution of our merchant services business to a joint venture Legacy asset write-downs included in other income (loss) were $1 7 billion in 2009 compared to net gains of $256 million in 2010 Impairment losses recognized in earnings on AFS debt securities decreased $1 9 billion reflecting lower impairment write-downs on non-agency RMBS and CDOs

Provision for Credit Losses

The provision for credit losses decreased $20 1 billion to $28 4 billion for 2010 compared to 2009 due to improving portfolio trends across the consumer and commercial portfolios Net charge-offs totaled $34 3 billion or 3 60 percent of average loans and leases for 2010 compared to $33 7 billion or 3 58 percent for 2009

Noninterest Expense

Noninterest expense increased $16 4 billion to $83 1 billion for 2010 compared to 2009 largely due to goodwill impairment charges of $12 4 billion The increase was also driven by a $3 6 billion increase in personnel costs reflecting the build out of several businesses the recognition of expense on proportionally larger 2009 incentive deferrals and the U K payroll tax on certain year-end incentive payments as well as a $1 6 billion increase in litigation costs These increases were partially offset by a $901 million decline in merger and restructuring charges compared to 2009 Noninterest expense for 2009 included a special FDIC assessment of $724 million

Income Tax Expense

Income tax expense was $915 million for 2010 compared to a benefit of $1 9 billion for 2009 The effective tax rate in 2010 was not meaningful due to the impact of non-deductible goodwill impairment charges of $12 4 billion The effective tax rate for 2010 excluding goodwill impairment charges was 8 3 percent compared to (44 0) percent in 2009 The change in the effective tax rate from the prior year was primarily driven by an increase in pre-tax income excluding the non-deductible goodwill impairment charges Also impacting the 2010 effective tax rate was a $392 million charge from a U K law change and a $1 7 billion tax benefit from the release of a portion of the deferred tax asset valuation allowance related to acquired capital loss carryforward tax benefits compared to $650 million in 2009

Business Segment Operations

Deposits

Net income decreased $1 3 billion to $1 4 billion in 2010 due to a decline in revenue and higher noninterest expense Net interest income increased $1 1 billion to $8 3 billion as a result of a customer shift to more liquid products and continued pricing discipline partially offset by a lower net interest income allocation related to ALM activities Noninterest income decreased $1 8 billion to $5 3 billion driven by the impact of overdraft policy changes in conjunction with Regulation E which was effective in the third quarter of 2010 and our overdraft policy changes implemented in late 2009 Noninterest expense increased $1 5 billion to $11 2 billion as a higher proportion of banking center sales and service costs was aligned to *Deposits* from the other segments and increased litigation expenses partially offset by a decrease in FDIC expenses as 2009 included a special assessment

Card Services

Card Services recorded a net loss of $7 0 billion primarily due to a $10 4 billion goodwill impairment charge Net interest income decreased $2 1 billion to $14 4 billion driven by a decrease in average loans and yields partially offset by lower funding costs Noninterest income decreased $348 million to $7 9 billion driven by lower card income primarily due to the implementation of the CARD Act partially offset by higher interchange income during 2010 and the gain on the sale of our MasterCard position The provision for credit losses improved $15 4 billion to $11 0 billion due to lower delinquencies and bankruptcies as a result of the improved economic environment which resulted in a reduction in the allowance for credit losses in 2010 compared to an increase in 2009 Noninterest expense increased $9 8 billion to $16 4 billion primarily due to the goodwill impairment charge

Consumer Real Estate Services

CRES net loss increased $5 1 billion to a net loss of $8 9 billion in 2010 primarily due to a $4 9 billion increase in representations and warranties provision and a $2 0 billion goodwill impairment charge partially offset by a decline in the provision for credit losses driven by improving portfolio trends Mortgage banking income declined driven by the increased representations and warranties provision and lower production volume reflecting a drop in the overall size of the mortgage market The provision for credit losses decreased $2 8 billion to $8 5 billion driven by improving portfolio trends which led to lower reserve additions including those associated with the Countrywide PCI home equity portfolio Noninterest expense increased $3 4 billion to $14 9 billion due to the goodwill impairment charge higher litigation expense and an increase in default-related servicing expense partially offset by lower production expense and insurance losses

Global Commercial Banking

Net income increased $1 0 billion to $3 2 billion in 2010 Net interest income remained relatively flat as growth in average deposits was offset by a lower net interest income allocation related to ALM activities Noninterest income decreased $4 2 billion to $3 2 billion largely due to the 2009 gain of $3 8 billion related to the contribution of the merchant services business into a joint venture The provision for credit losses decreased $5 8 billion to $2 0 billion driven by improvements from stabilizing values in the commercial real estate portfolio and improved borrower credit profiles in the U S commercial portfolio

Global Banking & Markets

Net income decreased $1 4 billion to $6 3 billion in 2010 driven by lower sales and trading revenue due to more favorable market conditions in 2009 partially offset by credit valuation gains on derivative liabilities and gains on legacy assets compared to losses in 2009 Sales and trading revenue was $17 0 billion in 2010 compared to $17 6 billion in 2009 due to increased investor risk aversion and more favorable market conditions in 2009 Noninterest expense decreased $2 3 billion to $17 5 billion driven by higher compensation costs as a result of the recognition of expense on a proportionally larger amount of prior year incentive deferrals and investments in infrastructure and personnel associated with further development of the business Income tax expense was adversely affected by a charge related to the U K tax rate reduction impacting the carrying value of deferred tax assets

Global Wealth & Investment Management

Net income decreased $329 million to $1 3 billion in 2010 driven by higher noninterest expense and the tax-related effect of the sale of the Columbia Management long-term asset management business partially offset by higher noninterest income and lower credit costs Net interest income decreased $205 million to $5 7 billion as the positive impact of higher deposit levels was more than offset by lower revenue from corporate ALM activity Noninterest income increased $708 million to $10 6 billion primarily due to higher asset management fees driven by stronger markets continued long-term AUM flows and higher transactional activity The provision for credit losses decreased $414 million to $646 million driven by improving portfolio trends and the recognition of a single large commercial charge-off in 2009 Noninterest expense increased $1 1 billion to $13 2 billion due primarily to higher revenue-related expenses support costs and personnel costs associated with further investment in the business

All Other

Net income increased $293 million to $1 5 billion in 2010 Net interest income decreased $1 9 billion to $3 7 billion driven by a $1 4 billion lower funding differential on certain securitizations and the impact of capital raises occurring throughout 2009 that were not allocated to the businesses Noninterest income decreased $5 7 billion to $6 0 billion as the prior year included a $7 3 billion gain resulting from a sale of shares of CCB and an increase of $1 4 billion on net gains on the sale of debt securities This was offset by net negative fair value adjustments related to our own credit of $4 9 billion on structured liabilities in 2009 compared to a net positive adjustment of $18 million in 2010 and higher valuation adjustments and gains on sales of select investments in GPI Also in 2010 we sold our investments in Itaú Unibanco and Santander resulting in a net gain of approximately $800 million as well as the gains on CCB and BlackRock The provision for credit losses decreased $4 9 billion to $6 3 billion due to improving portfolio trends in the residential mortgage portfolio partially offset by further deterioration in the Countrywide PCI discontinued real estate portfolio

Statistical Tables

Table I Average Balances and Interest Rates – FTE Basis

	2011			2010			2009		
(Dollars in millions)	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate	Average Balance	Interest Income/ Expense	Yield/ Rate
Earning assets									
Time deposits placed and other short-term investments (1)	$ 26,242	$ 266	1.01%	$ 27,419	$ 292	1.06%	$ 27,486	$ 334	1.22%
Federal funds sold and securities borrowed or purchased under agreements to resell	242,000	2,547	1.05	258,943	1,832	0.71	235,764	2,884	1.23
Trading account assets	207,000	6,542	3.16	213,748	7,050	3.30	217,048	8,236	3.79
Debt securities (2)	327,130	8,003	2.45	323,946	11,880	3.68	271,048	13,234	4.88
Loans and leases (3)									
Residential mortgage (4)	263,548	11,966	4.54	248,727	11,736	4.75	249,335	13,536	5.43
Home equity	134,781	5,041	3.74	148,860	6,660	4.11	154,781	8,738	4.36
Discontinued real estate	14,730	861	5.85	13,830	527	3.81	17,340	1,062	6.24
U.S. credit card	100,478	10,666	10.55	117,963	12,644	10.72	82,378	8,886	10.82
Non-U.S. credit card	34,049	3,669	10.84	28,011	3,490	13.32	19,656	2,122	10.80
Direct/Indirect consumer (5)	96,163	3,716	4.63	88,849	4,763	4.92	99,883	8,016	8.02
Other consumer (6)	2,709	170	6.28	2,827	188	6.34	3,303	237	7.17
Total consumer	650,267	35,804	5.57	650,995	39,288	6.04	626,785	38,364	6.83
U.S. commercial	263,834	7,366	3.62	188,886	7,609	4.04	223,813	8,663	3.87
Commercial real estate (7)	44,000	1,833	3.49	69,947	2,000	3.34	73,348	2,372	3.23
Commercial lease financing	21,363	1,002	4.69	21,427	1,079	4.99	21,979	980	4.81
Non-U.S. commercial	49,179	1,902	3.89	30,088	1,091	3.62	32,999	1,406	4.27
Total commercial	384,396	11,303	3.79	307,368	12,070	3.93	352,640	13,681	3.88
Total loans and leases	934,663	47,107	5.04	958,331	51,358	5.36	979,425	52,045	5.31
Other earning assets	86,702	3,200	3.69	117,189	3,918	3.34	130,083	5,105	3.92
Total earning assets (8)	1,834,669	67,622	3.69	1,897,575	76,280	4.02	1,830,183	78,838	4.31
Cash and cash equivalents (1)	153,610	180		174,621	205		188,237	379	
Other assets, less allowance for loan and lease losses	360,047			367,413			419,836		
Total assets	$ 2,304,333			$ 2,439,609			$ 2,443,088		
Interest-bearing liabilities									
U.S. interest-bearing deposits									
Savings	$ 48,304	$ 100	0.20%	$ 38,849	$ 167	0.43%	$ 33,671	$ 215	0.64%
NOW and money market deposit accounts	470,210	1,000	0.23	441,588	1,405	0.32	338,712	1,567	0.43
Consumer CDs and IRAs	156,922	1,945	1.24	142,648	1,723	1.21	218,941	5,084	2.32
Negotiable CDs, public funds and other time deposits	17,227	130	0.76	17,663	229	1.28	37,796	473	1.25
Total U.S. interest-bearing deposits	692,663	3,385	0.49	640,748	3,811	0.59	649,220	7,299	1.13
Non-U.S. interest-bearing deposits									
Banks located in non-U.S. countries	20,263	138	0.67	18,103	144	0.80	18,865	148	0.78
Governments and official institutions	1,055	7	0.33	1,349	18	0.26	6,270	18	0.28
Time, savings and other	61,691	532	0.86	55,060	332	0.60	57,045	347	0.61
Total non-U.S. interest-bearing deposits	84,009	677	0.80	78,510	494	0.64	82,003	508	0.62
Total interest-bearing deposits	726,672	4,062	0.56	719,078	3,887	0.86	730,223	7,807	1.07
Federal funds purchased, securities loaned or sold under agreements to repurchase and other short-term borrowings	234,000	1,200	0.51	430,339	3,889	0.86	486,944	5,512	1.13
Trading account liabilities	84,000	2,313	2.81	91,999	2,571	2.80	72,307	2,075	2.87
Long-term debt	422,230	11,997	2.89	490,467	13,707	2.79	446,634	15,413	3.45
Total interest-bearing liabilities (8)	1,467,002	21,632	1.39	1,727,574	23,974	1.39	1,737,708	30,807	1.77
Noninterest-bearing sources									
Noninterest-bearing deposits	343,972			373,807			280,743		
Other liabilities	361,336			308,280			308,972		
Shareholders' equity	230,023			233,238			244,645		
Total liabilities and shareholders' equity	$ 2,304,333			$ 2,439,609			$ 2,443,088		
Net interest spread			2.30%			2.63%			2.54%
Impact of noninterest-bearing sources			0.31			0.13			0.08
Net interest income/yield on earning assets (8)		$ 45,990	2.51%		$ 52,306	2.76%		$ 48,031	2.62%

(1) For this presentation, fees earned on overnight deposits placed with the Federal Reserve are reflected in the cash and cash equivalents line, consistent with the Corporation's Consolidated Balance Sheet presentation of these deposits. Net interest income and net interest yield in the loans are calculated excluding these fees.

(2) Yields on AFS debt securities are calculated based on fair values rather than the cost basis. The use of fair values does not have a material impact on net interest yield.

(3) Nonperforming loans are included in the respective average loan balances. Income on these nonperforming loans is recognized on a cash basis. PCI loans were recorded at fair value upon acquisition and accrete interest income over the remaining life of the loan.

(4) Includes non-U.S. residential mortgage loans of $91 million $410 million and $422 million in 2011, 2010 and 2009, respectively.

(5) Includes non-U.S. consumer loans of $8 5 billion, $7 9 billion and $8 0 billion in 2011, 2010 and 2009, respectively.

(6) Includes consumer finance loans of $1 6 billion, $2 1 billion and $2 4 billion, other non-U.S. consumer loans of $675 million, $731 million and $687 million, and consumer overdrafts of $83 million, $111 million and $217 million in 2011, 2010 and 2009, respectively.

(7) Includes U.S. commercial real estate loans of $43 1 billion, $67 3 billion and $70 7 billion, and non-U.S. commercial real estate loans of $2 3 billion, $2 7 billion and $2 7 billion in 2011, 2010 and 2009, respectively.

(8) Interest expense includes the impact of interest rate risk management contracts, which decreased interest expense on the underlying liabilities $2 6 billion, $3 4 billion and $436 million in 2011, 2010 and 2009, respectively. Interest expense includes the impact of interest rate risk management contracts, which decreased interest expense on the underlying liabilities $2 6 billion, $3 8 billion and $3 0 billion in 2011, 2010 and 2009, respectively. For further information on interest rate contracts, see Interest Rate Risk

Management for Nontrading Activities on page 118

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Table II Analysis of Changes in Net Interest Income – FTE Basis

	From 2010 to 2011			From 2009 to 2010		
	Due to Change in (1)			Due to Change in (1)		
(Dollars in millions)	Volume	Rate	Net Change	Volume	Rate	Net Change
Increase (decrease) in interest income						
Time deposits placed and other short-term investments (2)	$ 7	$ 67	$ 74	$ 1	$ (43)	$ (42)
Federal funds sold and securities borrowed or purchased under agreements to resell	(82)	407	325	266	(1 328)	(1 062)
Trading account assets	(266)	(40)	(306)	(135)	(1 051)	(1 186)
Debt securities	488	(3,787)	(3,299)	2 585	(3 959)	(1 374)
Loans and leases						
Residential mortgage	987	(1,897)	(910)	(192)	(1 807)	(1 799)
Home equity	(615)	(224)	(839)	(391)	(355)	(746)
Discontinued real estate	24	(60)	(36)	(219)	(336)	(555)
U S credit card	(1,687)	(466)	(2,153)	7 097	(119)	6 978
Non-U S credit card	(497)	(207)	(704)	903	425	1 328
Direct/Indirect consumer	(317)	(720)	(1,037)	(196)	(1 065)	(1 261)
Other consumer	(11)	5	(10)	(27)	(24)	(51)
Total consumer			(6,202)			3 892
U S commercial	(181)	(418)	(599)	(1 106)	132	(974)
Commercial real estate	(617)	39	(478)	(436)	64	(372)
Commercial lease financing	(3)	(94)	(98)	(24)	104	80
Non-U S commercial	894	(369)	325	(121)	(194)	(315)
Total commercial			(852)			(1 581)
Total loans and leases			(6,097)			2 311
Other earning assets	(519)	308	(211)	(511)	(675)	(1 186)
Total interest income			$ (9,377)			$ (2 539)
Increase (decrease) in interest expense						
U S interest-bearing deposits						
Savings	$ 17	$ (74)	$ (57)	$ 20	$ (78)	$ (58)
NOW and money market deposit accounts	101	(446)	(345)	342	(494)	(152)
Consumer CDs and IRAs	(381)	(297)	(678)	(1 745)	(1 586)	(3 331)
Negotiable CDs public funds and other time deposits	(9)	(101)	(109)	(252)	5	(247)
Total U S interest-bearing deposits			(1,189)			(3 788)
Non-U S interest-bearing deposits						
Banks located in non-U S countries	21	(37)	(6)	(4)	3	(1)
Governments and official institutions	(4)	5	3	(7)	1	(6)
Time savings and other	89	181	300	(11)	(4)	(15)
Total non-U S interest-bearing deposits			191			(22)
Total interest-bearing deposits			(998)			(3 810)
Federal funds purchased securities loaned or sold under agreements to repurchase and other short-term borrowings	(815)	1,819	909	(849)	(1 184)	(1 813)
Trading account liabilities	(300)	(139)	(389)	556	(60)	496
Long-term debt	(1,963)	95	(1,900)	1 509	(3 215)	(1 706)
Total interest expense			(3,984)			(6 833)
Net increase (decrease) in interest income (2)			$ (5,733)			$ 4 294

(1) The changes for each category of interest income and expense are divided between the portion of change attributable to the variance in volume and the portion of change attributable to the variance in rate for that category. The unallocated change in rate or volume variances is allocated between the rate and volume variances.

(2) For this presentation, fees earned on overnight deposits placed with the Federal Reserve are excluded in the stock and trade expressions fees consistent with the Corporation's Consolidated Balance Sheet presentation of these deposits. Net interest income in the table is calculated excluding these fees.

Table III Preferred Stock Cash Dividend Summary (as of February 23, 2012)

Preferred Stock	December 31, 2011 Outstanding Notional Amount (in millions)	Declaration Date	Record Date	Payment Date	Per Annum Dividend Rate	Dividend Per Share
Series B (1)	$ 1	January 11, 2012	April 11, 2012	April 25, 2012	7.00%	$ 1.75
		November 18, 2011	January 11, 2012	January 25, 2012	7.00	1.75
		August 22, 2011	October 11, 2011	October 25, 2011	7.00	1.75
		May 11, 2011	July 11, 2011	July 25, 2011	7.00	1.75
		January 28, 2011	April 11, 2011	April 25, 2011	7.00	1.75
Series D (2)	$ 854	January 4, 2012	February 28, 2012	March 14, 2012	6.204%	$ 0.38775
		October 4, 2011	November 30, 2011	December 14, 2011	6.204	0.38775
		July 5, 2011	August 31, 2011	September 14, 2011	6.204	0.38775
		April 4, 2011	May 31, 2011	June 14, 2011	6.204	0.38775
		January 4, 2011	February 28, 2011	March 14, 2011	6.204	0.38775
Series E (2)	$ 340	January 4, 2012	January 31, 2012	February 15, 2012	Floating	$ 0.25556
		October 4, 2011	October 31, 2011	November 15, 2011	Floating	0.25556
		July 5, 2011	July 29, 2011	August 15, 2011	Floating	0.25556
		April 4, 2011	April 29, 2011	May 16, 2011	Floating	0.24722
		January 4, 2011	January 31, 2011	February 15, 2011	Floating	0.25556
Series H (2)	$ 2,662	January 4, 2012	January 15, 2012	February 1, 2012	8.20%	$ 0.51250
		October 4, 2011	October 15, 2011	November 1, 2011	8.20	0.51250
		July 5, 2011	July 15, 2011	August 1, 2011	8.20	0.51250
		April 4, 2011	April 15, 2011	May 2, 2011	8.20	0.51250
		January 4, 2011	January 15, 2011	February 1, 2011	8.20	0.51250
Series I (2)	$ 365	January 4, 2012	March 15, 2012	April 2, 2012	6.625%	$ 0.41406
		October 4, 2011	December 15, 2011	January 2, 2012	6.625	0.41406
		July 5, 2011	September 15, 2011	October 3, 2011	6.625	0.41406
		April 4, 2011	June 15, 2011	July 1, 2011	6.625	0.41406
		January 4, 2011	March 15, 2011	April 1, 2011	6.625	0.41406
Series J (2)	$ 951	January 4, 2012	January 15, 2012	February 1, 2012	7.25%	$ 0.45312
		October 4, 2011	October 15, 2011	November 1, 2011	7.25	0.45312
		July 5, 2011	July 15, 2011	August 1, 2011	7.25	0.45312
		April 4, 2011	April 15, 2011	May 2, 2011	7.25	0.45312
		January 4, 2011	January 15, 2011	February 1, 2011	7.25	0.45312
Series K (3, 4)	$ 1,544	January 4, 2012	January 15, 2012	January 30, 2012	Fixed-to-floating	$ 40.00
		July 5, 2011	July 15, 2011	August 1, 2011	Fixed-to-floating	40.00
		January 4, 2011	January 15, 2011	January 31, 2011	Fixed-to-floating	40.00
Series L	$ 3,080	December 16, 2011	January 1, 2012	January 30, 2012	7.25%	$ 18.125
		September 16, 2011	October 1, 2011	October 31, 2011	7.25	18.125
		June 17, 2011	July 1, 2011	August 1, 2011	7.25	18.125
		March 17, 2011	April 1, 2011	May 2, 2011	7.25	18.125
Series M (3, 4)	$ 1,310	October 4, 2011	October 31, 2011	November 15, 2011	Fixed-to-floating	$ 40.625
		April 4, 2011	April 30, 2011	May 16, 2011	Fixed-to-floating	40.625
Series T (3)	$ 5,000	December 16, 2011	December 28, 2011	January 10, 2012	6.00%	$ 1,500.00
		September 21, 2011	September 25, 2011	October 11, 2011	6.00	650.00

(1) Dividends are cumulative.
(2) Dividends per depositary share, each representing a 1/1,000th interest in a share of preferred stock.
(3) Initially pays dividends semi-annually.
(4) Dividends per depositary share, each representing a 1/25th interest in a share of preferred stock.

Table III Preferred Stock Cash Dividend Summary (as of February 23, 2012) (continued)

Preferred Stock	December 31, 2011 Outstanding Notional Amount (in millions)	Declaration Date	Record Date	Payment Date	Per Annum Dividend Rate	Dividend Per Share
Series 1 (5)	$ 109	January 4, 2012	February 15, 2012	February 28, 2012	Floating	$ 0.19167
		October 4, 2011	November 15, 2011	November 28, 2011	Floating	0.19167
		July 5, 2011	August 15, 2011	August 30, 2011	Floating	0.19167
		April 4, 2011	May 15, 2011	May 31, 2011	Floating	0.18542
		January 4, 2011	February 15, 2011	February 28, 2011	Floating	0.19167
Series 2 (5)	$ 363	January 4, 2012	February 15, 2012	February 28, 2012	Floating	$ 0.19167
		October 4, 2011	November 15, 2011	November 28, 2011	Floating	0.19167
		July 5, 2011	August 15, 2011	August 30, 2011	Floating	0.19167
		April 4, 2011	May 15, 2011	May 31, 2011	Floating	0.18542
		January 4, 2011	February 15, 2011	February 28, 2011	Floating	0.19167
Series 3 (5)	$ 953	January 4, 2012	February 15, 2012	February 28, 2012	6.375%	$ 0.39843
		October 4, 2011	November 15, 2011	November 28, 2011	6.375	0.39843
		July 5, 2011	August 15, 2011	August 29, 2011	6.375	0.39843
		April 4, 2011	May 15, 2011	May 31, 2011	6.375	0.39843
		January 4, 2011	February 15, 2011	February 28, 2011	6.375	0.39843
Series 4 (5)	$ 323	January 4, 2012	February 15, 2012	February 28, 2012	Floating	$ 0.25556
		October 4, 2011	November 15, 2011	November 28, 2011	Floating	0.25556
		July 5, 2011	August 15, 2011	August 30, 2011	Floating	0.25556
		April 4, 2011	May 15, 2011	May 31, 2011	Floating	0.24722
		January 4, 2011	February 15, 2011	February 28, 2011	Floating	0.25556
Series 5 (5)	$ 507	January 4, 2012	February 1, 2012	February 21, 2012	Floating	$ 0.25556
		October 4, 2011	November 1, 2011	November 21, 2011	Floating	0.25556
		July 5, 2011	August 1, 2011	August 22, 2011	Floating	0.25556
		April 4, 2011	May 1, 2011	May 23, 2011	Floating	0.24722
		January 4, 2011	February 1, 2011	February 22, 2011	Floating	0.25556
Series 6 (5)	$ 80	January 4, 2012	March 15, 2012	March 30, 2012	6.70%	$ 0.41875
		October 4, 2011	December 15, 2011	December 30, 2011	6.70	0.41875
		July 5, 2011	September 15, 2011	September 30, 2011	6.70	0.41875
		April 4, 2011	June 15, 2011	June 30, 2011	6.70	0.41875
		January 4, 2011	March 15, 2011	March 30, 2011	6.70	0.41875
Series 7 (6)	$ 17	January 4, 2012	March 15, 2012	March 30, 2012	6.25%	$ 0.39062
		October 4, 2011	December 15, 2011	December 30, 2011	6.25	0.39062
		July 5, 2011	September 15, 2011	September 30, 2011	6.25	0.39062
		April 4, 2011	June 15, 2011	June 30, 2011	6.25	0.39062
		January 4, 2011	March 15, 2011	March 30, 2011	6.25	0.39062
Series 8 (5)	$ 2,873	January 4, 2012	February 15, 2012	February 28, 2012	8.625%	$ 0.53906
		October 4, 2011	November 15, 2011	November 28, 2011	8.625	0.53906
		July 5, 2011	August 15, 2011	August 29, 2011	8.625	0.53906
		April 4, 2011	May 15, 2011	May 31, 2011	8.625	0.53906
		January 4, 2011	February 15, 2011	February 28, 2011	8.625	0.53906

(5) Dividends per depositary share, each representing a 1/1,200th interest in a share of preferred stock.
(6) Dividends per depositary share, each representing a 1/40th interest in a share of preferred stock.

Table IV Outstanding Loans and Leases

(Dollars in millions)	December 31 2011	2010 (1)	2009	2008	2007
Consumer					
Residential mortgage (2)	$ 262,290	$ 257 873	$ 242 128	$ 248 063	$ 274 949
Home equity	124,090	137 981	149 128	152 483	114 820
Discontinued real estate (3)	11,068	13 108	14 854	19 981	n/a
U S credit card	103,391	113 785	49 453	64 128	65 774
Non-U S credit card	14,418	27 485	21 658	17 146	14 950
Direct/Indirect consumer (4)	89,713	90 308	87 236	83 439	76 538
Other consumer (5)	2,096	2 830	3 110	3 442	4 170
Total consumer loans	607,194	643 450	577 564	588 679	551 201
Consumer loans accounted for under the fair value option (6)	2,190	–	–	–	–
Total consumer	609,384	643 450	577 564	588 679	551 201
Commercial					
U S commercial (7)	186,190	180 305	198 903	219 233	208 297
Commercial real estate (8)	39,896	49 583	69 447	84 701	81 206
Commercial lease financing	21,998	21 942	22 199	22 400	22 582
Non-U S commercial	38,416	32 029	27 079	31 020	28 378
Total commercial loans	310,301	293 869	317 628	337 354	320 553
Commercial loans accounted for under the fair value option (6)	6,814	3 321	4 936	5 413	4 590
Total commercial	316,816	296 990	322 564	342 767	325 143
Total loans and leases	$ 926,200	$ 940 440	$ 900 128	$ 931 446	$ 876 344

(1) 2011 and 2010 periods are presented in accordance with new consolidation guidance

(2) Includes non-U S residential mortgages of $66 million $80 million and $652 million at December 31 2011 2010 and 2009 respectively There were no material non-U S residential mortgage loans prior to January 1 2008

(3) Includes $9 9 billion $11 8 billion $13 4 billion and $16 2 billion of pay option loans and $1 2 billion $1 3 billion $1 5 billion and $1 6 billion of subprime loans at December 31 2011 2010 2009 and 2008 respectively We no longer originate these products

(4) Includes dealer financial services loans of $42 0 billion $43 3 billion $41 6 billion $40 1 billion and $37 2 billion consumer lending loans of $8 0 billion $12 4 billion $19 7 billion $26 2 billion and $24 4 billion U S securities based lending margin loans of $28 6 billion $18 6 billion $12 9 billion $9 and $0 student loans of $6 0 billion $6 6 billion $10 8 billion $8 2 billion and $4 7 billion non-U S consumer loans of $7 6 billion $8 0 billion $6 0 billion $5 6 billion and $3 4 billion and other consumer loans of $1 5 billion $2 2 billion $4 2 billion $6 9 billion and $6 6 billion at December 31 2011 2010 2009 2008 and 2007 respectively

(5) Includes consumer finance loans of $1 7 billion $1 8 billion $2 2 billion $2 6 billion and $3 0 billion other non-U S consumer loans of $829 million $803 million $709 million $618 million and $629 million and consumer overdrafts of $103 million $68 million $144 million $211 million and $330 million at December 31 2011 2010 2009 2008 and 2007 respectively

(6) Certain consumer loans are accounted for under the fair value option and include residential mortgage loans of $808 million and direct/indirect and other loans of $1 3 billion at December 31 2011 There were no consumer loans accounted for under the fair value option prior to 2011 Certain commercial loans are accounted for under the fair value option and include U S commercial loans of $2 2 billion $1 6 billion $3 0 billion $3 3 billion and $3 6 billion non-commercial real estate loans of $0 $78 million $80 million $203 million and $304 million and non-U S commercial loans of $4 4 billion $1 7 billion $1 8 billion $1 7 billion and $780 million at December 31 2011 2010 2009 2008 and 2007 respectively

(7) Includes U S small business commercial loans including card-related products of $13 3 billion $14 7 billion $17 6 billion $19 1 billion and $18 2 billion at December 31 2011 2010 2009 2008 and 2007 respectively

(8) Includes U S commercial real estate loans of $37 6 billion $46 9 billion $65 5 billion $83 7 billion and $80 2 billion and non-U S commercial real estate loans of $1 8 billion $2 6 billion $3 0 billion $979 million and $1 1 billion at December 31 2011 2010 2009 2008 and 2007 respectively

n/a = not applicable

Table V Nonperforming Loans, Leases and Foreclosed Properties (1)

(Dollars in millions)	December 31 2011	2010	2009	2008	2007
Consumer					
Residential mortgage	$ 15,970	$ 17 691	$ 16 596	$ 7 057	$ 1,809
Home equity	2,489	2 894	3 804	2 637	1,340
Discontinued real estate	290	331	249	77	n/a
Direct/Indirect consumer	69	90	86	26	8
Other consumer	13	48	104	91	95
Total consumer (2)	18,766	20 854	20 839	9 888	3 442
Commercial					
U S commercial	2,176	3 453	4 925	2 040	852
Commercial real estate	5,696	5 829	7 288	3 906	1 099
Commercial lease financing	98	117	115	56	33
Non-U S commercial	143	233	177	290	19
	8,233	9 632	12 503	6 292	2 003
U S small business commercial	114	204	200	205	152
Total commercial (2)	8,347	9 836	12 703	6 497	2 155
Total nonperforming loans and leases	25,106	30 690	33 542	16 385	5 597
Foreclosed properties	2,608	1 974	2 205	1 827	351
Total nonperforming loans, leases and foreclosed properties (3)	$ 27,708	$ 32 664	$ 35 747	$ 18 212	$ 5 948

(1) Balances do not include PCI loans even though the customer may be contractually past due Loans accounted for as PCI loans were written down to fair value upon acquisition and accrete interest income over the remaining life of the loan In addition the fully accredited loan portfolio is also excluded from nonperforming loans and foreclosed properties since the principal repayments are insured

(2) In 2011 $2 8 billion in interest income was estimated to be contractually due on consumer loans classified as nonperforming at December 31 2011 presented that these loans had been paying according to their terms and conditions excluding TDRs of which $1 6 billion were performing at December 31 2011 and not included in the table above Approximately $665 million of the estimated $2 8 billion in contractual interest was received and included in earnings for 2011

(3) In 2011 $378 million in interest income was estimated to be contractually due on commercial loans and leases classified as nonperforming at December 31 2011 presented that these loans had been paying according to their terms and conditions excluding TDRs of which $1 8 billion were performing at December 31 2011 and not included in the table above Approximately $123 million of the estimated $378 million in contractual interest was received and included in earnings for 2011

(4) Balances do not include loans accounted for under the fair value option At December 31 2011 there were $786 million of loans accounted for under the fair value option that were 90 days or more past due and not accruing interest

n/a = not applicable

Table VI Accruing Loans and Leases Past Due 90 Days or More (1)

(Dollars in millions)	December 31 2011	2010	2009	2008	2007
Consumer					
Residential mortgage (2)	$ 21,184	$ 16 788	$ 11 680	$ 372	$ 237
U S credit card	3,079	3 320	2 158	2 197	1,655
Non-U S credit card	943	580	515	368	272
Direct/Indirect consumer	746	1 058	1 488	1 370	745
Other consumer	3	2	3	4	4
Total consumer	26,954	21 747	15 844	4 311	3 113
Commercial					
U S commercial	78	236	213	381	119
Commercial real estate	7	47	80	52	36
Commercial lease financing	14	18	32	23	25
Non-U S commercial	–	6	67	7	16
	99	307	392	463	196
U S small business commercial	216	325	624	640	427
Total commercial	315	632	1 016	1 103	623
Total accruing loans and leases past due 90 days or more (3)	$ 26,669	$ 22 379	$ 16 860	$ 5 414	$ 3 736

(1) Our policy is to classify consumer real estate-secured loans as nonperforming at 90 days past due except the Countrywide PCI loan portfolio the fully-insured loan portfolio and loans accounted for under the fair value option as referenced in footnote 3

(2) Balances are fully-insured loans

(3) Balances do not include loans accounted for under the fair value option At December 31 2011 and 2010 there were no loans past due 90 days or more still accruing interest accounted for under the fair value option At December 31 2009 there was $87 million of loans past due 90 days or more and still accruing interest accounted for under the fair value option

Table VII Allowance for Credit Losses

(Dollars in millions)	2011	2010	2009	2008	2007
Allowance for loan and lease losses, January 1 (1)	$ 41,555	$ 47,968	$ 23,071	$ 11,588	$ 9,016
Loans and leases charged off					
Residential mortgage	(4,188)	(3,779)	(4,438)	(964)	(78)
Home equity	(4,969)	(7,059)	(7,205)	(3,597)	(286)
Discontinued real estate	(109)	(77)	(104)	(19)	n/a
U.S. credit card	(8,114)	(13,618)	(8,753)	(4,469)	(3,410)
Non-U.S. credit card	(1,691)	(2,424)	(1,332)	(839)	(453)
Direct/Indirect consumer	(2,190)	(4,303)	(6,408)	(3,777)	(1,885)
Other consumer	(362)	(320)	(491)	(461)	(346)
Total consumer charge-offs	(21,630)	(31,780)	(28,727)	(13,926)	(6,458)
U.S. commercial (2)	(1,660)	(3,190)	(5,237)	(2,547)	(1,135)
Commercial real estate	(1,298)	(2,185)	(2,744)	(895)	(54)
Commercial lease financing	(61)	(96)	(217)	(79)	(55)
Non-U.S. commercial	(155)	(139)	(558)	(109)	(28)
Total commercial charge-offs	(3,174)	(5,610)	(8,756)	(3,740)	(1,272)
Total loans and leases charged off	(24,742)	(37,390)	(35,483)	(17,666)	(7,730)
Recoveries of loans and leases previously charged off					
Residential mortgage	203	109	86	39	22
Home equity	217	278	155	101	12
Discontinued real estate	14	9	3	3	n/a
U.S. credit card	986	791	208	308	347
Non-U.S. credit card	321	217	93	88	74
Direct/Indirect consumer	714	987	943	863	512
Other consumer	80	59	63	62	68
Total consumer recoveries	2,015	2,430	1,549	1,264	1,035
U.S. commercial (3)	609	391	181	118	128
Commercial real estate	251	188	42	8	7
Commercial lease financing	87	39	22	18	53
Non-U.S. commercial	8	28	21	26	27
Total commercial recoveries	955	626	246	171	215
Total recoveries of loans and leases previously charged off	2,970	3,056	1,795	1,435	1,250
Net charge-offs	(21,772)	(34,334)	(33,688)	(16,231)	(6,480)
Provision for loan and lease losses	13,839	28,196	48,366	26,922	8,357
Other (4)	(884)	36	(549)	792	695
Allowance for loan and lease losses, December 31	32,738	41,885	37,200	23,071	11,588
Reserve for unfunded lending commitments, January 1	1,169	1,487	421	518	387
Provision for unfunded lending commitments	(318)	240	204	(97)	28
Other (5)	(288)	(539)	862	–	93
Reserve for unfunded lending commitments, December 31	764	1,188	1,487	421	518
Allowance for credit losses, December 31	$ 34,497	$ 43,073	$ 38,687	$ 23,492	$ 12,106

(1) The 2010 balance includes $18.8 billion of allowance for loan and lease losses related to the adoption of new consolidation guidance.
(2) Includes U.S. small business commercial charge-offs of $1.1 billion, $2.0 billion, $3.0 billion, $2.8 billion and $921 million in 2011, 2010, 2009, 2008 and 2007, respectively.
(3) Includes U.S. small business commercial recoveries of $106 million, $167 million, $88 million, $39 million and $51 million in 2011, 2010, 2009, 2008 and 2007, respectively.
(4) The 2011 amount includes a $449 million reserve reduction in the allowance for loan and lease losses related to Canadian consumer card loans that were transferred to LHFS. The 2008 amount includes a $780 million reduction in the allowance for loan and lease losses related to credit card loans of $8.5 billion whose risks were exchanged for $7.8 billion in held-to-maturity debt securities that were issued by the Corporation's U.S. Credit Card Securitization Trust and retained by the Corporation. The 2008 amount includes the $1.2 billion addition to the Countrywide allowance for loan losses as of July 1, 2008. The 2007 amount includes $780 million of additions to the allowance for loan losses for certain acquisitions.
(5) The 2011 and 2010 amounts primarily represent reversals of the Merrill Lynch purchase accounting adjustment and the impact of funding previously unfunded positions. The 2008 amount includes the remaining balance of the acquired Merrill Lynch reserve excluding those amounts reclassified for under the fair value option, net of reversals, and the impact of funding previously unfunded portfolios. The 2007 amount includes a $134 million addition for reserve for unfunded lending commitments for a prior acquisition.
n/a = not applicable

Table VII Allowance for Credit Losses (continued)

(Dollars in millions)	2011	2010	2009	2008	2007
Loan and allowance ratios					
Loans and leases outstanding at December 31 (6)	$ 917,896	$ 937,119	$ 895,192	$ 926,033	$ 871,754
Allowance for loan and lease losses as a percentage of total loans and leases outstanding at December 31 (6)	3.56%	4.47%	4.16%	2.49%	1.33%
Consumer allowance for loan and lease losses as a percentage of total consumer loans outstanding at December 31 (6)	4.66	5.40	4.81	2.83	1.23
Commercial allowance for loan and lease losses as a percentage of total commercial loans and leases outstanding at December 31 (7)	1.89	2.44	2.96	1.80	1.51
Average loans and leases outstanding (8)	$ 939,861	$ 954,278	$ 941,982	$ 905,944	$ 773,142
Net charge-offs as a percentage of average loans and leases outstanding (8)	2.34%	3.60%	3.58%	1.79%	0.84%
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases at December 31 (6, 9)	155	136	111	141	207
Ratio of the allowance for loan and lease losses at December 31 to net charge-offs	1.53	1.22	1.10	1.42	1.79
Amounts included in allowance for loan and lease losses that are excluded from nonperforming loans and leases at December 31 (9)	$ 17,469	$ 22,806	$ 17,690	$ 11,979	$ 8,520
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases excluding amounts included in the allowance for loan and lease losses that are excluded from nonperforming loans and leases at December 31 (9)	68%	82%	58%	70%	91%
Loan and allowance ratios excluding purchased credit-impaired loans					
Allowance for loan and lease losses as a percentage of total loans and leases outstanding at December 31 (6)	3.69%	3.94%	3.86%	2.53%	n/a
Consumer allowance for loan and lease losses as a percentage of total consumer loans outstanding at December 31 (6)	5.05	4.68	4.43	2.91	n/a
Commercial allowance for loan and lease losses as a percentage of total commercial loans and leases outstanding at December 31 (7)	1.89	2.44	2.96	1.90	n/a
Net charge-offs as a percentage of average loans and leases outstanding (8)	2.32	3.73	3.71	1.83	n/a
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases at December 31 (6, 9)	161	116	99	138	n/a
Ratio of the allowance for loan and lease losses at December 31 to net charge-offs	1.53	1.04	1.00	1.38	n/a

(6) Outstanding loan and lease balances and ratios do not include loans accounted for under the fair value option. Loans accounted for under the fair value option were $8.6 billion, $2.3 billion, $4.9 billion, $8.4 billion and $4.6 billion at December 31, 2011, 2010, 2009, 2008 and 2007, respectively. Average loans accounted for under the fair value option were $8.4 billion, $4.1 billion, $6.9 billion, $4.9 billion and $3.0 billion for 2011, 2010, 2009, 2008 and 2007, respectively.
(7) Excludes nonaccrual loans accounted for under the fair value option of $2.2 billion at December 31, 2011. There were no nonaccrual loans accounted for under the fair value option prior to 2011.
(8) Excludes nonaccrual loans accounted for under the fair value option of $6.6 billion, $3.3 billion, $4.9 billion, $8.4 billion and $4.6 billion at December 31, 2011, 2010, 2009, 2008 and 2007, respectively.
(9) For more information on our definition of nonperforming loans, see pages 92 and 100.
n/a = not applicable

Table VIII Allocation of the Allowance for Credit Losses by Product Type

	December 31									
	2011		2010		2009		2008		2007	
(Dollars in millions)	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Total
Allowance for loan and lease losses										
Residential mortgage	$ 5,598	17.57%	$ 5,082	12.14%	$ 4,773	12.83%	$ 1,382	5.99%	$ 207	1.79%
Home equity	13,084	36.76	12,887	30.77	10,116	27.19	5,385	23.34	963	8.31
Discontinued real estate	2,089	6.87	1,283	3.06	867	2.33	658	2.85	n/a	n/a
U.S. credit card	6,622	18.71	10,876	25.97	6,017	16.18	3,847	17.11	2,919	25.19
Non-U.S. credit card	948	2.80	2,045	4.88	1,581	4.25	742	3.22	441	3.81
Direct/Indirect consumer	1,189	8.41	2,361	5.88	4,227	11.36	4,341	18.81	2,077	17.92
Other consumer	146	0.44	181	0.38	204	0.55	203	0.88	151	1.30
Total consumer	**29,666**	**87.76**	**34,715**	**82.88**	**27,785**	**74.69**	**16,658**	**72.20**	**6,758**	**58.32**
U.S. commercial (1)	2,441	7.39	3,576	8.54	5,152	13.85	4,338	18.81	3,194	27.58
Commercial real estate	1,949	5.89	3,137	7.49	3,547	9.50	1,465	6.35	1,083	9.35
Commercial lease financing	82	0.27	126	0.30	291	0.78	223	0.97	218	1.88
Non-U.S. commercial	269	0.78	331	0.79	405	1.09	386	1.67	335	2.89
Total commercial (2)	**4,199**	**12.24**	**7,170**	**17.12**	**9,415**	**25.31**	**6,413**	**27.80**	**4,830**	**41.68**
Allowance for loan and lease losses	**33,765**	**100.00%**	**41,885**	**100.00%**	**37,200**	**100.00%**	**23,071**	**100.00%**	**11,588**	**100.00%**
Reserve for unfunded lending commitments	**714**		**1,188**		**1,487**		**421**		**518**	
Allowance for credit losses (3)	**$ 34,497**		**$ 43,073**		**$ 38,687**		**$ 23,492**		**$ 12,106**	

(1) Includes allowance for U.S. small business commercial loans of $883 million, $1.5 billion, $2.4 billion, $2.4 billion and $1.4 billion at December 31, 2011, 2010, 2009, 2008 and 2007, respectively.
(2) Includes allowance for loan and lease losses for impaired commercial loans of $545 million, $1.1 billion, $1.3 billion, $691 million and $123 million at December 31, 2011, 2010, 2009, 2008 and 2007, respectively.
(3) Includes $6.3 billion, $8.4 billion, $3.9 billion and $796 million of valuation reserves presented with the allowance for credit losses related to PCI loans at December 31, 2011, 2010, 2009 and 2008, respectively.
n/a = not applicable

Table IX Selected Loan Maturity Data (1, 2)

	December 31, 2011			
(Dollars in millions)	Due in One Year or Less	Due After One Year Through Five Years	Due After Five Years	Total
U.S. commercial	$ 57,572	$ 94,880	$ 42,955	$ 195,357
U.S. commercial real estate	14,078	19,164	4,528	37,770
Non-U.S. and other (3)	53,636	9,257	707	63,600
Total selected loans	**$ 125,291**	**$ 123,301**	**$ 48,190**	**$ 296,727**
Percent of total	42%	41%	17%	100%
Sensitivity of selected loans to changes in interest rates for loans due after one year				
Fixed interest rates		$ 11,480	$ 24,553	
Floating or adjustable interest rates		110,801	23,642	
Total		**$ 122,281**	**$ 48,195**	

(1) Loan maturities are based on the remaining maturities under contractual terms.
(2) Includes loans accounted for under the fair value option.
(3) Includes other consumer, commercial real estate and non-U.S. commercial loans.

Table X Non-exchange Traded Commodity Contracts

	December 31, 2011	
(Dollars in millions)	Asset Positions	Liability Positions
Net fair value of contracts outstanding, January 1, 2011	$ 4,773	$ 4,677
Effects of legally enforceable master netting agreements	10,756	10,756
Gross fair value of contracts outstanding, January 1, 2011	15,529	15,433
Contracts realized or otherwise settled	(9,976)	(10,300)
Fair value of new contracts	5,770	5,907
Other changes in fair value	2,584	1,944
Gross fair value of contracts outstanding, December 31, 2011	13,907	12,984
Effects of legally enforceable master netting agreements	(8,399)	(8,399)
Net fair value of contracts outstanding, December 31, 2011	**$ 5,508**	**$ 4,585**

Table XI Non-exchange Traded Commodity Contract Maturities

	December 31, 2011	
(Dollars in millions)	Asset Positions	Liability Positions
Less than one year	$ 9,052	$ 8,219
Greater than or equal to one year and less than three years	2,624	2,723
Greater than or equal to three years and less than five years	861	900
Greater than or equal to five years	1,370	1,142
Gross fair value of contracts outstanding	13,907	12,984
Effects of legally enforceable master netting agreements	(8,399)	(8,399)
Net fair value of contracts outstanding	**$ 5,508**	**$ 4,585**

Table XII Selected Quarterly Financial Data

	2011 Quarters				2010 Quarters			
(Dollars, shares of per share information)	Fourth	Third	Second	First	Fourth	Third	Second	First
Income statement								
Net interest income	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Noninterest income	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total revenue, net of interest expense	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Provision for credit losses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Goodwill impairment	[illegible]	–	[illegible]	–	[illegible]	[illegible]	–	–
Merger- and restructuring charges	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
All other noninterest expense (1)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Income (loss) before income taxes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Income tax (benefit) expense	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net income (loss)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Net income (loss) applicable to common shareholders	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average common shares issued and outstanding	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Average diluted common shares issued and outstanding (2)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Performance ratios								
Return on average assets	[illegible]	[illegible]	n/m	[illegible]	n/m	n/m	[illegible]	[illegible]
Four quarter trailing return on average assets (3)	[illegible]	n/m	n/m	n/m	n/m	n/m	[illegible]	[illegible]
Return on average common shareholders' equity	[illegible]	[illegible]	n/m	[illegible]	n/m	n/m	[illegible]	[illegible]
Return on average tangible common shareholders' equity (4)	[illegible]	[illegible]	n/m	[illegible]	n/m	n/m	[illegible]	[illegible]
Return on average tangible shareholders' equity (4)	[illegible]	[illegible]	n/m	[illegible]	n/m	n/m	[illegible]	[illegible]
Total ending equity to total ending assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total average equity to total average assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dividend payout	[illegible]	[illegible]	n/m	[illegible]	n/m	n/m	[illegible]	[illegible]
Per common share data								
Earnings (loss)	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Diluted earnings (loss) (2)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Dividends paid	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Book value	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tangible book value (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Market price per share of common stock								
Closing	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
High closing	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Low closing	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Market capitalization	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Average balance sheet								
Total loans and leases	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Total assets	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total deposits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Long-term debt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Common shareholders' equity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total shareholders' equity	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Asset quality (5)								
Allowance for credit losses (6)	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Nonperforming loans, leases and foreclosed properties (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Allowance for loan and lease losses as a percentage of total loans and leases outstanding (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Allowance for loans and leases as a percentage of total nonperforming loans and leases excluding the purchased credit-impaired loan portfolio (8)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Annualized net charge-offs as a percentage of average loans and leases outstanding (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nonperforming loans and leases as a percentage of total loans and leases outstanding (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nonperforming loans, leases and foreclosed properties as a percentage of total loans, leases and foreclosed properties (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ratio of the allowance for loan and lease losses to annualized net charge-offs	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Capital ratios (period-end)								
Risk-based capital:								
Tier 1 common	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tier 1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tier 1 leverage	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tangible equity (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tangible common equity (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

(1) Excludes merger- and restructuring charges and goodwill impairment charges.
(2) Per the fourth quarter 2011 and the fourth and third quarters of 2010, the impact of outstanding mandatorily convertible preferred stock was antidilutive and excluded from diluted earnings (loss) per share and average diluted common shares.
(3) Calculated as total net income for four quarters divided by average assets for the period.
(4) Tangible equity ratios and tangible book value per share of common stock are non-GAAP financial measures. Other companies may define or calculate these measures differently. For additional information on these ratios and corresponding reconciliations to GAAP financial measures, see Supplemental Financial Data on page 34 and Table XVII.
(5) For more information on the impact of the PCI loan portfolio on asset quality, see Consumer Portfolio Credit Risk Management on page 81 and Commercial Portfolio Credit Risk Management on page 94.
(6) Includes the allowance for loan and lease losses and the reserve for unfunded lending commitments.
(7) Balances and ratios do not include loans accounted for under the fair value option. For additional information on loans, nonperforming loans, leases and foreclosed properties, see Nonperforming Consumer Loans and Foreclosed Properties Activity on page 97 and corresponding Table 34, and Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity on page 100 and corresponding Table 40.
(8) Amounts are based on allowance that are available from nonperforming loans, pursuant to credit policies also used in Card Services portfolio. PCI loans and the non-U.S. credit card portfolio in All Other.
n/m = not meaningful

Table XIII Quarterly Average Balances and Interest Rates – FTE Basis

(Dollars in millions)	Fourth Quarter 2011 Average Balance	Fourth Quarter 2011 Interest Income/ Expense	Fourth Quarter 2011 Yield/ Rate	Third Quarter 2011 Average Balance	Third Quarter 2011 Interest Income/ Expense	Third Quarter 2011 Yield/ Rate
Earning assets						
Time deposits placed and other short-term investments (1)	$ 27,698	$ 83	1.19%	$ 28,743	$ 87	1.21%
Federal funds sold and securities borrowed or purchased under agreements to resell	237,482	449	0.75	298,143	564	0.90
Trading account assets	201,548	1,184	2.33	180,436	1,843	3.40
Debt securities (2)	322,998	1,348	2.09	344,127	1,744	2.02
Loans and leases (3)						
Residential mortgage (4)	268,164	1,896	2.80	268,484	2,886	4.29
Home equity	128,381	1,207	3.80	128,125	1,218	3.81
Discontinued real estate	14,679	128	3.68	14,923	134	3.38
U.S. credit card	103,241	2,693	10.39	103,671	2,830	10.14
Non-U.S. credit card	13,956	439	12.41	28,434	697	10.88
Direct/Indirect consumer (5)	99,695	869	3.77	90,290	918	4.02
Other consumer (6)	2,781	41	6.14	2,795	43	6.07
Total consumer	618,302	7,439	5.00	636,722	8,533	5.34
U.S. commercial	284,778	2,796	3.43	281,438	1,909	3.76
Commercial real estate (7)	49,678	348	3.34	42,831	360	3.33
Commercial lease financing	21,378	204	3.84	21,342	240	4.81
Non-U.S. commercial	98,997	305	3.08	80,398	348	2.73
Total commercial	314,830	3,749	3.49	308,313	2,756	3.58
Total loans and leases	933,132	10,188	4.32	942,032	11,291	4.77
Other earning assets	91,589	864	3.88	91,482	814	3.84
Total earning assets (8)	1,703,846	14,636	3.49	1,841,136	16,063	3.47
Cash and cash equivalents (9)	94,387	38		103,873	36	
Other assets, less allowance for loan and lease losses	328,364			357,746		
Total assets	$ 2,327,397			$ 2,301,484		
Interest-bearing liabilities						
U.S. interest-bearing deposits						
Savings	$ 39,899	$ 38	0.38%	$ 41,296	$ 71	0.19%
NOW and money market deposit accounts	464,949	593	0.51	472,891	248	0.21
Consumer CDs and IRAs	209,456	339	0.64	208,388	244	0.46
Negotiable CDs, public funds and other time deposits	23,613	38	0.32	18,847	5	0.12
Total U.S. interest-bearing deposits	536,769	992	0.38	541,663	318	0.32
Non-U.S. interest-bearing deposits						
Banks located in non-U.S. countries	26,484	39	0.55	21,037	34	0.65
Governments and official institutions	1,488	1	0.30	2,043	2	0.32
Time, savings and other	87,854	154	0.66	84,271	150	0.83
Total non-U.S. interest-bearing deposits	76,726	194	0.77	87,351	186	0.85
Total interest-bearing deposits	613,493	616	0.38	728,804	704	0.38
Federal funds purchased, securities sprout or sold under agreements to repurchase and other short-term borrowings	294,709	923	1.39	303,234	1,152	1.51
Trading account liabilities	79,809	465	1.39	87,841	547	2.47
Long-term debt	366,307	3,736	2.89	420,273	2,998	2.82
Total interest-bearing liabilities (8)	1,444,618	4,713	1.39	1,540,252	5,382	1.39
Noninterest-bearing sources:						
Noninterest-bearing deposits	362,899			322,418		
Other liabilities	396,479			216,378		
Shareholders' equity	220,399			222,410		
Total liabilities and shareholders' equity	$ 2,327,397			$ 2,301,484		
Net interest spread			2.09%			2.08%
Impact of noninterest-bearing sources			0.34			0.23
Net interest income/yield on earning assets (8)		$ 14,623	2.43%		$ 10,701	2.31%

(1) For this presentation, fees earned on overnight deposits placed with the Federal Reserve are included in the cash and cash equivalents line consistent with the Corporation's Consolidated Balance Sheet presentation of these deposits. Net interest income and net interest yield in the table are calculated excluding these fees.

(2) Yields on AFS debt securities are calculated based on fair value rather than the cost basis. The use of fair value does not have a material impact on net interest yield.

(3) Nonperforming loans are included in the respective average loan balances. Income on these nonperforming loans is recognized on a cash basis. PCI loans were recorded at fair value upon acquisition and accrete interest income over the remaining life of the loan.

(4) Includes non-U.S. residential mortgage loans of $68 million, $81 million, $94 million and $93 million in the fourth, third, second and first quarters of 2011, and $96 million in the fourth quarter of 2010, respectively.

(5) Includes non-U.S. consumer loans of $8.4 billion, $8.6 billion, $8.7 billion and $8.2 billion in the fourth, third, second and first quarters of 2011, and $7.9 billion in the fourth quarter of 2010, respectively.

(6) Includes consumer finance loans of $1.7 billion, $1.8 billion, $1.8 billion and $1.9 billion in the fourth, third, second and first quarters of 2011, and $2.0 billion in the fourth quarter of 2010, respectively; other non-U.S. consumer loans of $869 million, $832 million, $840 million and $777 million in the fourth, third, second and first quarters of 2011, and $791 million in the fourth quarter of 2010, respectively; and consumer overdrafts of $107 million, $107 million, $79 million and $78 million in the fourth, third, second and first quarters of 2011, and $84 million in the fourth quarter of 2010, respectively.

(7) Includes U.S. commercial real estate loans of $36.7 billion, $40.7 billion, $43.4 billion and $46.7 billion in the fourth, third, second and first quarters of 2011, and $48.0 billion in the fourth quarter of 2010, respectively; and non-U.S. commercial real estate loans of $1.9 billion, $2.2 billion, $2.3 billion and $2.7 billion in the fourth, third, second and first quarters of 2011, and $2.6 billion in the fourth quarter of 2010, respectively.

(8) Interest income includes the impact of interest rate risk management contracts, which decreased interest income on the underlying assets by $427 million, $1.0 billion, $736 million and $338 million in the fourth, third, second and first quarters of 2011, and $28 million in the fourth quarter of 2010, respectively. Interest expense includes the impact of interest rate risk management contracts, which decreased interest expense on the underlying liabilities by $763 million, $621 million, $425 million and $421 million in the fourth, third, second and first quarters of 2011, and $472 million in the fourth quarter of 2010, respectively. For further information on interest rate contracts, see Interest Rate Risk Management for Nontrading Activities on page 116.

(9) Primarily consists of cash and due from banks, and interest-bearing deposits with banks.

Table XIII Quarterly Average Balances and Interest Rates – FTE Basis (continued)

(Dollars in millions)	Second Quarter 2011 Average Balance	Second Quarter 2011 Interest Income/ Expense	Second Quarter 2011 Yield/ Rate	First Quarter 2011 Average Balance	First Quarter 2011 Interest Income/ Expense	First Quarter 2011 Yield/ Rate	Fourth Quarter 2010 Average Balance	Fourth Quarter 2010 Interest Income/ Expense	Fourth Quarter 2010 Yield/ Rate
Earning assets									
Time deposits placed and other short-term investments (1)	$ 27,368	$ 106	1.86%	$ 31,294	$ 88	1.14%	$ 26,141	$ 78	1.07%
Federal funds sold and securities borrowed or purchased under agreements to resell	259,089	567	0.82	227,379	817	0.92	243,549	486	0.79
Trading account assets	186,780	1,576	3.38	221,041	1,969	3.68	218,003	1,710	3.16
Debt securities (2)	338,268	2,896	3.22	338,647	2,917	3.49	341,667	3,068	3.58
Loans and leases (3):									
Residential mortgage (4)	266,420	2,783	4.16	262,049	2,881	4.40	254,061	2,867	4.50
Home equity	131,786	1,281	3.83	136,089	1,335	3.96	139,772	1,415	4.01
Discontinued real estate	18,997	129	2.72	12,889	110	3.42	12,287	118	3.87
U.S. credit card	105,164	2,718	10.27	108,941	2,837	10.47	112,873	3,040	10.70
Non-U.S. credit card	27,339	768	11.16	27,833	779	11.48	27,467	818	11.77
Direct/Indirect consumer (5)	89,403	946	4.24	90,087	983	4.47	91,849	1,063	4.72
Other consumer (6)	2,746	47	6.78	2,783	48	6.88	2,786	48	6.92
Total consumer	638,774	6,625	4.41	641,461	8,990	3.66	641,595	9,373	5.81
U.S. commercial	180,479	1,827	3.66	181,353	1,928	4.08	183,606	1,884	3.88
Commercial real estate (7)	48,762	362	2.36	48,380	437	2.88	51,617	482	3.32
Commercial lease financing	21,254	236	4.41	21,634	322	5.85	21,363	290	4.89
Non-U.S. commercial	42,214	339	3.22	38,159	299	3.35	32,431	269	3.53
Total commercial	288,739	2,763	3.72	287,508	2,984	4.08	289,019	2,865	3.81
Total loans and leases	853,513	11,408	4.67	824,969	11,994	5.14	840,614	12,236	5.18
Other earning assets	87,618	889	3.88	116,336	822	3.24	113,829	823	3.23
Total earning assets (8)	1,944,625	17,247	3.78	1,988,883	18,077	3.93	1,983,539	18,497	3.90
Cash and cash equivalents (1)	119,866	49		136,241	53		138,967	53	
Other assets, less allowance for loan and lease losses	378,628			330,434			348,752		
Total assets	$ 2,338,119			$ 2,338,536			$ 2,370,258		
Interest-bearing liabilities									
U.S. interest-bearing deposits:									
Savings	$ 41,886	$ 31	0.30%	$ 38,906	$ 32	0.34%	$ 37,148	$ 35	0.38%
NOW and money market deposit accounts	475,880	304	0.26	475,864	316	0.27	464,681	333	0.28
Consumer CDs and IRAs	113,728	281	0.99	118,309	300	1.03	124,868	338	1.07
Negotiable CDs, public funds and other time deposits	13,642	42	1.22	13,986	39	1.11	16,184	47	1.16
Total U.S. interest-bearing deposits	647,926	658	0.41	647,180	687	0.43	642,886	753	0.46
Non-U.S. interest-bearing deposits:									
Banks located in non-U.S. countries	19,234	37	0.77	21,634	36	0.72	18,827	38	0.81
Governments and official institutions	2,131	2	0.38	2,307	2	0.35	1,980	2	0.42
Time, savings and other	64,888	146	0.90	60,432	112	0.76	56,746	101	0.88
Total non-U.S. interest-bearing deposits	86,254	185	0.86	84,373	152	0.73	77,133	141	0.73
Total interest-bearing deposits	734,182	843	0.46	731,453	839	0.46	719,996	894	0.49
Federal funds purchased, securities loaned or sold under agreements to repurchase and other short-term borrowings	336,992	1,342	1.59	371,573	1,184	1.29	368,733	1,142	1.23
Trading account liabilities	99,106	627	2.52	88,914	627	2.83	81,313	561	2.74
Long-term debt	435,144	2,981	2.75	440,511	3,083	2.84	466,878	3,254	2.78
Total interest-bearing liabilities (8)	1,604,126	5,803	1.45	1,627,431	5,743	1.43	1,636,924	5,851	1.42
Noninterest-bearing sources:									
Noninterest-bearing deposits	301,782			291,707			287,740		
Other liabilities	186,186			188,831			216,069		
Shareholders' equity	236,067			230,789			229,525		
Total liabilities and shareholders' equity	$ 2,338,110			$ 2,338,536			$ 2,370,258		
Net interest spread			2.30%			2.49%			2.48%
Impact of noninterest-bearing sources			0.19			0.17			0.18
Net interest income/yield on earning assets (8)		$ 11,444	2.49%		$ 12,334	2.66%		$ 12,646	2.68%

For footnotes see page 140

Table XIV Quarterly Supplemental Financial Data (1)

(Dollars in millions, except per share information)	2011 Quarters Fourth	2011 Quarters Third	2011 Quarters Second	2011 Quarters First	2010 Quarters Fourth	2010 Quarters Third	2010 Quarters Second	2010 Quarters First
Fully taxable-equivalent basis data								
Net interest income	$ 10,989	$ 10,739	$ 11,493	$ 12,397	$ 12,709	$ 12,717	$ 13,197	$ 14,070
Total revenue, net of interest expense	26,146	28,702	13,493	27,095	22,668	26,982	29,450	32,290
Net interest yield (2)	2.48%	2.32%	2.50%	2.67%	2.89%	2.72%	2.77%	2.93%
Efficiency ratio	77.84	61.37	n/m	74.88	92.04	100.87	58.58	55.05
Performance ratios, excluding goodwill impairment charges (3)								
Per common share information:								
Earnings (loss)	$ 0.31		$ (0.65)		$ 0.04	$ 0.27		
Diluted earnings (loss)	0.30		(0.65)		0.04	0.27		
Efficiency ratio	78.83%		n/m		83.22%	62.33%		
Return on average assets	0.46		n/m		0.13	0.52		
Four quarter trailing return on average assets (4)	0.30		n/m		0.42	0.38		
Return on average common shareholders' equity	4.10		n/m		0.79	5.08		
Return on average tangible common shareholders' equity	6.48		n/m		1.27	8.87		
Return on average tangible shareholders' equity	6.72		n/m		1.98	8.54		

(1) Supplemental financial data on a FTE basis and performance measures and ratios excluding the impact of goodwill impairment charges are non-GAAP financial measures. Other companies may define or calculate these measures differently. For additional information on these performance measures and ratios, see Supplemental Financial Data on page 38 and for corresponding reconciliations to GAAP financial measures, see Table XVI.

(2) Calculations excludes fees earned on overnight deposits placed with the Federal Reserve of $26 million, $48 million and $62 million for the fourth, third, second and first quarters of 2011, and $63 million, $107 million, $106 million and $92 million for the fourth, third, second and first quarters of 2010, respectively.

(3) Performance ratios are calculated excluding the impact of the goodwill impairment charges of $581 million and $2.0 billion recorded during the fourth and second quarters of 2011 and $2.0 billion and $10.4 billion recorded during the fourth and third quarters of 2010, respectively.

(4) Calculated as total net income for four consecutive quarters divided by average assets for the period.

n/m = not meaningful

Table XV Five Year Reconciliations to GAAP Financial Measures (1)

(Dollars in millions, except per share information)	2011	2010	2009	2008	2007
Reconciliation of net interest income to net interest income on a fully taxable-equivalent basis					
Net interest income	$ 44,630	$ 51,533	$ 47,109	$ 43,380	$ 34,441
Fully taxable-equivalent adjustment	972	1,170	1,301	1,194	1,749
Net interest income on a fully taxable-equivalent basis	$ 45,602	$ 52,703	$ 48,410	$ 44,574	$ 36,190
Reconciliation of total revenue, net of interest expense to total revenue, net of interest expense on a fully taxable-equivalent basis					
Total revenue, net of interest expense	$ 93,454	$ 110,220	$ 119,943	$ 72,782	$ 66,635
Fully taxable-equivalent adjustment	972	1,170	1,301	1,194	1,749
Total revenue, net of interest expense on a fully taxable-equivalent basis	$ 94,426	$ 111,390	$ 120,944	$ 73,976	$ 68,382
Reconciliation of total noninterest expense to total noninterest expense, excluding goodwill impairment charges					
Total noninterest expense	$ 80,376	$ 83,108	$ 68,713	$ 41,529	$ 37,524
Goodwill impairment charges	(3,100)	(12,400)	–	–	–
Total noninterest expense, excluding goodwill impairment charges	$ 77,276	$ 70,708	$ 68,713	$ 41,529	$ 37,524
Reconciliation of income tax expense (benefit) to income tax expense (benefit) on a fully taxable-equivalent basis					
Income tax expense (benefit)	$ (1,679)	$ 815	$ (1,918)	$ 430	$ 3,942
Fully taxable-equivalent adjustment	972	1,170	1,301	1,194	1,749
Income tax expense (benefit) on a fully taxable-equivalent basis	$ (706)	$ 2,085	$ (618)	$ 1,624	$ 5,691
Reconciliation of net income (loss) to net income, excluding goodwill impairment charges					
Net income (loss)	$ 1,446	$ (2,238)	$ 6,276	$ 4,008	$ 14,982
Goodwill impairment charges	3,100	12,400	–	–	–
Net income, excluding goodwill impairment charges	$ 4,546	$ 10,162	$ 6,276	$ 4,008	$ 14,982
Reconciliation of net income (loss) applicable to common shareholders to net income (loss) applicable to common shareholders, excluding goodwill impairment charges					
Net income (loss) applicable to common shareholders	$ 68	$ (3,668)	$ (2,304)	$ 2,564	$ 14,800
Goodwill impairment charges	3,100	12,400	–	–	–
Net income (loss) applicable to common shareholders, excluding goodwill impairment charges	$ 3,168	$ 8,806	$ (2,304)	$ 2,564	$ 14,800
Reconciliation of average common shareholders' equity to average tangible common shareholders' equity					
Common shareholders' equity	$ 211,799	$ 212,886	$ 182,268	$ 141,636	$ 133,958
Common Equivalent Securities	–	2,900	1,213	–	–
Goodwill	(73,394)	(82,803)	(86,034)	(79,827)	(68,333)
Intangible assets (excluding MSRs)	(9,588)	(10,965)	(12,230)	(8,602)	(8,668)
Related deferred tax liabilities	3,698	3,308	3,831	1,782	1,845
Tangible common shareholders' equity	$ 133,515	$ 125,307	$ 88,078	$ 54,081	$ 58,901
Reconciliation of average shareholders' equity to average tangible shareholders' equity					
Shareholders' equity	$ 229,666	$ 233,236	$ 244,648	$ 184,651	$ 136,882
Goodwill	(73,394)	(82,803)	(86,034)	(79,827)	(68,333)
Intangible assets (excluding MSRs)	(9,588)	(10,965)	(12,230)	(9,602)	(9,568)
Related deferred tax liabilities	3,698	3,308	3,831	1,782	1,845
Tangible shareholders' equity	$ 150,479	$ 142,966	$ 150,222	$ 77,284	$ 58,908
Reconciliation of year-end common shareholders' equity to year-end tangible common shareholders' equity					
Common shareholders' equity	$ 211,704	$ 211,686	$ 194,236	$ 139,351	$ 142,394
Common Equivalent Securities	–	–	18,244	–	–
Goodwill	(69,867)	(73,861)	(86,314)	(81,834)	(77,530)
Intangible assets (excluding MSRs)	(8,621)	(9,823)	(12,028)	(8,538)	(10,298)
Related deferred tax liabilities	3,702	3,038	3,496	1,854	1,855
Tangible common shareholders' equity	$ 136,918	$ 130,838	$ 118,634	$ 50,733	$ 56,423
Reconciliation of year-end shareholders' equity to year-end tangible shareholders' equity					
Shareholders' equity	$ 230,186	$ 229,348	$ 231,444	$ 177,052	$ 148,809
Goodwill	(69,867)	(73,861)	(86,314)	(81,834)	(77,530)
Intangible assets (excluding MSRs)	(8,621)	(9,823)	(12,028)	(8,538)	(10,298)
Related deferred tax liabilities	3,702	3,038	3,496	1,854	1,855
Tangible shareholders' equity	$ 154,610	$ 147,900	$ 136,602	$ 88,437	$ 80,832
Reconciliation of year-end assets to year-end tangible assets					
Assets	$ 2,129,046	$ 2,264,909	$ 2,230,232	$ 1,817,943	$ 1,715,746
Goodwill	(69,867)	(73,861)	(86,314)	(81,834)	(77,530)
Intangible assets (excluding MSRs)	(8,621)	(9,823)	(12,028)	(8,538)	(10,298)
Related deferred tax liabilities	3,702	3,038	3,496	1,854	1,855
Tangible assets	$ 2,053,760	$ 2,184,181	$ 2,135,386	$ 1,729,325	$ 1,629,773
Reconciliation of year-end common shares outstanding to year-end tangible common shares outstanding					
Common shares outstanding	10,035,636	10,066,186	8,860,244	5,017,436	4,437,885
Assumed conversion of common equivalent shares (2)	–	–	1,288,000	–	–
Tangible common shares outstanding	10,035,636	10,066,186	8,536,244	5,017,436	4,437,885

(1) Presents reconciliations of non-GAAP financial measures to GAAP financial measures. We believe the use of these non-GAAP financial measures provides additional clarity in assessing the results of the Corporation. Other companies may define or calculate non-GAAP financial measures differently. For more information on our non-GAAP financial measures and ratios we use in assessing the results of the Corporation, see Supplemental Financial Data on page 36.
(2) On February 24, 2010 the common equivalent shares converted into common shares.

Table XVI Two Year Reconciliations to GAAP Financial Measures (1)

(Dollars in millions)	2011	2010
Consumer		
Reported net income	$ 4,192	$ 1,382
Adjustment related to intangibles (2)	9	10
Adjusted net income	$ 4,198	$ 1,372
Average allocated equity	$ 25,788	$ 24,222
Adjustment related to goodwill and a percentage of intangibles	(17,949)	(17,975)
Average economic capital	$ 8,788	$ 6,247
Card Services		
Reported net income (loss)	$ 6,788	$ (8,980)
Adjustment related to intangibles (2)	17	70
Goodwill impairment charge	--	10,400
Adjusted net income	$ 6,805	$ 3,490
Average allocated equity	$ 21,138	$ 32,418
Adjustment related to goodwill and a percentage of intangibles	(10,588)	(17,644)
Average economic capital	$ 10,530	$ 14,774
Consumer Real Estate Services		
Reported net loss	$ (10,838)	$ (8,947)
Adjustment related to intangibles (2)	--	3
Goodwill impairment charges	3,908	2,000
Adjusted net loss	$ (6,930)	$ (6,944)
Average allocated equity	$ 18,902	$ 26,016
Adjustment related to goodwill and a percentage of intangibles (excluding MSRs)	(1,980)	(4,802)
Average economic capital	$ 16,952	$ 21,214
Global Commercial Bank		
Reported net income	$ 4,402	$ 3,218
Adjustment related to intangibles (2)	2	5
Adjusted net income	$ 4,404	$ 3,223
Average allocated equity	$ 48,867	$ 43,590
Adjustment related to goodwill and a percentage of intangibles	(20,695)	(20,684)
Average economic capital	$ 28,172	$ 22,906
Global Banking and Markets		
Reported net income	$ 2,867	$ 6,297
Adjustment related to intangibles (2)	17	19
Adjusted net income	$ 2,884	$ 6,316
Average allocated equity	$ 37,238	$ 50,037
Adjustment related to goodwill and a percentage of intangibles	(10,680)	(10,106)
Average economic capital	$ 26,383	$ 39,931
Global Wealth and Investment Management		
Reported net income	$ 1,426	$ 1,340
Adjustment related to intangibles (2)	80	86
Adjusted net income	$ 1,506	$ 1,426
Average allocated equity	$ 17,602	$ 18,068
Adjustment related to goodwill and a percentage of intangibles	(10,696)	(10,778)
Average economic capital	$ 7,106	$ 7,290

(1) Presents certain ratios of non-GAAP financial measures to GAAP financial measures. We believe the use of these non-GAAP financial measures provides additional clarity in assessing the results of the Corporation. Other companies may define or calculate non-GAAP financial measures differently. For more information on non-GAAP financial measures and where we use it in assessing the results of the Corporation, see Supplemental Financial Data on page 38.

(2) Represents cost of funds, earnings credit and certain expenses related to intangibles.

Table XVII Quarterly Reconciliations to GAAP Financial Measures [1]

(Dollars in millions, except per share information)	2011 Quarters				2010 Quarters			
	Fourth	Third	Second	First	Fourth	Third	Second	First
Reconciliation of net interest income to net interest income on a fully taxable-equivalent basis								
Net interest income	$ 10,761	$ 10,490	$ 11,246	$ 12,179	$ 12,438	$ 12,436	$ 12,800	$ 13,748
Fully taxable-equivalent adjustment	288	249	247	218	278	282	297	321
Net interest income on a fully taxable-equivalent basis	$ 10,989	$ 10,739	$ 11,493	$ 12,397	$ 12,709	$ 12,717	$ 13,097	$ 14,070
Reconciliation of total revenue, net of interest expense to total revenue, net of interest expense on a fully taxable-equivalent basis								
Total revenue, net of interest expense	$ 24,888	$ 28,453	$ 18,226	$ 28,877	$ 23,386	$ 28,700	$ 29,183	$ 31,968
Fully taxable-equivalent adjustment	288	249	247	218	278	282	297	321
Total revenue, net of interest expense on a fully taxable-equivalent basis	$ 25,149	$ 28,702	$ 18,483	$ 27,095	$ 23,688	$ 28,982	$ 29,456	$ 32,290
Reconciliation of total noninterest expense to total noninterest expense, excluding goodwill impairment charges								
Total noninterest expense	$ 18,533	$ 17,613	$ 22,836	$ 20,283	$ 20,884	$ 27,216	$ 17,253	$ 17,775
Goodwill impairment charges	(281)	–	(2,853)	–	(3,000)	(10,400)	–	–
Total noninterest expense, excluding goodwill impairment charges	$ 18,252	$ 17,613	$ 19,983	$ 20,283	$ 17,884	$ 16,816	$ 17,253	$ 17,775
Reconciliation of income tax expense (benefit) to income tax expense (benefit) on a fully taxable-equivalent basis								
Income tax expense (benefit)	$ 442	$ 1,201	$ (4,648)	$ 731	$ (2,351)	$ 1,397	$ 672	$ 1,207
Fully taxable-equivalent adjustment	288	249	247	218	278	282	297	321
Income tax expense (benefit) on a fully taxable-equivalent basis	$ 730	$ 1,450	$ (3,802)	$ 949	$ (2,073)	$ 1,679	$ 969	$ 1,528
Reconciliation of net income (loss) to net income (loss), excluding goodwill impairment charges								
Net income (loss)	$ 1,954	$ 6,232	$ (8,529)	$ 2,049	$ (1,344)	$ (7,299)	$ 3,123	$ 3,182
Goodwill impairment charges	281	–	2,903	–	3,000	10,400	–	–
Net income (loss), excluding goodwill impairment charges	$ 2,272	$ 6,232	$ (6,223)	$ 2,049	$ 756	$ 3,101	$ 3,123	$ 3,182
Reconciliation of net income (loss) applicable to common shareholders to net income (loss) applicable to common shareholders, excluding goodwill impairment charges								
Net income (loss) applicable to common shareholders	$ 1,254	$ 5,880	$ (9,127)	$ 1,738	$ (1,958)	$ (7,647)	$ 2,783	$ 2,834
Goodwill impairment charges	281	–	2,903	–	3,000	10,400	–	–
Net income (loss) applicable to common shareholders, excluding goodwill impairment charges	$ 1,535	$ 5,880	$ (6,224)	$ 1,738	$ 439	$ 2,753	$ 2,783	$ 2,834
Reconciliation of average common shareholders' equity to average tangible common shareholders' equity								
Common shareholders' equity	$ 230,234	$ 224,929	$ 218,508	$ 214,206	$ 218,726	$ 218,611	$ 218,468	$ 200,180
Common Equivalent Securities	–	–	–	–	–	–	–	11,760
Goodwill	(76,847)	(71,070)	(73,748)	(73,822)	(76,884)	(82,484)	(86,088)	(86,334)
Intangible assets (excluding MSRs)	(9,288)	(9,008)	(9,384)	(9,788)	(10,211)	(10,629)	(11,218)	(11,808)
Related deferred tax liabilities	2,778	2,852	2,832	3,035	3,121	3,214	3,286	3,487
Tangible common shareholders' equity	$ 152,868	$ 147,703	$ 138,208	$ 133,880	$ 134,864	$ 129,012	$ 121,648	$ 117,387

[1] Presents reconciliations of non-GAAP financial measures to GAAP financial measures. We believe the use of these non-GAAP financial measures provides additional clarity in assessing the results of the Corporation. Other companies may define or calculate non-GAAP financial measures differently. For more information on non-GAAP financial measures and ratios we use in assessing the results of the Corporation, see Supplemental Financial Data on page 36.

Table XVII Quarterly Reconciliations to GAAP Financial Measures [1] (continued)

(Dollars in millions, except per share information)	2011 Quarters				2010 Quarters			
	Fourth	Third	Second	First	Fourth	Third	Second	First
Reconciliation of average shareholders' equity to average tangible shareholders' equity								
Shareholders' equity	$ 226,236	$ 222,410	$ 215,067	$ 210,789	$ 216,525	$ 216,975	$ 216,491	$ 218,681
Goodwill	(76,847)	(71,070)	(73,748)	(73,822)	(76,884)	(82,484)	(86,088)	(86,334)
Intangible assets (excluding MSRs)	(9,288)	(9,008)	(9,384)	(9,788)	(10,211)	(10,629)	(11,218)	(11,808)
Related deferred tax liabilities	2,778	2,852	2,832	3,035	3,121	3,214	3,286	3,487
Tangible shareholders' equity	$ 142,797	$ 145,187	$ 134,867	$ 130,113	$ 132,851	$ 144,076	$ 138,841	$ 135,148
Reconciliation of period-end common shareholders' equity to period-end tangible common shareholders' equity								
Common shareholders' equity	$ 211,786	$ 210,772	$ 205,614	$ 214,314	$ 211,686	$ 212,381	$ 215,181	$ 211,880
Goodwill	(86,867)	(70,832)	(71,074)	(73,888)	(73,861)	(75,802)	(85,801)	(86,308)
Intangible assets (excluding MSRs)	(8,832)	(8,764)	(8,178)	(9,580)	(9,923)	(10,402)	(10,798)	(11,848)
Related deferred tax liabilities	2,782	2,777	2,883	2,933	3,036	3,123	3,215	3,388
Tangible common shareholders' equity	$ 126,418	$ 133,953	$ 128,217	$ 133,818	$ 130,938	$ 129,319	$ 121,798	$ 117,402
Reconciliation of period-end shareholders' equity to period-end tangible shareholders' equity								
Shareholders' equity	$ 226,361	$ 220,252	$ 222,178	$ 230,876	$ 226,248	$ 226,496	$ 233,174	$ 228,823
Goodwill	(86,867)	(70,832)	(71,074)	(73,888)	(73,861)	(75,802)	(85,801)	(86,308)
Intangible assets (excluding MSRs)	(8,832)	(8,764)	(8,178)	(9,580)	(9,923)	(10,402)	(10,798)	(11,848)
Related deferred tax liabilities	2,782	2,777	2,883	2,933	3,036	3,123	3,215	3,388
Tangible shareholders' equity	$ 134,813	$ 153,433	$ 144,778	$ 150,380	$ 147,800	$ 147,814	$ 139,792	$ 136,388
Reconciliation of period-end assets to period-end tangible assets								
Assets	$ 2,129,046	$ 2,218,626	$ 2,291,319	$ 2,274,832	$ 2,264,909	$ 2,339,890	$ 2,396,384	$ 2,344,634
Goodwill	(86,867)	(70,832)	(71,074)	(73,888)	(73,861)	(75,802)	(85,801)	(86,308)
Intangible assets (excluding MSRs)	(8,832)	(8,764)	(8,178)	(9,580)	(9,923)	(10,402)	(10,798)	(11,848)
Related deferred tax liabilities	2,782	2,777	2,883	2,933	3,036	3,123	3,215	3,388
Tangible assets	$ 2,035,789	$ 2,142,808	$ 2,183,922	$ 2,194,036	$ 2,184,161	$ 2,256,778	$ 2,275,002	$ 2,250,177

For footnotes see page 145.

Glossary

Alt-A Mortgage – A type of U.S. mortgage that, for various reasons, is considered riskier than A paper or "prime" and less risky than "subprime," the riskiest category. Alt-A interest rates, which are determined by credit risk, therefore tend to be between those of prime and subprime home loans. Typically, Alt-A mortgages are characterized by borrowers with less than full documentation, lower credit scores and higher LTVs.

Assets in Custody – Consist largely of custodial and non-discretionary trust assets, excluding brokerage assets, administered for clients. Trust assets encompass a broad range of asset types including real estate, private company ownership interest, personal property and investments.

Assets Under Management (AUM) – The total market value of assets under the investment advisory and discretion of GWIM, which generate asset management fees based on a percentage of the assets' market values. AUM reflects assets that are generally managed for institutional, high net-worth and retail clients, and are distributed through various investment products including mutual funds, other commingled vehicles and separate accounts.

Carrying Value (with respect to loans) – The amount at which a loan is recorded on the balance sheet. For loans recorded at amortized cost, carrying value is the unpaid principal balance, net of unamortized deferred loan origination fees and costs, and unamortized purchase premium or discount. For loans that are or have been on nonaccrual status, the carrying value is also reduced by any net charge-offs that have been recorded, and the amount of interest payments applied as a reduction of principal under the cost recovery method. For PCI loans, the carrying value equals fair value upon acquisition, adjusted for subsequent cash collections and yield accreted to date. For credit card loans, the carrying value also includes interest that has been billed to the customer. For loans classified as held-for-sale, carrying value is the lower of carrying value as described in the sentences above, or fair value. For loans for which we have elected the fair value option, the carrying value is fair value.

Client Brokerage Assets – Include client assets which are held in brokerage accounts. This includes non-discretionary brokerage and fee-based assets which generate brokerage income and asset management fee revenue.

Committed Credit Exposure – Includes any funded portion of a facility plus the unfunded portion of a facility on which the lender is legally bound to advance funds during a specified period under prescribed conditions.

Core Net Interest Income – Net interest income on a FTE basis excluding the impact of market-based activities.

Credit Card Accountability Responsibility and Disclosure Act of 2009 (CARD Act) – Legislation signed into law on May 22, 2009 that changes credit card industry practices including significantly restricting credit card issuers' ability to change interest rates and assess fees to reflect individual consumer risk, changes the way payments are applied and changes consumer credit card disclosures. The majority of the provisions became effective on February 22, 2010, while certain provisions became effective in the third quarter of 2010.

Credit Derivatives – Contractual agreements that provide protection against a credit event on one or more referenced obligations. The nature of a credit event is established by the protection purchaser and protection seller at the inception of the transaction, and such events generally include bankruptcy or insolvency of the referenced credit entity, failure to meet payment obligations when due, as well as acceleration of indebtedness and payment repudiation or moratorium. The purchaser of the credit derivative pays a periodic fee in return for a payment by the protection seller upon the occurrence, if any, of such a credit event. A credit default swap is a type of a credit derivative.

Interest Rate Lock Commitment (IRLC) – Commitment with a loan applicant in which the loan terms, including interest rate and price, are guaranteed for a designated period of time, subject to credit approval.

Letter of Credit – A document issued on behalf of a customer to a third party promising to pay the third party upon presentation of specified documents. A letter of credit effectively substitutes the issuer's credit for that of the customer.

Loan-to-value (LTV) – A commonly used credit quality metric that is reported in terms of ending and average LTV. Ending LTV is calculated as the outstanding carrying value of the loan at the end of the period divided by the estimated value of the property securing the loan. Estimated property values are primarily determined by utilizing the Case-Schiller Home Index, a widely used index based on data from repeat sales of single family homes. Case-Schiller indices are updated quarterly and are reported on a three-month or one-quarter lag. An additional metric related to LTV is **combined loan-to-value (CLTV)** which is similar to the LTV metric, yet combines the outstanding balance on the residential mortgage loan and the outstanding carrying value on the home equity loan or available line of credit, both of which are secured by the same property, divided by the estimated value of the property. A LTV of 100 percent reflects a loan that is currently secured by a property valued at an amount exactly equal to the carrying value or available line of the loan. Under certain circumstances, estimated values can also be determined by utilizing an automated valuation method (AVM) or Mortgage Risk Assessment Corporation (MRAC) index. An AVM is a tool that estimates the value of a property by reference to large volumes of market data including sales of comparable properties and price trends specific to the MSA in which the property being valued is located. The MRAC index is similar to the Case-Schiller Home Index in that it is an index that is based on data from repeat sales of single family homes and is reported on a lag.

Mortgage Servicing Right (MSR) – The right to service a mortgage loan when the underlying loan is sold or securitized. Servicing includes collections for principal, interest and escrow payments from borrowers and accounting for and remitting principal and interest payments to investors.

Net Interest Yield – Net interest income divided by average total interest-earning assets.

Nonperforming Loans and Leases – Includes loans and leases that have been placed on nonaccrual status, including nonaccruing loans whose contractual terms have been restructured in a manner that grants a concession to a borrower experiencing financial difficulties (TDRs). Loans accounted for under the fair value option, PCI loans and LHFS are not reported as nonperforming loans and leases. Consumer credit card loans, business card loans, consumer loans not secured by real estate, and consumer loans secured by real estate which include loans insured by the FHA and individually insured long-term credit protection agreements with FNMA and FHLMC (fully-insured loan portfolio) are not placed on nonaccrual status and are therefore not reported as nonperforming loans and leases.

Purchased Credit-Impaired (PCI) Loan – A loan purchased as an individual loan, in a portfolio of loans or in a business combination with evidence of deterioration in credit quality since origination for which it is probable, upon acquisition, that the investor will be unable to collect all contractually required payments. These loans are recorded at fair value upon acquisition.

Subprime Loans – Although a standard industry definition for subprime loans (including subprime mortgage loans) does not exist, the Corporation defines subprime loans as specific product offerings for higher risk borrowers, including individuals with one or a combination of high credit risk factors such as low FICO scores, high debt to income ratios and inferior payment history.

Super Senior CDO Exposure – Represents the most senior class of commercial paper or notes that are issued by CDO vehicles. These financial instruments benefit from the subordination of all other securities, including AAA-rated securities, issued by CDO vehicles.

Tier 1 Common Capital – Tier 1 capital, including any CES, less preferred stock, qualifying trust preferred securities, hybrid securities and qualifying noncontrolling interest in subsidiaries.

Troubled Debt Restructurings (TDRs) – Loans whose contractual terms have been restructured in a manner that grants a concession to a borrower experiencing financial difficulties. Certain consumer loans for which a binding offer to restructure has been extended are also classified as TDRs. Concessions could include a reduction in the interest rate to a rate that is below market on the loan, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collection. TDRs are generally reported as nonperforming loans and leases while on nonaccrual status. Nonperforming TDRs may be returned to accrual status when, among other criteria, payment in full of all amounts due under the restructured terms is expected and the borrower has demonstrated a sustained period of repayment performance, typically six months. TDRs that are on accrual status are reported as performing TDRs through the end of the calendar year in which the restructuring occurred or the year in which they are returned to accrual status. In addition, if accruing TDRs bear less than a market rate of interest at the time of modification, they are reported as performing TDRs throughout their remaining lives unless and until they cease to perform in accordance with their modified contractual terms, at which time they would be placed on nonaccrual status and reported as nonperforming TDRs.

Value-at-Risk (VaR) – VaR represents the worst loss a portfolio is expected to experience based on historical trends with a given level of confidence, and depends on the volatility of the positions in the portfolio and on how strongly their risks are correlated. A VaR model is an effective tool in estimating ranges of potential gains and losses on our trading portfolios and is a key statistic used to measure and manage market risk.

Acronyms

ABS	Asset-backed securities
AFS	Available-for-sale
ALM	Asset and liability management
ALMRC	Asset Liability Market Risk Committee
ARM	Adjustable-rate mortgage
CDO	Collateralized debt obligation
CES	Common Equivalent Securities
CMBS	Commercial mortgage-backed securities
CRA	Community Reinvestment Act
CRC	Credit Risk Committee
DVA	Debit valuation adjustment
EAD	Exposure at default
EU	European Union
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
FHA	Federal Housing Administration
FHLMC	Freddie Mac
FICC	Fixed income, currencies and commodities
FICO	Fair Isaac Corporation (credit score)
FNMA	Fannie Mae
FTE	Fully taxable-equivalent
GAAP	Accounting principles generally accepted in the United States of America
GNMA	Government National Mortgage Association
GRC	Global Markets Risk Committee
GSE	Government-sponsored enterprise
HFI	Held-for-investment
HPI	Home Price Index
HUD	U.S. Department of Housing and Urban Development
IPO	Initial public offering
LCR	Liquidity Coverage Ratio
LGD	Loss given default
LHFS	Loans held-for-sale
LIBOR	London InterBank Offered Rate
MBS	Mortgage-backed securities
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
MI	Mortgage insurance
MSA	Metropolitan statistical area
NSFR	Net Stable Funding Ratio
OCC	Office of the Comptroller of the Currency
OCI	Other comprehensive income
ORC	Operational Risk Committee
OTC	Over-the-counter
OTTI	Other-than-temporary impairment
RMBS	Residential mortgage-backed securities
ROTE	Return on average tangible shareholders' equity
SBLCs	Standby letters of credit
SEC	Securities and Exchange Commission
TLGP	Temporary Liquidity Guarantee Program
VA	U.S. Department of Veterans Affairs

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

See Market Risk Management on page 112 in the MD&A and the sections referenced therein for Quantitative and Qualitative Disclosures about Market Risk.

Item 8. Financial Statements and Supplementary Data

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Report of Management on Internal Control Over Financial Reporting

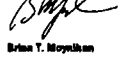
The management of Bank of America Corporation is responsible for establishing and maintaining adequate internal control over financial reporting

The Corporation's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America The Corporation's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Corporation (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America and that receipts and expenditures of the Corporation are being made only in accordance with authorizations of management and directors of the Corporation and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition use or disposition of the Corporation's assets that could have a material effect on the financial statements

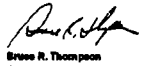
Because of its inherent limitations internal control over financial reporting may not prevent or detect misstatements Also projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate

Management assessed the effectiveness of the Corporation's internal control over financial reporting as of December 31 2011 based on the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control – Integrated Framework* Based on that assessment, management concluded that as of December 31 2011 the Corporation's internal control over financial reporting is effective based on the criteria established in *Internal Control – Integrated Framework*

The Corporation's internal control over financial reporting as of December 31 2011 has been audited by PricewaterhouseCoopers LLP an independent registered public accounting firm as stated in their accompanying report which expresses an unqualified opinion on the effectiveness of the Corporation's internal control over financial reporting as of December 31 2011



Brian T. Moynihan
Chief Executive Officer and President



Bruce R. Thompson
Chief Financial Officer

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Bank of America Corporation:

In our opinion the accompanying Consolidated Balance Sheet and the related Consolidated Statement of Income Consolidated Statement of Changes in Shareholders Equity and Consolidated Statement of Cash Flows present fairly in all material respects the financial position of Bank of America Corporation and its subsidiaries at December 31 2011 and 2010 and the results of their operations and their cash flows for each of the three years in the period ended December 31 2011 in conformity with accounting principles generally accepted in the United States of America Also in our opinion the Corporation maintained in all material respects effective internal control over financial reporting as of December 31 2011 based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) The Corporation's management is responsible for these financial statements for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control Over Financial Reporting Our responsibility is to express opinions on these financial statements and on the Corporation's internal control over financial reporting based on our integrated audits We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States) Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects Our audits of the financial statements included examining on a test basis evidence supporting the amounts and disclosures in the financial statements assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk Our audits also included performing such other procedures as we considered necessary in the circumstances We believe that our audits provide a reasonable basis for our opinions '

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition use or disposition of the company's assets that could have a material effect on the financial statements

Because of its inherent limitations internal control over financial reporting may not prevent or detect misstatements Also projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate

PricewaterhouseCoopers LLP

Charlotte North Carolina
February 23 2012

Bank of America Corporation and Subsidiaries

Consolidated Statement of Income

(Dollars in millions except per share information)	2011	2010	2009
Interest income			
Loans and leases	$ 44,865	$ 50 906	$ 48 703
Debt securities	9,831	11 967	12 947
Federal funds sold and securities borrowed or purchased under agreements to resell	1,167	1 832	2 894
Trading account assets	6,981	8 841	7 944
Other interest income	3,641	4 161	5 428
Total interest income	66,286	75 497	77 916
Interest expense			
Deposits	3,009	3 997	7 807
Short-term borrowings	6,869	3 699	5 512
Trading account liabilities	1,512	2 571	2 075
Long-term debt	11,807	13 707	15 413
Total interest expense	21,839	23 974	30 807
Net interest income	44,616	51 523	47 109
Noninterest income			
Card income	7,184	8 108	8 353
Service charges	8,094	9 390	11 038
Investment and brokerage services	11,836	11 822	11 919
Investment banking income	6,217	5 520	5 551
Equity investment income	7,269	5 280	10 014
Trading account profits	6,857	10 054	12 235
Mortgage banking income (loss)	(6,230)	2 734	8 791
Insurance income	1,846	2 068	2 780
Gains on sales of debt securities	3,074	2 529	4 723
Other income (loss)	6,269	2 384	(14)
Other-than-temporary impairment losses on available-for-sale debt securities			
Total other-than-temporary impairment losses	(284)	(2 174)	(3 508)
Less: Portion of other-than-temporary impairment losses recognized in other comprehensive income	61	1 207	672
Net impairment losses recognized in earnings on available-for-sale debt securities	(283)	(967)	(2 836)
Total noninterest income	46,236	58 697	72 534
Total revenue, net of interest expense	90,852	110 220	119 643
Provision for credit losses	13,410	28 435	48 570
Noninterest expense			
Personnel	38,966	35 149	31 526
Occupancy	4,746	4 718	4 908
Equipment	2,840	2 452	2 455
Marketing	3,308	1 963	3 933
Professional fees	3,881	2 606	2 281
Amortization of intangibles	1,829	1 731	1 978
Data processing	2,863	2 544	2 500
Telecommunications	1,863	1 418	1 420
Other general operating	11,181	18 222	14 991
Goodwill impairment	3,184	12 400	–
Merger and restructuring charges	696	1 820	2 721
Total noninterest expense	80,276	83 108	68 713
Income (loss) before income taxes	(226)	(1 323)	4 360
Income tax expense (benefit)	(1,674)	915	(1 916)
Net income (loss)	$ 1,448	$ (2 238)	$ 6 276
Preferred stock dividends and discounts	1,381	1 357	8 480
Net income (loss) applicable to common shareholders	$ 67	$ (3 595)	$ (2 204)
Per common share information			
Earnings (loss)	$ 0.01	$ (0 37)	$ (0 29)
Diluted earnings (loss)	0.01	(0 37)	(0 29)
Dividends paid	0.04	0 04	0 04
Average diluted common shares issued and outstanding (in thousands)	10,284,834	9 790 472	7 728 570

See accompanying Notes to Consolidated Financial Statements

Bank of America Corporation and Subsidiaries

Consolidated Balance Sheet

(Dollars in millions)	December 31 2011	2010
Assets		
Cash and cash equivalents	$ 130,162	$ 108 427
Time deposits placed and other short-term investments	26,894	26 433
Federal funds sold and securities borrowed or purchased under agreements to resell (includes $67,685 and $78 399 measured at fair value)	211,163	209 616
Trading account assets (includes $98,139 and $89 185 pledged as collateral)	169,819	194 671
Derivative assets (includes $69,895 and $54 297 pledged as collateral)	73,033	73 000
Debt securities		
Available-for-sale (includes $69,821 and $90 925 pledged as collateral)	276,151	337 627
Held-to-maturity, at cost (fair value - $35,443 and $427 - $34,009 pledged as collateral in 2011)	35,305	427
Total debt securities	311,456	338 054
Loans and leases (includes $6,994 and $3 321 measured at fair value and $75,689 and $81 730 pledged as collateral)	926,300	940 440
Allowance for loan and lease losses	(33,723)	(41 885)
Loans and leases, net of allowance	892,417	898 555
Premises and equipment, net	15,697	14 306
Mortgage servicing rights (includes $7,775 and $14 900 measured at fair value)	7,510	15 177
Goodwill	69,857	73 861
Intangible assets	5,031	9 923
Loans held-for-sale (includes $7,230 and $25 942 measured at fair value)	13,761	35 058
Customer and other receivables	66,899	85 704
Other assets (includes $27,864 and $70 531 measured at fair value)	142,899	182 124
Total assets	$ 2,129,946	$ 2 284 909

Assets of consolidated VIEs included in total assets above (substantially all pledged as collateral)		
Trading account assets	$ 8,895	$ 19 627
Derivative assets	1,934	2 027
Available-for-sale debt securities	–	2 801
Loans and leases	140,194	145 489
Allowance for loan and lease losses	(8,088)	(8 935)
Loans and leases, net of allowance	132,106	136 534
Loans held-for-sale	1,695	1 953
All other assets	4,769	7 086
Total assets of consolidated VIEs	$ 151,701	$ 169 828

See accompanying Notes to Consolidated Financial Statements

Bank of America Corporation and Subsidiaries

Consolidated Balance Sheet (continued)

(Dollars in millions)	December 31 2011	2010
Liabilities		
Deposits in U.S. offices		
Noninterest-bearing	$ 233,235	$ 285 200
Interest-bearing (includes $3,297 and $2 732 measured at fair value)	634,614	645 713
Deposits in non-U.S. offices		
Noninterest-bearing	6,230	6 101
Interest-bearing	99,180	73 416
Total deposits	1,033,041	1 010 430
Federal funds purchased and securities loaned or sold under agreements to repurchase (includes $34,235 and $37 424 measured at fair value)	214,884	245 359
Trading account liabilities	80,809	71 985
Derivative liabilities	59,530	55 814
Commercial paper and other short-term borrowings (includes $6,885 and $7 178 measured at fair value)	64,886	59 962
Accrued expenses and other liabilities (includes $15,765 and $33 229 measured at fair value and $754 and $1 188 of reserve for unfunded lending commitments)	139,049	144 560
Long-term debt (includes $46,290 and $50 964 measured at fair value)	372,396	448 431
Total liabilities	1,966,845	2 036 581
Commitments and contingencies (Note 8 - Securitizations and Other Variable Interest Entities, Note 9 - Representations and Warranties Obligations and Corporate Guarantees and Note 14 - Commitments and Contingencies)		
Shareholders' equity		
Preferred stock, $0.01 par value; authorized - 100,000,000 shares; issued and outstanding - 3,988,054 and 3 943 560 shares	18,997	18 562
Common stock and additional paid-in capital, $0.01 par value; authorized - 12,800,000,000 shares; issued and outstanding - 10,534,987,997 and 10 085 154 806 shares	186,621	150 805
Retained earnings	60,530	60 849
Accumulated other comprehensive income (loss)	(2,157)	(66)
Other	–	(2)
Total shareholders' equity	230,101	228 248
Total liabilities and shareholders' equity	$ 2,129,946	$ 2 284 909

Liabilities of consolidated VIEs included in total liabilities above		
Commercial paper and other short-term borrowings (includes $699 and $706 of non-recourse liabilities)	$ 5,777	$ 6 742
Long-term debt (includes $44,576 and $66 309 of non-recourse debt)	49,084	71 013
All other liabilities (includes $335 and $382 of non-recourse liabilities)	1,116	9 141
Total liabilities of consolidated VIEs	$ 55,947	$ 86 896

See accompanying Notes to Consolidated Financial Statements

Bank of America Corporation and Subsidiaries

Consolidated Statement of Changes in Shareholders' Equity

(Dollars in millions, shares in thousands)	Preferred Stock	Common Stock and Additional Paid-in Capital – Shares	Common Stock and Additional Paid-in Capital – Amount	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Other	Total Shareholders' Equity	Comprehensive Income (Loss)
Balance, December 31, 2008	$ 57 701	5 017 436	$ 16 196	$ 15 823	$ (10,829)	$ (413)	$ 177 053	
Cumulative adjustment for accounting change – Other-than-temporary impairments on debt securities				71	(71)			$ (71)
Net income				6 276			6 276	6 276
Net change in available-for-sale debt and marketable equity securities					3 883		3 883	3 883
Net change in derivatives					923		923	923
Employee benefit plan adjustments					590		590	590
Net change in foreign currency translation adjustments					211		211	211
Dividends paid								
Common				(328)			(328)	
Preferred				(4 637)			(4 637)	
Issuance of preferred stock and warrants	26 900		3 200				30 000	
Repayment of preferred stock	(41 014)			(3 986)			(45 000)	
Issuance of Common Equivalent Securities	19 244						19 244	
Stock issued in acquisition	8 606	1 378 478	20 504				29 109	
Issuance of common stock		1 290 000	13 468				13 468	
Exchange of preferred stock	(14 787)	889 635	14 221	576				
Common stock issued under employee plans and related tax effects		7 387	576			306	883	
Other	888			(984)		(7)	(7)	
Balance, December 31, 2009	37 308	8 630 244	136 734	71 253	(5 619)	(112)	231 444	11 482
Cumulative adjustments for accounting changes								
Consolidation of certain variable interest entities				(8 154)	(116)		(8 270)	(116)
Credit related notes				(229)	229			229
Net loss				(2 238)			(2 238)	(2 238)
Net change in available-for-sale debt and marketable equity securities					5 759		5 759	5 759
Net change in derivatives					(701)		(701)	(701)
Employee benefit plan adjustments					146		146	146
Net change in foreign currency translation adjustments					237		237	237
Dividends paid								
Common				(409)			(409)	
Preferred				(1 357)			(1 357)	
Common stock issued under employee plans and related tax effects		86 567	1 385			103	1 488	
Mandatory convertible preferred stock conversion	(1 542)	80 364	1 842					
Common Equivalent Securities conversion	(19 244)	1 268 000	19 244					
Other	140			(1)		7	146	
Balance, December 31, 2010	16 662	10 065 188	160 606	60 849	699	(2)	238 345	3 315
Net income				1,446			1,446	1,446
Net change in available-for-sale debt and marketable equity securities					(4,376)		(4,376)	(4,376)
Net change in derivatives					(849)		(849)	(849)
Employee benefit plan adjustments					(644)		(644)	(644)
Net change in foreign currency translation adjustments					(586)		(586)	(586)
Dividends paid								
Common				(513)			(513)	
Preferred				(1,525)			(1,525)	
Issuance of preferred stock and warrants	2,610		3,003				5,608	
Common stock issued in exchange for preferred stock and trust preferred securities	(1,953)	699,699	1,756	(36)			1,826	
Common stock issued under employee plans and related tax effects		69,763	869			2	863	
Other				(1)			(1)	
Balance, December 31, 2011	$ 16,307	10,834,650	$ 166,434	$ 60,230	$ (6,437)	$ –	$ 236,101	$ (3,515)

See accompanying Notes to Consolidated Financial Statements

Bank of America Corporation and Subsidiaries

Consolidated Statement of Cash Flows

(Dollars in millions)	2011	2010	2009
Operating activities			
Net income (loss)	$ 1,446	$ (2 238)	$ 6 276
Reconciliation of net income (loss) to net cash provided by operating activities			
Provision for credit losses	13,410	28 436	48 570
Goodwill impairment	3,184	12 400	–
Gains on sales of debt securities	(3,574)	(3 539)	(4 723)
Depreciation and premises improvements amortization	1,670	2 181	2 336
Amortization of intangibles	1,200	1 731	1 978
Deferred income taxes	(3,049)	606	370
Net decrease in trading and derivative instruments	28,230	20 778	89 822
Net decrease in other assets	28,230	5 213	28 583
Net increase (decrease) in accrued expenses and other liabilities	(16,134)	14 088	(48 601)
Other operating activities, net	(4,048)	1 848	3 190
Net cash provided by operating activities	54,460	82 384	129 731
Investing activities			
Net (increase) decrease in time deposits placed and other short-term investments	185	(2 154)	19 081
Net (increase) decrease in federal funds sold and securities borrowed or purchased under agreements to resell	(1,987)	(19 883)	31 389
Proceeds from sales of available-for-sale debt securities	236,135	100 047	184 186
Proceeds from paydowns and maturities of available-for-sale debt securities	59,732	70 868	59 949
Purchases of available-for-sale debt securities	(99,230)	(189 158)	(183 145)
Proceeds from maturities of held-to-maturity debt securities	662	11	2 771
Purchases of held-to-maturity debt securities	(26,662)	(300)	(3 914)
Proceeds from sales of loans and leases	3,489	6 048	7,882
Other changes in loans and leases, net	(5,889)	(2,580)	21 297
Net purchases of premises and equipment	(1,917)	(987)	(2,240)
Proceeds from sales of foreclosed properties	3,833	3,107	1 997
Cash received upon acquisition, net	–	–	31 804
Cash received due to impact of adoption of consolidation guidance	–	2 807	–
Other investing activities, net	13,945	3 400	9 348
Net cash provided by (used in) investing activities	83,439	(30 347)	137 928
Financing activities			
Net increase in deposits	23,511	36,896	10 807
Net decrease in federal funds purchased and securities loaned or sold under agreements to repurchase	(39,456)	(9,329)	(62,993)
Net decrease in commercial paper and other short-term borrowings	(34,304)	(31 686)	(126 428)
Proceeds from issuance of long-term debt	26,661	82 215	67 744
Retirement of long-term debt	(101,614)	(110 919)	(191 207)
Proceeds from issuances of preferred stock and warrants	5,608	–	49 244
Repayment of preferred stock	–	–	(45 000)
Proceeds from issuances of common stock	–	–	13,486
Cash dividends paid	(1,738)	(1 762)	(4,863)
Other financing activities, net	8	8	(42)
Net cash used in financing activities	(164,886)	(63 367)	(189 948)
Effect of exchange rate changes on cash and cash equivalents	(641)	228	384
Net increase (decrease) in cash and cash equivalents	11,572	(12 912)	88 482
Cash and cash equivalents at January 1	206,427	121 339	32,857
Cash and cash equivalents at December 31	$ 220,162	$ 108 427	$ 121,339
Supplemental cash flow disclosures			
Interest paid	$ 23,397	$ 21 186	$ 37 602
Income taxes paid	1,488	1 485	3,984
Income taxes refunded	(761)	(7 783)	(31)

During 2011, the Corporation entered into an agreement with Assured Guaranty Ltd. and subsidiaries which resulted in non-cash increases to loans of $2.2 billion, other assets of $62 million and long-term debt of $2.3 billion.
During 2011, the Corporation exchanged preferred stock with a carrying value of $1.1 billion, for 82 million common shares valued at $632 million and senior notes valued at $360 million.
During 2011, the Corporation exchanged trust preferred securities for 308 million common shares valued at $1.7 billion and senior notes valued at $2.0 billion. The trust preferred securities and underlying junior subordinated notes and stock purchase agreements with a carrying value of $6.2 billion were immediately canceled.
During 2010 and 2009, the Corporation securitized $2.4 billion and $14.0 billion of residential mortgage loans into mortgage-backed securities which were retained by the Corporation. There were no residential mortgage loans securitized into mortgage-backed securities which were retained by the Corporation during 2011.
During 2010 the Corporation sold First Republic Bank in a non-cash transaction that reduced assets and liabilities by $19.6 billion and $16.1 billion.
During 2009 the Corporation exchanged $14.0 billion of preferred stock by issuing approximately 1.0 billion in shares of common stock valued at $11.6 billion.
During 2009 the Corporation exchanged credit card loans of $6.8 billion and the related allowance for loan and lease losses of $780 million for a $7.6 billion held-to-maturity debt security that was issued by the Corporation's U.S. credit card securitization trust and retained by the Corporation.
The acquisition-date fair values of non-cash assets acquired and liabilities assumed in the Merrill Lynch & Co., Inc. (Merrill Lynch) acquisition were $618.1 billion and $638.8 billion.
Approximately 1.4 billion shares of common stock valued at approximately $20.5 billion and 276 thousand shares of preferred stock valued at approximately $6.8 billion were issued in connection with the Merrill Lynch acquisition.

See accompanying Notes to Consolidated Financial Statements

Bank of America Corporation and Subsidiaries
Notes to Consolidated Financial Statements

NOTE 1 Summary of Significant Accounting Principles

Bank of America Corporation (collectively with its subsidiaries, the Corporation) a financial holding company provides a diverse range of financial services and products throughout the U S and in certain international markets The term "the Corporation" as used herein may refer to the Corporation individually the Corporation and its subsidiaries or certain of the Corporation s subsidiaries or affiliates

The Corporation conducts its activities through banking and nonbanking subsidiaries The Corporation operates its banking activities primarily under two charters Bank of America National Association (Bank of America N A or BANA) and FIA Card Services National Association (FIA Card Services N A)

Principles of Consolidation and Basis of Presentation

The Consolidated Financial Statements include the accounts of the Corporation and its majority-owned subsidiaries and those variable interest entities (VIEs) where the Corporation is the primary beneficiary Intercompany accounts and transactions have been eliminated Results of operations of acquired companies are included from the dates of acquisition and for VIEs from the dates that the Corporation became the primary beneficiary Assets held in an agency or fiduciary capacity are not included in the Consolidated Financial Statements The Corporation accounts for investments in companies for which it owns a voting interest and for which it has the ability to exercise significant influence over operating and financing decisions using the equity method of accounting or at fair value under the fair value option These investments are included in other assets Equity method investments are subject to impairment testing and the Corporation s proportionate share of income or loss is included in equity investment income

The preparation of the Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures Realized results could differ from those estimates and assumptions

The Corporation evaluates subsequent events through the date of filing with the Securities and Exchange Commission (SEC) Certain prior period amounts have been reclassified to conform to current period presentation

New Accounting Pronouncements

In April 2011 the Financial Accounting Standards Board (FASB) issued new accounting guidance on troubled debt restructurings (TDRs) including criteria to determine whether a loan modification represents a concession and whether the debtor is experiencing financial difficulties This new accounting guidance was effective for the Corporation as of September 30 2011 with retrospective application back to January 1 2011 As a result of the retrospective application the Corporation classified $1 1 billion of commercial loan modifications as TDRs that in previous periods had not been classified as TDRs These loans were newly identified as TDRs typically because the Corporation was not able to demonstrate that the modified rate of interest although significantly higher than the rate prior to modification was a market rate of interest These loans include $402 million of performing commercial loans that had an aggregate allowance for credit losses of $27 million at December 31 2011 Also as a result of the new accounting guidance loans that are participating in or that have been offered a binding trial modification are classified as TDRs At December 31 2011 the Corporation classified an additional $2 6 billion of home loans with an aggregate allowance for credit losses of $154 million as TDRs that were participating in or had been offered a trial modification

In April 2011 the FASB issued new accounting guidance that addresses effective control in repurchase agreements and eliminates the requirement for entities to consider whether the transferor/seller has the ability to repurchase the financial assets in a repurchase agreement This new accounting guidance was effective on a prospective basis for new transactions or modifications to existing transactions on January 1 2012 The adoption of this guidance will not have a material impact on the Corporation s consolidated financial position or results of operations

In May 2011 the FASB issued amendments to the fair value accounting guidance The amendments clarify the application of the highest and best use and valuation premise concepts preclude the application of blockage factors in the valuation of all financial instruments and include criteria for applying the fair value measurement principles to portfolios of financial instruments The amendments additionally prescribe enhanced financial statement disclosures for Level 3 fair value measurements The new amendments were effective on January 1 2012 The adoption of this guidance will not have a material impact on the Corporation s consolidated financial position or results of operations

In June 2011 the FASB issued new accounting guidance on the presentation of comprehensive income in financial statements The new guidance requires entities to report components of comprehensive income in either a continuous statement of comprehensive income or two separate but consecutive statements This new accounting guidance is effective for the Corporation for the three months ended March 31 2012

In September 2011 the FASB issued new accounting guidance that simplifies goodwill impairment testing The new guidance permits entities to make a qualitative assessment of whether it is likely that the fair value of a reporting unit is less than its carrying value If under this assessment it is likely that the fair value of a reporting unit is less than the carrying amount an entity is required to perform the two-step impairment test The Corporation early adopted the new accounting guidance for certain goodwill impairment tests during the three months ended September 30 2011

In December 2011 the FASB issued new accounting guidance that requires additional disclosures on financial instruments and derivative instruments that are either offset in accordance with existing accounting guidance or are subject to an enforceable master netting arrangement or similar agreement The new requirements do not change the accounting guidance on netting but rather enhance the disclosures to more clearly show the impact of netting arrangements on a company's financial position This new accounting guidance will be effective on a retrospective basis for all comparative periods presented beginning on January 1 2013

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand cash items in the process of collection and amounts due from correspondent banks and the Federal Reserve Bank

Securities Financing Agreements

Securities borrowed or purchased under agreements to resell and securities loaned or sold under agreements to repurchase (securities financing agreements) are treated as collateralized financing transactions These agreements are recorded at the amounts at which the securities were acquired or sold plus accrued interest except for certain securities financing agreements that the Corporation accounts for under the fair value option Changes in the fair value of securities financing agreements that are accounted for under the fair value option are recorded in other income For more information on securities financing agreements that the Corporation accounts for under the fair value option see Note 23 - Fair Value Option

The Corporation's policy is to obtain possession of collateral with a market value equal to or in excess of the principal amount loaned under resale agreements To ensure that the market value of the underlying collateral remains sufficient, collateral is generally valued daily and the Corporation may require counterparties to deposit additional collateral or may return collateral pledged when appropriate Securities financing agreements give rise to negligible credit risk as a result of these collateral provisions and accordingly no allowance for loan losses is considered necessary

Substantially all repurchase and resale activities are transacted under legally enforceable master repurchase agreements that give the Corporation in the event of default by the counterparty the right to liquidate securities held and to offset receivables and payables with the same counterparty The Corporation offsets repurchase and resale transactions with the same counterparty on the Consolidated Balance Sheet where it has such a legally enforceable master agreement and the transactions have the same maturity date

In transactions where the Corporation acts as the lender in a securities lending agreement and receives securities that can be pledged or sold as collateral it recognizes an asset on the Consolidated Balance Sheet at fair value representing the securities received and a liability for the same amount representing the obligation to return those securities

In repurchase transactions typically the termination date for a repurchase agreement is before the maturity date of the underlying security However in certain situations the Corporation may enter into repurchase agreements where the termination date of the repurchase transaction is the same as the maturity date of the underlying security and these transactions are referred to as "repo to maturity" (RTM) transactions In accordance with applicable accounting guidance the Corporation accounts for RTM transactions as sales and purchases when the transferred securities are highly liquid In instances where securities are considered sold or purchased the Corporation removes or recognizes the securities from the Consolidated Balance Sheet and in the case of sales recognizes a gain or loss in the Consolidated Statement of Income At December 31 2011 and 2010 the Corporation had no outstanding RTM transactions that had been accounted for as sales and an immaterial amount of transactions that had been accounted for as purchases

Collateral

The Corporation accepts securities as collateral that it is permitted by contract or custom to sell or repledge At December 31 2011 and 2010 the fair value of the collateral was $393 9 billion and $401 7 billion of which $287 7 billion and $257 6 billion was sold or repledged The primary sources of this collateral are repurchase agreements and securities borrowed The Corporation also pledges firm-owned securities and loans as collateral in transactions that include repurchase agreements securities loaned public and trust deposits U S Treasury tax and loan notes and other short-term borrowings This collateral which in some cases can be sold or repledged by the counterparties to the transactions is parenthetically disclosed on the Consolidated Balance Sheet

In certain cases the Corporation has transferred assets to consolidated VIEs where those restricted assets serve as collateral for the interests issued by the VIEs These assets are disclosed on the Consolidated Balance Sheet as Assets of Consolidated VIEs

In addition the Corporation obtains collateral in connection with its derivative contracts Required collateral levels vary depending on the credit risk rating and the type of counterparty Generally the Corporation accepts collateral in the form of cash U S Treasury securities and other marketable securities Based on provisions contained in legal netting agreements the Corporation nets cash collateral against the applicable derivative fair value The Corporation also pledges collateral on its own derivative positions which can be applied against derivative liabilities

Trading Instruments

Financial instruments utilized in trading activities are carried at fair value Fair value is generally based on quoted market prices or quoted market prices for similar assets and liabilities If these market prices are not available fair values are estimated based on dealer quotes pricing models discounted cash flow methodologies or similar techniques where the determination of fair value may require significant management judgment or estimation Realized and unrealized gains and losses are recognized in trading account profits (losses)

Derivatives and Hedging Activities

Derivatives are entered into on behalf of customers for trading as economic hedges or as qualifying accounting hedges Derivatives utilized by the Corporation include swaps financial futures and forward settlement contracts and option contracts A swap agreement is a contract between two parties to exchange cash flows based on specified underlying notional amounts assets and/or indices Financial futures and forward settlement

contracts are agreements to buy or sell a quantity of a financial instrument index currency or commodity at a predetermined future date and rate or price An option contract is an agreement that conveys to the purchaser the right but not the obligation to buy or sell a quantity of a financial instrument (including another derivative financial instrument) index currency or commodity at a predetermined rate or price during a period or at a date in the future Option agreements can be transacted on organized exchanges or directly between parties

All derivatives are recorded on the Consolidated Balance Sheet at fair value taking into consideration the effects of legally enforceable master netting agreements that allow the Corporation to settle positive and negative positions and offset cash collateral held with the same counterparty on a net basis For exchange-traded contracts fair value is based on quoted market prices For non-exchange traded contracts fair value is based on dealer quotes pricing models discounted cash flow methodologies or similar techniques for which the determination of fair value may require significant management judgment or estimation

Valuations of derivative assets and liabilities reflect the value of the instrument including counterparty credit risk These values also take into account the Corporation's own credit standing thus including in the valuation of the derivative instrument the value of the net credit differential between the counterparties to the derivative contract

Trading Derivatives and Economic Hedges

Derivatives held for trading purposes are included in derivative assets or derivative liabilities with changes in fair value included in trading account profits (losses)

Derivatives used as economic hedges because either they did not qualify for or were not designated as an accounting hedge are also included in derivative assets or derivative liabilities Changes in the fair value of derivatives that serve as economic hedges of mortgage servicing rights (MSRs) interest rate lock commitments (IRLCs) and first mortgage loans held-for-sale (LHFS) that are originated by the Corporation are recorded in mortgage banking income Changes in the fair value of derivatives that serve as economic hedges of credit exposures interest rate risk and foreign currency exposures are included in other income (loss) Credit derivatives used by the Corporation as economic hedges do not qualify as accounting hedges but can protect the Corporation from various credit exposures as economic hedges and changes in the fair value of these derivatives are included in other income (loss)

Derivatives Used For Hedge Accounting Purposes (Accounting Hedges)

For accounting hedges the Corporation formally documents at inception all relationships between hedging instruments and hedged items as well as the risk management objectives and strategies for undertaking various accounting hedges Additionally the Corporation primarily uses regression analyses at the inception of a hedge and for each reporting period thereafter to assess whether the derivative used in a hedging transaction is expected to be and has been highly effective in offsetting changes in the fair value or cash flows of a hedged item The Corporation discontinues hedge accounting when it is determined that a derivative is not expected to be or has ceased to be highly effective as a hedge and then reflects changes in fair value of the derivative in earnings after termination of the hedge relationship

The Corporation uses its accounting hedges as either fair value hedges cash flow hedges or hedges of net investments in foreign operations The Corporation manages interest rate and foreign currency exchange rate sensitivity predominantly through the use of derivatives Fair value hedges are used to protect against changes in the fair value of the Corporation's assets and liabilities that are attributable to interest rate or foreign exchange volatility Cash flow hedges are used primarily to minimize the variability in cash flows of assets or liabilities or forecasted transactions caused by interest rate or foreign exchange fluctuations For terminated cash flow hedges the maximum length of time over which forecasted transactions are hedged is approximately 25 years with a substantial portion of the hedged transactions being less than 10 years For open or future cash flow hedges the maximum length of time over which forecasted transactions are or will be hedged is less than seven years

Changes in the fair value of derivatives designated as fair value hedges are recorded in earnings together and in the same income statement line item with changes in the fair value of the related hedged item Changes in the fair value of derivatives designated as cash flow hedges are recorded in accumulated other comprehensive income (OCI) and are reclassified into the line item in the income statement in which the hedged item is recorded and in the same period the hedged item affects earnings Hedge ineffectiveness and gains and losses on the excluded component of a derivative in assessing hedge effectiveness are recorded in earnings in the same income statement line item The Corporation records changes in the fair value of derivatives used as hedges of the net investment in foreign operations to the extent effective as a component of accumulated OCI

If a derivative instrument in a fair value hedge is terminated or the hedge designation removed the previous adjustments to the carrying amount of the hedged asset or liability are subsequently accounted for in the same manner as other components of the carrying amount of that asset or liability For interest-earning assets and interest-bearing liabilities such adjustments are amortized to earnings over the remaining life of the respective asset or liability If a derivative instrument in a cash flow hedge is terminated or the hedge designation is removed related amounts in accumulated OCI are reclassified into earnings in the same period or periods during which the hedged forecasted transaction affects earnings If it is probable that a forecasted transaction will not occur any related amounts in accumulated OCI are reclassified into earnings in that period

Interest Rate Lock Commitments

The Corporation enters into IRLCs in connection with its mortgage banking activities to fund residential mortgage loans at specified times in the future IRLCs that relate to the origination of mortgage loans that will be held-for-sale are considered derivative instruments under applicable accounting guidance As such these IRLCs are recorded at fair value with changes in fair value recorded in mortgage banking income

In estimating the fair value of an IRLC the Corporation assigns a probability to the loan commitment based on an expectation that it will be exercised and the loan will be funded The fair value of the commitments is derived from the fair value of related mortgage loans which is based on observable market data and includes the expected net future cash flows related to servicing of the loans Changes to the fair value of IRLCs are recognized based on interest rate changes changes in the probability that the commitment will

be exercised and the passage of time Changes from the expected future cash flows related to the customer relationship are excluded from the valuation of IRLCs

Outstanding IRLCs expose the Corporation to the risk that the price of the loans underlying the commitments might decline from inception of the rate lock to funding of the loan To protect against this risk the Corporation utilizes forward loan sales commitments and other derivative instruments including interest rate swaps and options to economically hedge the risk of potential changes in the value of the loans that would result from the commitments The changes in the fair value of these derivatives are recorded in mortgage banking income

Securities

Debt securities are recorded on the Consolidated Balance Sheet as of their trade date Debt securities bought principally with the intent to buy and sell in the short term as part of the Corporation s trading activities are reported at fair value in trading account assets with unrealized gains and losses included in trading account profits (losses) Debt securities purchased for longer term investment purposes as part of asset and liability management (ALM) and other strategic activities are reported at fair value with net unrealized gains and losses included in accumulated OCI and presented as available-for-sale (AFS) securities Certain debt securities which management has the intent and ability to hold to maturity (HTM) are reported at amortized cost and presented as HTM securities Other debt securities purchased as economic hedges are reported in other assets at fair value with unrealized gains and losses reported in the same line item in the Consolidated Statement of Income as unrealized gains and losses on the item being hedged are reported

The Corporation regularly evaluates each AFS and HTM debt security where the value has declined below amortized cost to assess whether the decline in fair value is other than-temporary In determining whether an impairment is other-than-temporary the Corporation considers the severity and duration of the decline in fair value the length of time expected for recovery the financial condition of the issuer and other qualitative factors as well as whether the Corporation either plans to sell the security or it is more likely-than-not that it will be required to sell the security before recovery of its amortized cost If the impairment of the AFS or HTM debt security is credit-related an other-than-temporary impairment (OTTI) is recorded in earnings For AFS debt securities the non credit related impairment is recognized in accumulated OCI If the Corporation intends to sell an AFS debt security or believes it will more likely than not be required to sell a security the Corporation records the full amount of the impairment as an OTTI

Interest on debt securities including amortization of premiums and accretion of discounts is included in interest income Realized gains and losses from the sales of debt securities which are included in gains (losses) on sales of debt securities are determined using the specific identification method

Marketable equity securities are classified based on management s intention on the date of purchase and recorded on the Consolidated Balance Sheet as of the trade date Marketable equity securities that are bought and held principally for the purpose of resale in the near term are classified as trading and are carried at fair value with unrealized gains and losses included in trading account profits (losses) Other marketable equity securities are accounted for as AFS and classified in other assets All AFS marketable equity securities are carried at fair value with net unrealized gains and losses included in accumulated OCI on an after-tax basis If there is an other than temporary decline in the fair value of any individual AFS marketable equity security the cost basis is reduced and the Corporation reclassifies the associated net unrealized loss out of accumulated OCI with a corresponding charge to equity investment income Dividend income on AFS marketable equity securities is included in equity investment income Realized gains and losses on the sale of all AFS marketable equity securities which are recorded in equity investment income are determined using the specific identification method

Certain equity investments held by Global Principal Investments (GPI) the Corporation s diversified equity investor in private equity real estate and other alternative investments are subject to investment company accounting under applicable accounting guidance and accordingly are carried at fair value with changes in fair value reported in equity investment income These investments are included in other assets Initially the transaction price of the investment is generally considered to be the best indicator of fair value Thereafter valuation of direct investments is based on an assessment of each individual investment using methodologies that include publicly-traded comparables derived by multiplying a key performance metric (e g earnings before interest taxes depreciation and amortization) of the portfolio company by the relevant valuation multiple observed for comparable companies acquisition comparables entry level multiples and discounted cash flows and are subject to appropriate discounts for lack of liquidity or marketability Certain factors that may influence changes in fair value include but are not limited to recapitalizations subsequent rounds of financing and offerings in the equity or debt capital markets For fund investments the Corporation generally records the fair value of its proportionate interest in the fund s capital as reported by the funds respective managers

Other investments held by GPI are accounted for under either the equity method or at cost, depending on the Corporation s ownership interest, and are reported in other assets

Loans and Leases

Loans measured at historical cost are reported at their outstanding principal balances net of any unearned income charge-offs unamortized deferred fees and costs on originated loans and for purchased loans net of any unamortized premiums or discounts Loan origination fees and certain direct origination costs are deferred and recognized as adjustments to interest income over the lives of the related loans Unearned income discounts and premiums are amortized to interest income using a level yield methodology The Corporation elects to account for certain loans under the fair value option with changes in fair value reported in other income for consumer and commercial loans

Under applicable accounting guidance for reporting purposes the loan and lease portfolio is categorized by portfolio segment and within each portfolio segment, by class of financing receivables A portfolio segment is defined as the level at which an entity develops and documents a systematic methodology to determine the allowance for credit losses and a class of financing receivables is defined as the level of disaggregation of portfolio segments based on the initial measurement attribute risk characteristics and methods for assessing risk The Corporation s three portfolio segments are home loans credit card and other consumer and commercial The classes within the home loans

portfolio segment are core portfolio residential mortgage Legacy Asset Servicing residential mortgage Countrywide Financial Corporation (Countrywide) residential mortgage purchased credit-impaired (PCI) core portfolio home equity Legacy Asset Servicing home equity Countrywide home equity PCI Legacy Asset Servicing discontinued real estate and Countrywide discontinued real estate PCI The classes within the credit card and other consumer portfolio segment are U S credit card non U S credit card direct/indirect consumer and other consumer The classes within the commercial portfolio segment are U S commercial commercial real estate commercial lease financing non-U S commercial and U S small business commercial

Purchased Credit-Impaired Loans

The Corporation purchases loans with and without evidence of credit quality deterioration since origination Evidence of credit quality deterioration as of the purchase date may include statistics such as past due status refreshed borrower credit scores and refreshed loan-to-value (LTV) ratios some of which are not immediately available as of the purchase date Purchased loans with evidence of credit quality deterioration for which it is probable that the Corporation will not receive all contractually required payments receivable are accounted for as PCI loans The excess of the cash flows expected to be collected on PCI loans measured as of the acquisition date over the estimated fair value is referred to as the accretable yield and is recognized in interest income over the remaining life of the loan using a level yield methodology The difference between contractually required payments as of the acquisition date and the cash flows expected to be collected is referred to as the nonaccretable difference PCI loans that have similar risk characteristics primarily credit risk collateral type and interest rate risk are pooled and accounted for as a single asset with a single composite interest rate and an aggregate expectation of cash flows

The Corporation continues to estimate cash flows expected to be collected over the life of the loan using internal credit risk interest rate and prepayment risk models that incorporate management s best estimate of current key assumptions such as default rates loss severity and payment speeds If upon subsequent evaluation the Corporation determines it is probable that the present value of the expected cash flows have decreased the PCI loan is considered further impaired resulting in a charge to the provision for credit losses and a corresponding increase to a valuation allowance included in the allowance for loan and lease losses If upon subsequent evaluation it is probable that there is an increase in the present value of the expected cash flows the Corporation reduces any remaining valuation allowance If there is no remaining valuation allowance the Corporation recalculates the amount of accretable yield as the excess of the revised expected cash flows over the current carrying value resulting in a reclassification from nonaccretable difference to accretable yield The present value of the expected cash flows is determined using the PCI loans effective interest rate adjusted for changes in the PCI loans interest rate indexes

Loan disposals which may include sales of loans receipt of payments in full from the borrower or foreclosure result in removal of the loan from the PCI loan pool Write downs are not recorded on the PCI loan pool until actual losses exceed the remaining nonaccretable difference To date no write-downs have been recorded for any of the PCI loan pools

Leases

The Corporation provides equipment financing to its customers through a variety of lease arrangements Direct financing leases are carried at the aggregate of lease payments receivable plus estimated residual value of the leased property less unearned income Leveraged leases which are a form of financing leases are carried net of nonrecourse debt Unearned income on leveraged and direct financing leases is accreted to interest income over the lease terms using methods that approximate the interest method

Allowance for Credit Losses

The allowance for credit losses which includes the allowance for loan and lease losses and the reserve for unfunded lending commitments represents management s estimate of probable losses inherent in the Corporation s lending activities The allowance for loan and lease losses and the reserve for unfunded lending commitments exclude amounts for loans and unfunded lending commitments accounted for under the fair value option as the fair values of these instruments reflect a credit component The allowance for loan and lease losses does not include amounts related to accrued interest receivable other than billed interest and fees on credit card receivables as accrued interest receivable is reversed when a loan is placed on nonaccrual status The allowance for loan and lease losses represents the estimated probable credit losses on funded consumer and commercial loans and leases while the reserve for unfunded lending commitments including standby letters of credit (SBLCs) and binding unfunded loan commitments represents estimated probable credit losses on these unfunded credit instruments based on utilization assumptions Credit exposures deemed to be uncollectible excluding derivative assets trading account assets and loans carried at fair value are charged against these accounts Cash recovered on previously charged off amounts is recorded as a recovery to these accounts Management evaluates the adequacy of the allowance for credit losses based on the combined total of the allowance for loan and lease losses and the reserve for unfunded lending commitments

The Corporation performs periodic and systematic detailed reviews of its lending portfolios to identify credit risks and to assess the overall collectability of those portfolios The allowance on certain homogeneous consumer loan portfolios which generally consist of consumer real estate within the home loans portfolio segment and credit card loans within the credit card and other consumer portfolio segment, is based on aggregated portfolio segment evaluations generally by product type Loss forecast models are utilized for these portfolios which consider a variety of factors including but not limited to historical loss experience estimated defaults or foreclosures based on portfolio trends delinquencies bankruptcies economic conditions and credit scores

The Corporation s home loans portfolio segment is comprised primarily of large groups of homogeneous consumer loans secured by residential real estate The amount of losses incurred in the homogeneous loan pools is estimated based upon how many of the loans will default and the loss in the event of default Using statistically valid modeling methodologies the Corporation estimates how many of the homogeneous loans will default based on the individual loans attributes aggregated into pools of homogeneous loans with similar attributes The attributes that are most significant to the probability of default and are used to

estimate default includes refreshed LTV or in the case of a subordinated lien refreshed combined loan-to-value (CLTV) borrower credit score months since origination (referred to as vintage) and geography all of which are further broken down by present collection status (whether the loan is current delinquent in default or in bankruptcy) This estimate is based on the Corporation s historical experience with the loan portfolio The estimate is adjusted to reflect an assessment of environmental factors not yet reflected in the historical data underlying the loss estimates such as changes in real estate values local and national economies underwriting standards and the regulatory environment The probability of default on a loan is based on an analysis of the movement of loans with the measured attributes from either current or any of the delinquency categories to default over a twelve-month period On home equity loans where the Corporation holds only a second lien position and foreclosure is not the best alternative the loss severity is estimated at 100 percent

The allowance on certain commercial loans (except business card and certain small business loans) is calculated using loss rates delineated by risk rating and product type Factors considered when assessing loss rates include the value of the underlying collateral if applicable the industry of the obligor and the obligor s liquidity and other financial indicators along with certain qualitative factors These statistical models are updated regularly for changes in economic and business conditions Included in the analyses of consumer and commercial loan portfolios are reserves which are maintained to cover uncertainties that affect the Corporation s estimate of probable losses including domestic and global economic uncertainty and large single name defaults

The remaining commercial portfolios including nonperforming commercial loans as well as consumer real estate loans modified in a TDR renegotiated credit card unsecured consumer and small business loans are reviewed in accordance with applicable accounting guidance on impaired loans and TDRs If necessary a specific allowance is established for these loans if they are deemed to be impaired A loan is considered impaired when based on current information and events it is probable that the Corporation will be unable to collect all amounts due including principal and/or interest according to the contractual terms of the agreement and once a loan has been identified as impaired management measures impairment Impaired loans and TDRs are primarily measured based on the present value of payments expected to be received discounted at the loans original effective contractual interest rates or discounted at the portfolio average contractual annual percentage rate excluding promotionally priced loans in effect prior to restructuring for the renegotiated TDR portfolio Impaired loans and TDRs may also be measured based on observable market prices or for loans that are solely dependent on the collateral for repayment the estimated fair value of the collateral less estimated costs to sell If the recorded investment in impaired loans exceeds this amount a specific allowance is established as a component of the allowance for loan and lease losses unless these are consumer real estate loans that are solely dependent on the collateral for repayment in which case the initial amount that exceeds the fair value of the collateral is charged off

Generally when determining the fair value of the collateral securing consumer loans that are solely dependent on the collateral for repayment prior to performing a detailed property valuation including a walk-through of a property the Corporation initially estimates the fair value of the collateral securing consumer loans that are solely dependent on the collateral for repayment using an automated valuation method (AVM) An AVM is a tool that estimates the value of a property by reference to market data including sales of comparable properties and price trends specific to the Metropolitan Statistical Area in which the property being valued is located In the event that an AVM value is not available the Corporation utilizes publicized indices or if these methods provide less reliable valuations the Corporation uses appraisals or broker price opinions to estimate the fair value of the collateral While there is inherent imprecision in these valuations the Corporation believes that they are representative of the portfolio in the aggregate

In addition to the allowance for loan and lease losses the Corporation also estimates probable losses related to unfunded lending commitments such as letters of credit and financial guarantees and binding unfunded loan commitments This reserve for unfunded lending commitments excludes commitments accounted for under the fair value option Unfunded lending commitments are subject to individual reviews and are analyzed and segregated by risk according to the Corporation s internal risk rating scale These risk classifications in conjunction with an analysis of historical loss experience utilization assumptions current economic conditions performance trends within the portfolio and any other pertinent information result in the estimation of the reserve for unfunded lending commitments

The allowance for credit losses related to the loan and lease portfolio is reported separately on the Consolidated Balance Sheet whereas the reserve for unfunded lending commitments is reported on the Consolidated Balance Sheet in accrued expenses and other liabilities The provision for credit losses related to the loan and lease portfolio and unfunded lending commitments is reported in the Consolidated Statement of Income

Nonperforming Loans and Leases, Charge-offs and Delinquencies

Nonperforming loans and leases generally include loans and leases that have been placed on nonaccrual status including nonaccruing loans whose contractual terms have been restructured in a manner that grants a concession to a borrower experiencing financial difficulties Loans accounted for under the fair value option PCI loans and LHFS are not reported as nonperforming loans and leases

In accordance with the Corporation s policies credit card loans where the borrower is not deceased or in bankruptcy and unsecured consumer loans are charged off no later than the end of the month in which the account becomes 180 days past due The outstanding balance of real estate-secured loans that is in excess of the estimated property value less estimated costs to sell is charged off no later than the end of the month in which the account becomes 180 days past due unless repayment of the loan is insured by the Federal Housing Administration (FHA) or through individually insured long-term standby agreements with Fannie Mae (FNMA) and Freddie Mac (FHLMC) (the fully-insured portfolio) The estimated property value less estimated costs to sell is determined using the same process as described for impaired loans in the Allowance for Credit Losses section of this Note on page 162 Personal property-secured loans are charged off no later than the end of the month in which the account becomes 120 days past due Unsecured accounts associated with borrowers who become deceased or are in bankruptcy including credit cards are charged off 60 days after receipt of notification For secured products accounts in bankruptcy are written down to the collateral value less costs to sell by the end of the month in which the account becomes 60 days past due Consumer credit card loans consumer loans secured by personal property and unsecured consumer loans are not placed on nonaccrual status prior to charge off and therefore are not reported as nonperforming loans Real estate secured loans are generally placed on nonaccrual status and classified as nonperforming at 90 days past due However consumer loans secured by real estate in the fully-insured portfolio are not placed on nonaccrual status and therefore are not reported as nonperforming loans Accrued interest receivable is reversed when a consumer loan is placed on nonaccrual status Interest collections on nonaccruing consumer loans for which the ultimate collectability of principal is uncertain are applied as principal reductions otherwise such collections are credited to interest income when received These loans may be restored to accrual status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected or when the loan otherwise becomes well-secured and is in the process of collection

Consumer loans whose contractual terms have been modified in a TDR and are current at the time of restructuring remain on accrual status if there is demonstrated performance prior to the restructuring and payment in full under the restructured terms is expected Otherwise the loans are placed on nonaccrual status and reported as nonperforming until there is sustained repayment performance for a reasonable period generally six months Consumer TDRs that are on accrual status are reported as performing TDRs through the end of the calendar year in which the restructuring occurred or the year in which the loans are returned to accrual status In addition if accruing consumer TDRs bear less than a market rate of interest at the time of modification they are reported as performing TDRs throughout their remaining lives unless and until they cease to perform in accordance with their modified contractual terms at which time they would be placed on nonaccrual status and reported as nonperforming TDRs

Commercial loans and leases excluding business card loans that are past due 90 days or more as to principal or interest or where reasonable doubt exists as to timely collection including loans that are individually identified as being impaired are generally placed on nonaccrual status and classified as nonperforming unless well-secured and in the process of collection Commercial loans and leases whose contractual terms have been modified in a TDR are typically placed on nonaccrual status and reported as nonperforming until the loans have performed for an adequate period of time under the restructured agreement generally six months If the borrower had demonstrated performance under the previous terms and the underwriting process shows the capacity to continue to perform under the modified terms the loans and leases may remain on accrual status Accruing commercial TDRs are reported as performing TDRs through the end of the calendar year in which the loans are returned to accrual status In addition if accruing commercial TDRs bear less than a market rate of interest at the time of modification they are reported as performing TDRs throughout their remaining lives unless and until they cease to perform in accordance with their modified contractual terms at which time they would be placed on nonaccrual status and reported as nonperforming TDRs

Accrued interest receivable is reversed when a commercial loan is placed on nonaccrual status Interest collections on nonaccruing commercial loans and leases for which the ultimate collectability of principal is uncertain are applied as principal reductions otherwise such collections are credited to income when received Commercial loans and leases may be restored to accrual status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected or when the loan otherwise becomes well-secured and is in the process of collection Business card loans are charged off no later than the end of the month in which the account becomes 180 days past due or 60 days after receipt of notification of death or bankruptcy filing These loans are not placed on nonaccrual status prior to charge-off and therefore are not reported as nonperforming loans Other commercial loans are generally charged off when all or a portion of the principal amount is determined to be uncollectible

The entire balance of a consumer and commercial loan is contractually delinquent if the minimum payment is not received by the specified due date on the customer s billing statement Interest and fees continue to accrue on past due loans until the date the loan goes into nonaccrual status if applicable

PCI loans are recorded at fair value at the acquisition date Although the PCI loans may be contractually delinquent the Corporation does not classify these loans as nonperforming as the loans were written down to fair value at the acquisition date and the accretable yield is recognized in interest income over the remaining life of the loan In addition reported net charge-offs exclude write-downs on PCI loan pools as the fair value already considers the estimated credit losses

Loans Held-for-sale

Loans that are intended to be sold in the foreseeable future including residential mortgages loan syndications and to a lesser degree commercial real estate consumer finance and other loans are reported as LHFS and are carried at the lower of aggregate cost or fair value The Corporation accounts for certain LHFS including first mortgage LHFS under the fair value option Mortgage loan origination costs related to LHFS that the Corporation accounts for under the fair value option are recognized in noninterest expense when incurred Mortgage loan origination costs for LHFS carried at the lower of cost or fair value are capitalized as part of the carrying amount of the loans and recognized as a reduction of mortgage banking income upon the sale of such loans LHFS that are on nonaccrual status and are reported as nonperforming as defined in the policy above are reported separately from nonperforming loans and leases

Premises and Equipment

Premises and equipment are carried at cost less accumulated depreciation and amortization Depreciation and amortization are recognized using the straight-line method over the estimated useful lives of the assets Estimated lives range up to 40 years for buildings up to 12 years for furniture and equipment and the shorter of lease term or estimated useful life for leasehold improvements

The Corporation capitalizes the costs associated with certain computer hardware software and internally developed software and amortizes the costs over the expected useful life Direct project costs of internally developed software are capitalized when it is probable that the project will be completed and the software will be used for its intended function

Mortgage Servicing Rights

The Corporation accounts for consumer-related MSRs at fair value with changes in fair value recorded in mortgage banking income while commercial-related and residential reverse mortgage MSRs are accounted for using the amortization method (lower of amortized cost or fair value) with impairment recognized as a reduction in mortgage banking income To reduce the volatility of earnings related to interest rate and market value fluctuations U S Treasury securities mortgage-backed securities (MBS) and derivatives such as options and interest rate swaps may be used as economic hedges of the MSRs but are not designated as accounting hedges These economic hedges are carried at fair value with changes in fair value recognized in mortgage banking income

The Corporation estimates the fair value of the consumer MSRs using a valuation model that calculates the present value of estimated future net servicing income This is accomplished through an option-adjusted spread (OAS) valuation approach that factors in prepayment risk This approach consists of projecting servicing cash flows under multiple interest rate scenarios and discounting these cash flows using risk-adjusted discount rates The key economic assumptions used in valuations of MSRs include weighted-average lives of the MSRs and the OAS levels The OAS represents the spread that is added to the discount rate so that the sum of the discounted cash flows equals the market price therefore it is a measure of the extra yield over the reference discount factor that the Corporation expects to earn by holding the asset These variables can and generally do change from quarter to quarter as market conditions and projected interest rates change and could have an adverse impact on the value of the MSRs and could result in a corresponding reduction in mortgage banking income

Goodwill and Intangible Assets

Goodwill is the purchase premium after adjusting for the fair value of net assets acquired Goodwill is not amortized but is reviewed for potential impairment on an annual basis or when events or circumstances indicate a potential impairment at the reporting unit level A reporting unit as defined under applicable accounting guidance is a business segment or one level below a business segment The goodwill impairment analysis is a two-step test During 2011 the Corporation early adopted new accounting guidance that simplifies goodwill impairment testing by permitting entities to make a qualitative assessment of whether it is likely that the fair value of a reporting unit is less than its carrying value For additional information see New Accounting Pronouncements in this Note on page 158 The first step of the goodwill impairment test involves comparing the fair value of each reporting unit with its carrying amount including goodwill If the fair value of the reporting unit exceeds its carrying amount goodwill of the reporting unit is considered not impaired however if the carrying amount of the reporting unit exceeds its fair value the second step must be performed to measure potential impairment

The second step involves calculating an implied fair value of goodwill for each reporting unit for which the first step indicated possible impairment The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination which is the excess of the fair value of the reporting unit as determined in the first step over the aggregate fair values of the assets liabilities and identifiable intangibles as if the reporting unit was being acquired in a business combination Measurement of the fair values of the assets and liabilities of a reporting unit is consistent with the requirements of the fair value measurements accounting guidance which defines fair value as an exit price meaning the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date The adjustments to measure the assets liabilities and intangibles at fair value are for the purpose of measuring the implied fair value of goodwill and such adjustments are not reflected in the Consolidated Balance Sheet If the implied fair value of goodwill exceeds the goodwill assigned to the reporting unit there is no impairment If the goodwill assigned to a reporting unit exceeds the implied fair value of goodwill an impairment charge is recorded for the excess An impairment loss recognized cannot exceed the amount of goodwill assigned to a reporting unit An impairment loss establishes a new basis in the goodwill and subsequent reversals of goodwill impairment losses are not permitted under applicable accounting guidance

For intangible assets subject to amortization an impairment loss is recognized if the carrying amount of the intangible asset is not recoverable and exceeds fair value The carrying amount of the intangible asset is considered not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use of the asset

Variable Interest Entities

A VIE is an entity that lacks equity investors or whose equity investors do not have a controlling financial interest in the entity through their equity investments The entity that has a controlling financial interest in a VIE is referred to as the primary beneficiary and consolidates the VIE The Corporation is deemed to have a controlling financial interest and is the primary beneficiary of a VIE if it has both the power to direct the activities of the VIE that most significantly impact the VIE s economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE On a quarterly basis the Corporation reassesses whether it has a controlling financial interest in and is the primary beneficiary of a VIE The quarterly reassessment process considers whether the Corporation has acquired or divested the power to direct the activities of the VIE through changes in governing documents or other circumstances The reassessment also considers whether the Corporation has acquired or disposed of a financial interest that could be significant to the VIE or whether an interest in the VIE has become significant or is no longer significant The consolidation status of the VIEs with which the Corporation is involved may change as a result of such reassessments Changes in consolidation status are applied prospectively with assets and liabilities of a newly consolidated VIE initially recorded at fair value A gain or loss may be recognized upon deconsolidation of a VIE depending on the carrying amounts of deconsolidated assets and liabilities compared to the fair value of retained interests and ongoing contractual arrangements

The Corporation primarily uses VIEs for its securitization activities in which the Corporation transfers whole loans or debt securities into a trust or other vehicle such that the assets are legally isolated from the creditors of the Corporation Assets held in a trust can only be used to settle obligations of the trust The creditors of these trusts typically have no recourse to the Corporation except in accordance with the Corporation s obligations under standard representations and warranties

When the Corporation is the servicer of whole loans held in a securitization trust including non-agency residential mortgages home equity loans credit cards automobile loans and student loans the Corporation has the power to direct the most significant activities of the trust The Corporation does not have the power to direct the most significant activities of a residential mortgage agency trust unless the Corporation holds substantially all of the issued securities and has the unilateral right to liquidate the trust The power to direct the most significant activities of a commercial mortgage securitization trust is typically held by the special servicer or by the party holding specific subordinate securities which embody certain controlling rights The Corporation consolidates a whole-loan securitization trust if it has the power to direct the most significant activities and also holds securities issued by the trust or has other contractual arrangements other than standard representations and warranties that could potentially be significant to the trust

The Corporation may also transfer trading account securities and AFS securities into municipal bond or resecuritization trusts The Corporation consolidates a municipal bond or resecuritization trust if it has control over the ongoing activities of the trust such as the remarketing of the trust s liabilities or if there are no ongoing activities sole discretion over the design of the trust including the identification of securities to be transferred in and the structure of securities to be issued and also retains securities or has liquidity or other commitments that could potentially be significant to the trust The Corporation does not consolidate a municipal bond or resecuritization trust if one or a limited number of third-party investors share responsibility for the design of the trust or have control over the significant activities of the trust through liquidation or other substantive rights

Other VIEs used by the Corporation include collateralized debt obligations (CDOs) investment vehicles created on behalf of customers and other investment vehicles The Corporation does not routinely serve as collateral manager for CDOs and therefore does not typically have the power to direct the activities that most significantly impact the economic performance of a CDO However following an event of default if the Corporation is a majority holder of senior securities issued by a CDO and acquires the power to manage the assets of the CDO the Corporation consolidates the CDO

The Corporation consolidates a customer or other investment vehicle if it has control over the initial design of the vehicle or manages the assets in the vehicle and also absorbs potentially significant gains or losses through an investment in the vehicle derivative contracts or other arrangements The Corporation does not consolidate an investment vehicle if a single investor controlled the initial design of the vehicle or manages the assets in the vehicles or if the Corporation does not have a variable interest that could potentially be significant to the vehicle

Retained interests in securitized assets are initially recorded at fair value In addition the Corporation may invest in debt securities issued by unconsolidated VIEs Quoted market prices are primarily used to obtain fair values of these debt securities which are AFS debt securities or trading account assets Generally quoted market prices for retained residual interests are not available therefore the Corporation estimates fair values based on the present value of the associated expected future cash flows This may require management to estimate credit losses prepayment speeds forward interest yield curves discount rates and other factors that impact the value of retained interests Retained residual interests in unconsolidated securitization trusts are classified in trading account assets or other assets with changes in fair value recorded in income The Corporation may also enter into derivatives with unconsolidated VIEs which are carried at fair value with changes in fair value recorded in income

Fair Value

The Corporation measures the fair values of its financial instruments in accordance with accounting guidance that requires an entity to base fair value on exit price and maximize the use of observable inputs and minimize the use of unobservable inputs to determine the exit price Under applicable accounting guidance the Corporation categorizes its financial instruments based on the priority of inputs to the valuation technique into a three-level hierarchy as described below Trading account assets and liabilities derivative assets and liabilities AFS debt and marketable equity securities MSRs and certain other assets are carried at fair value in accordance with applicable accounting guidance The Corporation has also elected to account for certain assets and liabilities under the fair value option including certain corporate loans and loan commitments LHFS other short-term borrowings securities financing agreements asset-backed secured financings long-term deposits and long-term debt The following describes the three-level hierarchy

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities Level 1 assets and liabilities include debt and equity securities and derivative contracts that are traded in an active exchange market as well as certain U S Treasury securities that are highly liquid and are actively traded in over-the-counter (OTC) markets

Level 2 Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities Level 2 assets and liabilities include debt securities with quoted prices that are traded less frequently than exchange-traded instruments and derivative contracts where fair value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data This category generally includes U S government and agency mortgage-backed debt securities corporate debt securities derivative contracts residential mortgage loans and certain LHFS

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the overall fair value of the assets or liabilities Level 3 assets and liabilities include financial instruments for which the determination of fair value requires significant management judgment or estimation The fair value for such assets and liabilities is generally determined using pricing models market comparables discounted cash flow methodologies or similar techniques that incorporate the assumptions a market participant would use in pricing the asset or liability This category generally includes certain private equity investments and other principal investments retained residual interests in securitizations residential MSRs asset-backed securities (ABS) highly structured complex or long-dated derivative contracts certain LHFS IRLCs and certain

CDOs where independent pricing information cannot be obtained for a significant portion of the underlying assets

Income Taxes

There are two components of income tax expense current and deferred Current income tax expense approximates taxes to be paid or refunded for the current period Deferred income tax expense results from changes in deferred tax assets and liabilities between periods These gross deferred tax assets and liabilities represent decreases or increases in taxes expected to be paid in the future because of future reversals of temporary differences in the bases of assets and liabilities as measured by tax laws and their bases as reported in the financial statements Deferred tax assets are also recognized for tax attributes such as net operating loss carryforwards and tax credit carryforwards Valuation allowances are recorded to reduce deferred tax assets to the amounts management concludes are more-likely-than not to be realized

Income tax benefits are recognized and measured based upon a two-step model 1) a tax position must be more likely-than not to be sustained based solely on its technical merits in order to be recognized and 2) the benefit is measured as the largest dollar amount of that position that is more-likely-than-not to be sustained upon settlement The difference between the benefit recognized and the tax benefit claimed on a tax return is referred to as an unrecognized tax benefit (UTB) The Corporation records income tax related interest and penalties if applicable within income tax expense

Retirement Benefits

The Corporation has established retirement plans covering substantially all full-time and certain part-time employees Pension expense under these plans is charged to current operations and consists of several components of net pension cost based on various actuarial assumptions regarding future experience under the plans

In addition the Corporation has established unfunded supplemental benefit plans and supplemental executive retirement plans (SERPs) for selected officers of the Corporation and its subsidiaries that provide benefits that cannot be paid from a qualified retirement plan due to Internal Revenue Code restrictions The Corporation s current executive officers do not earn additional retirement income under SERPs These plans are nonqualified under the Internal Revenue Code and assets used to fund benefit payments are not segregated from other assets of the Corporation therefore in general a participant s or beneficiary s claim to benefits under these plans is as a general creditor In addition the Corporation has established several postretirement healthcare and life insurance benefit plans

Accumulated Other Comprehensive Income

The Corporation records unrealized gains and losses on AFS debt and marketable equity securities gains and losses on cash flow accounting hedges unrecognized actuarial gains and losses transition obligation and prior service costs on pension and postretirement plans foreign currency translation adjustments and related hedges of net investments in foreign operations in accumulated OCI net-of-tax Unrealized gains and losses on AFS debt and marketable equity securities are reclassified to earnings as the gains or losses are realized upon sale of the securities Unrealized losses on AFS securities deemed to represent OTTI are reclassified to earnings at the time of the impairment charge For AFS debt securities that the Corporation does not intend to sell or it is not more-likely-than-not that it will be required to sell only the credit component of an unrealized loss is reclassified to earnings Gains or losses on derivatives accounted for as cash flow hedges are reclassified to earnings when the hedged transaction affects earnings Translation gains or losses on foreign currency translation adjustments are reclassified to earnings upon the substantial sale or liquidation of investments in foreign operations

Revenue Recognition

The following summarizes the Corporation s revenue recognition policies as they relate to certain noninterest income line items in the Consolidated Statement of Income

Card income is derived from fees such as interchange cash advance annual late over limit and other miscellaneous fees which are recorded as revenue when earned primarily on an accrual basis Uncollected fees are included in the customer card receivables balances with an amount recorded in the allowance for loan and lease losses for estimated uncollectible card receivables Uncollected fees are written off when a card receivable reaches 180 days past due

Service charges include fees for insufficient funds overdrafts and other banking services and are recorded as revenue when earned Uncollected fees are included in outstanding loan balances with an amount recorded for estimated uncollectible service fees receivable Uncollected fees are written off when a fee receivable reaches 60 days past due

Investment and brokerage services revenue consists primarily of asset management fees and brokerage income that is recognized over the period the services are provided or when commissions are earned Asset management fees consist primarily of fees for investment management and trust services and are generally based on the dollar amount of the assets being managed Brokerage income is generally derived from commissions and fees earned on the sale of various financial products

Investment banking income consists primarily of advisory and underwriting fees that are recognized in income as the services are provided and no contingencies exist Revenues are generally recognized net of any direct expenses Non-reimbursed expenses are recorded as noninterest expense

Earnings Per Common Share

Earnings per common share (EPS) is computed by dividing net income (loss) allocated to common shareholders by the weighted-average common shares outstanding except that it does not include unvested common shares subject to repurchase or cancellation Net income (loss) allocated to common shareholders represents net income (loss) applicable to common shareholders which is net income (loss) adjusted for preferred stock dividends including dividends declared accretion of discounts on preferred stock including accelerated accretion when preferred stock is repaid early and cumulative dividends related to the current dividend period that have not been declared as of period end less income allocated to participating securities (see below for additional information) Diluted EPS is computed by dividing income (loss) allocated to common shareholders plus dividends on dilutive convertible preferred stock and preferred stock that can be tendered to exercise warrants by the weighted-average

common shares outstanding plus amounts representing the dilutive effect of stock options outstanding restricted stock restricted stock units (RSUs) outstanding warrants and the dilution resulting from the conversion of convertible preferred stock if applicable Certain warrants may be exercised at the option of the holder through tendering of the Corporation s 6% Cumulative Perpetual Preferred Stock Series T (the Series T Preferred Stock) or cash Because it is currently more economical for the warrant holder to tender the Series T preferred stock the common shares underlying these warrants are considered outstanding and the dividends on the preferred stock are added back to income (loss) allocable to common shareholders in computing diluted EPS unless the effect is antidilutive

Unvested share-based payment awards that contain nonforfeitable rights to dividends are participating securities that are included in computing EPS using the two-class method The two class method is an earnings allocation formula under which EPS is calculated for common stock and participating securities according to dividends declared and participating rights in undistributed earnings Under this method all earnings distributed and undistributed are allocated to participating securities and common shares based on their respective rights to receive dividends

In an exchange of non convertible preferred stock income allocated to common shareholders is adjusted for the difference between the carrying value of the preferred stock and the fair value of the consideration exchanged In an induced conversion of convertible preferred stock income allocated to common shareholders is reduced by the excess of the fair value of the consideration exchanged over the fair value of the common stock that would have been issued under the original conversion terms

Foreign Currency Translation

Assets liabilities and operations of foreign branches and subsidiaries are recorded based on the functional currency of each entity For certain of the foreign operations the functional currency is the local currency in which case the assets liabilities and operations are translated for consolidation purposes from the local currency to the U S dollar reporting currency at period-end rates for assets and liabilities and generally at average rates for results of operations The resulting unrealized gains or losses as well as gains and losses from certain hedges are reported as a component of accumulated OCI on an after-tax basis When the foreign entity s functional currency is determined to be the U S dollar the resulting remeasurement currency gains or losses on foreign currency-denominated assets or liabilities are included in earnings

Credit Card and Deposit Arrangements

Endorsing Organization Agreements

The Corporation contracts with other organizations to obtain their endorsement of the Corporation s loan and deposit products This endorsement may provide to the Corporation exclusive rights to market to the organization s members or to customers on behalf of the Corporation These organizations endorse the Corporation s loan and deposit products and provide the Corporation with their mailing lists and marketing activities These agreements generally have terms that range from two to five years The Corporation typically pays royalties in exchange for the endorsement Compensation costs related to the credit card agreements are recorded as contra-revenue in card income

Cardholder Reward Agreements

The Corporation offers reward programs that allow its cardholders to earn points that can be redeemed for a broad range of rewards including cash travel and discounted products The Corporation establishes a rewards liability based upon the points earned that are expected to be redeemed and the average cost per point redeemed The points to be redeemed are estimated based on past redemption behavior card product type account transaction activity and other historical card performance The liability is reduced as the points are redeemed The estimated cost of the rewards programs is recorded as contra-revenue in card income

Insurance Income and Insurance Expense

Property and casualty and credit life and disability premiums are generally recognized over the term of the polices on a pro-rata basis for all policies except for certain of the lender-placed auto insurance and the guaranteed auto protection (GAP) policies For lender-placed auto insurance premiums are recognized when collections become probable due to high cancellation rates experienced early in the life of the policy For GAP insurance revenue recognition is correlated to the exposure and accelerated over the life of the contract Mortgage reinsurance premiums are recognized as earned Insurance expense includes insurance claims commissions and premium taxes all of which are recorded in other general operating expense

NOTE 2 Merger and Restructuring Activity

Merger and restructuring charges are recorded in the Consolidated Statement of Income and include incremental costs to integrate the operations of the Corporation and its most recent acquisitions These charges represent costs associated with these activities and do not represent ongoing costs of the fully integrated combined organization The merger and restructuring charges table presents the components of merger and restructuring charges

Merger and Restructuring Charges

(Dollars in millions)	2011	2010	2009
Severance and employee-related charges	$ 230	$ 455	$ 1 351
Systems integrations and related charges	265	1 137	1 155
Other	127	228	215
Total merger and restructuring charges	$ 622	$ 1 820	$ 2 721

For 2011 all merger related charges related to the Merrill Lynch & Co Inc (Merrill Lynch) acquisition included for 2010 and 2009 are merger-related charges of $1 6 billion and $1 8 billion related to the Merrill Lynch acquisition and $202 million and $940 million related to earlier acquisitions

The restructuring reserves table presents the changes in restructuring reserves for 2011 and 2010 Restructuring reserves are established by a charge to merger and restructuring charges and the restructuring charges are included in the merger and restructuring charges table Substantially all of the amounts in the restructuring reserves table relate to the Merrill Lynch acquisition

Restructuring Reserves

(Dollars in millions)	2011	2010
Balance, January 1	$ 336	$ 403
Exit costs and restructuring charges		
Merrill Lynch	217	375
Other	–	54
Cash payments and other	(319)	(496)
Balance, December 31	$ 234	$ 336

Amounts added to the restructuring reserves in 2011 and 2010 related to severance and other employee-related costs Payments associated with the Merrill Lynch acquisition are anticipated to continue into 2012

NOTE 3 Trading Account Assets and Liabilities

The table below presents the components of trading account assets and liabilities at December 31 2011 and 2010

	December 31	
(Dollars in millions)	2011	2010
Trading account assets		
U S government and agency securities (1)	$ 82,615	$ 60 811
Corporate securities, trading loans and other	56,571	49 352
Equity securities	39,674	32 129
Non-U S sovereign debt	43,948	33 523
Mortgage trading loans and asset-backed securities	15,511	18 856
Total trading account assets	$ 188,319	$ 194 671
Trading account liabilities		
U S government and agency securities	$ 38,710	$ 29 340
Equity securities	14,894	15 482
Non-U S sovereign debt	17,440	15 813
Corporate securities and other	7,764	11 350
Total trading account liabilities	$ 80,808	$ 71 985

(1) Includes $27 3 billion and $29 7 billion of government-sponsored enterprise obligations at December 31, 2011 and 2010

NOTE 4 Derivatives

Derivative Balances

Derivatives are entered into on behalf of customers for trading, as economic hedges or as qualifying accounting hedges For additional information on the Corporation s derivatives and hedging activities see *Note 1 – Summary of Significant Accounting Principles* The following tables identify derivative instruments included on the Corporation s Consolidated Balance Sheet in derivative assets and liabilities at December 31 2011 and 2010 Balances are presented on a gross basis prior to the application of counterparty and collateral netting Total derivative assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of legally enforceable master netting agreements and have been reduced by the cash collateral applied

		December 31, 2011					
		Gross Derivative Assets			Gross Derivative Liabilities		
(Dollars in billions)	Contract/ Notional (1)	Trading Derivatives and Economic Hedges	Qualifying Accounting Hedges	Total	Trading Derivatives and Economic Hedges	Qualifying Accounting Hedges (2)	Total
Interest rate contracts							
Swaps	$ 40,478.7	$ 1,480.7	$ 19.6	$ 1,500.3	$ 1,472.0	$ 12.3	$ 1,484.3
Futures and forwards	13,196.8	2.9	0.1	3.0	3.4	–	3.4
Written options	3,894.6	–	–	–	117.6	–	117.6
Purchased options	3,467.2	120.0	–	120.0	–	–	–
Foreign exchange contracts							
Swaps	1,961.6	48.3	2.8	51.1	58.8	2.3	61.1
Spot, futures and forwards	1,548.6	87.2	1.3	88.5	88.3	0.3	88.6
Written options	888.6	–	–	–	3.4	–	3.4
Purchased options	841.9	3.0	–	3.0	–	–	–
Equity contracts							
Swaps	78.5	1.8	–	1.8	1.7	–	1.7
Futures and forwards	83.1	2.0	–	1.8	1.8	–	1.8
Written options	367.1	–	–	–	17.7	–	17.7
Purchased options	360.2	19.6	–	19.6	–	–	–
Commodity contracts							
Swaps	78.8	4.9	0.1	5.0	5.0	–	5.0
Futures and forwards	478.8	5.3	–	5.3	5.3	–	5.3
Written options	144.3	–	–	–	8.8	–	8.8
Purchased options	144.9	8.8	–	8.8	–	–	–
Credit derivatives							
Purchased credit derivatives							
Credit default swaps	1,944.8	86.8	–	86.8	13.8	–	13.8
Total return swaps/other	17.8	0.8	–	0.8	0.8	–	0.8
Written credit derivatives							
Credit default swaps	1,988.8	14.1	–	14.1	90.8	–	90.8
Total return swaps/other	17.8	0.8	–	0.8	0.7	–	0.7
Gross derivative assets/liabilities		$ 1,893.7	$ 23.1	$ 1,916.8	$ 1,846.8	$ 14.6	$ 1,861.4
Less Legally enforceable master netting agreements				(1,748.8)			(1,748.8)
Less Cash collateral applied				(94.8)			(31.6)
Total derivative assets/liabilities				$ 73.0			$ 80.8

(1) Represents the total contract/notional amount of derivative assets and liabilities outstanding
(2) Excludes $191 million of long-term debt designated as a hedge of foreign currency risk

(Dollars in billions)	Contract/ Notional (1)	December 31 2010 Gross Derivative Assets: Trading Derivatives and Economic Hedges	Gross Derivative Assets: Qualifying Accounting Hedges	Gross Derivative Assets: Total	Gross Derivative Liabilities: Trading Derivatives and Economic Hedges	Gross Derivative Liabilities: Qualifying Accounting Hedges (2)	Gross Derivative Liabilities: Total
Interest rate contracts							
Swaps	$ 42 719 2	$ 1 183 9	$ 14 9	$ 1 208 8	$ 1 187 9	$ 2 2	$ 1 190 1
Futures and forwards	9 939 2	6 0	–	6 0	4 7	–	4 7
Written options	2 887 7	–	–	–	82 8	–	82 8
Purchased options	3 026 2	88 0	–	88 0	–	–	–
Foreign exchange contracts							
Swaps	830 1	29 5	3 7	30 2	28 5	2 1	30 6
Spot, futures and forwards	2 852 9	41 3	–	41 3	44 2	–	44 2
Written options	439 6	–	–	–	13 2	–	13 2
Purchased options	417 1	13 0	–	13 0	–	–	–
Equity contracts							
Swaps	42 4	1 7	–	1 7	2 0	–	2 0
Futures and forwards	78 8	2 9	–	2 9	2 1	–	2 1
Written options	242 7	–	–	–	19 4	–	19 4
Purchased options	183 5	21 5	–	21 5	–	–	–
Commodity contracts							
Swaps	80 2	8 8	0 2	9 0	9 3	–	9 3
Futures and forwards	413 7	4 1	–	4 1	2 8	–	2 8
Written options	86 3	–	–	–	6 7	–	6 7
Purchased options	84 8	6 6	–	6 6	–	–	–
Credit derivatives							
Purchased credit derivatives							
Credit default swaps	2 184 7	69 8	–	69 8	34 0	–	34 0
Total return swaps/other	26 0	0 9	–	0 9	0 2	–	0 2
Written credit derivatives							
Credit default swaps	2 133 5	33 3	–	33 3	63 2	–	63 2
Total return swaps/other	22 5	0 5	–	0 5	0 5	–	0 5
Gross derivative assets/liabilities		$ 1 518 9	$ 18 8	$ 1 537 6	$ 1 501 5	$ 4 3	$ 1 505 8
Less: Legally enforceable master netting agreements				(1 406 3)			(1 406 3)
Less: Cash collateral applied				(58 3)			(43 6)
Total derivative assets/liabilities				$ 73 0			$ 55 9

(1) Represents the total contract/notional amount of derivative assets and liabilities outstanding
(2) Excludes $4 1 billion of long-term debt designated as a hedge of foreign currency risk

ALM and Risk Management Derivatives

The Corporation's ALM and risk management activities include the use of derivatives to mitigate risk to the Corporation including derivatives designated as qualifying accounting hedges and economic hedges Interest rate commodity credit and foreign exchange contracts are utilized in the Corporation's ALM and risk management activities

The Corporation maintains an overall interest rate risk management strategy that incorporates the use of interest rate contracts which are generally non-leveraged generic interest rate and basis swaps options futures and forwards to minimize significant fluctuations in earnings that are caused by interest rate volatility The Corporation's goal is to manage interest rate sensitivity and volatility so that movements in interest rates do not significantly adversely affect earnings or capital As a result of interest rate fluctuations hedged fixed-rate assets and liabilities appreciate or depreciate in fair value Gains or losses on the derivative instruments that are linked to the hedged fixed-rate assets and liabilities are expected to substantially offset this unrealized appreciation or depreciation

Interest rate and market risk can be substantial in the mortgage business Market risk is the risk that values of mortgage assets or revenues will be adversely affected by changes in market conditions such as interest rate movements To hedge interest rate risk in mortgage banking production income the Corporation utilizes forward loan sale commitments and other derivative instruments including purchased options and certain debt securities The Corporation also utilizes derivatives such as interest rate options interest rate swaps forward settlement contracts and Eurodollar futures as economic hedges of the fair value of MSRs For additional information on MSRs see *Note 25 – Mortgage Servicing Rights*

The Corporation uses foreign currency contracts to manage the foreign exchange risk associated with certain foreign currency-denominated assets and liabilities as well as the Corporation's investments in non-U S subsidiaries Foreign exchange contracts which include spot and forward contracts represent agreements to exchange the currency of one country for the currency of another country at an agreed upon price on an agreed upon settlement date Exposure to loss on these contracts will increase or decrease over their respective lives as currency exchange and interest rates fluctuate

The Corporation enters into derivative commodity contracts such as futures swaps options and forwards as well as non-derivative commodity contracts to provide price risk management services to customers or to manage price risk associated with its physical and financial commodity positions The non-derivative

commodity contracts and physical inventories of commodities expose the Corporation to earnings volatility Cash flow and fair value accounting hedges provide a method to mitigate a portion of this earnings volatility

The Corporation purchases credit derivatives to manage credit risk related to certain funded and unfunded credit exposures Credit derivatives include credit default swaps (CDS) total return swaps and swaptions These derivatives are accounted for as economic hedges and changes in fair value are recorded in other income (loss)

Derivatives Designated as Accounting Hedges

The Corporation uses various types of interest rate commodity and foreign exchange derivative contracts to protect against changes in the fair value of its assets and liabilities due to fluctuations in interest rates exchange rates and commodity prices (fair value hedges) The Corporation also uses these types of contracts and equity derivatives to protect against changes in the cash flows of its assets and liabilities and other forecasted transactions (cash flow hedges) The Corporation hedges its net investment in consolidated non-U S operations determined to have functional currencies other than the U S dollar using forward exchange contracts cross-currency basis swaps and by issuing foreign currency-denominated debt (net investment hedges)

Fair Value Hedges

The table below summarizes certain information related to the Corporation's derivatives designated as fair value hedges for 2011 2010 and 2009

Fair Value Hedges

(Dollars in millions)	2011 Derivative	2011 Hedged Item	2011 Hedge Ineffectiveness
Derivatives designated as fair value hedges			
Interest rate risk on long-term debt (1)	$ 4,364	$ (4,999)	$ (635)
Interest rate and foreign currency risk on long-term debt (1)	790	(1,067)	(277)
Interest rate risk on available-for-sale securities (2)	(11,886)	10,490	(896)
Commodity price risk on commodity inventory (3)	18	(18)	–
Total	$ (6,714)	$ 4,446	$ (1,768)

(Dollars in millions)	2010 Derivative	2010 Hedged Item	2010 Hedge Ineffectiveness
Derivatives designated as fair value hedges			
Interest rate risk on long-term debt (1)	$ 2 952	$ (3 496)	$ (544)
Interest rate and foreign currency risk on long-term debt (1)	(483)	150	(333)
Interest rate risk on available-for-sale securities (2)	(2 577)	2 667	90
Commodity price risk on commodity inventory (3)	19	(19)	–
Total	$ (89)	$ (718)	$ (787)

(Dollars in millions)	2009 Derivative	2009 Hedged Item	2009 Hedge Ineffectiveness
Derivatives designated as fair value hedges			
Interest rate risk on long-term debt (1)	$ (4 858)	$ 4 082	$ (776)
Interest rate and foreign currency risk on long-term debt (1)	932	(858)	74
Interest rate risk on available-for-sale securities (2)	791	(1 141)	(350)
Commodity price risk on commodity inventory (3)	(51)	51	–
Total	$ (3 186)	$ 2 134	$ (1 052)

(1) Amounts are recorded in interest expense on long-term debt and in other income
(2) Amounts are recorded in interest income on AFS securities
(3) Amounts are recorded in trading account profits

Cash Flow Hedges

The table below summarizes certain information related to the Corporation s derivatives designated as cash flow hedges and net investment hedges for 2011 2010 and 2009 During the next 12 months net losses in accumulated OCI of approximately $1 5 billion ($1 0 billion after tax) on derivative instruments that qualify as cash flow hedges are expected to be reclassified into earnings These net losses reclassified into earnings are expected to primarily reduce net interest income related to the respective hedged items Amounts related to commodity price risk reclassified from accumulated OCI are recorded in trading account profits with the underlying hedged item Amounts related to price risk on restricted stock awards reclassified from accumulated OCI are recorded in personnel expense Amounts related to price risk on equity investments included in AFS securities reclassified from accumulated OCI are recorded in equity investment income with the underlying hedged item

Amounts related to foreign exchange risk recognized in accumulated OCI on derivatives exclude gains (losses) of $82 million $192 million and $(387) million related to long-term debt designated as a net investment hedge for 2011 2010 and 2009

Cash Flow Hedges

(Dollars in millions amounts pre-tax)	Gains (Losses) Recognized in Accumulated OCI on Derivatives	Gains (Losses) in Income Reclassified from Accumulated OCI	Hedge Ineffectiveness and Amounts Excluded from Effectiveness Testing (1)
2011			
Derivatives designated as cash flow hedges			
Interest rate risk on variable rate portfolios (2)	$ (2,079)	$ (1,362)	$ (3)
Commodity price risk on forecasted purchases and sales	(9)	6	(9)
Price risk on restricted stock awards	(408)	(251)	–
Total	$ (2,496)	$ (1,607)	$ (11)
Net investment hedges			
Foreign exchange risk	$ 1,085	$ 894	$ (872)
2010			
Derivatives designated as cash flow hedges			
Interest rate risk on variable rate portfolios	$ (1 878)	$ (410)	$ (30)
Commodity price risk on forecasted purchases and sales	32	25	11
Price risk on restricted stock awards	(97)	(33)	–
Price risk on equity investments included in available-for-sale securities	186	(226)	–
Total	$ (1 755)	$ (644)	$ (19)
Net investment hedges			
Foreign exchange risk	$ (482)	$ –	$ (315)
2009			
Derivatives designated as cash flow hedges			
Interest rate risk on variable rate portfolios	$ 502	$ (1 203)	$ 71
Commodity price risk on forecasted purchases and sales	72	70	(2)
Price risk on equity investments included in available-for-sale securities	(532)	–	–
Total	$ 242	$ (1 223)	$ 89
Net investment hedges			
Foreign exchange risk	$ (2 997)	$ –	$ (142)

(1) Amounts related to derivatives designated as cash flow hedges represent hedge ineffectiveness and amounts related to net investment hedges represent amounts excluded from effectiveness testing
(2) Losses reclassified from accumulated OCI to the Consolidated Statement of Income include $36 million $0 and $44 million in 2011 2010 and 2009 related to the discontinuance of certain cash flow hedges because it was no longer probable that the original forecasted transaction would occur

The Corporation entered into equity total return swaps to hedge a portion of RSUs granted to certain employees as part of their compensation in prior periods Certain awards contain clawback provisions which permit the Corporation to cancel all or a portion of the award under specified circumstances and certain awards may be settled in cash These RSUs are accrued as liabilities over the vesting period and adjusted to fair value based on changes in the share price of the Corporation s common stock From time to time the Corporation may enter into equity derivatives to minimize the change in the expense to the Corporation driven by fluctuations in the share price of the Corporation s common stock during the vesting period of any RSUs that may be granted if any subject to similar or other terms and conditions Certain of these derivatives are designated as cash flow hedges of unrecognized unvested awards with the changes in fair value of the hedge recorded in accumulated OCI and reclassified into earnings in the same period as the RSUs affect earnings The remaining derivatives are accounted for as economic hedges and changes in fair value are recorded in personnel expense For more information on RSUs and related hedges see *Note 20 – Stock-based Compensation Plans*

Derivatives Accounted for as Economic Hedges

Derivatives accounted for as economic hedges because either they did not qualify for or were not designated as accounting hedges are used by the Corporation to reduce certain risk exposures The table below presents gains (losses) on these derivatives for 2011 2010 and 2009 These gains (losses) are largely offset by the income or expense that is recorded on the economically hedged item

Economic Hedges

(Dollars in millions)	2011	2010	2009
Price risk on mortgage banking production income (1, 2)	$ 2,853	$ 9 109	$ 8 898
Interest rate risk on mortgage banking servicing income (2)	8,812	3 878	(4 264)
Credit risk on loans (3)	99	(121)	(515)
Interest rate and foreign currency risk on long-term debt and other foreign exchange transactions (4)	(48)	(2 080)	1 572
Other (5)	(539)	(109)	16
Total	$ 6,117	$ 10 677	$ 5 707

(1) Gains (losses) on these derivatives are recorded in mortgage banking income
(2) Includes gains on interest rate lock commitments related to the origination of mortgage loans that are held-for-sale which are considered derivative instruments of $3 6 billion $8 7 billion and $6 4 billion for 2011 2010 and 2009 respectively
(3) Gains (losses) on these derivatives are recorded in other income (loss)
(4) The majority of the balance is related to the revaluation of economic hedges on foreign currency-denominated debt which is recorded in other income (loss)
(5) Gains (losses) on these derivatives are recorded in other income (loss) and personnel expense for hedges of certain RSUs for 2011 and 2010

Sales and Trading Revenue

The Corporation enters into trading derivatives to facilitate client transactions for principal trading purposes and to manage risk exposures arising from trading account assets and liabilities It is the Corporation s policy to include these derivative instruments in its trading activities which include derivatives and non-derivative cash instruments The resulting risk from these derivatives is managed on a portfolio basis as part of the Corporation s *Global Banking & Markets* (*GBAM*) business segment The related sales and trading revenue generated within *GBAM* is recorded in various income statement line items including trading account profits and net interest income as well as other revenue categories However the majority of income related to derivative instruments is recorded in trading account profits

Sales and trading revenue includes changes in the fair value and realized gains and losses on the sales of trading and other assets net interest income and fees primarily from commissions on equity securities Revenue is generated by the difference in the client price for an instrument and the price at which the trading desk can execute the trade in the dealer market For equity securities commissions related to purchases and sales are recorded in other income (loss) on the Consolidated Statement of Income Changes in the fair value of these securities are included in trading account profits For debt securities revenue with the exception of interest associated with the debt securities is typically included in trading account profits Unlike commissions for equity securities the initial revenue related to broker/dealer services for debt securities is typically included in the pricing of the instrument rather than being charged through separate fee arrangements Therefore this revenue is recorded in trading account profits as part of the initial mark to fair value For derivatives all revenue is included in trading account profits In transactions where the Corporation acts as agent which includes exchange traded futures and options fees are recorded in other income (loss)

Gains (losses) on certain instruments primarily loans held in the *GBAM* business segment that are not considered trading instruments are excluded from sales and trading revenue in their entirety

The table below, which includes both derivatives and non-derivative cash instruments, identifies the amounts in the respective income statement line items attributable to the Corporation's sales and trading revenue in GBAM, categorized by primary risk for 2011, 2010 and 2009. The difference between total trading account profits in the table below and in the Consolidated Statement of Income relates to trading activities in business segments other than GBAM.

Sales and Trading Revenue

(Dollars in millions)	2011 Trading Account Profits	2011 Other Income (Loss) (1, 2)	2011 Net Interest Income	2011 Total
Interest rate risk	$ 2,118	$ (46)	$ 929	$ 3,001
Foreign exchange risk	2,086	(98)	8	2,081
Equity risk	1,489	2,399	155	3,943
Credit risk	1,141	217	2,889	4,306
Other risk	690	(31)	(169)	426
Total sales and trading revenue	$ 6,427	$ 2,481	$ 3,726	$ 13,634

(Dollars in millions)	2010 Trading Account Profits	2010 Other Income (Loss) (1, 2)	2010 Net Interest Income	2010 Total
Interest rate risk	$ 2,005	$ 81	$ 658	$ 2,744
Foreign exchange risk	903	(63)	–	840
Equity risk	1,670	2,469	15	4,154
Credit risk	4,652	224	3,826	8,702
Other risk	368	101	(189)	298
Total sales and trading revenue	$ 9,598	$ 2,812	$ 4,330	$ 16,738

(Dollars in millions)	2009 Trading Account Profits	2009 Other Income (Loss) (1, 2)	2009 Net Interest Income	2009 Total
Interest rate risk	$ 3,143	$ (23)	$ 1,134	$ 4,254
Foreign exchange risk	950	(3)	26	973
Equity risk	1,969	2,509	247	4,745
Credit risk	4,486	(2,958)	4,883	6,413
Other risk	1,100	53	(534)	619
Total sales and trading revenue	$ 11,668	$ (420)	$ 5,756	$ 17,004

(1) Represents investment and brokerage services and other income recorded in GBAM that the Corporation includes in its definition of sales and trading revenue.
(2) Other income (loss) includes commissions and brokerage fee revenue of $2.3 billion and $2.4 billion for 2011 and 2010 recorded in equity risk.

Credit Derivatives

The Corporation enters into credit derivatives primarily to facilitate client transactions and to manage credit risk exposures. Credit derivatives derive value based on an underlying third-party referenced obligation or a portfolio of referenced obligations and generally require the Corporation, as the seller of credit protection, to make payments to a buyer upon the occurrence of a pre-defined credit event. Such credit events generally include bankruptcy of the referenced credit entity and failure to pay under the obligation, as well as acceleration of indebtedness and payment repudiation or moratorium. For credit derivatives based on a portfolio of referenced credits or credit indices, the Corporation may not be required to make payment until a specified amount of loss has occurred and/or may only be required to make payment up to a specified amount.

Credit derivative instruments where the Corporation is the seller of credit protection and their expiration at December 31, 2011 and 2010 are summarized in the table below. These instruments are classified as investment and non-investment grade based on the credit quality of the underlying reference obligation. The Corporation considers ratings of BBB- or higher as investment grade. Non-investment grade includes non-rated credit derivative instruments.

Credit Derivative Instruments

	December 31, 2011				
	Carrying Value				
(Dollars in millions)	Less than One Year	One to Three Years	Three to Five Years	Over Five Years	Total
Credit default swaps					
Investment grade	$ 795	$ 5,011	$ 17,371	$ 7,225	$ 30,402
Non-investment grade	4,336	11,488	18,873	36,388	60,085
Total	5,131	16,499	36,243	33,964	90,487
Total return swaps/other					
Investment grade	–	–	30	1	31
Non-investment grade	822	2	38	134	995
Total	822	2	68	135	719
Total credit derivatives	$ 5,953	$ 16,501	$ 36,408	$ 34,799	$ 91,306
Credit-related notes (1)					
Investment grade	$ –	$ 5	$ 152	$ 1,825	$ 2,082
Non-investment grade	134	74	108	1,386	1,802
Total credit-related notes	$ 134	$ 79	$ 260	$ 3,211	$ 3,884
	Maximum Payout/Notional				
Credit default swaps					
Investment grade	$ 163,157	$ 401,814	$ 477,826	$ 157,570	$ 1,180,368
Non-investment grade	139,834	230,327	188,823	147,836	606,820
Total	313,761	630,341	664,448	278,886	1,887,344
Total return swaps/other					
Investment grade	–	–	3,116	–	3,116
Non-investment grade	808	1,023	4,918	1,476	8,723
Total	808	1,023	14,034	1,476	17,839
Total credit derivatives	$ 314,569	$ 631,364	$ 678,480	$ 279,972	$ 1,905,183

	December 31, 2010				
	Carrying Value				
(Dollars in millions)	Less than One Year	One to Three Years	Three to Five Years	Over Five Years	Total
Credit default swaps					
Investment grade	$ 158	$ 2,807	$ 7,331	$ 14,880	$ 24,976
Non-investment grade	598	5,830	7,854	23,306	38,188
Total	756	8,237	15,185	37,986	63,164
Total return swaps/other					
Investment grade	–	–	38	60	98
Non-investment grade	1	2	2	415	420
Total	1	2	40	475	518
Total credit derivatives	$ 757	$ 8,239	$ 15,225	$ 38,461	$ 63,682
Credit-related notes (1, 2)					
Investment grade	$ –	$ 136	$ –	$ 3,525	$ 3,661
Non-investment grade	9	53	174	2,423	2,639
Total credit-related notes	$ 9	$ 189	$ 174	$ 5,948	$ 6,300
	Maximum Payout/Notional				
Credit default swaps					
Investment grade	$ 133,691	$ 466,585	$ 475,715	$ 275,434	$ 1,351,425
Non-investment grade	84,851	314,422	178,880	203,930	782,083
Total	218,542	780,887	654,595	479,364	2,133,488
Total return swaps/other					
Investment grade	–	10	15,413	4,012	19,435
Non-investment grade	113	78	951	1,897	3,039
Total	113	88	16,364	5,909	22,474
Total credit derivatives	$ 218,655	$ 781,075	$ 670,959	$ 485,273	$ 2,155,962

(1) Per credit-related notes, maximum payout/notional is the same as carrying value.
(2) Per December 31, 2010 total credit-related note amounts have been revised from $3.8 billion (as previously reported) to $6.3 billion to reflect unfunded debt obligations and unfunded non-obligations held by certain consolidated VIEs.

The notional amount represents the maximum amount payable by the Corporation for most credit derivatives However the Corporation does not solely monitor its exposure to credit derivatives based on notional amount because this measure does not take into consideration the probability of occurrence As such the notional amount is not a reliable indicator of the Corporation s exposure to these contracts Instead a risk framework is used to define risk tolerances and establish limits to help ensure that certain credit risk related losses occur within acceptable pre-defined limits

The Corporation economically hedges its market risk exposure to credit derivatives by entering into a variety of offsetting derivative contracts and security positions For example in certain instances the Corporation may purchase credit protection with identical underlying referenced names to offset its exposure The carrying value and notional amount of written credit derivatives for which the Corporation held purchased credit derivatives with identical underlying referenced names and terms at December 31 2011 was $48 0 billion and $1 0 trillion compared to $43 7 billion and $1 4 trillion at December 31 2010

Credit-related notes in the table on page 176 include investments in securities issued by CDO collateralized loan obligation (CLO) and credit-linked note vehicles These instruments are primarily classified as trading securities The carrying value of these instruments equals the Corporation s maximum exposure to loss The Corporation is not obligated to make any payments to the entities under the terms of the securities owned The Corporation discloses internal categorizations of investment grade and non-investment grade consistent with how risk is managed for these instruments

Credit-related Contingent Features and Collateral

The Corporation executes the majority of its derivative contracts in the OTC market with large international financial institutions including broker/dealers and to a lesser degree with a variety of non-financial companies Substantially all of the derivative transactions are executed on a daily margin basis Therefore events such as a credit rating downgrade (depending on the ultimate rating level) or a breach of credit covenants would typically require an increase in the amount of collateral required of the counterparty where applicable and/or allow the Corporation to take additional protective measures such as early termination of all trades Further as previously discussed on page 170 the Corporation enters into legally enforceable master netting agreements which reduce risk by permitting the closeout and netting of transactions with the same counterparty upon the occurrence of certain events

A majority of the Corporation s derivative contracts contain credit risk related contingent features primarily in the form of International Swaps and Derivatives Association Inc (ISDA) master netting agreements and credit support documentation that enhance the creditworthiness of these instruments compared to other obligations of the respective counterparty with whom the Corporation has transacted These contingent features may be for the benefit of the Corporation as well as its counterparties with respect to changes in the Corporation s creditworthiness and the mark-to-market exposure under the derivative transactions At December 31 2011 and 2010 the Corporation held cash and securities collateral of $87 7 billion and $86 1 billion and posted cash and securities collateral of $86 5 billion and $66 9 billion in the normal course of business under derivative agreements

In connection with certain OTC derivative contracts and other trading agreements the Corporation can be required to provide additional collateral or to terminate transactions with certain counterparties in the event of a downgrade of the senior debt ratings of the Corporation or certain subsidiaries The amount of additional collateral required depends on the contract and is usually a fixed incremental amount and/or the market value of the exposure

At December 31 2011 the amount of collateral calculated based on the terms of the contracts that the Corporation and certain subsidiaries could be required to post to counterparties but had not yet posted to counterparties was approximately $5 0 billion That amount includes collateral that could be required to be posted as a result of the downgrades by the rating agencies in 2011

Some counterparties are able to unilaterally terminate certain contracts or the Corporation or certain subsidiaries may be required to take other action such as find a suitable replacement or obtain a guarantee At December 31 2011 the current liability recorded for these derivative contracts was $947 million against which the Corporation and certain subsidiaries had posted $1 0 billion of collateral

In addition under the terms of certain OTC derivative contracts and other trading agreements in the event of a further downgrade of the Corporation s or certain subsidiaries credit ratings counterparties to those agreements may require the Corporation or certain subsidiaries to provide additional collateral terminate these contracts or agreements or provide other remedies At December 31 2011 if the rating agencies had downgraded their long-term senior debt ratings for the Corporation or certain subsidiaries by one incremental notch the amount of additional collateral contractually required by derivative contracts and other trading agreements would have been approximately $1 6 billion comprised of $1 2 billion for BANA and approximately $375 million for Merrill Lynch and certain of its subsidiaries If the agencies had downgraded their long-term senior debt ratings for these entities by a second incremental notch approximately $1 1 billion in additional collateral comprised of $871 million for BANA and $269 million for Merrill Lynch and certain subsidiaries would have been required

Also if the rating agencies had downgraded their long term senior debt ratings for the Corporation or certain subsidiaries by one incremental notch the derivative liability that would be subject to unilateral termination by counterparties as of December 31 2011 was $2 9 billion against which $2 7 billion of collateral has been posted If the rating agencies had downgraded their long-term senior debt ratings for the Corporation and certain subsidiaries by a second incremental notch the derivative liability that would be subject to unilateral termination by counterparties as of December 31 2011 was an incremental $5 6 billion against which $5 4 billion of collateral has been posted

Derivative Valuation Adjustments

The Corporation records counterparty credit risk valuation adjustments on derivative assets in order to properly reflect the credit quality of the counterparties These adjustments are necessary as the market quotes on derivatives do not fully reflect the credit risk of the counterparties to the derivative assets The Corporation considers collateral and legally enforceable master netting agreements that mitigate its credit exposure to each counterparty in determining the counterparty credit risk valuation

adjustment All or a portion of these counterparty credit valuation adjustments are subsequently adjusted due to changes in the value of the derivative contract collateral and creditworthiness of the counterparties During 2011 and 2010 credit valuation gains (losses) of $(1 9) billion and $731 million ($(606) million and $(8) million net of hedges) for counterparty credit risk related to derivative assets were recognized in trading account profits These credit valuation adjustments were primarily related to the Corporation s monoline exposure At December 31 2011 and 2010 the cumulative counterparty credit risk valuation adjustment reduced the derivative assets balance by $2 8 billion and $6 8 billion

In addition the fair value of the Corporation s or its subsidiaries derivative liabilities is adjusted to reflect the impact of the Corporation s credit quality During 2011 and 2010 the Corporation recorded DVA gains of $1 4 billion and $331 million ($1 0 billion and $262 million net of interest rate and foreign exchange hedges) in trading account profits for changes in the Corporation s or its subsidiaries credit risk At December 31 2011 and 2010 the Corporation s cumulative DVA reduced the derivative liabilities balance by $2 4 billion and $1 1 billion

NOTE 5 Securities

The table below presents the amortized cost, gross unrealized gains and losses in accumulated OCI and fair value of debt and marketable equity securities at December 31 2011 and 2010

(Dollars in millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale debt securities, December 31, 2011				
U S Treasury and agency securities	$ 43,486	$ 343	$ (311)	$ 43,864
Mortgage-backed securities				
Agency	138,078	4,311	(21)	142,368
Agency collateralized mortgage obligations	64,992	774	(167)	64,999
Non-agency residential (1)	14,906	301	(462)	14,747
Non-agency commercial	4,894	629	(1)	5,522
Non-U S securities	4,672	62	(14)	4,720
Corporate bonds	2,998	79	(37)	3,038
Other taxable securities, substantially all ABS	13,588	69	(80)	13,578
Total taxable securities	288,614	6,567	(1,093)	271,548
Tax-exempt securities	4,978	15	(307)	4,686
Total available-for-sale debt securities	$ 273,172	$ 6,982	$ (1,983)	$ 278,151
Held-to-maturity debt securities (2)	98,366	161	(4)	98,643
Total debt securities	$ 906,457	$ 6,848	$ (1,987)	$ 911,898
Available-for-sale marketable equity securities (3)	$ 66	$ 10	$ (7)	$ 69
Available-for-sale debt securities, December 31, 2010				
U S Treasury and agency securities	$ 48 413	$ 604	$ (912)	$ 49 105
Mortgage-backed securities				
Agency	190 409	3 048	(2 240)	191 217
Agency collateralized mortgage obligations	36 639	401	(23)	37 017
Non-agency residential (1)	23 456	588	(929)	23 117
Non-agency commercial	8 167	686	(1)	8 852
Non-U S securities	4 054	92	(7)	4 139
Corporate bonds	5 157	144	(10)	5 291
Other taxable securities, substantially all ABS	15 514	39	(161)	15 392
Total taxable securities	330 811	5 602	(4 283)	332 130
Tax-exempt securities	5 687	32	(222)	5 497
Total available-for-sale debt securities	$ 336 498	$ 5 634	$ (4 505)	$ 337 627
Held-to-maturity debt securities (2)	427	–	–	427
Total debt securities	$ 336 925	$ 5 634	$ (4 505)	$ 338 054
Available-for-sale marketable equity securities (3)	$ 8 850	$ 10 628	$ (13)	$ 19 265

(1) At December 31 2011 and 2010 includes approximately 89 percent and 90 percent prime bonds, nine percent and eight percent Alt-A bonds and two percent subprime bonds
(2) Substantially all U.S. agency securities
(3) Classified in other assets on the Corporation s Consolidated Balance Sheet

At December 31 2011 the accumulated net unrealized gains on AFS debt securities included in accumulated OCI were $3 1 billion net of the related income tax expense of $1 9 billion At December 31 2011 and 2010 the Corporation had nonperforming AFS debt securities of $140 million and $44 million

The Corporation recorded OTTI losses on AFS debt securities for 2011 and 2010 as presented in the table below A debt security is impaired when its fair value is less than its amortized cost If the Corporation intends or will more-likely-than-not be required to sell the debt securities prior to recovery the entire impairment is recorded in the Consolidated Statement of Income For debt securities the Corporation does not intend or will not more likely-than-not be required to sell an analysis is performed to determine if any of the impairment is due to credit or whether it is due to other factors (e g interest rate) Credit losses are considered unrecoverable and are recorded in the Consolidated Statement of Income with the remaining unrealized losses recorded in accumulated OCI In certain instances the credit loss on a debt security may exceed the total impairment in which case the portion of the credit loss that exceeds the total impairment is recorded as an unrealized gain in accumulated OCI Balances in the table below exclude $9 million and $51 million of unrealized gains recorded in accumulated OCI related to these securities for 2011 and 2010

Net Impairment Losses Recognized in Earnings

(Dollars in millions)	Non-agency Residential MBS	Non-agency Commercial MBS	Non-U.S. Securities	Corporate Bonds	Other Taxable Securities	Total
2011						
Total OTTI losses (unrealized and realized)	$ (302)	$ (10)	$ –	$ –	$ (3)	$ (315)
Unrealized OTTI losses recognized in accumulated OCI	65	–	–	–	–	65
Net impairment losses recognized in earnings	$ (237)	$ (10)	$ –	$ –	$ (3)	$ (250)
2010						
Total OTTI losses (unrealized and realized)	$ (1 305)	$ (19)	$ (276)	$ (8)	$ (568)	$ (2 176)
Unrealized OTTI losses recognized in accumulated OCI	817	15	16	2	357	1 207
Net impairment losses recognized in earnings	$ (488)	$ (4)	$ (260)	$ (4)	$ (211)	$ (967)
2009						
Total OTTI losses (unrealized and realized)	$ (2 240)	$ (6)	$ (360)	$ (87)	$ (815)	$ (3 508)
Unrealized OTTI losses recognized in accumulated OCI	672	–	–	–	–	672
Net impairment losses recognized in earnings	$ (1 568)	$ (6)	$ (360)	$ (87)	$ (815)	$ (2 836)

The Corporation s net impairment losses recognized in earnings consist of write-downs to fair value on AFS securities the Corporation has the intent to sell or will more-likely-than-not be required to sell and credit losses recognized on AFS and HTM securities the Corporation does not have the intent to sell or will not more-likely-than-not be required to sell The table below presents a rollforward of credit losses recognized in earnings on AFS debt securities these losses as of December 31 2011 and 2010 that the Corporation does not have the intent to sell or will not more-likely-than-not be required to sell

Rollforward of Credit Losses Recognized

(Dollars in millions)	2011	2010
Balance, January 1	$ 3,155	$ 3 155
Additions for credit losses recognized on debt securities that had no previous impairment losses	72	487
Additions for credit losses recognized on debt securities that had previously incurred impairment losses	149	421
Reductions for debt securities sold or intended to be sold	(3,089)	(1 915)
Balance, December 31	$ 310	$ 2 148

The Corporation estimates the portion of loss attributable to credit using a discounted cash flow model and estimates the expected cash flows of the underlying collateral using internal credit interest rate and prepayment risk models that incorporate management s best estimate of current key assumptions such as default rates loss severity and prepayment rates Assumptions used can vary widely from loan to loan and are influenced by such factors as loan interest rate geographical location of the borrower borrower characteristics and collateral type The Corporation then determines how the underlying collateral cash flows will be distributed to each security issued from the structure Expected principal and interest cash flows on an impaired AFS debt security are discounted using the effective yield of each individual impaired AFS debt security

Significant assumptions used in the valuation of non-agency residential mortgage-backed securities (RMBS) were as follows at December 31 2011

Significant Valuation Assumptions

	Weighted-average	Range (1) 10th Percentile (2)	Range (1) 90th Percentile (2)
Prepayment speed	10%	9%	22%
Loss severity	46	15	93
Life default rate	59	3	100

(1) Represents the range of inputs/assumptions based upon the underlying collateral
(2) The value of a variable below which the indicated percentile of observations will fall

Additionally annual constant prepayment speed and loss severity rates are projected considering collateral characteristics such as LTV creditworthiness of borrowers as measured using FICO scores and geographic concentrations The weighted-average severity by collateral type was 43 percent for prime bonds 50 percent for Alt-A bonds and 60 percent for subprime bonds at December 31 2011 Additionally default rates are projected by considering collateral characteristics including but not limited to LTV FICO and geographic concentration Weighted-average life default rates by collateral type were 36 percent for prime bonds 62 percent for Alt A bonds and 72 percent for subprime bonds at December 31 2011

The table below presents the fair value and the associated gross unrealized losses on AFS securities with gross unrealized losses at December 31 2011 and 2010 and whether these securities have had gross unrealized losses for less than twelve months or for twelve months or longer

Temporarily Impaired and Other-than-temporarily Impaired Securities

(Dollars in millions)	Less than Twelve Months Fair Value	Less than Twelve Months Gross Unrealized Losses	Twelve Months or Longer Fair Value	Twelve Months or Longer Gross Unrealized Losses	Total Fair Value	Total Gross Unrealized Losses
Temporarily impaired available-for-sale debt securities at December 31, 2011						
U S Treasury and agency securities	$ –	$ –	$ 36,289	$ (311)	$ 36,289	$ (311)
Mortgage-backed securities						
Agency	6,870	(13)	474	(8)	8,123	(21)
Agency collateralized mortgage obligations	11,448	(184)	978	(33)	12,426	(217)
Non-agency residential	2,112	(98)	3,980	(309)	6,092	(408)
Non-agency commercial	88	(1)	–	–	88	(1)
Non-U S securities	1,808	(13)	186	(1)	1,176	(14)
Corporate bonds	448	(39)	111	(3)	536	(37)
Other taxable securities	4,210	(41)	1,861	(19)	6,071	(60)
Total taxable securities	$ 33,927	$ (390)	$ 46,906	$ (1,230)	$ 80,290	$ (1,620)
Tax-exempt securities	1,117	(25)	2,784	(66)	3,871	(90)
Total temporarily impaired available-for-sale debt securities	35,044	(415)	49,690	(1,296)	78,104	(1,810)
Temporarily impaired available-for-sale marketable equity securities	81	(1)	6	(6)	87	(7)
Total temporarily impaired available-for-sale securities	35,075	(416)	49,696	(1,302)	78,141	(1,817)
Other-than-temporarily impaired available-for-sale debt securities (1)						
Non-agency residential mortgage-backed securities	186	(28)	469	(48)	647	(72)
Total temporarily impaired and other-than-temporarily impaired securities (2)	$ 35,236	$ (444)	$ 49,865	$ (1,348)	$ 78,788	$ (1,889)
Temporarily impaired available-for-sale debt securities at December 31, 2010						
U S Treasury and agency securities	$ 27 384	$ (783)	$ 2 382	$ (149)	$ 29 766	$ (912)
Mortgage-backed securities						
Agency	85 517	(2 240)	–	–	85 517	(2 240)
Agency collateralized mortgage obligations	3 220	(23)	–	–	3 220	(23)
Non-agency residential	6 383	(205)	2 245	(274)	8 630	(479)
Non-agency commercial	47	(1)	–	–	47	(1)
Non-U S securities	–	–	70	(7)	70	(7)
Corporate bonds	465	(9)	22	(1)	487	(10)
Other taxable securities	3 414	(38)	46	(7)	3 460	(45)
Total taxable securities	$ 126 432	$ (3 279)	$ 4 765	$ (438)	$ 131,197	$ (3 717)
Tax-exempt securities	2 325	(85)	568	(119)	2 893	(214)
Total temporarily impaired available-for-sale debt securities	128 757	(3 374)	5 333	(557)	134 090	(3 931)
Temporarily impaired available-for-sale marketable equity securities	7	(2)	19	(11)	26	(13)
Total temporarily impaired available-for-sale securities	128 764	(3 376)	5 352	(568)	134 116	(3 944)
Other-than-temporarily impaired available-for-sale debt securities (1)						
Mortgage-backed securities						
Non-agency residential	128	(11)	530	(439)	658	(450)
Other taxable securities	–	–	223	(116)	223	(116)
Tax-exempt securities	53	(8)	–	–	53	(8)
Total temporarily impaired and other-than-temporarily impaired securities (2)	$ 128 980	$ (3 395)	$ 6 105	$ (1 123)	$ 135 085	$ (4 518)

(1) Includes other-than-temporarily impaired AFS debt securities on which a portion of the OTTI loss remains in OCI
(2) At December 31 2011 and 2010 the amortized cost of approximately 3 800 and 3 900 AFS securities exceeded their fair value by $1 7 billion and $4 3 billion

The amortized cost and fair value of the Corporation s investment in AFS and held-to maturity debt securities from FNMA the Government National Mortgage Association (GNMA) FHLMC and U S Treasury securities where the investment exceeded 10 percent of consolidated shareholders equity at December 31 2011 and 2010 are presented in the table below

Selected Securities Exceeding 10 Percent of Shareholders' Equity

	December 31			
	2011		2010	
(Dollars in millions)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Fannie Mae	$ 87,888	$ 89,349	$ 123 882	$ 123 107
Government National Mortgage Association	103,880	106,300	72 863	74 305
Freddie Mac	26,417	27,139	30 523	30,822
U S Treasury securities	39,046	39,184	46 578	46 081

The expected maturity distribution of the Corporation s MBS and the contractual maturity distribution of the Corporation s other AFS debt securities and the yields on the Corporation s AFS debt securities portfolio at December 31 2011 are summarized in the table below Actual maturities may differ from the contractual or expected maturities since borrowers may have the right to prepay obligations with or without prepayment penalties

Debt Securities Maturities

	December 31, 2011									
	One to five Year or Less		Over one Year through Five Years		Over one Five Years through Ten Years		Over ten Years		Total	
(Dollars in millions)	Amount	Yield (1)	Amount	Yield (1)	Amount	Yield (1)	Amount	Yield (1)	Amount	Yield (1)
Amortized cost of AFS debt securities										
U S Treasury and agency securities	$ 886	4 80%	$ 787	3 40%	$ 2 377	5 30%	$ 39 733	2 79%	$ 43,688	2.88%
Mortgage-backed securities										
Agency	34	4 40	64 878	3 30	88 686	3 60	24 648	3 40	188,678	3.89
Agency-collateralized mortgage obligations	87	0 70	38 709	2 80	3 806	3 80	20	1 10	44,882	2.79
Non-agency residential	2 758	4 30	8 803	5 10	1 775	4 70	618	3 30	14,946	4.88
Non-agency commercial	227	4 90	4 484	5 80	64	6 80	119	7 60	4,894	5.89
Non-U.S. securities	2,371	0 80	2 429	4 80	172	2 90	–	–	4,979	4.79
Corporate bonds	886	1 70	1 253	2 10	801	2 40	153	1 20	3,098	2.10
Other taxable securities	2 228	1 20	7 364	1 30	1 811	1 90	1 488	1 10	12,889	1.48
Total taxable securities	8 787	2 37	118 881	3 28	74 392	3 66	68 714	2 93	288,494	3.39
Tax-exempt securities	94	2 40	1 048	1 60	867	2 40	2,721	9 30	4,679	3.84
Total amortized cost of AFS debt securities	$ 8,781	2.37	$ 117,727	3.23	$ 75,249	3.63	$ 68,436	3.03	$ 271,173	3.33
Total amortized cost of held-to-maturity debt securities (2)	$ 9	3.89	$ 69	3.89	$ 8,139	3.89	$ 30,897	3.89	$ 39,265	3.89
Fair value of AFS debt securities										
U S Treasury and agency securities	$ 886		$ 784		$ 2 380		$ 38 937		$ 42,884	
Mortgage-backed securities										
Agency	35		66 084		81 170		26 264		142,553	
Agency-collateralized mortgage obligations	88		36 087		3 884		20		44,089	
Non-agency residential	2 738		9,881		1 896		482		14,797	
Non-agency commercial	228		5 079		72		143		5,522	
Non-U S securities	2 270		2 478		174		–		4,920	
Corporate bonds	990		1 364		948		148		3,085	
Other taxable securities	2 228		7 373		1 796		1 481		12,878	
Total taxable securities	8 894		119 086		77 299		68 487		271,848	
Tax-exempt securities	94		1 040		853		2 656		4,639	
Total fair value of AFS debt securities	$ 8,748		$ 120,385		$ 78,152		$ 68,143		$ 276,181	
Total fair value of held-to-maturity debt securities (2)	$ 9		$ 69		$ 8,343		$ 38,130		$ 38,442	

(1) Average yield is computed using the effective yield of each security at the end of the period weighted based on the amortized cost of each security The effective yield considers the contractual coupon amortization of premiums and accretion of discounts and excludes the effect of related hedging derivatives

(2) Substantially all U S agency securities

The gross realized gains and losses on sales of AFS debt securities for 2011 2010 and 2009 are presented in the table below

Gains and Losses on Sales of AFS Debt Securities

(Dollars in millions)	2011	2010	2009
Gross gains	$ 5,686	$ 3 995	$ 5 047
Gross losses	(812)	(1 469)	(324)
Net gains on sales of AFS debt securities	$ 5,574	$ 2 526	$ 4 723
Income tax expense attributable to realized net gains on sales of AFS debt securities	$ 1,948	$ 925	$ 1,748

Certain Corporate and Strategic Investments

At December 31 2011 and 2010 the Corporation owned 2 0 billion shares and 25 6 billion shares representing approximately one percent and 10 percent of China Construction Bank Corporation (CCB) During 2011 the Corporation sold shares of CCB and in connection therewith recorded gains of $6 5 billion Sales restrictions on the remaining 2 0 billion CCB shares continue until August 2013 and accordingly these shares are carried at cost At December 31 2011 and 2010 the cost basis of the Corporation s total investment in CCB was $716 million and $9 2 billion the carrying value was $7 16 million and $19 7 billion and the fair value was $1 4 billion and $20 8 billion This investment is recorded in other assets Dividend income on this investment is recorded in equity investment income and during 2011 and 2010 the Corporation recorded dividends of $836 million and $535 million from CCB The strategic assistance agreement between the Corporation and CCB which includes cooperation in specific business areas remains in place

During 2011 the Corporation sold its remaining ownership interest of approximately 13 6 million preferred shares or seven percent of BlackRock Inc The investment was recorded in other assets at cost In connection with the sale, the Corporation recorded a gain of $377 million

During 2011 the Corporation recorded $1 1 billion of impairment charges on its investment in a merchant services joint venture The joint venture had a carrying value of $3 4 billion and $4 7 billion at December 31 2011 and 2010 with the reduction in carrying value primarily the result of the impairment charges The impairment charges were based on the ongoing financial performance of the joint venture and updated forecasts of its long-term financial performance For additional information see *Note 14 – Commitments and Contingencies*

NOTE 6 Outstanding Loans and Leases

The following tables present total outstanding loans and leases and an aging analysis at December 31 2011 and 2010

The Legacy Asset Servicing portfolio as shown in the table below is a separately managed legacy mortgage portfolio Legacy Asset Servicing which was created on January 1 2011 in connection with the re-alignment of the *Consumer Real Estate Services (CRES)* business segment is responsible for servicing loans on its balance sheet and for others including loans held in other business segments and *All Other* This includes servicing and managing the runoff and exposures related to selected residential mortgages and home equity loans including discontinued real estate products Countrywide PCI loans and certain loans that met a pre-defined delinquency status or probability of default threshold as of January 1 2011 Since making the determination of the pool of loans to be included in the Legacy Asset Servicing portfolio the criteria have not changed for this portfolio however the criteria will continue to be evaluated over time

	December 31 2011							
(Dollars in millions)	30-59 Days Past Due (1)	60-89 Days Past Due (1)	90 Days or More Past Due (2)	Total Past Due 30 Days or More	Total Current or Less Than 30 Days Past Due (3)	Purchased Credit-Impaired (4)	Loans Accounted for Under the Fair Value Option	Total Outstandings
Home loans								
Core portfolio								
Residential mortgage (5)	$ 2,161	$ 781	$ 3,017	$ 5,959	$ 172,418	$ –	$	$ 178,377
Home equity	369	155	439	963	96,211	–		97,068
Legacy Asset Servicing portfolio								
Residential mortgage	5,196	3,174	33,167	37,536	38,461	8,966		83,963
Home equity	649	806	1,786	3,086	42,879	11,979		57,944
Discontinued real estate (6)	66	24	351	440	766	9,837		11,043
Credit card and other consumer								
U.S. credit card	961	772	2,070	3,803	98,486	–		102,291
Non-U.S. credit card	548	230	943	919	13,908	–		14,419
Direct/Indirect consumer (7)	665	338	779	1,823	87,791	–		89,713
Other consumer (8)	39	21	17	99	2,896	–		2,995
Total consumer loans	8,905	4,883	40,807	54,578	521,118	21,901		907,194
Consumer loans accounted for under the fair value option (9)							$ 3,199	3,199
Total consumer	8,905	4,883	40,807	54,578	521,118	21,901	3,199	928,994
Commercial								
U.S. commercial	273	98	2,308	2,804	177,944	–		179,948
Commercial real estate (10)	188	66	3,897	4,084	96,833	–		99,899
Commercial lease financing	70	18	49	131	21,668	–		21,899
Non-U.S. commercial	34	–	148	187	68,181	–		68,418
U.S. small business commercial	143	109	331	573	12,678	–		13,251
Total commercial loans	649	349	6,689	7,829	903,969	–		910,202
Commercial loans accounted for under the fair value option (9)							6,614	6,614
Total commercial	649	349	6,689	7,829	903,969	–	6,614	916,612
Total loans and leases	$ 9,554	$ 5,308	$ 47,557	$ 62,514	$ 939,781	$ 21,901	$ 9,904	$ 939,300
Percentage of outstandings	0.99%	0.55%	5.13%	6.67%	88.98%	2.45%	0.95%	

(1) Home loans includes $2.6 billion of fully-insured loans $770 million of nonperforming loans and $119 million of TDRs that were removed from the Countrywide PCI loan portfolio prior to the adoption of accounting guidance on PCI loans effective January 1 2010
(2) Home loans includes $21.2 billion of fully-insured loans and $378 million of TDRs that were removed from the Countrywide PCI loan portfolio prior to the adoption of accounting guidance on PCI loans effective January 1 2010
(3) Home loans includes $1.6 billion of nonperforming loans as all principal and interest are not current or the loans are TDRs that have not demonstrated sustained repayment performance
(4) PCI loan amounts are shown gross of the valuation allowance
(5) Total outstandings includes non-U.S. residential mortgages of $85 million at December 31 2011
(6) Total outstandings includes $9.8 billion of pay option loans and $1.2 billion of subprime loans at December 31 2011 The Corporation no longer originates these products
(7) Total outstandings includes dealer financial services loans of $43.0 billion consumer lending loans of $8.5 billion U.S. securities-based lending margin loans of $29.6 billion student loans of $6.0 billion non-U.S. consumer loans of $7.8 billion and other consumer loans of $1.8 billion at December 31 2011
(8) Total outstandings includes consumer finance loans of $1.7 billion other non-U.S. consumer loans of $929 million and consumer overdrafts of $103 million at December 31 2011
(9) Certain consumer loans are accounted for under the fair value option and include residential mortgage loans of $805 million and discontinued real estate loans of $1.3 billion at December 31 2011 Certain commercial loans are accounted for under the fair value option and include U.S. commercial loans of $2.2 billion and non-U.S. commercial loans of $4.4 billion at December 31 2011 See Note 22 – *Fair Value Measurements* and Note 23 – *Fair Value Option* for additional information
(10) Total outstandings includes U.S. commercial real estate loans of $37.8 billion and non-U.S. commercial real estate loans of $1.8 billion at December 31 2011

	December 31 2010							
(Dollars in millions)	30-59 Days Past Due (1)	60-89 Days Past Due (1)	90 Days or More Past Due (2)	Total Past Due 30 Days or More	Total Current or Less Than 30 Days Past Due (3)	Purchased Credit-Impaired (4)	Loans Accounted for Under the Fair Value Option	Total Outstandings
Home loans								
Core portfolio								
Residential mortgage (5)	$ 1,180	$ 236	$ 1,255	$ 2,851	$ 184,276	$ –		$ 186,927
Home equity	186	12	105	303	71,216	–		71,519
Legacy Asset Servicing portfolio								
Residential mortgage	3,909	2,879	31,985	38,863	41,581	10,592		91,036
Home equity	1,096	792	2,186	4,074	49,786	12,590		66,482
Discontinued real estate (6)	68	39	419	526	930	11,652		13,108
Credit card and other consumer								
U.S. credit card	1,398	1,195	3,320	5,913	107,872	–		113,785
Non-U.S. credit card	439	318	590	1,354	26,111	–		27,465
Direct/Indirect consumer (7)	1,066	522	1,104	2,712	87,598	–		90,308
Other consumer (8)	65	25	50	140	2,690	–		2,830
Total consumer	9,497	6,016	41,023	56,536	552,080	34,834		643,450
Commercial								
U.S. commercial	432	222	3,689	4,343	171,241	2		175,586
Commercial real estate (9)	250	70	5,876	8,196	43,038	161		49,393
Commercial lease financing	82	18	135	235	21,707	–		21,942
Non-U.S. commercial	25	2	239	266	31,722	41		32,029
U.S. small business commercial	189	158	529	876	13,843	–		14,719
Total commercial loans	978	470	10,468	11,916	281,549	204		293,669
Commercial loans accounted for under the fair value option (10)							$ 3,321	3,321
Total commercial	978	470	10,468	11,916	281,549	204	3,321	296,990
Total loans and leases	$ 10,475	$ 6,486	$ 51,491	$ 68,452	$ 833,629	$ 35,038	$ 3,321	$ 940,440
Percentage of outstandings	1.11%	0.69%	5.48%	7.28%	88.64%	3.73%	0.35%	

(1) Home loans includes $2.4 billion of fully-insured loans $816 million of nonperforming loans and $186 million of TDRs that were removed from the Countrywide PCI loan portfolio prior to the adoption of accounting guidance on PCI loans effective January 1 2010
(2) Home loans includes $18.8 billion of fully-insured loans and $372 million of TDRs that were removed from the Countrywide PCI loan portfolio prior to the adoption of accounting guidance on PCI loans effective January 1 2010
(3) Home loans includes $1.1 billion of nonperforming loans as all principal and interest are not current or the loans are TDRs that have not demonstrated sustained repayment performance
(4) PCI loan amounts are shown gross of the valuation allowance and includes $1.6 billion of PCI home loans from the Merrill Lynch acquisition which are included in their appropriate aging categories
(5) Total outstandings includes non-U.S. residential mortgages of $88 million at December 31 2010
(6) Total outstandings includes $11.6 billion of pay option loans and $1.3 billion of subprime loans at December 31 2010 The Corporation no longer originates these products
(7) Total outstandings includes dealer financial services loans of $43.3 billion consumer lending loans of $12.4 billion U.S. securities-based lending margin loans of $18.6 billion student loans of $6.8 billion non-U.S. consumer loans of $8.0 billion and other consumer loans of $3.2 billion at December 31 2010
(8) Total outstandings includes consumer finance loans of $1.9 billion other non-U.S. consumer loans of $803 million and consumer overdrafts of $68 million at December 31 2010
(9) Total outstandings includes U.S. commercial real estate loans of $40.9 billion and non-U.S. commercial real estate loans of $2.5 billion at December 31 2010
(10) Certain commercial loans are accounted for under the fair value option and include U.S. commercial loans of $1.6 billion non-U.S. commercial loans of $1.7 billion and commercial real estate loans of $78 million at December 31 2010 See Note 22 – *Fair Value Measurements* and Note 23 – *Fair Value Option* for additional information

The Corporation mitigates a portion of its credit risk on the residential mortgage portfolio through the use of synthetic securitization vehicles These vehicles issue long-term notes to investors the proceeds of which are held as cash collateral The Corporation pays a premium to the vehicles to purchase mezzanine loss protection on a portfolio of residential mortgages owned by the Corporation Cash held in the vehicles is used to reimburse the Corporation in the event that losses on the mortgage portfolio exceed 10 basis points (bps) of the original pool balance up to the remaining amount of purchased loss protection of $783 million and $1.1 billion at December 31 2011 and 2010 The vehicles from which the Corporation purchases credit protection are VIEs The Corporation does not have a variable interest in these vehicles Accordingly these vehicles are not consolidated by the Corporation Amounts due from the vehicles are recorded in other income (loss) when the Corporation recognizes a reimbursable loss as described above Amounts are collected when reimbursable losses are realized through the sale of the underlying collateral At December 31 2011 and 2010 the Corporation had a receivable of $359 million and $722 million from these vehicles for reimbursement of losses and principal of $23.9 billion and $53.9 billion of residential mortgage loans was referenced under these agreements The Corporation records an allowance for credit losses on these loans without regard to the existence of the purchased loss protection as the protection does not represent a guarantee of individual loans

In addition the Corporation has entered into long-term credit protection agreements with FNMA and FHLMC on principal totaling $23.8 billion and $12.9 billion at December 31 2011 and 2010 *providing full* protection on residential mortgage loans that become severely delinquent All of these loans are individually insured and therefore the Corporation does not record an allowance for credit losses related to these loans

Nonperforming Loans and Leases

The Credit Quality table presents the Corporation's nonperforming loans and leases including nonperforming TDRs and loans accruing past due 90 days or more at December 31 2011 and 2010 Nonperforming loans and leases exclude performing TDRs and loans accounted for under the fair value option Nonperforming LHFS are excluded from nonperforming loans and leases as they are recorded at either fair value or the lower of cost or fair value

In addition PCI loans consumer credit card loans business card loans and in general consumer loans not secured by real estate including renegotiated loans are not considered nonperforming and are therefore excluded from nonperforming loans and leases in the table below Real estate secured past due consumer fully insured loans are reported as performing since the principal repayment is insured See *Note 1 – Summary of Significant Accounting Principles* for further information on the criteria for classification as nonperforming

Credit Quality

	Nonperforming Loans and Leases		Accruing Past Due 90 Days or More	
	December 31		December 31	
(Dollars in millions)	2011	2010	2011	2010
Home loans				
Core portfolio				
Residential mortgage (1)	$ 2,414	$ 1,510	$ 869	$ 16
Home equity	488	107	–	–
Legacy Asset Servicing portfolio				
Residential mortgage (1)	13,886	18,181	20,261	18,752
Home equity	2,014	2,587	–	–
Discontinued real estate	390	331	–	–
Credit card and other consumer				
U.S. credit card	n/a	n/a	2,070	3,320
Non-U.S. credit card	n/a	n/a	343	599
Direct/Indirect consumer	48	90	746	1,056
Other consumer	13	48	3	2
Total consumer	16,760	20,854	24,234	21,747
Commercial				
U.S. commercial	2,174	3,453	78	236
Commercial real estate	6,690	5,829	7	47
Commercial lease financing	89	117	44	18
Non-U.S. commercial	143	233	–	6
U.S. small business commercial	114	204	318	325
Total commercial	8,937	9,836	513	632
Total consumer and commercial	$ 25,108	$ 30,690	$ 24,838	$ 22,379

(1) Residential mortgage loans exclude loans accruing past due 90 days or more as fully-insured loans. At December 31, 2011 and 2010, residential mortgage includes $17.0 billion and $8.3 billion of loans on which interest has been curtailed by the FHA, and therefore are no longer accruing interest although principal is still insured, and $4.2 billion and $6.5 billion of loans on which interest is still accruing.
n/a = not applicable

Included in certain loan categories in nonperforming loans and leases in the table above are TDRs that are classified as nonperforming At December 31 2011 and 2010 the Corporation had $4.7 billion and $3.0 billion of residential mortgages, $539 million and $535 million of home equity $97 million and $75 million of discontinued real estate $531 million and $175 million of U.S. commercial $1.1 billion and $770 million of commercial real estate and $38 million and $7 million of non-U.S. commercial loans that were TDRs and classified as nonperforming

Credit Quality Indicators

The Corporation monitors credit quality within its three portfolio segments based on primary credit quality indicators For more information on the portfolio segments see *Note 1 – Summary of Significant Accounting Principles* Within the home loans portfolio segment the primary credit quality indicators are refreshed LTV and refreshed FICO score Refreshed LTV measures the carrying value of the loan as a percentage of the value of property securing the loan refreshed quarterly Home equity loans are evaluated using CLTV which measures the carrying value of the combined loans that have liens against the property and the available line of credit as a percentage of the appraised value of the property securing the loan refreshed quarterly Refreshed FICO score measures the creditworthiness of the borrower based on the financial obligations of the borrower and the borrower's credit history At a minimum FICO scores are refreshed quarterly and in many cases more frequently Refreshed FICO score is also a primary credit quality indicator for the credit card and other consumer portfolio segment and the business card portfolio within U.S. small business commercial The Corporation's commercial loans are evaluated using the internal classifications of pass rated or reservable criticized as the primary credit quality indicators The term reservable criticized refers to those commercial loans that are internally classified or listed by the Corporation as Special Mention Substandard or Doubtful which are asset categories defined by regulatory authorities These assets have an elevated level of risk and may have a high probability of default or total loss Pass rated refers to all loans not considered reservable criticized In addition to these primary credit quality indicators the Corporation uses other credit quality indicators for certain types of loans

The following tables present certain credit quality indicators for the Corporation's home loans credit card and other consumer loans and commercial loan portfolio segments by class of financing receivables at December 31 2011 and 2010

Home Loans - Credit Quality Indicators (1)

(Dollars in millions)	Core Portfolio Residential Mortgage (2)	Legacy Asset Servicing Residential Mortgage (2)	Countrywide Residential Mortgage PCI	Core Portfolio Home Equity (2)	Legacy Asset Servicing Home Equity (2)	Countrywide Home Equity PCI	Legacy Asset Servicing Discontinued Real Estate (3)	Countrywide Discontinued Real Estate PCI
	December 31, 2011							
Refreshed LTV (3)								
Less than 90 percent	$ 66,832	$ 26,469	$ 3,631	$ 46,949	$ 17,384	$ 2,328	$ 995	$ 2,623
Greater than 90 percent but less than 100 percent	11,836	3,547	1,469	6,846	4,888	1,677	333	1,561
Greater than 100 percent	17,873	33,639	4,877	13,421	33,317	5,648	231	3,713
Fully-insured loans (4)	69,784	35,609	–	–	–	–	–	–
Total home loans	$ 176,327	$ 79,267	$ 9,966	$ 67,216	$ 55,589	$ 11,676	$ 1,559	$ 7,897
Refreshed FICO score								
Less than 620	$ 7,838	$ 17,207	$ 3,749	$ 4,548	$ 9,906	$ 2,309	$ 340	$ 2,906
Greater than or equal to 620	143,633	51,899	6,217	62,667	35,678	9,378	899	3,969
Fully-insured loans (4)	69,784	35,609	–	–	–	–	–	–
Total home loans	$ 176,327	$ 79,267	$ 9,966	$ 67,216	$ 55,589	$ 11,676	$ 1,559	$ 7,897

(1) Excludes $2.2 billion of loans accounted for under the fair value option
(2) Excludes Countrywide PCI loans
(3) Refreshed LTV percentages for PCI loans are calculated using the carrying value gross of the related valuation allowance
(4) Credit quality indicators are not reported for fully-insured loans as principal repayment is insured

Credit Card and Other Consumer - Credit Quality Indicators

(Dollars in millions)	U.S. Credit Card	Non-U.S. Credit Card	Direct/Indirect Consumer	Other Consumer (1)
	December 31, 2011			
Refreshed FICO score				
Less than 620	$ 5,173	$ –	$ 3,230	$ 862
Greater than or equal to 620	94,159	–	46,941	884
Other internal credit metrics (2, 3, 4)	–	34,413	39,497	2,032
Total credit card and other consumer	$ 102,391	$ 34,413	$ 89,713	$ 3,886

(1) 95 percent of the other consumer portfolio was associated with portfolios from certain consumer finance businesses that the Corporation previously exited.
(2) Other internal credit metrics may include delinquency status, geography or other factors.
(3) Direct/Indirect consumer includes $31.1 billion of securities-based lending which is overcollateralized and therefore has minimal credit risk and $8.0 billion of loans the Corporation no longer originates.
(4) Non-U.S. credit card represents the select European countries' credit card portfolios which are evaluated using internal credit metrics, including delinquency status. At December 31, 2011 99 percent of the portfolio was current or less than 30 days past due, two percent was 30-89 days past due and less than one percent was 90 days or more past due.

Commercial - Credit Quality Indicators (1)

(Dollars in millions)	U.S. Commercial	Commercial Real Estate	Commercial Lease Financing	Non-U.S. Commercial	U.S. Small Business Commercial (2)
	December 31, 2011				
Risk Ratings					
Pass rated	$ 169,899	$ 26,992	$ 29,659	$ 83,948	$ 2,902
Reservable criticized	10,949	10,994	1,139	1,472	626
Refreshed FICO score (3)					
Less than 620					886
Greater than or equal to 620					4,574
Other internal credit metrics (3, 4)					4,767
Total commercial credit	$ 179,848	$ 37,986	$ 30,798	$ 85,420	$ 13,325

(1) Excludes $6.6 billion of loans accounted for under the fair value option
(2) U.S. small business commercial includes $491 million of criticized business card and small business loans which are evaluated using FICO scores or internal credit metrics, including delinquency status, rather than risk ratings. At December 31, 2011, 97 percent of the business card internal credit metrics are used were current or less than 30 days past due.
(3) Refreshed FICO score and other internal credit metrics are applicable only to the U.S. small business commercial portfolio
(4) Other internal credit metrics may include delinquency status, application scores, geography or other factors

Home Loans - Credit Quality Indicators

(Dollars in millions)	December 31 2010									
	Core Portfolio Residential Mortgage (1)	Legacy Asset Servicing Residential Mortgage (1)	Countrywide Residential Mortgage PCI	Core Portfolio Home Equity (1)	Legacy Asset Servicing Home Equity (1)	Countrywide Home Equity PCI	Legacy Asset Servicing Discontinued Real Estate (1)	Countrywide Discontinued Real Estate PCI
Refreshed LTV (2)								
Less than 90 percent	$ 96 874	$ 21 387	$ 3 710	$ 51 686	$ 27 125	$ 3 313	$ 1 033	$ 6 713
Greater than 90 percent but less than 100 percent	11 581	8 234	1 664	7 534	6 504	1 215	155	1 519
Greater than 100 percent	14 047	28 043	5 218	12 430	25 243	8 082	268	3 820
Fully-insured loans (3)	45 425	21 820	–	–	–	–	–	–
Total home loans	$ 166 927	$ 80 484	$ 10 592	$ 71 519	$ 83 872	$ 12 590	$ 1 456	$ 11 652
Refreshed FICO score								
Less than 620	$ 9 183	$ 22 126	$ 4 016	$ 3 932	$ 11 562	$ 3 206	$ 663	$ 7 186
Greater than or equal to 620	112 309	36 808	6 576	67 587	42 310	9 384	793	4 466
Fully-insured loans (3)	45 425	21 820	–	–	–	–	–	–
Total home loans	$ 166 927	$ 80 484	$ 10 592	$ 71 519	$ 83 872	$ 12 590	$ 1 456	$ 11 652

(1) Excludes Countrywide PCI loans
(2) Refreshed LTV percentages for PCI loans are calculated using the carrying value gross of the related valuation allowance
(3) Credit quality indicators are not reported for fully-insured loans as principal repayment is insured

Credit Card and Other Consumer - Credit Quality Indicators

(Dollars in millions)	December 31 2010			
	U.S. Credit Card	Non-U.S. Credit Card	Direct/Indirect Consumer	Other Consumer (1)
Refreshed FICO score				
Less than 620	$ 14 139	$ 631	$ 6 748	$ 978
Greater than or equal to 620	98 628	7 828	48 208	861
Other internal credit metrics (2, 3, 4)	–	19 309	35 551	990
Total credit card and other consumer	$ 113 785	$ 27 468	$ 90 508	$ 2 830

(1) 86 percent of the other consumer portfolio was associated with portfolios from certain consumer finance businesses that the Corporation previously exited
(2) Other internal credit metrics may include delinquency status, geography or other factors
(3) Direct/Indirect consumer includes $24.0 billion of securities-based lending which is overcollateralized and therefore has minimal credit risk and $7.4 billion of loans the Corporation no longer originates
(4) Non-U.S. credit card represents the select European countries credit card portfolios and a portion of the Canadian credit card portfolio which are evaluated using internal credit metrics including delinquency status. At December 31 2010 95 percent of this portfolio was current or less than 30 days past due three percent was 30-89 days past due and two percent was 90 days past due or more

Commercial - Credit Quality Indicators (1)

(Dollars in millions)	December 31 2010					
	U.S. Commercial	Commercial Real Estate	Commercial Lessor Financing	Non-U.S. Commercial	U.S. Small Business Commercial (2)
Risk Rating					
Pass rated	$ 160 194	$ 29 737	$ 20 784	$ 30 180	$ 3 139
Reservable criticized	15 432	19 636	1 188	1 848	886
Refreshed FICO score (3)					
Less than 620					868
Greater than or equal to 620					5 063
Other internal credit metrics (3, 4)					4 621
Total commercial credit	$ 175 626	$ 49 383	$ 21 842	$ 32 029	$ 14 719

(1) Includes $204 million of PCI loans in the commercial portfolio segment and excludes $3.3 billion of loans accounted for under the fair value option
(2) U.S. small business commercial includes $650 million of criticized business card and small business loans which are evaluated using FICO scores or internal credit metrics including delinquency status rather than risk ratings. At December 31 2010 86 percent of the balances where internal credit metrics are used were current or less than 30 days past due
(3) Refreshed FICO scores and other internal credit metrics are applicable only to the U.S. small business commercial portfolio
(4) Other internal credit metrics may include delinquency status, application scores, geography or other factors

Impaired Loans and Troubled Debt Restructurings

A loan is considered impaired when, based on current information, it is probable that the Corporation will be unable to collect all amounts due from the borrower in accordance with the contractual terms of the loan. Impaired loans include nonperforming commercial loans, all TDRs, and the renegotiated credit card and other consumer TDR portfolio (the renegotiated credit card and other consumer TDR portfolio, collectively, the renegotiated TDR portfolio). Impaired loans exclude nonperforming consumer loans and nonperforming commercial leases, unless they are classified as TDRs. Loans accounted for under the fair value option are also excluded. PCI loans are excluded and reported separately on page 194.

Home Loans

Impaired home loans within the home loans portfolio segment consist entirely of TDRs. Excluding PCI loans, substantially all modifications of home loans meet the definition of TDRs. Modifications of home loans are done in accordance with the government's Making Home Affordable Program (modifications under government programs) or the Corporation's proprietary programs (modifications under proprietary programs). These modifications are considered to be TDRs if concessions have been granted to borrowers experiencing financial difficulties. Concessions may include reductions in interest rates, capitalization of past due amounts, principal and/or interest forbearance, payment extensions, principal and/or interest forgiveness or combinations thereof.

Prior to permanently modifying a loan, the Corporation may enter into trial modifications with certain borrowers under both government and proprietary programs. Trial modifications generally represent a three- to four-month period during which the borrower makes monthly payments under the anticipated modified payment terms. Upon successful completion of the trial period, the Corporation and the borrower enter into a permanent modification. In accordance with new accounting guidance effective in 2011, a loan is classified as a TDR when a binding offer is extended to borrowers to enter into a trial modification. At December 31, 2011, the Corporation classified as TDRs $2.6 billion of home loans that were participating in or had been offered a binding trial modification. These home loans TDRs had an aggregate allowance of $154 million at December 31, 2011. Approximately 55 percent of all loans that entered into a trial modification during 2011 became permanent modifications as of December 31, 2011.

In accordance with applicable accounting guidance, home loans are not classified as impaired loans unless they have been designated as a TDR. Once such a loan has been designated as a TDR, it is then individually assessed for impairment. Home loan TDRs are measured primarily based on the net present value of the estimated cash flows discounted at the loan's original effective interest rate. If the carrying value of a TDR exceeds this amount, a specific allowance is recorded as a component of the allowance for loan and lease losses. Alternatively, home loan TDRs that are considered to be dependent solely on the collateral for repayment (e.g., due to the lack of income verification) are measured based on the estimated fair value of the collateral and a charge-off is recorded if the carrying value exceeds the fair value of the collateral. Home loans that reached 180 days past due prior to modification would have been charged-off to their net realizable value before they were modified as TDRs in accordance with established policy. Therefore, the modification of home loans that are 180 or more days past due as TDRs does not have an impact on the allowance for credit losses nor are additional charge-offs required at the time of modification. Subsequent declines in the fair value of the collateral after a loan has reached 180 days past due are recorded as charge-offs. Fully-insured loans are protected against principal loss, and therefore, the Corporation does not record an allowance for credit losses on the outstanding principal balance, even after they have been modified in a TDR.

The net present value of the estimated cash flows is based on model-driven estimates of projected payments, prepayments, defaults and loss-given-default (LGD). Using statistical modeling methodologies, the Corporation estimates the probability that a loan will default prior to maturity based on the attributes of each loan. The factors that are most relevant to the probability of default are the refreshed LTV or, in the case of a subordinated lien, refreshed CLTV, borrower credit score, months since origination (i.e., vintage), and geography. Each of these factors is further broken down by present collection status (whether the loan is current, delinquent, in default or in bankruptcy). Severity (or LGD) is estimated based on the refreshed LTV for the first mortgages or CLTV for subordinated liens. The estimates are based on the Corporation's historical experience, but are adjusted to reflect an assessment of environmental factors that may not be reflected in the historical data, such as changes in real estate values, local and national economies, underwriting standards and the regulatory environment. The probability of default models also incorporate recent experience with modification programs, a loan's default history prior to modification, and the change in borrower payments post-modification.

At December 31, 2011 and 2010, remaining commitments to lend additional funds to debtors whose terms have been modified in a home loan TDR were immaterial. Home loan foreclosed properties totaled $2.0 billion and $1.2 billion at December 31, 2011 and 2010.

The table below presents impaired loans in the Corporation's home loans portfolio segment at December 31 2011 and 2010 The impaired home loans table below includes primarily loans managed by Legacy Asset Servicing Certain impaired home loans do not have a related allowance as the current valuation of these impaired loans exceeded the carrying value

Impaired Loans – Home Loans

	December 31, 2011			2011	
(Dollars in millions)	Unpaid Principal Balance	Carrying Value	Related Allowance	Average Carrying Value	Interest Income Recognized (1)
With no recorded allowance					
Residential mortgage	$ 10,907	$ 6,186	n/a	$ 6,396	$ 233
Home equity	1,747	478	n/a	442	20
Discontinued real estate	431	349	n/a	323	6
With an allowance recorded					
Residential mortgage	$ 13,298	$ 11,118	$ 1,896	$ 9,979	$ 319
Home equity	1,581	1,397	622	1,367	34
Discontinued real estate	213	189	39	175	6
Total					
Residential mortgage	$ 24,205	$ 17,304	$ 1,896	$ 16,374	$ 552
Home equity	3,328	1,775	622	1,799	57
Discontinued real estate	634	538	39	498	14

	December 31 2010			2010	
With no recorded allowance					
Residential mortgage	$ 5 493	$ 4 382	n/a	$ 4 429	$ 184
Home equity	1 411	437	n/a	493	21
Discontinued real estate	361	218	n/a	218	8
With an allowance recorded					
Residential mortgage	$ 8 593	$ 7 406	$ 1,154	$ 5 226	$ 196
Home equity	1 521	1 284	878	1 509	23
Discontinued real estate	247	177	41	170	7
Total					
Residential mortgage	$ 14 086	$ 11 788	$ 1 154	$ 9 655	$ 380
Home equity	2 932	1 721	878	2 002	44
Discontinued real estate	608	395	41	389	15

(1) Interest income recognized includes interest received and collected on the outstanding balances of carrying impaired loans as well as interest cash collections on nonaccruing impaired loans for which the ultimate collectability of principal is not uncertain
n/a = not applicable

The table below presents the December 31 2011 unpaid principal balance carrying value and average pre- and post-modification interest rates of home loans that were modified in TDRs during 2011 along with net charge-offs that were recorded during 2011 The table below consists primarily of TDRs managed by Legacy Asset Servicing

Home Loans - TDRs Entered Into During 2011

	December 31, 2011		2011		
(Dollars in millions)	Unpaid Principal Balance	Carrying Value	Pre-modification Interest Rate	Post-modification Interest Rate	Net Charge-offs
Residential mortgage	$ 10,296	$ 8,572	6.89%	5.25%	$ 156
Home equity	696	488	7.88	5.79	164
Discontinued real estate	89	89	7.48	5.84	8
Total	$ 11,381	$ 9,411	6.13	5.39	$ 378

The table below presents the December 31 2011 carrying value for home loans which were modified in a TDR during 2011 The table below consists primarily of TDRs managed by Legacy Asset Servicing

Home Loans - Modification Programs

	TDRs Entered Into During 2011			
(Dollars in millions)	Residential Mortgage	Home Equity	Discontinued Real Estate	Total Carrying Value
Modifications under government programs				
Contractual interest rate reduction	$ 969	$ 121	$ 9	$ 1,139
Principal and/or interest forbearance	179	36	2	217
Other modifications (1)	16	5	—	21
Total modifications under government programs	1,164	230	11	1,397
Modifications under proprietary programs				
Contractual interest rate reduction	6,441	69	30	6,544
Capitalization of past due amounts	361	1	2	364
Principal and/or interest forbearance	646	47	7	700
Other modifications (1)	409	33	1	498
Total modifications under proprietary programs	8,072	154	80	8,306
Total modifications (2)	2,634	96	16	2,746
Total modifications	$ 9,872	$ 480	$ 39	$ 9,411

(1) Includes other modifications such as term or payment extensions and repayment plans
(2) Includes $187 million of trial modifications that were considered TDRs prior to the application of new accounting guidance that was effective in 2011

The table below presents the carrying value of loans that entered into payment default during 2011 and that were modified in a TDR during the 12 months preceding payment default A payment default for home loan TDRs is recognized when a borrower has missed three monthly payments (not necessarily consecutively) since modification Payment default on trial modification where the borrower has not yet met the terms of the agreement are included in the table below if the borrower is 90 days or more past due three months after the offer to modify is made

Home Loans - Payment Default

	2011			
(Dollars in millions)	Residential Mortgage	Home Equity	Discontinued Real Estate	Total Carrying Value
Modifications under government programs	$ 346	$ 4	$ 2	$ 351
Modifications under proprietary programs	2,096	43	11	2,151
Trial modifications	1,011	13	5	1,029
Total modifications	$ 3,427	$ 60	$ 18	$ 3,531

Credit Card and Other Consumer

The credit card and other consumer portfolio segment includes impaired loans that have been modified as a TDR The Corporation seeks to assist customers that are experiencing financial difficulty by modifying loans while ensuring compliance with federal laws and guidelines Substantially all of the Corporation's credit card and other consumer loan modifications involve reducing the interest rate on the account and placing the customer on a fixed payment plan not exceeding 60 months all of which are considered TDRs In all cases the customer's available line of credit is canceled The Corporation makes loan modifications directly with borrowers for debt held only by the Corporation (internal programs) Additionally the Corporation makes loan modifications for borrowers working with third-party renegotiation agencies which provide solutions to customers entire unsecured debt structures (external programs)

All credit card and other consumer loans not secured by real estate including modified loans remain on accrual status until the loan is either charged-off or paid in full The allowance for impaired credit card loans is based on the present value of projected cash flows discounted using the portfolio's average contractual interest rate excluding promotionally priced loans in effect prior to restructuring Prior to modification credit card and other consumer loans are included in homogeneous pools which are collectively evaluated for impairment For these portfolios loss forecast models are utilized that consider a variety of factors including but not limited to historical loss experience, delinquencies economic trends and credit scores

The table below provides information on the Corporation s renegotiated TDR portfolio At December 31 2011 and 2010 the renegotiated TDR portfolio was considered impaired and had a related allowance as shown in the table below

Impaired Loans – Credit Card and Other Consumer – Renegotiated TDRs

(Dollars in millions)	December 31, 2011 Unpaid Principal Balance	December 31, 2011 Carrying Value (1)	December 31, 2011 Related Allowance	2011 Average Carrying Value	2011 Interest Income Recognized (2)
With an allowance recorded					
U S credit card	$ 8,372	$ 8,305	$ 1,579	$ 7,211	$ 433
Non-U S credit card	968	897	486	789	6
Direct/indirect consumer	1,186	1,186	406	1,862	55

(Dollars in millions)	December 31 2010	December 31 2010	2010	2010
With an allowance recorded				
U S credit card	$ 8 680	$ 8 766	$ 3 458	$ 10 549	$ 471
Non-U S credit card	778	787	506	973	21
Direct/indirect consumer	1 848	1 858	822	2 126	111

(1) Includes accrued interest and fees

(2) Interest income recognized includes interest accrued and collected on the outstanding balances of accruing impaired loans as well as interest cash collections on nonaccruing impaired loans for which the ultimate collectability of principal is not uncertain

The table below provides information on the Corporation s primary modification programs for the renegotiated TDR portfolio at December 31 2011 and 2010

Credit Card and Other Consumer – Renegotiated TDR Portfolio by Program Type

(Dollars in millions)	Interest Programs December 31 2011	Interest Programs December 31 2010	Extend Programs December 31 2011	Extend Programs December 31 2010	Other (1) December 31 2011	Other (1) December 31 2010	Total December 31 2011	Total December 31 2010	Percent of Balances Current or Less Than 90 Days Past Due December 31 2011	Percent of Balances Current or Less Than 90 Days Past Due December 31 2010
U S credit card	$ 3,799	$ 6 587	$ 1,439	$ 1 927	$ 81	$ 247	$ 5,305	$ 8 761	78 97%	77 06%
Non-U S credit card	216	282	113	178	268	339	597	797	84 03	58 96
Direct/indirect consumer	794	1 222	292	531	22	105	1,108	1 858	80 81	78 81
Total renegotiated TDR loans	$ 4,799	$ 8 098	$ 1,841	$ 2 634	$ 369	$ 691	$ 7,109	$ 11 421	77 05	76 51

(1) Other programs include ineligible U K credit card and other consumer loans

At December 31 2011 and 2010 the Corporation had a renegotiated TDR portfolio of $7 1 billion and $11 4 billion of which $5 5 billion was current or less than 30 days past due under the modified terms at December 31 2011 The renegotiated TDR portfolio is excluded from nonperforming loans as the Corporation generally does not classify consumer loans not secured by real estate as nonperforming Instead these loans are charged off no later than the end of the month in which the loan becomes 180 days past due

The table below provides information on the Corporation s renegotiated TDR portfolio including the unpaid principal balance and carrying value of loans that were modified in TDRs during 2011 along with charge-offs that were recorded during 2011 The table also presents the average pre- and post-modification interest rate

Credit Card and Other Consumer – Renegotiated TDRs Entered Into During 2011

(Dollars in millions)	December 31, 2011 Unpaid Principal Balance	December 31, 2011 Carrying Value (1)	2011 Pre-modification Interest Rate	2011 Post-modification Interest Rate	2011 Net Charge-offs
U S credit card	$ 990	$ 962	19.84%	6.16%	$ 44
Non-U S credit card	906	922	20.22	1.84	1.36
Direct/indirect consumer	196	199	13.63	5.22	10
Total	$ 1,392	$ 1,429	20.20	4.87	$ 189

(1) Includes accrued interest and fees

The table below provides information on the Corporation s primary modification programs for the renegotiated TDR portfolio for loans that were modified in TDRs during 2011

Credit Card and Other Consumer – Renegotiated TDRs by Program Type

(Dollars in millions)	Renegotiated TDRs Entered Into During 2011 December 31, 2011 Interest Programs	Extend Programs	Other	Total
U S credit card	$ 492	$ 407	$ 3	$ 902
Non-U S credit card	188	186	1	322
Direct/indirect consumer	113	87	–	199
Total renegotiated TDR loans	$ 797	$ 682	$ 4	$ 1,423

Credit card and other consumer loans are deemed to be in payment default during the quarter in which a borrower misses the second of two consecutive payments Payment defaults are one of the factors considered when projecting future cash flows in the calculation of the allowance for loan losses for impaired credit card and other consumer loans Loans that entered into payment default during 2011 and that had been modified in a TDR during the 12 months preceding payment default were $863 million for U S credit card $409 million for non-U S credit card and $180 million for direct/indirect consumer

Commercial Loans

Impaired commercial loans which include nonperforming loans and TDRs (both performing and nonperforming) are primarily measured based on the present value of payments expected to be received discounted at the loan s original effective interest rate Commercial impaired loans may also be measured based on observable market prices or for loans that are solely dependent on the collateral for repayment, the estimated fair value of collateral less estimated costs to sell If the carrying value of a loan exceeds this amount, a specific allowance is recorded as a component of the allowance for loan and lease losses

Modifications of loans to commercial borrowers that are experiencing financial difficulty are designed to reduce the Corporation s loss exposure while providing the borrower with an opportunity to work through financial difficulties often to avoid foreclosure or bankruptcy Each modification is unique and reflects the individual circumstances of the borrower Modifications that result in a TDR may include extensions of maturity at a concessionary (below market) rate of interest, payment forbearances or other actions designed to benefit the customer while mitigating the Corporation s risk exposure Reductions in interest rates are rare Instead the interest rates are typically increased although the increased rate may not represent a market rate of interest Infrequently concessions may also include principal forgiveness in connection with foreclosure short sale or other settlement agreements leading to termination or sale of the loan

At the time of restructuring, the loans are remeasured to reflect the impact if any on projected cash flows observable market prices or collateral value resulting from the modified terms If there was no forgiveness of principal and the interest rate was not decreased, the modification may have little or no impact on the allowance established for the loan If a portion of the loan is deemed to be uncollectible a charge-off may be recorded at the time of restructuring Alternatively a charge-off may have already been recorded in a previous period such that no charge-off is required at the time of modification

At December 31 2011 and 2010 remaining commitments to lend additional funds to debtors whose terms have been modified in a commercial loan TDR were immaterial Commercial foreclosed properties totaled $612 million and $725 million at December 31 2011 and 2010

The table below presents impaired loans in the Corporation's commercial loan portfolio at December 31 2011 and 2010 Certain impaired commercial loans do not have a related allowance as the valuation of these impaired loans exceeded the carrying value which is net of previously recorded charge-offs

Impaired Loans – Commercial

	December 31, 2011			2011	
(Dollars in millions)	Unpaid Principal Balance	Carrying Value	Related Allowance	Average Carrying Value	Interest Income Recognized (1)
With no recorded allowance					
U S commercial	$ 1,443	$ 998	n/a	$ 774	$ 7
Commercial real estate	2,567	2,006	n/a	1,804	7
Non-U S commercial	258	101	n/a	101	–
U S small business commercial (2)	–	–	n/a	–	–
With an allowance recorded					
U S commercial	$ 2,664	$ 1,967	$ 282	$ 2,482	$ 18
Commercial real estate	3,339	2,964	158	3,090	19
Non-U S commercial	606	98	6	78	1
U S small business commercial (2)	831	808	173	806	23
Total					
U.S. commercial	$ 4,106	$ 2,972	$ 282	$ 3,256	$ 25
Commercial real estate	5,906	4,970	158	4,894	26
Non-U.S. commercial	834	199	6	177	1
U.S. small business commercial (2)	831	808	173	806	23

	December 31 2010			2010	
With no recorded allowance					
U S commercial	$ 968	$ 441	n/a	$ 547	$ 2
Commercial real estate	2 655	1 771	n/a	1 738	8
Non-U S commercial	48	28	n/a	9	–
U S small business commercial (2)	–	–	n/a	–	–
With an allowance recorded					
U S commercial	$ 3 891	$ 3 193	$ 336	$ 3 389	$ 16
Commercial real estate	5 682	4 103	208	4 813	29
Non-U S commercial	572	217	91	190	–
U S small business commercial (2)	835	892	445	1 028	34
Total					
U.S. commercial	$ 4 859	$ 3 634	$ 336	$ 3 936	$ 18
Commercial real estate	8 337	5 874	208	6 549	37
Non-U.S. commercial	618	245	91	199	–
U.S. small business commercial (2)	835	892	445	1 028	34

(1) Interest income recognized includes interest collected and collected on the outstanding balances of impaired loans as well as interest cash collections on nonaccruing impaired loans for which the ultimate collectability of principal is not uncertain
(2) Includes U S small business commercial renegotiated TDR loans and related allowance
n/a = not applicable

The Commercial table below presents the December 31 2011 unpaid principal balance and carrying value of commercial loans that were modified as TDRs during 2011 along with charge-offs that were recorded during 2011 As a result of the retrospective application of new accounting guidance on TDRs the Corporation classified as TDRs $1 1 billion of commercial loan modifications See *Note 1 – Summary of Significant Accounting Principles* for additional information

Commercial - TDRs Entered into During 2011

	December 31, 2011		2011
(Dollars in millions)	Unpaid Principal Balance	Carrying Value	Net Charge-offs
U S commercial	$ 1,381	$ 1,311	$ 74
Commercial real estate	1,804	1,818	183
Non-U S commercial	44	44	–
U S small business commercial	89	89	10
Total	$ 3,057	$ 3,047	$ 268

A commercial TDR is generally deemed to be in payment default when the loan is 90 days or more past due including delinquencies that were not resolved as part of the modification U S small business commercial TDRs are deemed to be in payment default during the quarter in which a borrower misses the second of two consecutive payments Payment defaults are one of the factors considered when projecting future cash flows along with observable market prices or fair value of collateral when measuring the allowance for loan losses TDRs that were in payment default at December 31 2011 had a carrying value of $164 million for U S commercial $446 million for commercial real estate and $68 million for U S small business commercial

Purchased Credit-Impaired Loans

PCI loans are acquired loans with evidence of credit quality deterioration since origination for which it is probable at purchase date that the Corporation will be unable to collect all contractually required payments PCI loans are pooled based on similar characteristics and evaluated for impairment on a pool basis The Corporation estimates impairment on its PCI loan portfolio in accordance with applicable accounting guidance on contingencies which involves estimating the expected cash flows of each pool using internal credit risk interest rate and prepayment risk models The key assumptions used in the models include the Corporation's estimate of default rates, loss severity and prepayment speeds The carrying value and valuation allowance for Countrywide consumer PCI loans are presented together with the allowance for loan and lease losses See *Note 7 – Allowance for Credit Losses* for additional information

The table below shows activity for the accretable yield on Countrywide consumer PCI loans The $912 million reclassification from nonaccretable difference during 2011 is primarily due to an increase in the expected life of the PCI loans The reclassification did not increase the annual yield but, as a result of estimated slower prepayment speeds added additional interest periods to the expected cash flows

Rollforward of Accretable Yield

(Dollars in millions)	
Accretable yield, January 1, 2010	$ 7,317
Accretion	(1,704)
Disposals/transfers	(124)
Reclassifications to nonaccretable difference	(8)
Accretable yield, December 31, 2010	5,481
Accretion	(1,338)
Disposals/transfers	(116)
Reclassifications from nonaccretable difference	913
Accretable yield, December 31, 2011	$ 4,940

Loans Held-for-Sale

The Corporation had LHFS of $13 8 billion and $35 1 billion at December 31 2011 and 2010 Proceeds from sales securitizations and paydowns of LHFS were $147 5 billion $281 7 billion and $365 1 billion for 2011 2010 and 2009 Proceeds used for originations and purchases of LHFS were $118 2 billion $263 0 billion and $369 4 billion for 2011 2010 and 2009

NOTE 7 Allowance for Credit Losses

The table below summarizes the changes in the allowance for credit losses for 2011 2010 and 2009

	2011			
(Dollars in millions)	Home Loans	Credit Card and Other Consumer	Commercial	Total Allowance
Allowance for loan and lease losses, January 1	$ 19,382	$ 16,469	$ 7,170	$ 41,885
Loans and leases charged off	(9,991)	(13,947)	(3,804)	(27,742)
Recoveries of loans and leases previously charged off	894	2,134	891	3,919
Net charge-offs	(9,097)	(11,813)	(2,913)	(23,823)
Provision for loan and lease losses	10,800	4,625	(994)	14,431
Other	(76)	(756)	(24)	(856)
Allowance for loan and lease losses, December 31	21,079	8,525	3,239	32,643
Reserve for unfunded lending commitments, January 1	–	–	1,195	1,195
Provision for unfunded lending commitments	–	–	(219)	(219)
Other	–	–	(263)	(263)
Reserve for unfunded lending commitments, December 31	–	–	713	713
Allowance for credit losses, December 31	$ 21,079	$ 8,525	$ 3,952	$ 33,356

	2010			Total Allowance	
	Home Loans	Credit Card and Other Consumer	Commercial	2010	2009
Allowance for loan and lease losses, January 1 (1)	$ 18 329	$ 22 243	$ 9 416	$ 47 988	$ 23 071
Loans and leases charged off	(10 915)	(20 885)	(5 610)	(37 390)	(35 483)
Recoveries of loans and leases previously charged off	396	2 034	626	3 056	1 795
Net charge-offs	(10 519)	(18 831)	(4 984)	(34 334)	(33 688)
Provision for loan and lease losses	13 335	12 115	2 745	28 195	48 306
Other	107	(84)	(7)	16	(549)
Allowance for loan and lease losses, December 31	19 252	15 483	7 170	41 885	37 200
Reserve for unfunded lending commitments, January 1	–	–	1 487	1 487	421
Provision for unfunded lending commitments	–	–	240	240	204
Other	–	–	(539)	(539)	862
Reserve for unfunded lending commitments, December 31	–	–	1 188	1 188	1 487
Allowance for credit losses, December 31	$ 19 252	$ 15 483	$ 8 358	$ 43 073	$ 38 687

(1) The 2010 balances include $10 8 billion of allowance for loan and lease losses related to the adoption of new consolidation guidance This includes $8 7 billion for the home loans portfolio segment and $10 2 billion for the credit card and other consumer portfolio segment

In 2011 for the PCI loan portfolio the Corporation recorded $2 2 billion in provision for credit losses with a corresponding increase in the valuation allowance included as part of the allowance for loan and lease losses This compared to $2 2 billion in 2010 and $3 5 billion in 2009 PCI loans that were acquired as part of the Merrill Lynch acquisition were excluded from current period PCI disclosures as the valuation allowance associated with these loans is no longer significant The valuation allowance associated with the PCI loan portfolio was $8 5 billion $6 4 billion and $3 9 billion at December 31 2011 2010 and 2009 respectively

The "other" amount under allowance for loan and lease losses for 2011 includes a $449 million reduction in the allowance for loan and lease losses related to Canadian consumer card loans that were transferred to LHFS The 2009 "other" amount includes a $750 million reduction in the allowance for loan and lease losses related to $8 5 billion of credit card loans that were exchanged for a $7 8 billion HTM debt security partially offset by a $340 million increase associated with the reclassification to other assets of the amount reimbursable under residential mortgage cash collateralized synthetic securitizations

The "other" amount under the reserve for unfunded lending commitments for 2011 and 2010 primarily represents accretion of the Merrill Lynch purchase accounting adjustment and the impact of funding previously unfunded positions The 2009 amount includes the remaining balance of the acquired Merrill Lynch reserve excluding those commitments accounted for under the fair value option net of accretion and the impact of funding previously unfunded positions

The table below presents the allowance and the carrying value of outstanding loans and leases by portfolio segment at December 31 2011 and 2010

Allowance and Carrying Value by Portfolio Segment

	December 31, 2011			
(Dollars in millions)	Home Loans	Credit Card and Other Consumer	Commercial	Total
Impaired loans and troubled debt restructurings (1)				
Allowance for loan and lease losses (2)	$ 1,944	$ 2,419	$ 545	$ 4,901
Carrying value (3)	21,463	7,100	6,115	34,678
Allowance as a percentage of carrying value	9.07%	33.94%	8.71%	13.96%
Collectively evaluated for impairment				
Allowance for loan and lease losses	$ 19,674	$ 6,189	$ 3,869	$ 30,432
Carrying value (3, 4)	344,621	203,010	303,089	848,939
Allowance as a percentage of carrying value (4)	5.50%	3.05%	1.28%	3.61%
Purchased credit-impaired loans				
Valuation allowance	$ 3,360	n/a	n/a	$ 3,460
Carrying value gross of valuation allowance	31,801	n/a	n/a	31,801
Valuation allowance as a percentage of carrying value	10.60%	n/a	n/a	10.60%
Total				
Allowance for loan and lease losses	$ 21,079	$ 8,525	$ 4,135	$ 33,733
Carrying value (3, 4)	366,084	210,110	310,103	917,996
Allowance as a percentage of carrying value (4)	5.80%	4.10%	1.33%	3.66%

	December 31 2010			
Impaired loans and troubled debt restructurings (1)				
Allowance for loan and lease losses (2)	$ 1 871	$ 4 786	$ 1 080	$ 7 737
Carrying value (3)	13 904	11 421	10 845	35 970
Allowance as a percentage of carrying value	13 46%	41 91%	10 15%	21 51%
Collectively evaluated for impairment				
Allowance for loan and lease losses	$ 10 984	$ 10 877	$ 6 078	$ 27 719
Carrying value (3, 4)	358 765	222 967	282 820	864 552
Allowance as a percentage of carrying value (4)	3 06%	4 78%	2 15%	3 21%
Purchased credit-impaired loans				
Valuation allowance	$ 6 417	n/a	$ 12	$ 6 429
Carrying value gross of valuation allowance	36 383	n/a	204	36 587
Valuation allowance as a percentage of carrying value	17 63%	n/a	5 76%	17 57%
Total				
Allowance for loan and lease losses	$ 19,252	$ 15 483	$ 7 170	$ 41,885
Carrying value (3, 4)	409 052	234 388	293 869	937 119
Allowance as a percentage of carrying value (4)	4 71%	6 60%	2 44%	4 47%

(1) Impaired loans include nonperforming commercial loans and all TDRs including both commercial and consumer TDRs Impaired loans exclude nonperforming consumer loans unless they are classified as TDRs and all consumer and commercial loans accounted for under the fair value option

(2) Commercial impaired allowances for loan and lease losses include $172 million and $448 million at December 31 2011 and 2010 related to U S small business commercial nonaccrual TDR loans

(3) Amounts are presented gross of the allowance for loan and lease losses

(4) Outstanding loan and lease balances and ratios do not include loans accounted for under the fair value option of $6 8 billion and $3 3 billion at December 31 2011 and 2010

n/a = not applicable

NOTE 8 Securitizations and Other Variable Interest Entities

The Corporation utilizes VIEs in the ordinary course of business to support its own and its customers' financing and investing needs. The Corporation routinely securitizes loans and debt securities using VIEs as a source of funding for the Corporation and as a means of transferring the economic risk of the loans or debt securities to third parties. The Corporation also administers, structures or invests in other VIEs including CDOs, investment vehicles and other entities.

The following tables present the assets and liabilities of consolidated and unconsolidated VIEs at December 31, 2011 and 2010 in situations where the Corporation has continuing involvement with transferred assets or if the Corporation otherwise has a variable interest in the VIE. The tables also present the Corporation's maximum exposure to loss at December 31, 2011 and 2010 resulting from its involvement with consolidated VIEs and unconsolidated VIEs in which the Corporation holds a variable interest. The Corporation's maximum exposure to loss is based on the unlikely event that all of the assets in the VIEs become worthless and incorporates not only potential losses associated with assets recorded on the Corporation's Consolidated Balance Sheet but also potential losses associated with off-balance sheet commitments such as unfunded liquidity commitments and other contractual arrangements. The Corporation's maximum exposure to loss does not include losses previously recognized through write-downs of assets.

The Corporation invests in ABS issued by third-party VIEs with which it has no other form of involvement. These securities are included in *Note 3 – Trading Account Assets and Liabilities* and *Note 5 – Securities*. In addition, the Corporation uses VIEs such as trust preferred securities trusts in connection with its funding activities as described in *Note 13 – Long-term Debt*. The Corporation also uses VIEs in the form of synthetic securitization vehicles to mitigate a portion of the credit risk on its residential mortgage loan portfolio as described in *Note 6 – Outstanding Loans and Leases*. The Corporation uses VIEs such as cash funds managed within *Global Wealth & Investment Management (GWIM)* to provide investment opportunities for clients. These VIEs which are not consolidated by the Corporation are not included in the tables within this Note.

Except as described below, the Corporation did not provide financial support to consolidated or unconsolidated VIEs during 2011 or 2010 that it was not previously contractually required to provide, nor does it intend to do so.

Mortgage-related Securitizations

First-lien Mortgages

As part of its mortgage banking activities, the Corporation securitizes a portion of the first-lien residential mortgage loans it originates or purchases from third parties, generally in the form of MBS guaranteed by government-sponsored enterprises (GSEs) FNMA and FHLMC (collectively, the GSEs) or GNMA in the case of FHA-insured and U.S. Department of Veteran Affairs (VA)-guaranteed mortgage loans. Securitization usually occurs in conjunction with, or shortly after, loan closing or purchase. In addition, the Corporation may, from time to time, securitize commercial mortgages it originates or purchases from other entities. The Corporation typically services the loans it securitizes. Further, the Corporation may retain beneficial interests in the securitization trusts, including senior and subordinate securities and equity tranches issued by the trusts. Except as described below and in *Note 9 – Representations and Warranties Obligations and Corporate Guarantees*, the Corporation does not provide guarantees or recourse to the securitization trusts other than standard representations and warranties.

The table below summarizes select information related to first-lien mortgage securitizations for 2011 and 2010.

First-lien Mortgage Securitizations

	Residential Mortgage								Commercial Mortgage	
	Agency		Non-Agency Prime		Non-Agency Subprime		Non-Agency Alt-A			
(Dollars in millions)	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Cash proceeds from new securitizations (1)	$ 143,810	$ 243,901	$ –	$ –	$ –	$ –	$ 66	$ 7	$ 4,488	$ 4,227
Loss on securitizations, net of hedges (2)	(379)	(473)	–	–	–	–	–	–	–	–
Cash flows received on residual interests	–	–	9	18	66	56	6	2	18	20

(1) The Corporation sells residential mortgage loans to GSEs in the normal course of business and receives MBS in exchange which may then be sold into the market to third-party investors for cash proceeds.
(2) Substantially all of the first-lien residential mortgage loans securitized are initially classified as LHFS and accounted for under the fair value option. As such, gains are recognized on these LHFS prior to securitization. During 2011 and 2010, the Corporation recognized $2.9 billion and $6.1 billion of gains on these LHFS, net of hedges.

In addition to cash proceeds as reported in the table above, the Corporation received securities with an initial fair value of $545 million and $23.7 billion in connection with first-lien mortgage securitizations principally residential agency securitizations in 2011 and 2010. All of these securities were initially classified as Level 2 assets within the fair value hierarchy. During 2011 and 2010, there were no changes to the initial classification.

The Corporation recognizes consumer MSRs from the sale or securitization of first-lien mortgage loans. Servicing fee and ancillary fee income on consumer mortgage loans serviced, including securitizations where the Corporation has continuing involvement, were $5.8 billion and $6.4 billion in 2011 and 2010. Servicing advances on consumer mortgage loans, including securitizations where the Corporation has continuing involvement, were $26.0 billion and $24.3 billion at December 31, 2011 and 2010. The Corporation may have the option to repurchase delinquent loans out of securitization trusts, which reduces the amount of servicing advances it is required to make. During 2011 and 2010, $9.0 billion and $14.5 billion of loans were repurchased from first-lien securitization trusts as a result of loan delinquencies or in order to perform modifications. The majority of these loans repurchased were FHA-insured mortgages collateralizing GNMA securities. In addition, the Corporation has retained commercial MSRs from the sale or securitization of commercial mortgage loans. Servicing fee and ancillary fee income on commercial mortgage loans serviced, including securitizations where the Corporation has continuing involvement, were $152 million and $156 million at December 31, 2011 and 2010. For additional information on MSRs, see *Note 25 – Mortgage Servicing Rights*.

The table below summarizes select information related to first-lien mortgage securitization trusts in which the Corporation held a variable interest at December 31, 2011 and 2010.

First-lien VIEs

	Residential Mortgage								Commercial Mortgage	
	Agency		Non-Agency Prime		Non-Agency Subprime		Non-Agency Alt-A			
	December 31								December 31	
(Dollars in millions)	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Unconsolidated VIEs										
Maximum loss exposure (1)	$ 97,819	$ 46,093	$ 2,978	$ 2,794	$ 369	$ 416	$ 806	$ 651	$ 981	$ 1,199
On-balance sheet assets										
Senior securities held (2)										
Trading account assets	$ 8,744	$ 10,693	$ 94	$ 147	$ 8	$ 126	$ 843	$ 645	$ 31	$ 146
AFS debt securities	88,778	35,400	2,691	2,593	174	234	168	–	846	984
Subordinate securities held (2)										
Trading account assets	–	–	–	–	30	12	–	–	8	8
AFS debt securities	–	–	39	39	89	35	–	6	–	–
Residual interests held	–	–	6	6	6	9	–	–	43	61
All other assets	–	–	–	9	–	–	–	–	–	–
Total retained positions	$ 97,819	$ 46,093	$ 2,139	$ 2,794	$ 369	$ 416	$ 806	$ 651	$ 913	$ 1,199
Principal balance outstanding (3)	$ 1,190,766	$ 1,297,159	$ 81,307	$ 75,762	$ 73,849	$ 82,710	$ 101,623	$ 118,233	$ 78,648	$ 73,597
Consolidated VIEs										
Maximum loss exposure (1)	$ 39,846	$ 32,746	$ 480	$ 46	$ 419	$ 42	$ –	$ –	$ –	$ –
On-balance sheet assets										
Loans and leases	$ 60,189	$ 32,583	$ 1,396	$ –	$ 882	$ –	$ –	$ –	$ –	$ –
Allowance for loan and lease losses	(6)	(37)	–	–	–	–	–	–	–	–
Loans held-for-sale	–	–	–	–	622	732	–	–	–	–
All other assets	496	220	69	46	59	16	–	–	–	–
Total assets	$ 60,646	$ 32,746	$ 1,461	$ 46	$ 1,573	$ 748	$ –	$ –	$ –	$ –
On-balance sheet liabilities										
Commercial paper and other short-term borrowings	$ –	$ –	$ –	$ –	$ 680	$ 706	$ –	$ –	$ –	$ –
Long-term debt	–	–	1,380	–	811	–	–	–	–	–
All other liabilities	–	3	–	9	87	62	–	–	–	–
Total liabilities	$ –	$ 3	$ 1,380	$ 9	$ 1,618	$ 768	$ –	$ –	$ –	$ –

(1) Maximum loss exposure includes the liability for representations and warranties obligations and corporate guarantees and also includes servicing advances and MSRs. For more information, see *Note 9 – Representations and Warranties Obligations and Corporate Guarantees* and *Note 25 – Mortgage Servicing Rights*.
(2) As a holder of these securities, the Corporation receives scheduled principal and interest payments. During 2011 and 2010, there were no OTTI losses recorded on these securities classified as AFS debt securities.
(3) Principal balance outstanding includes loans the Corporation transferred with which the Corporation has continuing involvement, which may include servicing the loans.

As a result of a settlement agreement with Assured Guaranty Ltd. and its subsidiaries (Assured Guaranty) in 2011, the Corporation entered into a loss-sharing reinsurance arrangement involving 21 first-lien RMBS trusts. This obligation is a variable interest that could potentially be significant to the trusts. To the extent that the Corporation services all or a majority of the loans in any of the 21 trusts, the Corporation is the primary beneficiary. At December 31, 2011, 12 of these trusts were consolidated. Assets and liabilities of the consolidated trusts and the Corporation's maximum loss exposure to consolidated and unconsolidated trusts are included in the table above as non-agency prime and subprime trusts. For additional information, see *Note 9 – Representations and Warranties Obligations and Corporate Guarantees*.

Home Equity Loans

The Corporation retains interests in home equity securitization trusts to which it transferred home equity loans. These retained interests include senior and subordinate securities and residual interests. In addition, the Corporation may be obligated to provide subordinate funding to the trusts during a rapid amortization event. The Corporation also services the loans in the trusts. Except as described below and in *Note 9 – Representations and Warranties Obligations and Corporate Guarantees*, the Corporation does not provide guarantees or recourse to the securitization trusts other than standard representations and warranties. There were no securitizations of home equity loans during 2011 and 2010. All of the home equity trusts have entered the amortization phase and accordingly there were no collections reinvested in revolving period securitizations in 2011. Collections reinvested in revolving period securitizations were $21 million in 2010.

The table below summarizes select information related to home equity loan securitization trusts in which the Corporation held a variable interest at December 31 2011 and 2010

Home Equity Loan VIEs

	December 31							
	2011			2010		
(Dollars in millions)	Consolidated VIEs	Unconsolidated VIEs	Total	Consolidated VIEs	Unconsolidated VIEs	Total
Maximum loss exposure (1)	$ 2,672	$ 7,888	$ 10,560	$ 3,192	$ 9,132	$ 12,324
On-balance sheet assets						
Trading account assets (2, 3)	$ –	$ 8	$ 8	$ –	$ 209	$ 209
Available-for-sale debt securities (3, 4)	–	13	13	–	35	35
Loans and leases	2,875	–	2,875	3,529	–	3,529
Allowance for loan and lease losses	(309)	–	(309)	(337)	–	(337)
Total	$ 2,672	$ 21	$ 2,693	$ 3,192	$ 244	$ 3,436
On-balance sheet liabilities						
Long-term debt	$ 3,061	$ –	$ 3,061	$ 3,635	$ –	$ 3,635
All other liabilities	86	–	86	23	–	23
Total	$ 3,147	$ –	$ 3,147	$ 3,658	$ –	$ 3,658
Principal balance outstanding	$ 3,275	$ 14,433	$ 17,707	$ 3,529	$ 20,095	$ 23,624

(1) For unconsolidated VIEs the maximum loss is generally limited to outstanding trust certificates issued by trusts in rapid amortization net of recorded reserves and excludes the liability for representations and warranties obligations and repurchase guarantees
(2) At December 31 2011 and 2010 $3 million and $204 million of the debt securities classified as trading account assets were senior securities and $2 million and $5 million were subordinate securities
(3) As a holder of these securities the Corporation received scheduled principal and interest payments During 2011 and 2010 there were no OTTI losses recorded on these securities classified as AFS debt securities
(4) At December 31 2011 and 2010 $13 million and $30 million were collateralized debt securities

Included in the table above are consolidated and unconsolidated home equity loan securitizations that have entered a rapid amortization period and for which the Corporation is obligated to provide subordinated funding During this period cash payments from borrowers are accumulated to repay outstanding debt securities and the Corporation continues to make advances to borrowers when they draw on their lines of credit The Corporation then transfers the newly generated receivables into the securitization vehicles and is reimbursed only after other parties in the securitization have received all of the cash flows to which they are entitled If loan losses requiring draws on monoline insurers policies which protect the bondholders in the securitization exceed a certain level the Corporation may not receive reimbursement for all of the funds advanced to borrowers as the senior bondholders and the monoline insurers have priority for repayment The Corporation evaluates each of these securitizations for potential losses due to non-recoverable advances by estimating the amount and timing of future losses on the underlying loans the excess spread available to cover such losses and potential cash flow shortfalls during rapid amortization This evaluation which includes the number of loans still in revolving status the amount of available credit and when those loans will lose revolving status is also used to determine whether the Corporation has a variable interest that is more than insignificant and must consolidate the trust A maximum funding obligation attributable to rapid amortization cannot be calculated as a home equity borrower has the ability to pay down and re-draw balances At December 31 2011 and 2010 home equity loan securitization transactions in rapid amortization for which the Corporation has a subordinate funding obligation including both consolidated and unconsolidated trusts had $10.7 billion and $12.5 billion of trust certificates outstanding This amount is significantly greater than the amount the Corporation expects to fund The charges that will ultimately be recorded as a result of the rapid amortization events depend on the undrawn available credit on the home equity lines which totaled $460 million and $639 million at December 31 2011 and 2010 as well as performance of the loans the amount of subsequent draws and the timing of related cash flows At December 31 2011 and 2010 the reserve for losses on expected future draw obligations on the home equity loan securitizations in rapid amortization for which the Corporation has a subordinated funding obligation was $69 million and $131 million

The Corporation has consumer MSRs from the sale or securitization of home equity loans The Corporation recorded $62 million and $79 million of servicing fee income related to home equity securitizations during 2011 and 2010

Credit Card Securitizations

The Corporation securitizes originated and purchased credit card loans The Corporation's continuing involvement with the securitization trusts includes servicing the receivables retaining an undivided interest (seller's interest) in the receivables and holding certain retained interests including senior and subordinate securities discount receivables subordinate interests in accrued interest and fees on the securitized receivables and cash reserve accounts The seller's interest in the trusts which is pari passu to the investors' interest and the discount receivables are classified in loans and leases

The table below summarizes select information related to credit card securitization trusts in which the Corporation held a variable interest at December 31 2011 and 2010

Credit Card VIEs

	December 31	
(Dollars in millions)	2011	2010
Consolidated VIEs		
Maximum loss exposure	$ 38,252	$ 38,506
On-balance sheet assets		
Derivative assets	$ 788	$ 1,778
Loans and leases (1)	74,788	92,104
Allowance for loan and lease losses	(4,742)	(8,505)
All other assets (2)	723	4,259
Total	$ 71,962	$ 89,636
On-balance sheet liabilities		
Long-term debt	$ 53,070	$ 52,781
All other liabilities	206	258
Total	$ 53,280	$ 53,040
Trust loans	$ 74,788	$ 92,104

(1) At December 31 2011 and 2010 loans and leases included $28.7 billion and $30.4 billion of seller's interest and $1.0 billion and $3.8 billion of discount receivables
(2) At December 31 2011 and 2010 all other assets included restricted cash accounts and available-accrued interest and fees

During 2010 $2.9 billion of new senior debt securities were issued to third-party investors from the credit card securitization trusts and none were issued in 2011

During 2010 subordinate securities with a notional principal amount of $11.5 billion and a stated interest rate of zero percent were issued by certain credit card securitization trusts to the Corporation In addition the Corporation elected to designate a specified percentage of new receivables transferred to the trusts as "discount receivables" such that principal collections thereon are added to finance charges which increases the yield in the trust Through the designation of newly transferred receivables as discount receivables the Corporation has subordinated a portion of its seller's interest to the investors' interest These actions which were specifically permitted by the terms of the trust documents were taken in an effort to address the decline in the excess spread of the U.S. and U.K. credit card securitization trusts The U.S. election expired June 30 2011 The issuance of subordinate securities and the discount receivables election had no impact on the Corporation's results of operations in 2011 and 2010

Other Asset-backed Securitizations

Other asset-backed securitizations include resecuritization trusts, municipal bond trusts and automobile and other securitization trusts. The table below summarizes select information related to other asset-backed securitizations in which the Corporation held a variable interest at December 31, 2011 and 2010.

Other Asset-backed VIEs

	Resecuritization Trusts		Municipal Bond Trusts		Automobile and Other Securitization Trusts	
	December 31		December 31		December 31	
(Dollars in millions)	2011	2010	2011	2010	2011	2010
Unconsolidated VIEs						
Maximum loss exposure	$ 81,140	$ 20,320	$ 3,752	$ 4,261	$ 88	$ 141
On-balance sheet assets						
Senior securities held (1, 2)						
Trading account assets	$ 2,806	$ 1,219	$ 236	$ 255	$ –	$ –
AFS debt securities	17,618	17,089	–	–	51	109
Subordinate securities held (1, 2)						
Trading account assets	–	2	–	–	–	–
AFS debt securities	644	1,036	–	–	–	–
Residual interests held (3)	205	74	–	–	–	–
All other assets	–	–	–	–	12	17
Total retained positions	$ 21,140	$ 20,320	$ 239	$ 255	$ 88	$ 126
Total assets of VIEs	$ 60,488	$ 38,830	$ 5,964	$ 8,108	$ 888	$ 774
Consolidated VIEs						
Maximum loss exposure	$ –	$ –	$ 3,801	$ 4,716	$ 1,067	$ 2,061
On-balance sheet assets						
Trading account assets	$ –	$ 68	$ 3,801	$ 4,716	$ –	$ –
Loans and leases	–	–	–	–	4,823	9,583
Allowance for loan and lease losses	–	–	–	–	(7)	(29)
All other assets	–	–	–	–	188	196
Total assets	$ –	$ 68	$ 3,801	$ 4,716	$ 5,004	$ 9,750
On-balance sheet liabilities						
Commercial paper and other short-term borrowings	$ –	$ –	$ 3,117	$ 4,921	$ –	$ –
Long-term debt	–	68	–	–	3,982	7,681
All other liabilities	–	–	–	–	99	101
Total liabilities	$ –	$ 68	$ 3,117	$ 4,921	$ 4,081	$ 7,782

(1) As a holder of these securities, the Corporation receives scheduled principal and interest payments. During 2011 and 2010, there were no OTTI losses recorded on these securities classified as AFS debt securities.
(2) The retained senior and subordinate securities were valued using quoted market prices or observable market inputs (Level 2 of the fair value hierarchy).
(3) The retained residual interests are carried at fair value which was derived using model valuations (Level 3 of the fair value hierarchy).

Resecuritization Trusts

The Corporation transfers existing securities, typically MBS, into resecuritization vehicles at the request of customers seeking securities with specific characteristics. The Corporation may also enter into resecuritizations of securities within its investment portfolio for purposes of improving liquidity and capital and managing credit or interest rate risk. Generally, there are no significant ongoing activities performed in a resecuritization trust and no single investor has the unilateral ability to liquidate the trust.

The Corporation resecuritized $33.6 billion of securities in 2011 compared to $97.7 billion in 2010. Net gains on sales totaled $909 million in 2011 compared to net losses of $144 million in 2010. The Corporation consolidates a resecuritization trust if it has sole discretion over the design of the trust, including the identification of securities to be transferred in and the structure of securities to be issued, and also retains a variable interest that could potentially be significant to the trust. If one or a limited number of third-party investors share responsibility for the design of the trust and purchase a significant portion of securities, including subordinate securities issued by non-agency trusts, the Corporation does not consolidate the trust.

Municipal Bond Trusts

The Corporation administers municipal bond trusts that hold highly-rated, long-term fixed-rate municipal bonds. A majority of the bonds are rated AAA or AA and some benefit from insurance provided by third parties. The trusts obtain financing by issuing floating-rate trust certificates that reprice on a weekly or other basis to third-party investors. The Corporation may serve as remarketing agent and/or liquidity provider for the trusts. The floating-rate investors have the right to tender the certificates at specified dates, often with as little as seven days' notice. Should the Corporation be unable to remarket the tendered certificates, it is generally obligated to purchase them at par, under standby liquidity facilities unless the bond's credit rating has declined below investment grade or there has been an event of default or bankruptcy of the issuer and insurer.

The Corporation also provides credit enhancement to investors in certain municipal bond trusts whereby the Corporation guarantees the payment of interest and principal on floating-rate certificates issued by these trusts in the event of default by the issuer of the underlying municipal bond. If a customer holds the residual interest in a trust, that customer typically has the unilateral ability to liquidate the trust at any time, while the Corporation typically has the ability to trigger the liquidation of that trust if the market value of the bonds held in the trust declines below a specified threshold. This arrangement is designed to limit market losses to an amount that is less than the customer's residual interest, effectively preventing the Corporation from absorbing losses incurred on assets held within that trust.

During 2011 and 2010, the Corporation was the transferor of assets into unconsolidated municipal bond trusts and received cash proceeds from new securitizations of $733 million and $1.2 billion. At December 31, 2011 and 2010, the principal balance outstanding for unconsolidated municipal bond securitization trusts for which the Corporation was transferor was $2.5 billion and $2.2 billion.

The Corporation's liquidity commitments to unconsolidated municipal bond trusts, including those for which the Corporation was transferor, totaled $3.5 billion and $4.0 billion at December 31, 2011 and 2010. The weighted-average remaining life of bonds held in the trusts at December 31, 2011 was 10.0 years. There were no material write-downs or downgrades of assets or issuers during 2011.

Automobile and Other Securitization Trusts

The Corporation transfers automobile and other loans into securitization trusts typically to improve liquidity or manage credit risk. At December 31, 2011, the Corporation serviced assets or otherwise had continuing involvement with automobile and other securitization trusts with outstanding balances of $5.8 billion, including trusts collateralized by automobile loans of $3.9 billion, student loans of $1.2 billion and other loans and receivables of $668 million. At December 31, 2010, the Corporation serviced assets or otherwise had continuing involvement with automobile and other securitization trusts with outstanding balances of $10.5 billion, including trusts collateralized by automobile loans of $8.4 billion, student loans of $1.3 billion and other loans and receivables of $774 million.

Collateralized Debt Obligation Vehicles

CDO vehicles hold diversified pools of fixed-income securities, typically corporate debt or ABS, which they fund by issuing multiple tranches of debt and equity securities. Synthetic CDOs enter into a portfolio of CDS to synthetically create exposure to fixed-income securities. CLOs are a subset of CDOs which hold pools of loans, typically corporate loans or commercial mortgages. CDOs are typically managed by third-party portfolio managers. The Corporation transfers assets to these CDOs, holds securities issued by the CDOs and may be a derivative counterparty to the CDOs, including a CDS counterparty for synthetic CDOs. The Corporation has also entered into total return swaps with certain CDOs whereby the Corporation absorbs the economic returns generated by specified assets held by the CDO. The Corporation receives fees for structuring CDOs and providing liquidity support for super senior tranches of securities issued by certain CDOs. No third parties provide a significant amount of similar commitments to these CDOs.

The table below summarizes select information related to CDO vehicles in which the Corporation held a variable interest at December 31, 2011 and 2010.

CDO Vehicle VIEs

	December 31									
	2011				2010					
(Dollars in millions)	Consolidated	Unconsolidated	Total		Consolidated	Unconsolidated	Total			
Maximum loss exposure	$ 1,806	$ 3,373	$ 5,047		$ 2,971	$ 3,828	$ 6,799			
On-balance sheet assets										
Trading account assets	$ 1,363	$ 461	$ 1,824		$ 2,485	$ 884	$ 3,369			
Derivative assets	483	670	1,150		207	890	1,097			
AFS debt securities	–	–	–		789	338	1,107			
All other assets	–	96	96		24	123	147			
Total	$ 1,846	$ 1,226	$ 3,070		$ 3,485	$ 2,235	$ 5,720			
On-balance sheet liabilities										
Derivative liabilities	$ –	$ 11	$ 11		$ –	$ 58	$ 58			
Long-term debt	2,713	2	2,715		3,162	–	3,162			
Total	$ 2,713	$ 13	$ 2,726		$ 3,162	$ 58	$ 3,220			
Total assets of VIEs	$ 1,846	$ 92,908	$ 94,747		$ 3,485	$ 43,476	$ 46,961			

The Corporation's maximum loss exposure of $4.0 billion at December 31, 2011 included $336 million of super senior CDO exposure, $1.7 billion of exposure to CDO financing facilities and $2.0 billion of other non-super senior exposure. This exposure is calculated on a gross basis and does not reflect any benefit from insurance purchased from third parties. Net of this insurance but including securities retained from liquidations of CDOs, the Corporation's net exposure to super senior CDO-related positions was $152 million at December 31, 2011. The CDO financing facilities which are consolidated obtain funding from third parties for CDO positions which are principally classified in trading account assets on the Corporation's Consolidated Balance Sheet. The CDO financing facilities long-term debt at December 31, 2011 totaled $2.6 billion, all of which has recourse to the general credit of the Corporation. The Corporation's maximum exposure to loss is significantly less than the total assets of the CDO vehicles in the table above because the Corporation typically has exposure to only a portion of the total assets.

At December 31, 2011, the Corporation had $2.4 billion of aggregate liquidity exposure to CDOs. This amount included $588 million of commitments to CDOs to provide funding for super senior exposures and $1.8 billion notional amount of derivative contracts with unconsolidated VIEs, principally CDO vehicles, which hold non-super senior CDO debt securities or other debt securities on the Corporation's behalf. See *Note 14 – Commitments and Contingencies* for additional information. The Corporation's liquidity exposure to CDOs at December 31, 2011 is included in the table above to the extent that the Corporation sponsored the

CDO vehicle or the liquidity exposure is more than insignificant compared to total assets of the CDO vehicle Liquidity exposure included in the table is reported net of previously recorded losses

Customer Vehicles

Customer vehicles include credit-linked and equity-linked note vehicles repackaging vehicles and asset acquisition vehicles

Customer Vehicle VIEs

	December 31					
	2011			2010		
(Dollars in millions)	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated	Total
Maximum loss exposure	$ 6,264	$ 2,113	$ 8,377	$ 4,449	$ 2,735	$ 7,184
On-balance sheet assets						
Trading account assets	$ 3,903	$ 211	$ 4,114	$ 3,458	$ 876	$ 4,334
Derivative assets	–	905	905	1	722	723
Loans held-for-sale	997	–	997	959	–	959
All other assets	1,463	–	1,463	1,429	–	1,429
Total	$ 6,363	$ 1,116	$ 7,479	$ 5,847	$ 1,598	$ 7,445
On-balance sheet liabilities						
Derivative liabilities	$ 4	$ 42	$ 46	$ 1	$ 23	$ 24
Commercial paper and other short-term borrowings	–	–	–	–	–	–
Long-term debt	3,813	–	3,813	3,457	–	3,457
All other liabilities	1	448	449	–	140	140
Total	$ 3,818	$ 490	$ 4,308	$ 3,458	$ 163	$ 3,621
Total assets of VIEs	$ 6,264	$ 5,902	$ 12,166	$ 5,847	$ 6,090	$ 11,937

Credit-linked and equity-linked note vehicles issue notes which pay a return that is linked to the credit or equity risk of a specified company or debt instrument The vehicles purchase high-grade assets as collateral and enter into CDSs or equity derivatives to synthetically create the credit or equity risk to pay the specified return on the notes The Corporation is typically the counterparty for some or all of the credit and equity derivatives and to a lesser extent it may invest in securities issued by the vehicles The Corporation may also enter into interest rate or foreign currency derivatives with the vehicles The Corporation also had approximately $824 million of other liquidity commitments including written put options and collateral value guarantees with unconsolidated credit-linked and equity-linked note vehicles at December 31 2011

Repackaging vehicles issue notes that are designed to incorporate risk characteristics desired by customers The vehicles hold debt instruments such as corporate bonds convertible bonds or ABS with the desired credit risk profile The Corporation enters into derivatives with the vehicles to change the interest rate or foreign currency profile of the debt instruments If a vehicle holds convertible bonds and the Corporation retains the conversion option the Corporation is deemed to have a controlling financial interest and consolidates the vehicle

Asset acquisition vehicles acquire financial instruments typically loans at the direction of a single customer and obtain funding through the issuance of structured liabilities to the Corporation At the time the vehicle acquires an asset the Corporation enters into total return swaps with the customer such that the economic returns of the asset are passed through to the customer The Corporation is exposed to counterparty credit risk if the asset declines in value and the customer defaults on its obligation to the Corporation under the total return swaps The Corporation's risk may be mitigated by collateral or other arrangements The Corporation consolidates these vehicles because it has the power to manage the assets in the vehicles and owns all of the structured liabilities issued by the vehicles

The Corporation's maximum exposure to loss from customer vehicles includes the notional amount of the credit or equity derivatives to which the Corporation is a counterparty net of losses previously recorded and the Corporation's investment, if any in securities issued by the vehicles It has not been reduced to reflect the benefit of offsetting swaps with the customers or collateral arrangements

Other Variable Interest Entities

Other consolidated VIEs primarily include investment vehicles leveraged lease trusts and at December 31 2010 a collective investment fund and asset acquisition conduits Other unconsolidated VIEs primarily include investment vehicles and real estate vehicles which are typically created on behalf of customers who wish to obtain market or credit exposure to a specific company or financial instrument

The table below summarizes select information related to customer vehicles in which the Corporation held a variable interest at December 31 2011 and 2010

The table below summarizes select information related to other VIEs in which the Corporation held a variable interest at December 31 2011 and 2010

Other VIEs

	December 31					
	2011			2010		
(Dollars in millions)	Consolidated	Unconsolidated	Total	Consolidated	Unconsolidated	Total
Maximum loss exposure	$ 7,459	$ 7,255	$ 14,714	$ 19,248	$ 8,796	$ 28,044
On-balance sheet assets						
Trading account assets	$ –	$ –	$ –	$ 8,900	$ –	$ 8,900
Derivative assets	884	440	824	–	228	228
AFS debt securities	–	62	62	1,832	73	1,905
Loans and leases	6,184	987	6,811	7,690	1,122	8,812
Allowance for loan and lease losses	(6)	(1)	(6)	(27)	(22)	(49)
Loans held-for-sale	108	806	794	262	949	1,211
All other assets	1,809	5,835	7,662	937	6,440	7,377
Total	$ 7,469	$ 7,179	$ 14,734	$ 19,594	$ 8,790	$ 28,384
On-balance sheet liabilities						
Commercial paper and other short-term borrowings	$ –	$ –	$ –	$ 1,115	$ –	$ 1,115
Long-term debt	10	–	10	229	–	229
All other liabilities	694	1,706	2,800	8,683	1,866	10,549
Total	704	1,706	2,809	10,027	1,866	11,893
Total assets of VIEs	$ 7,469	$ 11,885	$ 19,354	$ 19,594	$ 13,418	$ 33,010

Investment Vehicles

The Corporation sponsors invests in or provides financing to a variety of investment vehicles that hold loans real estate debt securities or other financial instruments and are designed to provide the desired investment profile to investors At December 31 2011 and 2010 the Corporation's consolidated investment vehicles had total assets of $2 6 billion and $5 6 billion The Corporation also held investments in unconsolidated vehicles with total assets of $5 5 billion and $7 9 billion at December 31 2011 and 2010 The Corporation's maximum exposure to loss associated with both consolidated and unconsolidated investment vehicles totaled $4 4 billion and $8 7 billion at December 31 2011 and 2010 comprised primarily of on-balance sheet assets less non-recourse liabilities

Collective Investment Funds

The Corporation is trustee for certain common and collective investment funds that provide investment opportunities for eligible clients of GWIM These funds which had total assets of $11 1 billion and $21 2 billion at December 31 2011 and 2010 hold a variety of cash debt and equity investments At December 31 2011 the Corporation did not have a variable interest in these funds The Corporation consolidated a stable value collective investment fund with total assets of $8 1 billion at December 31 2010 for which the Corporation had the unilateral ability to replace the fund's asset manager The fund was liquidated during 2011

Leveraged Lease Trusts

The Corporation's net investment in consolidated leveraged lease trusts totaled $4 8 billion and $5 2 billion at December 31 2011 and 2010 The trusts hold long-lived equipment such as rail cars power generation and distribution equipment and commercial aircraft The Corporation structures the trusts and holds a significant residual interest The net investment represents the Corporation's maximum loss exposure to the trusts in the unlikely event that the leveraged lease investments become worthless Debt issued by the leveraged lease trusts is non-recourse to the Corporation The Corporation has no liquidity exposure to these leveraged lease trusts

Asset Acquisition Conduits

The Corporation administered two asset acquisition conduits which acquired assets on behalf of the Corporation or its customers These conduits had total assets of $640 million at December 31 2010 The conduits were liquidated during 2011 Liquidation of the conduits did not impact the Corporation's results of operations

Real Estate Vehicles

The Corporation held investments in unconsolidated real estate vehicles of $5 4 billion at both December 31 2011 and 2010 which consisted of investments in unconsolidated limited partnerships that finance the construction and rehabilitation of affordable rental housing An unrelated third party is typically the general partner and has control over the significant activities of the partnership The Corporation earns a return primarily through the receipt of tax credits allocated to the affordable housing projects The Corporation's risk of loss is mitigated by policies requiring that the project qualify for the expected tax credits prior to making its investment The Corporation may from time to time be asked to invest additional amounts to support a troubled project Such additional investments have not been and are not expected to be significant

Other Asset-backed Financing Arrangements

The Corporation transferred pools of securities to certain independent third parties and provided financing for approximately 75 percent of the purchase price under asset backed financing arrangements At December 31 2011 and 2010 the Corporation s maximum loss exposure under these financing arrangements was $4 7 billion and $6 5 billion substantially all of which was classified as loans on the Corporation s Consolidated Balance Sheet All principal and interest payments have been received when due in accordance with the contractual terms These arrangements are not included in the Other VIEs table because the purchasers are not VIEs

NOTE 9 Representations and Warranties Obligations and Corporate Guarantees

Background

The Corporation securitizes first-lien residential mortgage loans generally in the form of MBS guaranteed by the GSEs or by GNMA in the case of FHA-insured VA guaranteed and Rural Housing Service-guaranteed mortgage loans In addition in prior years legacy companies and certain subsidiaries sold pools of first-lien residential mortgage loans and home equity loans as private-label securitizations (in certain of these securitizations monolines or financial guarantee providers insured all or some of the securities) or in the form of whole loans In connection with these transactions the Corporation or certain subsidiaries or legacy companies make or have made various representations and warranties These representations and warranties as set forth in the agreements related to among other things the ownership of the loan the validity of the lien securing the loan the absence of delinquent taxes or liens against the property securing the loan the process used to select the loan for inclusion in a transaction the loan s compliance with any applicable loan criteria including underwriting standards and the loan s compliance with applicable federal state and local laws Breaches of these representations and warranties may result in the requirement to repurchase mortgage loans or to otherwise make whole or provide other remedies to the GSEs U S Department of Housing and Urban Development (HUD) with respect to FHA-insured loans VA whole-loan buyers securitization trusts monoline insurers or other financial guarantors (collectively repurchases) In such cases the Corporation would be exposed to any credit loss on the repurchased mortgage loans after accounting for any mortgage insurance (MI) or mortgage guaranty payments that it may receive

Subject to the requirements and limitations of the applicable sales and securitization agreements these representations and warranties can be enforced by the GSEs HUD VA the whole loan buyer the securitization trustee or others as governed by the applicable agreement or in certain first lien and home equity securitizations where monoline insurers or other financial guarantee providers have insured all or some of the securities issued by the monoline insurer or other financial guarantor In the case of loans sold to parties other than the GSEs or GNMA the contractual liability to repurchase typically arises only if there is a breach of the representations and warranties that materially and adversely affects the interest of the investor or investors in the loan or of the monoline insurer or other financial guarantor (as applicable) Contracts with the GSEs do not contain equivalent language while GNMA generally limits repurchases to loans that are not insured or guaranteed as required The Corporation believes that the longer a loan performs prior to default the less likely it is that an alleged underwriting breach of representations and warranties had a material impact on the loan s performance Historically most demands for repurchase have occurred within the first several years after origination generally after a loan has defaulted However the time horizon in which repurchase claims are typically brought has lengthened primarily due to a significant increase in GSE claims related to loans that had defaulted more than 18 months prior to the claim and to loans where the borrower made at least 25 payments

The Corporation s credit loss would be reduced by any recourse it may have to organizations (e g correspondents) that in turn had sold such loans to the Corporation based upon its agreements with these organizations When a loan is originated by a correspondent or other third party the Corporation typically has the right to seek a recovery of related repurchase losses from that originator Many of the correspondent originators of loans in 2004 through 2008 are no longer in business or are in a weakened condition and the Corporation s ability to recover on valid claims is therefore impacted or eliminated accordingly In the event a loan is originated and underwritten by a correspondent who obtains FHA insurance even if they are no longer in business any breach of FHA guidelines is the direct obligation of the correspondent not the Corporation At December 31 2011 approximately 28 percent of the outstanding repurchase claims relate to loans purchased from correspondents or other parties compared to approximately 25 percent at December 31 2010 During 2011 the Corporation experienced a decline in recoveries from correspondents and other parties however the actual recovery rate may vary from period to period based upon the underlying mix of correspondents and other parties

The Corporation currently structures its operations to limit the risk of repurchase and accompanying credit exposure by seeking to ensure consistent production of mortgages in accordance with its underwriting procedures and by servicing those mortgages consistent with its contractual obligations In addition certain securitizations include guarantees written to protect certain purchasers of the loans from credit losses up to a specified amount The fair value of the obligations to be absorbed under the representations and warranties and guarantees provided is recorded as an accrued liability when the loans are sold This liability for probable losses is updated by accruing a representations and warranties provision in mortgage banking income This is done throughout the life of the loan as necessary when additional relevant information becomes available

The methodology used to estimate the liability for representations and warranties is a function of the representations and warranties given and considers a variety of factors which include depending on the counterparty actual defaults estimated future defaults historical loss experience estimated home prices other economic conditions estimated probability that a repurchase claim will be received including consideration of whether presentation thresholds will be met number of payments made by the borrower prior to default and estimated probability that a loan will be required to be repurchased The Corporation also considers bulk settlements when determining its estimated liability for representations and warranties The estimate of the liability for representations and warranties is based upon currently available information significant judgment and a number of factors including those set forth above that are subject to change Changes to any one of these factors could significantly impact the estimate of the liability and could have a material adverse impact

on the Corporation s results of operations for any particular period Given that these factors vary by counterparty the Corporation analyzes representations and warranties obligations based on the specific counterparty or type of counterparty with whom the sale was made Generally the volume of unresolved repurchase claims from the FHA and VA for loans in GNMA-guaranteed securities is not significant because the requests are limited in number and are typically resolved quickly

Settlement Actions

The Corporation has vigorously contested any request for repurchase when it has concluded that a valid basis for repurchase does not exist and will continue to do so in the future However in an effort to resolve these legacy mortgage-related issues the Corporation has reached bulk settlements or agreements for bulk settlements including settlement amounts which have been material with counterparties in lieu of a loan-by-loan review process The Corporation may reach other settlements in the future if opportunities arise on terms it believes to be advantageous to the Corporation The following provides a summary of the larger bulk settlement actions beginning in the fourth quarter of 2010 followed by details of the Corporation s representations and warranties liability including claims status

Settlement with the Bank of New York Mellon, as Trustee

On June 28 2011 the Corporation BAC Home Loans Servicing LP (BAC HLS which was subsequently merged with and into BANA in July 2011) and its legacy Countrywide affiliates entered into a settlement agreement with the Bank of New York Mellon (BNY Mellon) as trustee (the Trustee) to resolve all outstanding and potential claims related to alleged representations and warranties breaches (including repurchase claims) substantially all historical loan servicing claims and certain other historical claims with respect to 525 legacy Countrywide first-lien and five second-lien non-GSE residential mortgage-backed securitization trusts (the Covered Trusts) containing loans principally originated between 2004 and 2008 for which BNY Mellon acts as trustee or indenture trustee (the BNY Mellon Settlement) The Covered Trusts had an original principal balance of approximately $424 billion of which $409 billion was originated between 2004 and 2008 and total outstanding principal and unpaid principal balance of loans that had defaulted (collectively unpaid principal balance) of approximately $220 billion at June 28 2011 of which $217 billion was originated between 2004 and 2008 The BNY Mellon Settlement is supported by a group of 22 institutional investors (the Investor Group) and is subject to final court approval and certain other conditions

The BNY Mellon Settlement provides for a cash payment of $8 5 billion (the Settlement Payment) to the Trustee for distribution to the Covered Trusts after final court approval of the BNY Mellon Settlement In addition to the Settlement Payment the Corporation is obligated to pay attorneys fees and costs to the Investor Group s counsel as well as all fees and expenses incurred by the Trustee related to obtaining final court approval of the BNY Mellon Settlement and certain tax rulings which are currently estimated at $100 million

The BNY Mellon Settlement does not cover a small number of legacy Countrywide-issued first-lien non-GSE RMBS transactions with loans originated principally between 2004 and 2008 for various reasons including for example six legacy Countrywide-issued first-lien non-GSE RMBS transactions in which BNY Mellon is not the trustee The BNY Mellon Settlement also does not cover legacy Countrywide-issued second-lien securitization transactions in which a monoline insurer or other financial guarantor provides financial guaranty insurance In addition because the settlement is with the Trustee on behalf of the Covered Trusts and releases rights under the governing agreements for the Covered Trusts the settlement does not release investors securities law or fraud claims based upon disclosures made in connection with their decision to purchase sell or hold securities issued by the Covered Trusts To date various investors including certain members of the Investor Group are pursuing securities law or fraud claims related to one or more of the Covered Trusts The Corporation is not able to determine whether any additional securities law or fraud claims will be made by investors in the Covered Trusts For information about mortgage-related securities law or fraud claims see Litigation and Regulatory Matters in *Note 14 – Commitments and Contingencies* For those Covered Trusts where a monoline insurer or other financial guarantor has an independent right to assert repurchase claims directly the BNY Mellon Settlement does not release such insurer s or guarantor s repurchase claims

Under an order entered by the court in connection with the BNY Mellon Settlement, potentially interested persons had the opportunity to give notice of intent to object to the settlement (including on the basis that more information was needed) until August 30 2011 Approximately 44 groups or entities appeared prior to the deadline two of those groups or entities have subsequently withdrawn from the proceeding and one motion to intervene was denied Certain of these groups or entities filed notices of intent to object made motions to intervene or both filed notices of intent to object and made motions to intervene The parties filing motions to intervene include the Attorneys General of the states of New York and Delaware whose motions to intervene were granted Parties who filed notices stating that they wished to obtain more information about the settlement include the Federal Deposit Insurance Corporation (FDIC) and the Federal Housing Finance Agency (FHFA) Bank of America is not a party to the proceeding

Certain of the motions to intervene and/or notices of intent to object allege various purported bases for opposition to the settlement including challenges to the nature of the court proceeding and the lack of an opt-out mechanism alleged conflicts of interest on the part of the Investor Group and/or the Trustee the inadequacy of the settlement amount and the method of allocating the settlement amount among the Covered Trusts while other motions do not make substantive objections but state that they need more information about the settlement An investor opposed to the settlement removed the proceeding to federal court On October 19 2011 the federal court denied BNY Mellon s motion to remand the proceeding to state court BNY Mellon as well as the investors that have intervened in support of the BNY Mellon Settlement, petitioned to appeal the denial of this motion On November 4 2011 the district court entered a written order setting a discovery schedule and discovery is ongoing On December 27 2011 the U S Court of Appeals for the Second Circuit accepted the appeal and stated in an amended scheduling order that, pursuant to statute it would rule on the appeal by February 27 2012

It is not currently possible to predict how many of the parties who have appeared in the court proceeding will ultimately object to the BNY Mellon Settlement whether the objections will prevent receipt of final court approval or the ultimate outcome of the court

approval process which can include appeals and could take a substantial period of time In particular conduct of discovery and the resolution of the objections to the settlement and any appeals could take a substantial period of time and these factors could materially delay the timing of final court approval Accordingly it is not possible to predict when the court approval process will be completed

If final court approval is not obtained by December 31 2015 the Corporation and legacy Countrywide may withdraw from the BNY Mellon Settlement if the Trustee consents The BNY Mellon Settlement also provides that if Covered Trusts representing unpaid principal balance exceeding a specified amount are excluded from the final BNY Mellon Settlement based on investor objections or otherwise the Corporation and legacy Countrywide have the option to withdraw from the BNY Mellon Settlement pursuant to the terms of the BNY Mellon Settlement agreement

There can be no assurance that final court approval of the settlement will be obtained that all conditions to the BNY Mellon Settlement will be satisfied or if certain conditions to the BNY Mellon Settlement permitting withdrawal are met that the Corporation and legacy Countrywide will not determine to withdraw from the settlement If final court approval is not obtained or if the Corporation and legacy Countrywide determine to withdraw from the BNY Mellon Settlement in accordance with its terms the Corporation s future representations and warranties losses could be substantially different than existing accruals and the estimated range of possible loss over existing accruals described under Whole Loan Sales and Private-label Securitizations Experience on page 212

Settlement with Assured Guaranty

On April 14 2011 the Corporation including its legacy Countrywide affiliates entered into an agreement with Assured Guaranty to resolve all of the monoline insurer s outstanding and potential repurchase claims related to alleged representations and warranties breaches involving 29 first and second lien RMBS trusts where Assured Guaranty provided financial guarantee insurance (the Assured Guaranty Settlement) The agreement also resolves historical loan servicing issues and other potential liabilities with respect to these trusts The agreement covers 21 first-lien RMBS trusts and eight second-lien RMBS trusts which had an original principal balance of *approximately* $35 8 billion *and total unpaid principal balance of approximately* $20 2 billion as of April 14 2011 The agreement included cash payments totaling approximately $1 1 billion to Assured Guaranty as well as a loss-sharing reinsurance arrangement that had an expected value of approximately $470 million at the time of the settlement and other terms including termination of certain derivative contracts During 2011 the Corporation made cash payments of $1 0 billion with the remaining $57 million payable on March 31 2012 The total cost recognized for the Assured Guaranty Settlement as of December 31 2011 was approximately $1 6 billion As a result of this agreement the Corporation recorded $2 2 billion in consumer loans and the related trust debt on its Consolidated Balance Sheet at December 31 2011 due to the establishment of reinsurance contracts at the time of the Assured Guaranty Settlement

Government-sponsored Enterprise Agreements

On December 31 2010 the Corporation reached agreements with the GSEs under which the Corporation paid $2 8 billion to resolve repurchase claims involving first-lien residential mortgage loans sold directly to the GSEs by entities related to legacy Countrywide (the GSE Agreements) The agreement with FHLMC extinguished all outstanding and potential mortgage repurchase and make-whole claims arising out of any alleged breaches of selling representations and warranties related to loans sold *directly by legacy Countrywide to FHLMC through 2008 subject to certain exceptions* The agreement with FNMA substantially resolved the existing pipeline of repurchase claims outstanding as of September 20 2010 arising out of alleged breaches of selling representations and warranties related to loans sold directly by legacy Countrywide to FNMA The GSE Agreements did not cover outstanding and potential mortgage repurchase claims arising out of any alleged breaches of selling representations and warranties related to legacy Bank of America first-lien residential mortgage loans sold directly to the GSEs or other loans sold directly to the GSEs other than described above loan servicing obligations other contractual obligations or loans contained in private label securitizations

Outstanding Claims

The Outstanding Claims by Counterparty and Product table presents outstanding representations and warranties claims by counterparty and product type at December 31 2011 and 2010 For additional information see Whole Loan Sales and Private-label Securitizations Experience on page 212 of this Note and *Note 14 – Commitments and Contingencies* These repurchase claims include $1 7 billion in demands from investors in the Covered Trusts received in 2010 but otherwise do not include any repurchase claims related to the Covered Trusts During 2011 the Corporation received $17 5 billion in new repurchase claims including $14 3 billion in new repurchase claims submitted by the GSEs for both legacy Countrywide originations not covered by the GSE Agreements and legacy Bank of America originations and $3 2 billion in repurchase claims related to non-GSE transactions During 2011 *$14 1 billion* in claims were resolved primarily with the GSEs and through the Assured Guaranty Settlement Of the claims resolved $7 5 billion were resolved through rescissions and $6 6 billion were resolved through mortgage repurchase and make-whole payments Claims outstanding from the monolines declined as a result of the Assured Guaranty Settlement and new claims from other monolines declined significantly during 2011 which the Corporation believes was due in part to the monolines focusing recent efforts towards litigation Outstanding claims from whole loan private-label securitization and other investors increased during 2011 primarily as a result of the increase in repurchase claims received from trustees in non-GSE transactions

Outstanding Claims by Counterparty and Product

	December 31	
(Dollars in millions)	2011	2010
By counterparty (1)		
GSEs	$ 6,355	$ 7,821
Monolines	5,083	4,678
Whole loan and private-label securitization investors and other (2)	4,913	3,188
Total outstanding claims by counterparty	$ 14,351	$ 15,687
By product type (3)		
Prime loans	$ 3,836	$ 2,040
Alt-A	2,933	1,190
Home equity	2,972	3,858
Pay option	3,906	2,889
Subprime	891	734
Other	640	176
Total outstanding claims by product type	$ 14,351	$ 10,687

(1) Excludes certain MI rescission notices However included $1 2 billion of repurchase claims received from the GSEs that were classified solely from MI rescission notices For additional information see Mortgage Insurance Rescission Notices on this Note

(2) Amounts for December 31 2011 and 2010 included $2 7 billion in claims(3

At December 31 2011 and 2010 Bank of America Corporation had approximately $69 8 billion and $88 4 billion of authorized but unissued corporate debt and other securities under its existing U S shelf registration statements At December 31 2011 and 2010 Bank of America N A had approximately $67 3 billion and $53 3 billion of authorized but unissued bank notes under its existing $75 billion bank note program Long-term bank notes issued and outstanding under the program totaled $6 3 billion and $7 1 billion at December 31 2011 and 2010 At both December 31 2011 and 2010 Bank of America N A had approximately $20 6 billion of authorized but unissued mortgage notes under its $30 0 billion mortgage bond program

The weighted-average effective interest rates for total long-term debt (excluding senior structured notes) total fixed-rate debt and total floating-rate debt were 4 35 percent 5 17 percent and 1 38 percent respectively at December 31 2011 and 3 96 percent 5 02 percent and 1 09 percent respectively at December 31 2010 The Corporation s ALM activities maintain an overall interest rate risk management strategy that incorporates the use of interest rate contracts to manage fluctuations in earnings that are caused by interest rate volatility The Corporation s goal is to manage interest rate sensitivity so that movements in interest rates do not significantly adversely affect earnings and capital The above weighted-average rates are the contractual interest rates on the debt and do not reflect the impacts of derivative transactions

The weighted-average interest rate for debt excluding senior structured notes issued by Merrill Lynch & Co Inc and subsidiaries was 4 74 percent and 4 11 percent at December 31 2011 and 2010 As of December 31 2011 the Corporation has not assumed or guaranteed the $105 6 billion of long-term debt that was issued or guaranteed by Merrill Lynch & Co Inc or its subsidiaries prior to the acquisition of Merrill Lynch by the Corporation All existing Merrill Lynch & Co Inc guarantees of securities issued by certain Merrill Lynch subsidiaries under various non-U S securities offering programs will remain in full force and effect as long as those securities are outstanding and the Corporation has not assumed any of those prior Merrill Lynch & Co Inc guarantees or otherwise guaranteed such securities

Certain senior structured notes are accounted for under the fair value option For more information on these senior structured notes see *Note 23 – Fair Value Option*

The table below represents the carrying value for aggregate annual maturities of long-term debt at December 31 2011

Long-term Debt by Maturity

(Dollars in millions)	2012	2013	2014	2015	2016	Thereafter	Total
Bank of America Corporation	$ 43 877	$ 9 967	$ 19 186	$ 13 896	$ 20 575	$ 73 940	$ 181,430
Merrill Lynch & Co Inc and subsidiaries	22 494	16 579	17 784	4 415	3 897	38 954	104,123
Bank of America N A and other subsidiaries	5 778	–	29	–	1 134	7 928	14,867
Other debt	13 738	4 888	1 658	380	15	2 122	22,801
Total long-term debt excluding consolidated VIEs	85 885	31 434	38 657	18 690	25 621	122 944	323,221
Long-term debt of consolidated VIEs	11,530	14 353	9 201	1,330	2 896	9 742	48,054
Total long-term debt	$ 97,415	$ 45,787	$ 47,858	$ 20,020	$ 28,517	$ 132,686	$ 372,308

Included in the above table are certain structured notes that contain provisions whereby the borrowings are redeemable at the option of the holder (put options) at specified dates prior to maturity Other structured notes have coupon or repayment terms linked to the performance of debt or equity securities indices currencies or commodities and the maturity may be accelerated based on the value of a referenced index or security In both cases the Corporation or a subsidiary may be required to settle the obligation for cash or other securities prior to the contractual maturity date These borrowings are reflected in the above table as maturing at their earliest put or redemption date

Trust Preferred and Hybrid Securities

Trust preferred securities (Trust Securities) are primarily issued by trust companies (the Trusts) that are not consolidated These Trust Securities are mandatorily redeemable preferred security obligations of the Trusts The sole assets of the Trusts generally are junior subordinated deferrable interest notes of the Corporation or its subsidiaries (the Notes) The Trusts generally are 100 percent-owned finance subsidiaries of the Corporation Obligations associated with the Notes are included in the long-term debt table on page 216

Certain of the Trust Securities were issued at a discount and may be redeemed prior to maturity at the option of the Corporation The Trusts generally have invested the proceeds of such Trust Securities in the Notes Each issue of the Notes has an interest rate equal to the corresponding Trust Securities distribution rate

The Corporation has the right to defer payment of interest on the Notes at any time or from time to time for a period not exceeding five years provided that no extension period may extend beyond the stated maturity of the relevant Notes During any such extension period distributions on the Trust Securities will also be deferred and the Corporation s ability to pay dividends on its common and preferred stock will be restricted

The Trust Securities generally are subject to mandatory redemption upon repayment of the related Notes at their stated maturity dates or their earlier redemption at a redemption price equal to their liquidation amount plus accrued distributions to the date fixed for redemption and the premium if any paid by the Corporation upon concurrent repayment of the related Notes

Periodic cash payments and payments upon liquidation or redemption with respect to Trust Securities are guaranteed by the Corporation or its subsidiaries to the extent of funds held by the Trusts (the Preferred Securities Guarantee) The Preferred Securities Guarantee when taken together with the Corporation s other obligations including its obligations under the Notes generally will constitute a full and unconditional guarantee on a subordinated basis by the Corporation of payments due on the Trust Securities

Hybrid Income Term Securities (HITS) totaling $1 6 billion were issued by the Trusts to institutional investors during 2007 The BAC Capital Trust XIII Floating-Rate Preferred HITS had a distribution rate of three month LIBOR plus 40 bps and the BAC Capital Trust XIV Fixed-to-Floating Rate Preferred HITS had an initial distribution rate of 5 63 percent Both series of HITS represent

beneficial interests in the assets of the respective capital trust which consist of a series of the Corporation s junior subordinated notes and a stock purchase contract for a specified series of the Corporation s preferred stock The Corporation will remarket the junior subordinated notes underlying each series of HITS on or about the five-year anniversary of the issuance to obtain sufficient funds for the capital trusts to buy the Corporation s preferred stock under the stock purchase contracts Following the successful remarketing of the notes and the subsequent purchase of the Corporation s preferred stock under the stock purchase contracts the preferred stock will constitute the sole asset of the applicable trust

In connection with the HITS the Corporation entered into two replacement capital covenants for the benefit of investors in certain series of the Corporation s long-term indebtedness (Covered Debt) As of December 31 2011 the Corporation s 6 625% Junior Subordinated Notes due 2036 constitute the Covered Debt under the covenant corresponding to the Floating-Rate Preferred HITS and the Corporation s 5 625% Junior Subordinated Notes due 2035 constitute the Covered Debt under the covenant corresponding to the Fixed-to-Floating Rate Preferred HITS These covenants generally restrict the ability of the Corporation and its subsidiaries to redeem or purchase the HITS and related securities unless the Corporation has obtained the prior approval of the Federal Reserve if required under the Federal Reserve s capital guidelines the redemption or purchase price of the HITS does not exceed the amount received by the Corporation from the sale of certain qualifying securities and such replacement securities qualify as Tier 1 capital and are not "restricted core capital elements" under the Federal Reserve s guidelines

In 2011 as part of the exchange agreements described in *Note 15 – Shareholders Equity* the Corporation issued 282 million shares of common stock valued at $1 6 billion and senior notes valued at $1 5 billion in exchange for $3 8 billion aggregate liquidation amount of previously issued Trust Securities Upon the exchange the Corporation immediately surrendered the Trust Securities to the unconsolidated Trusts for cancellation resulting in the cancellation of an equal amount of junior subordinated notes that had a carrying value of $4 3 billion resulting in a gain on extinguishment of debt of $1 2 billion In addition the Corporation issued 26 million shares of common stock valued at $138 million and senior notes valued at $505 million in exchange for $917 million aggregate liquidation amount of HITS Upon the exchange the Corporation immediately surrendered the HITS to the unconsolidated Trusts for cancellation resulting in the cancellation of an equal amount of junior subordinated notes that had a carrying value of $915 million and the cancellation of a corresponding amount of the underlying stock purchase contract resulting in a $12 million loss on extinguishment of debt and an increase to additional paid-in capital of $284 million For additional information regarding these exchanges see *Note 15 – Shareholders Equity*

The table below lists each series of Trust Securities or HITS and the corresponding aggregate liquidation preference covered by the Exchange Agreements

Negotiated Exchanges

(Dollars in millions)	Aggregate Liquidation Amount Exchanged
HITS	
Trust XIII	$ 559
Trust XIV	358
Trust Securities	
BAC Capital Trust I	1
BAC Capital Trust II	2
BAC Capital Trust III	1
BAC Capital Trust IV	8
BAC Capital Trust V	4
BAC Capital Trust VI	823
BAC Capital Trust VII (1)	1,114
BAC Capital Trust VIII	4
BAC Capital Trust X	9
BAC Capital Trust XI	198
BAC Capital Trust XV	448
NB Capital Trust II	78
NB Capital Trust III	269
NB Capital Trust IV	73
Fleet Capital Trust II	47
Bank of America Capital III	228
Fleet Capital Trust V	142
BankBoston Capital Trust III	136
BankBoston Capital Trust IV	86
MBNA Capital B	185
Total exchanged	$ 4,766

(1) Notes were denominated in British Pound Presentation currency is U.S. Dollar

The Trust Securities Summary table details the outstanding Trust Securities HITS and the related Notes previously issued which remained outstanding at December 31 2011 as originated by Bank of America Corporation and its predecessor companies and subsidiaries after consideration of the exchange agreements For additional information on Trust Securities for regulatory capital purposes see *Note 18 – Regulatory Requirements and Restrictions*

Trust Securities Summary

(Dollars in millions)

Issuer	Issuance Date	Aggregate Principal Amount of Trust Securities	Aggregate Principal Amount of the Notes	Stated Maturity of the Notes	Per Annum Interest Rate of the Notes	Interest Payment Dates	Redemption Period
Bank of America							
Capital Trust I	December 2001	$ 674	$ 693	December 2031	7.00%	3/15 6/15 9/15 12/15	On or after 12/15/06
Capital Trust II	January 2002	595	620	February 2032	7.00	2/1 5/1 8/1 11/1	On or after 2/01/07
Capital Trust III	August 2002	900	928	August 2032	7.00	2/15 5/15 8/15 11/15	On or after 8/15/07
Capital Trust IV	April 2003	367	379	May 2033	5.88	2/1 5/1 8/1 11/1	On or after 5/01/08
Capital Trust V	November 2004	514	526	November 2034	6.00	2/3 5/3 8/3 11/3	On or after 11/03/09
Capital Trust VI	March 2006	177	200	March 2036	5.63	3/8 9/8	Any time
Capital Trust VII [1]	August 2006	260	329	August 2036	5.25	2/10 8/10	Any time
Capital Trust VIII	August 2006	826	843	August 2036	6.00	2/25 5/25 8/25 11/25	On or after 8/25/10
Capital Trust X	March 2008	891	938	March 2068	6.25	3/29 6/29 9/29 12/29	On or after 3/29/11
Capital Trust XI	May 2006	602	629	May 2036	6.63	5/23 11/23	Any time
Capital Trust XII	August 2006	883	899	August 2066	6.88	2/2 5/2 8/2 11/2	On or after 8/02/11
Capital Trust XIII	February 2007	341	346	March 2043	3-mo. LIBOR +40 bps	3/15 6/15 9/15 12/15	On or after 3/15/17
Capital Trust XIV	February 2007	492	493	March 2043	5.63	3/15 9/15	On or after 3/15/17
Capital Trust XV	May 2007	84	84	June 2068	3-mo. LIBOR +80 bps	3/1 6/1 9/1 12/1	On or after 6/01/37
MetLife/Smith							
Capital Trust II	December 1996	268	386	December 2026	7.63	6/15 12/15	On or after 12/15/06
Capital Trust III	February 1997	321	349	January 2027	3-mo. LIBOR +68 bps	1/15 4/15 7/15 10/15	On or after 1/15/07
Capital Trust IV	April 1997	427	443	April 2027	8.25	4/15 10/15	On or after 4/15/07
Bank/Annuities							
Institutional Capital A	November 1996	480	494	December 2026	8.07	6/30 12/31	On or after 12/31/06
Institutional Capital B	November 1996	300	309	December 2026	7.70	6/30 12/31	On or after 12/31/06
Capital II	December 1996	490	494	December 2026	8.00	6/15 12/15	On or after 12/15/06
Capital III	January 1997	174	180	January 2027	3-mo. LIBOR +57 bps	1/15 4/15 7/15 10/15	On or after 1/15/02
Bancorp							
Capital III	January 1997	250	258	February 2027	3-mo. LIBOR +62.5 bps	2/1 5/1 8/1 11/1	On or after 2/01/07
Fleet							
Capital Trust II	December 1996	203	211	December 2026	7.92	6/15 12/15	On or after 12/15/06
Capital Trust V	December 1998	106	150	December 2028	3-mo. LIBOR +100 bps	3/15 6/15 9/15 12/15	On or after 12/15/03
Capital Trust VIII	March 2002	534	550	March 2032	7.20	3/15 6/15 9/15 12/15	On or after 3/08/07
Capital Trust IX	July 2003	175	180	August 2033	6.00	2/1 5/1 8/1 11/1	On or after 7/31/08
BankBoston							
Capital Trust III	June 1997	114	132	June 2027	3-mo. LIBOR +78 bps	3/15 6/15 9/15 12/15	On or after 6/15/07
Capital Trust IV	June 1998	158	163	June 2028	3-mo. LIBOR +60 bps	3/8 6/8 9/8 12/8	On or after 6/08/03
Progress							
Capital Trust I	June 1997	9	9	June 2027	10.80	6/1 12/1	On or after 6/01/07
Capital Trust II	July 2000	6	6	July 2030	11.45	1/19 7/19	On or after 7/19/30
Capital Trust III	November 2002	10	10	November 2032	3-mo. LIBOR +335 bps	2/15 5/15 8/15 11/15	On or after 11/15/07
Capital Trust IV	December 2002	3	3	January 2033	3-mo. LIBOR +335 bps	1/7 4/7 7/7 10/7	On or after 1/07/08
ABN							
Capital Trust A	December 1996	250	259	December 2026	8.28	6/1 12/1	On or after 12/01/06
Capital Trust B	January 1997	118	134	February 2027	3-mo. LIBOR +60 bps	2/1 5/1 8/1 11/1	On or after 2/01/07
Capital Trust C	June 2002	300	309	October 2032	8.13	1/1 4/1 7/1 10/1	On or after 10/01/07
Capital Trust E	November 2002	206	206	February 2033	3.10	2/15 5/15 8/15 11/15	On or after 2/15/08
ABN AMRO North America							
Series I	May 2001	77	77	Perpetual	3-mo. LIBOR +175 bps	2/15 5/15 8/15 11/15	On or after 11/08/12
Series II	May 2001	77	77	Perpetual	3-mo. LIBOR +175 bps	3/15 6/15 9/15 12/15	On or after 11/08/12
Series III	May 2001	77	77	Perpetual	3-mo. LIBOR +175 bps	1/15 4/15 7/15 10/15	On or after 11/08/12
Series IV	May 2001	77	77	Perpetual	3-mo. LIBOR +175 bps	2/28 5/30 8/30 11/30	On or after 11/08/12
Series V	May 2001	77	77	Perpetual	3-mo. LIBOR +175 bps	5/30 8/30 9/30 12/30	On or after 11/08/12
Series VI	May 2001	77	77	Perpetual	3-mo. LIBOR +175 bps	1/30 4/30 7/30 10/30	On or after 11/08/12
Series VII	May 2001	55	55	Perpetual	3-mo. LIBOR +175 bps	3/15 6/15 9/15 12/15	On or after 11/08/12
Series IX	June 2001	70	70	Perpetual	3-mo. LIBOR +175 bps	3/15 6/15 9/15 12/15	On or after 11/08/12
Series X	June 2001	53	53	Perpetual	3-mo. LIBOR +175 bps	3/12 6/12 9/12 12/12	On or after 11/08/12
Series XI	June 2001	27	27	Perpetual	3-mo. LIBOR +175 bps	3/26 6/26 9/26 12/26	On or after 11/08/12
Series XII	June 2001	60	60	Perpetual	3-mo. LIBOR +175 bps	1/10 4/10 7/10 10/10	On or after 11/08/12
Series XIII	June 2001	70	70	Perpetual	3-mo. LIBOR +175 bps	1/24 4/24 7/24 10/24	On or after 11/08/12
LaSalle							
Series I	August 2000	481	481	Perpetual	Thereafter 3-mo. LIBOR +105.5 bps	3/15 6/15 9/15 12/15	On or after 9/15/10
Series J	September 2000	94	94	Perpetual	Thereafter	3/15 6/15 9/15 12/15	On or after 9/15/10
Subordinated							
Capital III	June 1997	200	206	June 2027	8.08	6/15 12/15	Only under special event
Capital IV	April 2003	800	818	April 2033	6.75	1/1 4/1 7/1 10/1	On or after 4/11/08
Capital V	November 2003	1,400	1,484	November 2033	7.00	2/1 5/1 8/1 11/1	On or after 11/01/11
Wachovia							
Preferred Capital Trust III	January 1998	750	900	Perpetual	7.00	5/30 8/30 9/30 12/30	On or after 3/08
Preferred Capital Trust IV	June 1998	400	400	Perpetual	7.12	3/30 5/30 8/30 12/30	On or after 9/08
Preferred Capital Trust V	November 1998	550	1,031	Perpetual	7.28	3/30 5/30 8/30 12/30	On or after 9/08
Capital Trust I	December 2005	1,050	1,058	December 2068	6.48	3/15 6/15 9/15 12/15	On or after 12/11
Capital Trust II	May 2007	950	981	June 2067	6.45	3/15 6/15 9/15 12/15	On or after 6/12
Capital Trust III	August 2007	750	781	September 2067	7.375	3/15 6/15 9/15 12/15	On or after 9/12
Total		$ 20,194	$ 21,836				

[1] Notes were denominated in British Pound. Presentation amounts in U.S. Dollar.

NOTE 14 Commitments and Contingencies

In the normal course of business the Corporation enters into a number of off-balance sheet commitments These commitments expose the Corporation to varying degrees of credit and market risk and are subject to the same credit and market risk limitation reviews as those instruments recorded on the Corporation s Consolidated Balance Sheet

Credit Extension Commitments

The Corporation enters into commitments to extend credit such as loan commitments SBLC and commercial letters of credit to meet the financing needs of its customers The table below includes the notional amount of unfunded legally binding lending commitments net of amounts distributed (e g syndicated) to other financial institutions of $27 1 billion and $23 3 billion at December 31 2011 and 2010 At December 31 2011 the carrying amount of these commitments excluding commitments accounted for under the fair value option was $741 million including deferred revenue of $27 million and a reserve for unfunded lending commitments of $714 million At December 31 2010 the comparable amounts were $1 2 billion $29 million and $1 2 billion respectively The carrying amount of these commitments is classified in accrued expenses and other liabilities on the Consolidated Balance Sheet

The table below also includes the notional amount of commitments of $25 7 billion and $27 3 billion at December 31 2011 and 2010 that are accounted for under the fair value option However the table below excludes fair value adjustments of $1 2 billion and $866 million on these commitments which are classified in accrued expenses and other liabilities For information regarding the Corporation s loan commitments accounted for under the fair value option see *Note 23 – Fair Value Option*

Credit Extension Commitments

	December 31, 2011				
(Dollars in millions)	Expire in One Year or Less	Expire After One Year Through Three Years	Expire After Three Years Through Five Years	Expire After Five Years	Total
Notional amount of credit extension commitments					
Loan commitments	$ 96,381	$ 98,419	$ 120,779	$ 15,009	$ 317,469
Home equity lines of credit	1,670	7,765	30,963	57,099	97,479
Standby letters of credit and financial guarantees (1)	39,696	16,962	6,439	5,806	67,936
Letters of credit	2,535	37	8	263	2,843
Legally binding commitments	137,782	113,197	148,171	57,963	486,994
Credit card lines (2)	449,087	–	–	–	449,087
Total credit extension commitments	$ 576,869	$ 113,197	$ 148,171	$ 57,963	$ 936,181

	December 31, 2010				
Notional amount of credit extension commitments					
Loan commitments	$ 152,926	$ 144,461	$ 43,465	$ 16,172	$ 357,024
Home equity lines of credit	1,722	4,290	18,207	55,886	80,105
Standby letters of credit and financial guarantees (3)	35,275	18,840	4,144	5,897	84,256
Letters of credit (3)	3,696	110	–	874	4,682
Legally binding commitments	193,621	167,901	65,816	78,829	506,067
Credit card lines (2)	497,068	–	–	–	497,068
Total credit extension commitments	$ 690,689	$ 167,901	$ 65,816	$ 78,829	$ 1,003,135

(1) The notional amounts of SBLCs and financial guarantees classified as investment grade and non-investment grade based on the credit quality of the underlying reference name within the instrument were $38 2 billion and $17 8 billion at December 31 2011 and $41 1 billion and $23 4 billion at December 31 2010 Amount includes consumer SBLCs of $885 million at December 31 2011

(2) Includes business card unused lines of credit

(3) Amount includes $949 million of consumer letters of credit and $3 8 billion of commercial letters of credit at December 31 2010

Legally binding commitments to extend credit generally have specified rates and maturities Certain of these commitments have adverse change clauses that help to protect the Corporation against deterioration in the borrower s ability to pay

Other Commitments

Global Principal Investments and Other Equity Investments

At December 31 2011 and 2010 the Corporation had unfunded equity investment commitments of $772 million and $1 5 billion In light of proposed Basel regulatory capital changes related to unfunded commitments over the past two years the Corporation has actively reduced these commitments in a series of sale transactions involving its private equity fund investments

Other Commitments

At December 31 2011 and 2010 the Corporation had commitments to purchase loans (e g residential mortgage and commercial real estate) of $2 5 billion and $2 6 billion which upon settlement will be included in loans or LHFS

At December 31 2011 and 2010 the Corporation had commitments to enter into forward-dated resale and securities borrowing agreements of $67 0 billion and $39 4 billion In addition the Corporation had commitments to enter into forward-dated repurchase and securities lending agreements of $42 0 billion and $33 5 billion All of these commitments expire within the next 12 months

The Corporation is a party to operating leases for certain of its premises and equipment Commitments under these leases are approximately $3 0 billion $2 6 billion $2 0 billion $1 6 billion and $1 3 billion for 2012 through 2016 respectively and $6 1 billion in the aggregate for all years thereafter

The Corporation has entered into agreements with providers of market data communications systems consulting and other office-related services At December 31 2011 and 2010 the minimum fee commitments over the remaining terms of these agreements totaled $1 9 billion and $2 1 billion

Other Guarantees

Bank-owned Life Insurance Book Value Protection

The Corporation sells products that offer book value protection to insurance carriers who offer group life insurance policies to corporations primarily banks The book value protection is provided on portfolios of intermediate investment-grade fixed-income securities and is intended to cover any shortfall in the event that policyholders surrender their policies and market value is below book value To manage its exposure the Corporation imposes significant restrictions on surrenders and the manner in which the portfolio is liquidated and the funds are accessed In addition investment parameters of the underlying portfolio are restricted These constraints combined with structural protections including a cap on the amount of risk assumed on each policy are designed to provide adequate buffers and guard against payments even under extreme stress scenarios These guarantees are recorded as derivatives and carried at fair value in the trading portfolio At both December 31 2011 and 2010 the notional amount of these guarantees totaled $15 8 billion and the Corporation s maximum exposure related to these guarantees totaled $5 1 billion and $5 0 billion with estimated maturity dates between 2030 and 2040 As of December 31 2011 the Corporation had not made a payment under these products The possibility of surrender or other payment associated with these guarantees exists The net fair value of the liability associated with these guarantees was $48 million and $78 million at December 31 2011 and 2010 and reflects the probability of surrender as well as the multiple structural protection features in the contracts

Employee Retirement Protection

The Corporation sells products that offer book value protection primarily to plan sponsors of the Employee Retirement Income Security Act of 1974 (ERISA) governed pension plans such as 401(k) plans and 457 plans The book value protection is provided on portfolios of intermediate/short-term investment-grade fixed-income securities and is intended to cover any shortfall in the event that plan participants continue to withdraw funds after all securities have been liquidated and there is remaining book value The Corporation retains the option to exit the contract at any time If the Corporation exercises its option the purchaser can require the Corporation to purchase high-quality fixed-income securities typically government or government backed agency securities with the proceeds of the liquidated assets to assure the return of principal To manage its exposure the Corporation imposes significant restrictions and constraints on the timing of the withdrawals the manner in which the portfolio is liquidated and the funds are accessed and the investment parameters of the underlying portfolio These constraints combined with structural protections are designed to provide adequate buffers and guard against payments even under extreme stress scenarios These guarantees are recorded as derivatives and carried at fair value in the trading portfolio At December 31 2011 and 2010 the notional amount of these guarantees totaled $28 8 billion and $33 8 billion with estimated maturity dates up to 2015 if the exit option is exercised on all deals As of December 31 2011 the Corporation had not made a payment under these products

Indemnifications

In the ordinary course of business the Corporation enters into various agreements that contain indemnifications such as tax indemnifications whereupon payment may become due if certain external events occur such as a change in tax law The indemnification clauses are often standard contractual terms and were entered into in the normal course of business based on an assessment that the risk of loss would be remote These agreements typically contain an early termination clause that permits the Corporation to exit the agreement upon these events The maximum potential future payment under indemnification agreements is difficult to assess for several reasons including the occurrence of an external event the inability to predict future changes in tax and other laws the difficulty in determining how such laws would apply to parties in contracts the absence of exposure limits contained in standard contract language and the timing of the early termination clause Historically any payments made under these guarantees have been de minimis The Corporation has assessed the probability of making such payments in the future as remote

Merchant Services

During 2009 the Corporation contributed its merchant services business to a joint venture in exchange for a 46 5 percent ownership interest in the joint venture In 2010 the joint venture purchased the interest held by one of the three initial investors bringing the Corporation s ownership interest up to 49 percent For additional information on the joint venture agreement see *Note 5 – Securities*

In accordance with credit and debit card association rules the Corporation sponsors merchant processing servicers that process credit and debit card transactions on behalf of various merchants In connection with these services a liability may arise in the event of a billing dispute between the merchant and a cardholder that is ultimately resolved in the cardholder s favor If the merchant defaults on its obligation to reimburse the cardholder the cardholder through its issuing bank generally has until six months after the date of the transaction to present a chargeback to the merchant processor which is primarily liable for any losses on covered transactions However if the merchant processor fails to meet its obligation to reimburse the cardholder for disputed transactions then the Corporation as the sponsor could be held liable for the disputed amount In 2011 and 2010 the sponsored entities processed and settled $460 4 billion and $339 4 billion of transactions and recorded losses of $11 million and $17 million At December 31 2011 and 2010 the Corporation held as collateral $238 million and $25 million of merchant escrow deposits which may be used to offset amounts due from the individual merchants

The Corporation believes that the maximum potential exposure is not representative of the actual potential loss exposure The Corporation believes the maximum potential exposure for chargebacks would not exceed the total amount of merchant transactions processed through Visa MasterCard and Discover for the last six months which represents the claim period for the cardholder plus any outstanding delayed-delivery transactions As of December 31 2011 and 2010 the maximum potential exposure for sponsored transactions totaled approximately $236 0 billion

and $139 5 billion The Corporation does not expect to make material payments in connection with these guarantees

Other Derivative Contracts

The Corporation funds selected assets including securities issued by CDOs and CLOs through derivative contracts typically total return swaps with third parties and VIEs that are not consolidated on the Corporation s Consolidated Balance Sheet At December 31 2011 and 2010 the total notional amount of these derivative contracts was approximately $3 2 billion and $4 3 billion with commercial banks and $1 8 billion and $1 7 billion with VIEs The underlying securities are senior securities and substantially all of the Corporation s exposures are insured Accordingly the Corporation s exposure to loss consists principally of counterparty risk to the insurers In certain circumstances generally as a result of ratings downgrades the Corporation may be required to purchase the underlying assets which would not result in additional gain or loss to the Corporation as such exposure is already reflected in the fair value of the derivative contracts

Other Guarantees

The Corporation sells products that guarantee the return of principal to investors at a preset future date These guarantees cover a broad range of underlying asset classes and are designed to cover the shortfall between the market value of the underlying portfolio and the principal amount on the preset future date To manage its exposure the Corporation requires that these guarantees be backed by structural and investment constraints and certain pre-defined triggers that would require the underlying assets or portfolio to be liquidated and invested in zero-coupon bonds that mature at the preset future date The Corporation is required to fund any shortfall between the proceeds of the liquidated assets and the purchase price of the zero-coupon bonds at the preset future date These guarantees are recorded as derivatives and carried at fair value in the trading portfolio At December 31 2011 and 2010 the notional amount of these guarantees totaled $300 million and $666 million These guarantees have various maturities ranging from two to five years As of December 31 2011 and 2010 the Corporation had not made a payment under these products and has assessed the probability of payments under these guarantees as remote

The Corporation has entered into additional guarantee agreements and commitments including lease-end obligation agreements partial credit guarantees on certain leases real estate joint venture guarantees sold risk participation swaps divested business commitments and sold put options that require gross settlement The maximum potential future payment under these agreements was approximately $3 7 billion and $3 4 billion at December 31 2011 and 2010 The estimated maturity dates of these obligations extend up to 2033 The Corporation has made no material payments under these guarantees

In the normal course of business the Corporation periodically guarantees the obligations of its affiliates in a variety of transactions including ISDA-related transactions and non ISDA-related transactions such as commodities trading repurchase agreements prime brokerage agreements and other transactions

Payment Protection Insurance Claims Matter

In the U K the Corporation sells payment protection insurance (PPI) through its international card services business to credit card customers and has previously sold this insurance to consumer loan customers PPI covers a consumer s loan for debt repayment if certain events occur such as loss of job or illness In response to an elevated level of customer complaints of misleading sales tactics across the industry heightened media coverage and pressure from consumer advocacy groups the U K Financial Services Authority (FSA) investigated and raised concerns about the way some companies have handled complaints relating to the sale of these insurance policies In August 2010 the FSA issued a policy statement (the FSA Policy Statement) on the assessment and remediation of PPI claims that is applicable to the Corporation s U K consumer businesses and is intended to address concerns among consumers and regulators regarding the handling of PPI complaints across the industry The FSA Policy Statement sets standards for the sale of PPI that apply to current and prior sales and in the event a company does not or did not comply with the standards it is alleged that the insurance was incorrectly sold giving the customer rights to remedies The FSA Policy Statement also requires companies to review their sales practices and to proactively remediate non-complaining customers if evidence of a systematic breach of the newly articulated sales standards is discovered which could include refunding premiums paid

In October 2010 the British Bankers' Association (BBA) on behalf of its members including the Corporation challenged the provisions of the FSA Policy Statement and its retroactive application to sales of PPI to U K consumers through a judicial review process against the FSA and the U K Financial Ombudsman Service On April 20 2011 the U K court issued a judgment upholding the FSA Policy Statement as promulgated and dismissing the BBA s challenge The BBA did not appeal the decision Following the conclusion of the judicial review and the subsequent completion of the detailed root cause analysis as required by the FSA Policy Statement the Corporation reassessed its reserve for PPI claims during 2010 The total accrued liability was $476 million and $700 million at December 31 2011 and 2010

Litigation and Regulatory Matters

In the ordinary course of business the Corporation and its subsidiaries are routinely defendants in or parties to many pending and threatened legal actions and proceedings including actions brought on behalf of various classes of claimants These actions and proceedings are generally based on alleged violations of consumer protection securities environmental banking employment contract and other laws In some of these actions and proceedings claims for substantial monetary damages are asserted against the Corporation and its subsidiaries

In the ordinary course of business the Corporation and its subsidiaries are also subject to regulatory examinations information gathering requests inquiries and investigations Certain subsidiaries of the Corporation are registered broker/dealers or investment advisors and are subject to regulation by

the SEC the Financial Industry Regulatory Authority the New York Stock Exchange the FSA and other domestic international and state securities regulators In connection with formal and informal inquiries by those agencies such subsidiaries receive numerous requests subpoenas and orders for documents testimony and information in connection with various aspects of their regulated activities

In view of the inherent difficulty of predicting the outcome of such litigation and regulatory matters particularly where the claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties the Corporation generally cannot predict what the eventual outcome of the pending matters will be what the timing of the ultimate resolution of these matters will be or what the eventual loss fines or penalties related to each pending matter may be

In accordance with applicable accounting guidance the Corporation establishes an accrued liability for litigation and regulatory matters when those matters present loss contingencies that are both probable and estimable In such cases there may be an exposure to loss in excess of any amounts accrued When a loss contingency is not both probable and estimable the Corporation does not establish an accrued liability As a litigation or regulatory matter develops the Corporation in conjunction with any outside counsel handling the matter evaluates on an ongoing basis whether such matter presents a loss contingency that is probable and estimable If at the time of evaluation the loss contingency related to a litigation or regulatory matter is not both probable and estimable the matter will continue to be monitored for further developments that would make such loss contingency both probable and estimable Once the loss contingency related to a litigation or regulatory matter is deemed to be both probable and estimable the Corporation will establish an accrued liability with respect to such loss contingency and record a corresponding amount of litigation-related expense The Corporation continues to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established Excluding expenses of internal or external legal service providers litigation-related expense of $5 6 billion was recognized for 2011 compared to $2 6 billion for 2010

For a limited number of the matters disclosed in this Note for which a loss is probable or reasonably possible in future periods whether in excess of a related accrued liability or where there is no accrued liability the Corporation is able to estimate a range of possible loss In determining whether it is possible to provide an estimate of loss or range of possible loss the Corporation reviews and evaluates its material litigation and regulatory matters on an ongoing basis in conjunction with any outside counsel handling the matter in light of potentially relevant factual and legal developments These may include information learned through the discovery process rulings on dispositive motions settlement discussions and other rulings by courts arbitrators or others In cases in which the Corporation possesses sufficient appropriate information to develop an estimate of loss or range of possible loss that estimate is aggregated and disclosed below There may be other disclosed matters for which a loss is probable or reasonably possible but such an estimate may not be possible For those matters where an estimate is possible management currently estimates the aggregate range of possible loss is $0 to $3 6 billion in excess of the accrued liability (if any) related to those matters This estimated range of possible loss is based upon currently available information and is subject to significant judgment and a variety of assumptions and known and unknown uncertainties The matters underlying the estimated range will change from time to time and actual results may vary significantly from the current estimate Those matters for which an estimate is not possible are not included within this estimated range Therefore this estimated range of possible loss represents what the Corporation believes to be an estimate of possible loss only for certain matters meeting these criteria It does not represent the Corporation s maximum loss exposure Information is provided below regarding the nature of all of these contingencies and where specified the amount of the claim associated with these loss contingencies Based on current knowledge management does not believe that loss contingencies arising from pending matters including the matters described herein will have a material adverse effect on the consolidated financial position or liquidity of the Corporation However in light of the inherent uncertainties involved in these matters some of which are beyond the Corporation s control and the very large or indeterminate damages sought in some of these matters an adverse outcome in one or more of these matters could be material to the Corporation s results of operations or cash flows for any particular reporting period

Auction Rate Securities Litigation

Since October 2007 the Corporation Merrill Lynch and certain affiliates have been named as defendants in a variety of lawsuits and other proceedings brought by customers and both individual and institutional investors regarding auction rate securities (ARS) These actions generally allege that defendants (i) misled plaintiffs into believing that there was a deeply liquid market for ARS and (ii) failed to adequately disclose their or their affiliates practice of placing their own bids to support ARS auctions Plaintiffs assert that ARS auctions started failing from August 2007 through February 2008 when defendants and other broker/dealers stopped placing those "support bids " In addition to the matters described in more detail below numerous arbitrations and individual lawsuits have been filed against the Corporation Merrill Lynch and certain affiliates by parties who purchased ARS and are seeking relief that includes compensatory and punitive damages totaling in excess of $1 2 billion as well as rescission among other relief

Securities Actions

The Corporation and Merrill Lynch face a number of civil actions relating to the sales of ARS and management of ARS auctions including two putative class action lawsuits in which plaintiffs seek to recover the alleged losses in market value of ARS securities purportedly caused by defendants actions Plaintiffs also seek unspecified damages including rescission other compensatory and consequential damages costs fees and interest The first action *In Re Merrill Lynch Auction Rate Securities Litigation* is the result of the consolidation of two class action suits in the U S District Court for the Southern District of New York These suits were brought by two Merrill Lynch customers on behalf of all persons who purchased ARS in auctions managed by Merrill Lynch against Merrill Lynch and Merrill Lynch Pierce Fenner & Smith Incorporated (MLPF&S) On March 31 2010 the U S District Court for the Southern District of New York granted Merrill Lynch s motion to dismiss Plaintiffs appealed and on November 14 2011 the U S Court of Appeals for the Second Circuit affirmed the district court s dismissal Plaintiffs time to seek a writ of certiorari to the U S Supreme Court expired on February 13 2012 and as a result

this action is now concluded The second action *Bondar v Bank of America Corporation* was brought by a putative class of ARS purchasers against the Corporation and Banc of America Securities LLC (BAS) On February 24 2011 the U S District Court for the Northern District of California dismissed the amended complaint and directed plaintiffs to state whether they will file a further amended complaint or appeal the court s dismissal Following the Second Circuit s decision in *In Re Merrill Lynch Auction Rate Securities Litigation* plaintiffs voluntarily dismissed their action on January 4 2012 The dismissal is subject to the district court s approval

Antitrust Actions

The Corporation Merrill Lynch and other financial institutions were also named in two putative antitrust class actions in the U S District Court for the Southern District of New York Plaintiffs in both actions assert federal antitrust claims under Section 1 of the Sherman Act based on allegations that defendants conspired to restrain trade in ARS by placing support bids in ARS auctions only to collectively withdraw those bids in February 2008 which allegedly caused ARS auctions to fail In the first action *Mayor and City Council of Baltimore Maryland v Citigroup Inc , et al* plaintiff seeks to represent a class of issuers of ARS that defendants underwrote between May 12 2003 and February 13 2008 This issuer action seeks to recover among other relief the alleged above-market interest payments that ARS issuers allegedly have had to make after defendants allegedly stopped placing "support bids" in ARS auctions In the second action *Mayfield et al v Citigroup Inc , et al* plaintiff seeks to represent a class of investors that purchased ARS from defendants and held those securities when ARS auctions failed on February 13 2008 Plaintiff seeks to recover among other relief unspecified damages for losses in the ARS market value and rescission of the investors ARS purchases Both actions also seek treble damages and attorneys fees under the Sherman Act s private civil remedy On January 25 2010 the court dismissed both actions with prejudice and plaintiffs respective appeals are currently pending in the U S Court of Appeals for the Second Circuit

Checking Account Overdraft Litigation

Bank of America N A (BANA) is currently a defendant in several consumer suits challenging certain deposit account related business practices Four suits are part of a multi-district litigation proceeding (the MDL) involving approximately 65 individual cases against 30 financial institutions assigned by the Judicial Panel on Multi-district Litigation (JPML) to the U S District Court for the Southern District of Florida The four cases *Tornes v Bank of America N A Yourke et al v Bank of America N A et al Knighten v Bank of America, N A* and *Phillips, et al v Bank of America N A* allege that BANA improperly and unfairly increased the number of overdraft fees it assessed on consumer deposit accounts by various means The cases challenge the practice of reordering debit card transactions to post high-to-low and BANA s failure to notify customers at the point of sale that the transaction may result in an overdraft charge The cases also allege that BANA s disclosures and advertising regarding the posting of debit card transactions are false deceptive and misleading These cases assert claims including breach of the implied covenant of good faith and fair dealing conversion unjust enrichment and violation of the unfair and deceptive practices statutes of various states Plaintiffs generally seek restitution of all overdraft fees paid to BANA as a result of BANA s allegedly wrongful business practices as well as disgorgement punitive damages injunctive relief pre-judgment interest and attorneys fees Omnibus motions to dismiss many of the complaints involved in the MDL including *Tornes Yourke* and *Knighten* were denied on March 12 2010

Knighten was dismissed without prejudice on February 4 2011 On November 22 2011 the MDL court granted final approval of a settlement of all the remaining class matters in the MDL (including *Tornes Yourke and Phillips*) providing for a payment by the Corporation of $410 million (which amount was fully accrued by the Corporation as of December 31 2011) in exchange for a complete release of claims asserted against the Corporation in the MDL Several MDL settlement class members have appealed to the U S Court of Appeals for the Eleventh Circuit from the judgment granting final approval to the settlement

Countrywide Bond Insurance Litigation

The Corporation Countrywide Financial Corporation (CFC) and other Countrywide entities are subject to claims from several monoline bond insurance companies These claims generally relate to bond insurance policies provided by the insurers on securitized pools of home equity lines of credit (HELOC) and fixed-rate second lien mortgage loans Plaintiffs in these cases generally allege that they have paid claims as a result of defaults in the underlying loans and assert that these defaults are the result of improper underwriting by defendants

Ambac

The Corporation CFC and other Countrywide entities are named as defendants in an action filed by Ambac Assurance Corporation (Ambac) entitled *Ambac Assurance Corporation and The Segregated Account of Ambac Assurance Corporation v Countrywide Home Loans Inc et al* This action currently pending in New York Supreme Court New York County relates to bond insurance policies provided by Ambac on certain securitized pools of HELOC and fixed-rate second lien mortgage loans On September 8 2011 plaintiffs filed an amended complaint which asserts claims involving five additional securitizations of first- and second-lien mortgage loans and alleges fraudulent inducement breach of contract as well as other claims set forth in the initial complaint The amended complaint also reasserts a claim that the Corporation is jointly and severally liable as the successor to Countrywide The amended complaint seeks unspecified actual and punitive damages and equitable relief

FGIC

The Corporation CFC and other Countrywide entities are named as defendants in an action filed by Financial Guaranty Insurance Company (FGIC) entitled *Financial Guaranty Insurance Co v Countrywide Home Loans Inc* This action currently pending in New York Supreme Court New York County relates to bond insurance policies provided by FGIC on securitized pools of HELOC and fixed-rate second lien mortgage loans In June 2010 the court entered an order that granted in part and denied in part the Countrywide defendants motion to dismiss On April 30 2010 FGIC filed an amended complaint reasserting claims set forth in the initial complaint and asserting a claim that the Corporation is jointly and severally liable as the successor to Countrywide In October 2011 following the appellate court s June 30 2011 order on the cross-appeals in *MBIA Insurance Corporation Inc v Countrywide Home Loans et al* the parties entered a joint stipulated order withdrawing cross-appeals from the court s June 2010 order

On March 24 2010 CFC and other Countrywide entities filed a separate but related action against FGIC in New York Supreme Court seeking monetary damages of at least $100 million against FGIC in connection with FGIC s failure to pay claims under certain bond insurance policies The same day CFC and the other Countrywide entities filed an action to enjoin the instruction of the New York State Department of Financial Services (NYSDFS) to FGIC to suspend payments claimed under various insurance agreements or its approval of FGIC s plan to do so This action is currently being voluntarily deferred at the request of the NYSDFS

MBIA

The Corporation CFC and other Countrywide entities are named as defendants in two actions filed by MBIA Insurance Corporation (MBIA) The first action *MBIA Insurance Corporation, Inc v Countrywide Home Loans, et al* is pending in New York Supreme Court New York County In April 2010 the court granted in part and denied in part the Countrywide defendants motion to dismiss and denied the Corporation s motion to dismiss The parties filed cross-appeals On December 22 2010 the court issued an order on MBIA s motion for use of sampling at trial in which the court held that MBIA may attempt to prove its breach of contract and fraudulent inducement claims through examination of statistically significant samples of the securitizations at issue In its order the court did not endorse any of MBIA s specific sampling proposals and stated that defendants have "significant valid challenges" to MBIA s methodology that they may present at trial together with defendants own views and evidence On June 30 2011 the appellate court issued a decision on the parties cross-appeals The appellate court dismissed MBIA s breach of implied covenant of good faith and fair dealing claim which reversed the trial court ruling on that claim and otherwise affirmed the trial court s decisions

On May 25 2011 MBIA moved for partial summary judgment seeking rulings that (i) MBIA does not have to show that Countrywide s alleged fraud and breaches of contract proximately caused MBIA s losses and (ii) the term materially and adversely affects" in the transaction documents does not limit the repurchase remedy to defaulted loans or require MBIA to show that Countrywide s breaches of the representations and warranties caused the loans to default On January 3 2012 the court issued an order that granted in part and denied in part MBIA s motion The court ruled that under New York insurance law MBIA does not need to prove a causal link between Countrywide s alleged misrepresentations and the payments made pursuant to the policies The court also held that plaintiff could recover "rescissory damages" (the amounts it has been required to pay pursuant to the policies less premiums received) on such claims but must prove that it was damaged as a direct result of Countrywide s alleged material misrepresentations The court denied the motion in its entirety on the issue of the interpretation of the materially and adversely affects" language On January 25 2012 Countrywide appealed the court s decision and order to the extent it granted MBIA s motion On February 6 2012 MBIA filed a cross-appeal of the court s decision and order to the extent it denied MBIA s motion

The second MBIA action *MBIA Insurance Corporation Inc v Bank of America Corporation Countrywide Financial Corporation Countrywide Home Loans Inc Countrywide Securities Corporation et al* is pending in California Superior Court Los Angeles County MBIA purports to bring this action as subrogee to the note holders for certain securitized pools of HELOC and fixed-rate second-lien mortgage loans and seeks unspecified damages and declaratory relief On May 17 2010 the court dismissed the claims against the Countrywide defendants with leave to amend but denied the request to dismiss MBIA s successor liability claims against the Corporation On June 21 2010 MBIA filed an amended complaint re-asserting its previously dismissed claims against the Countrywide defendants re-asserting the successor liability claim against the Corporation and adding Countrywide Capital Markets LLC as a defendant The Countrywide defendants filed a demurrer to the amended complaint but the court declined to rule on the demurrer and instead entered an order staying the case until August 2011 On August 18 2011 the court ordered a partial lifting of the stay to permit certain limited discovery to proceed The stay otherwise remains in effect

Syncora

The Corporation CFC and other Countrywide entities are named as defendants in an action filed by Syncora Guarantee Inc (Syncora) entitled *Syncora Guarantee Inc v Countrywide Home Loans Inc , et al* This action currently pending in New York Supreme Court New York County relates to bond insurance policies provided by Syncora on certain securitized pools of HELOC In March 2010 the court issued an order that granted in part and denied in part the Countrywide defendants motion to dismiss Syncora and the Countrywide defendants filed cross-appeals from this order In May 2010 Syncora amended its complaint Defendants filed an answer to Syncora s amended complaint on July 9 2010 as well as a counterclaim for breach of contract and declaratory judgment The parties subsequently stipulated to the dismissal of defendants counterclaim without prejudice Following the appellate court s June 30 2011 order on the cross-appeals in *MBIA Insurance Corporation Inc v Countrywide Home Loans et al* the parties entered a joint stipulated order withdrawing their cross-appeals

On August 16 2011 Syncora moved for partial summary judgment seeking rulings that (i) Syncora does not have to show that Countrywide s alleged fraud and breaches of contract proximately caused Syncora s losses and (ii) the term "materially and adversely affects" in the transaction documents does not limit the repurchase remedy to defaulted loans or require Syncora to show that Countrywide s breaches of the representations and warranties caused the loans to default On January 3 2012 the court issued a decision and order that granted in part and denied in part Syncora s motion The court ruled that under New York insurance law Syncora does not need to prove a causal link between Countrywide s alleged misrepresentations and the payments made pursuant to the policies The Court also held plaintiff could recover "rescissory damages" (the amounts it has been required to pay pursuant to the policies less premiums received) on such claims but must prove that it was damaged as a direct result of Countrywide s alleged material misrepresentations The court denied the motion in its entirety on the issue of the interpretation of the "materially and adversely affects" language On January 6 2012 Syncora appealed the decision and order to the extent it denied Syncora s motion On January 25 2012 Countrywide filed a cross-appeal of the court s decision and order to the extent it granted Syncora s motion

Fair Lending Investigation

On December 21 2011 CFC Countrywide Home Loans Inc (CHL) and Countrywide Bank (which was merged into BANA effective July 1 2011) entered into a consent order to resolve an investigation by the U S Department of Justice (DOJ) into legacy lending practices of Countrywide The investigation concerned alleged discriminatory lending practices by Countrywide in the extension of residential credit and in residential real estate-related transactions The investigation and resulting consent order did not relate to the current lending practices of the Corporation or of its affiliates The consent order does not require any injunctive provisions against the Corporation or BANA concerning its lending practices The consent order requires the establishment of a restitution fund of $335 million to be paid to allegedly aggrieved borrowers This amount was fully accrued by the Corporation as of December 31 2011 The consent order was entered by the U S District Court for the Central District of California on December 28 2011

Fontainebleau Las Vegas Litigation

On June 9 2009 Fontainebleau Las Vegas LLC (FBLV) then a Chapter 11 debtor-in-possession commenced an adversary proceeding entitled *Fontainebleau Las Vegas LLC v Bank of America N A Merrill Lynch Capital Corporation et al* (FBLV action) against a group of lenders including BANA and Merrill Lynch Capital Corporation (MLCC) The action was originally filed in the U S Bankruptcy Court Southern District of Florida but is now before the U S District Court for the Southern District of Florida On April 12 2010 FBLV s Chapter 11 case was converted to a Chapter 7 case and a trustee was appointed (the Bankruptcy Trustee) The complaint alleges among other things that defendants breached an agreement to fund their respective committed amounts under an $800 million revolving loan facility of which BANA and MLCC had each committed $100 million in connection with the construction of a resort and casino development The complaint seeks damages in excess of $3 billion and a "turnover" order under Section 542 of the Bankruptcy Code requiring the lenders to fund their respective commitments On September 21 2010 the court dismissed the breach of contract and turnover claims to allow the Bankruptcy Trustee as plaintiff to pursue an immediate appeal of the court s August 2009 decision denying partial summary judgment of certain of FBLV s claims The Bankruptcy Trustee filed a notice of appeal on October 18 2010 to the U S Court of Appeals for the Eleventh Circuit

On June 9 2009 a related lawsuit *Avenue CLO Fund Ltd et al v Bank of America N A Merrill Lynch Capital Corporation, et al* (the Avenue action) was filed in the U S District Court for the District of Nevada by certain project lenders On September 21 2009 another related lawsuit *ACP Master Ltd, et al v Bank of America, N A , Merrill Lynch Capital Corporation et al* (the ACP action) was filed in the U S District Court for the Southern District of New York by the purported successors-in-interest to certain project lenders These two actions were subsequently transferred by the JPML to the U S District Court for the Southern District of Florida for coordinated pretrial proceedings with the FBLV action Plaintiffs in the Avenue and ACP actions (the Term Lenders) repeat FBLV s allegations that BANA MLCC and the other defendants breached their revolving loan facility commitments to FBLV In addition they allege that BANA breached its duties as disbursement agent under a separate agreement governing the disbursement of loaned funds to FBLV The Term Lenders seek unspecified money damages on their claims On May 28 2010 the district court granted defendants motion to dismiss the revolving loan facility commitment claims but denied BANA s motion to dismiss the disbursement agent claims On January 13 2011 the district court granted the Term Lenders motion for entry of a partial final judgment on their revolving loan facility commitment claims The Term Lenders filed a notice of appeal with respect to those claims on January 19 2011

On April 19 2011 the district court dismissed the disbursement agent claims against BANA in the ACP action after the Avenue action plaintiffs represented that they had acquired the claims belonging to the ACP action plaintiffs and would be pursuing those claims in the Avenue action On September 27 2011 the Avenue action parties submitted their respective motions for summary judgment on the disbursement agent claims

In re Initial Public Offering Securities Litigation

BAS Merrill Lynch & Co MLPF&S and certain of their subsidiaries along with other underwriters and various issuers and others were named as defendants in a number of putative class action lawsuits that have been consolidated in the U S District Court for the Southern District of New York as *In re Initial Public Offering Securities Litigation* Plaintiffs contend among other things that defendants failed to make certain required disclosures in the registration statements and prospectuses for applicable offerings regarding alleged agreements with institutional investors that tied allocations in certain offerings to the purchase orders by those investors in the aftermarket Plaintiffs allege that such agreements allowed defendants to manipulate the price of the securities sold in these offerings in violation of Section 11 of the Securities Act of 1933 and Section 10 (b) of the Securities Exchange Act of 1934 and SEC rules promulgated thereunder The parties agreed to settle the matter for which the court granted final approval Certain putative class members filed an appeal in the U S Court of Appeals for the Second Circuit seeking reversal of the final approval On August 25 2011 the district court on remand from the U S Court of Appeals for the Second Circuit dismissed the objection by the last remaining putative class member concluding that he was not a class member On January 9 2012 that objector dismissed with prejudice an appeal of the court s dismissal pursuant to a settlement agreement On November 28 2011 an objector whose appeals were dismissed by the Second Circuit filed a petition for a writ of certiorari with the U S Supreme Court that was rejected as procedurally defective On January 17 2012 the Supreme Court advised the objector that the petition was untimely and should not be resubmitted to the Supreme Court

Interchange and Related Litigation

A group of merchants have filed a series of putative class actions and individual actions with regard to interchange fees associated with Visa and MasterCard payment card transactions These actions which have been consolidated in the U S District Court for the Eastern District of New York under the caption *In Re Payment Card Interchange Fee and Merchant Discount Anti-Trust Litigation* (*Interchange*) name Visa MasterCard and several banks and bank holding companies including the Corporation as defendants Plaintiffs allege that defendants conspired to fix the level of default interchange rates which represent the fee an issuing bank charges an acquiring bank on *every* transaction Plaintiffs also challenge as unreasonable restraints of trade under Section 1 of the Sherman Act certain rules of Visa and MasterCard related to merchant acceptance of payment cards at the point of sale

Plaintiffs seek unspecified damages and injunctive relief based on their assertion that interchange would be lower or eliminated absent the alleged conduct On January 8 2008 the court granted defendants motion to dismiss all claims for pre-2004 damages Motions to dismiss the remainder of the complaint and plaintiffs motion for class certification are pending In February 2011 the parties cross moved for summary judgment

In addition plaintiffs filed supplemental complaints against certain defendants including the Corporation relating to initial public offerings (the IPOs) of MasterCard and Visa Plaintiffs allege that the IPOs violated Section 7 of the Clayton Act and Section 1 of the Sherman Act Plaintiffs also assert that the MasterCard IPO was a fraudulent conveyance Plaintiffs seek unspecified damages and to undo the IPOs Motions to dismiss both supplemental complaints as well as summary judgment motions challenging both supplemental complaints remain pending

The Corporation and certain affiliates have entered into loss-sharing agreements with Visa Mastercard and other financial institutions in connection with certain antitrust litigation including *Interchange* Collectively the loss-sharing agreements require the Corporation and/or certain affiliates to pay 11 5 percent of the monetary portion of any comprehensive Interchange settlement In the event of an adverse judgment the agreements require the Corporation and/or certain affiliates to pay 12 8 percent of any damages associated with Visa-related claims (Visa related damages) 9 1 percent of any damages associated with MasterCard-related claims and 11 6 percent of any damages associated with internetwork claims (internetwork damages) or not associated specifically with Visa or MasterCard-related claims (unassigned damages)

Pursuant to Visa s publicly-disclosed Retrospective Responsibility Plan (the RRP) Visa placed certain proceeds from its IPO into an escrow fund (the Escrow) Under the RRP funds in the Escrow may be accessed by Visa and its members including Bank of America to pay monetary damages in *Interchange* with the Corporation s payments from the Escrow capped at 12 81 percent of the funds that Visa places therein Subject to that cap the Corporation may use Escrow funds to cover 73 9 percent of its monetary payment towards a comprehensive *Interchange* settlement 100 percent of its payment for any Visa-related damages and 73 9 percent of its payment for any internetwork and unassigned damages

Two actions *Watson v Bank of America Corp* filed on March 28 2011 in the Supreme Court of British Columbia Canada and *Bancroft-Snell v Visa Canada Corp* filed on May 16 2011 in Ontario Superior Court were filed by purported nationwide classes of merchants that accept Visa and/or MasterCard credit cards in Canada The actions name as defendants Visa MasterCard and a number of other banks and bank holding companies including the Corporation Plaintiffs allege that defendants conspired to fix the merchant discount fees that merchants pay to acquiring banks on credit card transactions Plaintiffs also allege that defendants conspired to impose certain rules relating to merchant acceptance of credit cards at the point of sale The actions assert claims under section 45 of the Competition Act and other common law claims and seek unspecified damages and injunctive relief based on their assertion that merchant discount fees would be lower absent the challenged conduct These actions are not covered by the RRP or loss sharing agreements previously entered into in connection with certain antitrust litigation including *Interchange*

Merrill Lynch Acquisition-related Matters

Since January 2009 the Corporation and certain of its current and former officers and directors among others have been named as defendants in a variety of actions filed in state and federal courts relating to the Corporation s acquisition of Merrill Lynch (the Acquisition) These Acquisition-related cases consist of securities actions derivative actions and actions under ERISA The claims in these actions generally concern (i) the Acquisition (ii) the financial condition and 2008 fourth quarter losses experienced by the Corporation and Merrill Lynch (iii) due diligence conducted in connection with the Acquisition (iv) the Acquisition agreements terms regarding Merrill Lynch s ability to pay bonuses to Merrill Lynch employees up to $5 8 billion (v) the Corporation s discussions with government officials in December 2008 regarding the Corporation s consideration of invoking the material adverse change clause in the Acquisition agreement and the possibility of obtaining government assistance in completing the Acquisition and/or (vi) alleged material misrepresentations and/or material omissions in the proxy statement and related materials for the Acquisition

Securities Actions

Plaintiffs in *In re Bank of America Securities Derivative and Employment Retirement Income Security Act (ERISA) Litigation (Securities Plaintiffs) a putative class action filed* in the U S District Court for the Southern District of New York represent all (i) purchasers of the Corporation s common and preferred securities between September 15 2008 and January 21 2009 and its January 2011 options (ii) holders of the Corporation s common stock as of October 10 2008 and (iii) purchasers of the Corporation s common stock issued in the offering that occurred on or about October 7 2008 During the purported class period the Corporation had between 4 560 112 687 and 5 017 579 321 common shares outstanding and the price of those shares declined from $33 74 on September 12 2008 to $6 68 on January 21 2009 Securities Plaintiffs claim violations of Sections 10(b) 14(a) and 20(a) of the Securities Exchange Act of 1934 and SEC rules promulgated thereunder Securities Plaintiffs amended complaint also alleges violations of Sections 11 12(a)(2) and 15 of the Securities Act of 1933 related to the offering of the Corporation s common stock that occurred on or about October 7 2008 and names BAS and MLPF&S among others as defendants on certain claims The Corporation and its co-defendants filed motions to dismiss which the court granted in part in August 2010 by dismissing certain of the Securities Plaintiffs claims under Section 10(b) of the Securities Exchange Act of 1934 Securities Plaintiffs filed a second amended complaint which replleaded some of the dismissed claims as well as added claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of holders of certain debt preferred securities and option securities In July 2011 the court granted in part defendants motion to dismiss the second amended complaint As a result of the court s July 2011 ruling the Securities Plaintiffs were (in addition to the claims sustained in the court s August 2010 ruling) permitted to pursue a claim under Section 10(b) asserting that defendants should have made additional disclosures in connection with the Acquisition about the financial condition and 2008 fourth-quarter losses experienced by Merrill Lynch Securities Plaintiffs seek unspecified monetary damages legal costs and attorneys fees On February 6 2012 the court granted Securities Plaintiffs

motion for class certification On February 21 2012 the Corporation filed a petition requesting that the U S Court of Appeals for the Second Circuit review the district court s order granting Securities Plaintiffs motion for class certification

Several individual plaintiffs have opted to pursue claims apart from the *In re Bank of America Securities Derivative and Employment Retirement Income Security Act (ERISA) Litigation* and accordingly have initiated individual actions in the U S District Court for the Southern District of New York relying on substantially the same facts and claims as the Securities Plaintiffs

On January 13 2010 the Corporation Merrill Lynch and certain of the Corporation s current and former officers and directors were named in a purported class action filed in the U S District Court for the Southern District of New York entitled *Dornfest v Bank of America Corp et al* The action is purportedly brought on behalf of investors in Corporation option contracts between September 15 2008 and January 22 2009 and alleges that during the class period approximately 9 5 million Corporation call option contracts and approximately eight million Corporation put option contracts were traded on seven of the Options Clearing Corporation exchanges The complaint alleges that defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and SEC rules promulgated thereunder Plaintiffs seek unspecified monetary damages legal costs and attorneys fees On April 9 2010 the court consolidated this action with the consolidated securities action in the *In re Bank of America Securities Derivative and Employment Retirement Income Security Act (ERISA) Litigation* and ruled that plaintiffs may pursue the action as an individual action In August 2011 plaintiff again asked the court for permission to pursue claims on a class basis which the court again denied in an order issued in September 2011 Plaintiffs have attempted to appeal that ruling

Derivative Actions

The Corporation and certain current and former directors are named as defendants in several putative class and derivative actions in the Delaware Court of Chancery including *Rothbaum v Lewis Southeastern Pennsylvania Transportation Authority v Lewis Tremont Partners LLC v Lewis Kovacs v Lewis Stern v Lewis* and *Houx v Lewis* brought by shareholders alleging breaches of fiduciary duties and waste of corporate assets in connection with the Acquisition On April 27 2009 the Delaware Court of Chancery consolidated the derivative actions under the caption *In re Bank of America Corporation Stockholder Derivative Litigation* The consolidated derivative complaint seeks among other things unspecified monetary damages equitable remedies and other relief On April 30 2009 the putative class claims in the *Stern v Lewis* and *Houx v Lewis* actions were voluntarily dismissed without prejudice Trial is scheduled for October 2012

In addition the JPML ordered the transfer of actions related to the Acquisition that had been pending in various federal courts to the U S District Court for the Southern District of New York for coordinated or consolidated pretrial proceedings These actions have been separately consolidated and are now pending under the caption *In re Bank of America Securities Derivative and Employment Retirement Income Security Act (ERISA) Litigation*

On October 9 2009 plaintiffs in the derivative actions in the *In re Bank of America Securities, Derivative and Employment Retirement Income Security Act (ERISA) Litigation* (the Derivative Plaintiffs) filed a consolidated amended derivative and class action complaint The amended complaint names as defendants certain of the Corporation s current and former directors officers and financial advisors and certain of Merrill Lynch s current and former directors and officers The Corporation is named as a nominal defendant with respect to the derivative claims The amended complaint asserts claims for among other things (i) violation of federal securities laws (ii) breach of fiduciary duties (iii) the return of incentive compensation that is alleged to be inappropriate in view of the work performed and the results achieved by certain of the defendants and (iv) contribution in connection with the Corporation s exposure to significant liability under state and federal law The amended complaint seeks unspecified monetary damages equitable remedies and other relief On February 8 2010 the Derivative Plaintiffs voluntarily dismissed their claims against each of the former Merrill Lynch officers and directors without prejudice The Corporation and its co-defendants filed motions to dismiss which were granted in part on August 27 2010 On October 18 2010 the Corporation and its co-defendants answered the remaining allegations asserted by the Derivative Plaintiffs

ERISA Actions

On October 9 2009 plaintiffs in the ERISA actions in the *In re Bank of America Securities Derivative and Employment Retirement Income Security Act (ERISA) Litigation* (the ERISA Plaintiffs) filed a consolidated amended complaint for breaches of duty under ERISA The amended complaint is brought on behalf of a purported class that consists of participants in the Corporation s 401(k) Plan the Corporation s 401(k) Plan for Legacy Companies the CFC 401(k) Plan (collectively the 401(k) Plans) and the Corporation s Pension Plan The amended complaint alleges violations of ERISA based on among other things (i) an alleged failure to prudently and loyally manage the 401(k) Plans and Pension Plan by continuing to offer the Corporation s common stock as an investment option or measure for participant contributions (ii) an alleged failure to monitor the fiduciaries of the 401(k) Plans and Pension Plan (iii) an alleged failure to provide complete and accurate information to the 401(k) Plans and Pension Plan participants with respect to the Merrill Lynch and Countrywide acquisitions and related matters and (iv) alleged co fiduciary liability for these purported fiduciary breaches The amended complaint seeks unspecified monetary damages equitable remedies and other relief On August 27 2010 the court dismissed the complaint brought by plaintiffs in the consolidated ERISA action in its entirety The ERISA Plaintiffs filed a notice of appeal of the court s dismissal of their actions The parties then stipulated to the dismissal of the appeal with the agreement that the ERISA Plaintiffs can reinstate their appeal at any time up until July 27 2012

NYAG Action

On February 4 2010 the New York Attorney General (NYAG) filed a civil complaint in New York Supreme Court entitled *People of the State of New York v Bank of America et al* The complaint names as defendants the Corporation and the Corporation s former CEO and CFO and alleges violations of Sections 352 352-c(1)(a) 352-c(1)(c) and 353 of the New York General Business Law commonly known as the Martin Act and Section 63(12) of the New York Executive Law The complaint seeks an unspecified amount in disgorgement penalties restitution and damages and other equitable relief

Montgomery

The Corporation several current and former officers and directors BAS MLPF&S and other unaffiliated underwriters have been named as defendants in a putative class action filed in the U S District Court for the Southern District of New York entitled *Montgomery v Bank of America et al* Plaintiff filed an amended complaint on January 14 2011 Plaintiff seeks to sue on behalf of all persons who acquired certain series of preferred stock offered by the Corporation pursuant to a shelf registration statement dated May 5 2006 Plaintiff s claims arise from three offerings dated January 24 2008 January 28 2008 and May 20 2008 from which the Corporation allegedly received proceeds of $15 8 billion The amended complaint asserts claims under Sections 11 12(a)(2) and 15 of the Securities Act of 1933 and alleges that the prospectus supplements associated with the offerings (i) failed to disclose that the Corporation s loans leases CDOs and commercial MBS were impaired to a greater extent than disclosed (ii) misrepresented the extent of the impaired assets by failing to establish adequate reserves or properly record losses for its impaired assets (iii) misrepresented the adequacy of the Corporation s internal controls in light of the alleged impairment of its assets (iv) misrepresented the Corporation s capital base and Tier 1 leverage ratio for risk-based capital in light of the allegedly impaired assets and (v) misrepresented the thoroughness and adequacy of the Corporation s due diligence in connection with its acquisition of Countrywide The amended complaint seeks rescission compensatory and other damages Defendants moved to dismiss for failure to state a claim On February 9 2012 the magistrate judge (to whom dispositive motions were referred for a report and recommendation) concluded that the amended complaint does not adequately plead claims under the Securities Act of 1933 and recommended that the district court dismiss the amended complaint in its entirety and deny plaintiffs request to amend the complaint without prejudice which the district court will consider

Mortgage-backed Securities Litigation

The Corporation and its affiliates Countrywide entities and their affiliates and Merrill Lynch entities and their affiliates have been named as defendants in a number of cases relating to their various roles as issuer originator seller depositor sponsor underwriter and/or controlling entity in MBS offerings pursuant to which the MBS investors were entitled to a portion of the cash flow from the underlying pools of mortgages These cases generally include purported class action suits and actions by individual MBS purchasers Although the allegations vary by lawsuit these cases generally allege that the registration statements prospectuses and prospectus supplements for securities issued by securitization trusts contained material misrepresentations and omissions in violation of Sections 11 12 and 15 of the Securities Act of 1933 Sections 10(b) and 20 of the Securities Exchange Act of 1934 and/or state securities laws and other state statutory and common laws

These cases generally involve allegations of false and misleading statements regarding (i) the process by which the properties that served as collateral for the mortgage loans underlying the MBS were appraised (ii) the percentage of equity that mortgage borrowers had in their homes (iii) the borrowers ability to repay their mortgage loans (iv) the underwriting practices by which those mortgage loans were originated (v) the ratings given to the different tranches of MBS by rating agencies and (vi) the validity of each issuing trust s title to the mortgage loans comprising the pool for that securitization (collectively MBS Claims) Plaintiffs in these cases generally seek unspecified compensatory damages unspecified costs and legal fees and in some instances seek rescission A number of other entities (including the National Credit Union Administration) have threatened legal actions against the Corporation and its affiliates Countrywide entities and their affiliates and Merrill Lynch entities and their affiliates concerning MBS offerings

On August 15 2011 the JPML ordered multiple federal court cases involving Countrywide MBS consolidated for pretrial purposes in the U S District Court for the Central District of California in a multi-district litigation entitled *In re Countrywide Financial Corp Mortgage-Backed Securities Litigation* (the Countrywide RMBS MDL)

AIG Litigation

On August 8 2011 American International Group Inc and certain of its affiliates (collectively AIG) filed a complaint in New York Supreme Court New York County in a case entitled *American International Group, Inc et al v Bank of America Corporation et al* AIG has named the Corporation Merrill Lynch CHL and a number of related entities as defendants AIG s complaint asserts certain MBS Claims pertaining to 347 MBS offerings and two private placements in which it alleges that it purchased securities between 2005 and 2007 AIG seeks rescission of its purchases or a rescissory measure of damages or in the alternative compensatory damages of no less than $10 billion punitive damages and other unspecified relief Defendants removed the case to the U S District Court for the Southern District of New York and filed a notice with the JMDL seeking to add the case to the Countrywide RMBS MDL The district court denied AIG s motion to remand the case to state court Plaintiffs are seeking an interlocutory appeal to the U S Court of Appeals for the Second Circuit following the district court s certification On December 21 2011 the JMDL transferred the Countrywide MBS claims to the Countrywide RMBS MDL The non-Countrywide MBS claims will be heard in the U S District Court for the Southern District of New York

Dexia Litigation

Dexia Holdings Inc and others filed an action on January 24 2011 against CFC the Corporation several related entities and former directors and officers of Countrywide in New York Supreme Court New York County entitled *Dexia Holdings Inc , et al , v Countrywide Financial Corporation, et al* The complaint asserts certain MBS Claims relating to plaintiffs alleged purchases of MBS issued by CFC-related entities in 142 MBS offerings and six private placements between April 2004 and August 2007 and seeks unspecified compensatory and/or rescissory damages punitive damages and other unspecified relief Defendants removed the case to the U S District Court for the Southern District of New York and on August 15 2011 the JMDL transferred the case to the Countrywide RMBS MDL On November 8 2011 the Countrywide RMBS MDL denied plaintiffs motion to remand the case to New York Supreme Court On February 17 2012 the Countrywide RMBS MDL granted in substantial part defendants' motion to dismiss dismissing with prejudice all federal law claims

as to 146 of the 148 offerings at issue dismissing with leave to amend the state law negligent misrepresentation aiding and abetting and successor liability claims and substantially denying the motion to dismiss as to the state law fraud and fraudulent inducement claims

FHFA Litigation

The FHFA as conservator for FNMA and FHLMC filed an action on September 2 2011 against the Corporation and related entities CFC and related entities certain former officers of these entities and NB Holdings Corporation in New York Supreme Court New York County entitled *Federal Housing Finance Agency v Countrywide Financial Corporation et al* (the FHFA Countrywide Litigation) FHFA's complaint asserts certain MBS Claims in connection with allegations that FNMA and FHLMC purchased MBS issued by CFC-related entities in 86 MBS offerings between 2005 and 2008 The FHFA seeks among other relief rescission of the consideration paid for the securities or alternatively damages allegedly incurred by FNMA and FHLMC The FHFA also seeks recovery of punitive damages

On September 30 2011 CFC removed the FHFA Countrywide Litigation from New York Supreme Court to the U S District Court for the Southern District of New York On February 7 2012 the JPML transferred the matter to the Countrywide RMBS MDL The FHFA's motion to remand the case to New York Supreme Court is pending

Also on September 2 2011 the FHFA as conservator for FNMA and FHLMC filed complaints in the U S District Court for the Southern District of New York against the Corporation and Merrill Lynch related entities and certain current and former officers and directors of these entities The actions are entitled *Federal Housing Finance Agency v Bank of America Corporation et al* and *Federal Housing Finance Agency v Merrill Lynch & Co Inc et al* The complaints assert certain MBS Claims relating to MBS issued and/or underwritten by the Corporation Merrill Lynch and related entities in 23 MBS offerings and in 72 MBS offerings respectively between 2005 and 2008 and allegedly purchased by either FNMA or FHLMC in their investment portfolio The FHFA seeks among other relief rescission of the consideration paid for the securities or alternatively damages allegedly incurred by FNMA and FHLMC The FHFA also seeks recovery of punitive damages in the Merrill Lynch action

Federal Home Loan Bank Litigation

On January 18 2011 the Federal Home Loan Bank of Atlanta (FHLB Atlanta) filed a complaint asserting certain MBS Claims against the Corporation CFC and other Countrywide entities in Georgia State Court Fulton County entitled *Federal Home Loan Bank of Atlanta v Countrywide Financial Corporation et al* FHLB Atlanta seeks rescission of its purchases or a rescissory measure of damages unspecified punitive damages and other unspecified relief in connection with its alleged purchase of 16 MBS offerings issued and/or underwritten by Countrywide-related entities between 2004 and 2007

On October 15 2010 the Federal Home Loan Bank of Chicago (FHLB Chicago) filed a complaint against the Corporation Countrywide MLPF&S and related entities in Illinois Circuit Court Cook County entitled *Federal Home Loan Bank of Chicago v Banc of America Funding Corp et al* On April 8 2011 FHLB Chicago filed an amended complaint adding Merrill Lynch Mortgage Investors (MLMI) and others as defendants FHLB Chicago asserts certain MBS Claims arising from FHLB Chicago's alleged purchase in 13 MBS offerings issued and/or underwritten by affiliates of the Corporation Merrill Lynch or Countrywide between 2005 and 2006 and seeks rescission unspecified damages and other unspecified relief

On March 15 2010 the Federal Home Loan Bank of San Francisco (FHLB San Francisco) filed an action in California Superior Court San Francisco County entitled *Federal Home Loan Bank of San Francisco v Credit Suisse Securities (USA) LLC et al* FHLB San Francisco's complaint asserts certain MBS Claims against BAS CFC and several related entities in connection with its alleged purchases in 51 MBS offerings and one private placement issued and/or underwritten by those defendants between 2004 and 2007 and seeks rescission and unspecified damages FHLB San Francisco dismissed the federal claims with prejudice on August 11 2011 On September 8 2011 the court denied defendants' motions to dismiss the state law claims

Luther Litigation and Related Actions

On November 14 2007 David H Luther and various pension funds (collectively the Luther Plaintiffs) commenced a putative class action against CFC several of its affiliates MLPF&S and certain former officers of these in California Superior Court Los Angeles County entitled *Luther v Countrywide Financial Corporation et al* (the Luther Action) The Luther Plaintiffs' complaint asserts certain MBS Claims in connection with MBS issued by subsidiaries of CFC in 429 offerings between 2005 and 2007 The Luther Plaintiffs certified that they collectively purchased securities in 63 of 429 offerings for approximately $216 million The Luther Plaintiffs seek compensatory and/or rescissory damages and other unspecified relief On January 6 2010 the court granted CFC's motion to dismiss with prejudice due to lack of subject matter jurisdiction On May 18 2011 the California Court of Appeal reversed the dismissal and remanded to the Superior Court Defendants have filed a motion to dismiss

Following the previous dismissal of the Luther Action on January 6 2010 the Maine State Retirement System filed a putative class action in the U S District Court for the Central District of California entitled *Maine State Retirement System v Countrywide Financial Corporation et al* (the Maine Action) The Maine Action names the same defendants as the Luther Action as well as the Corporation and NB Holdings Corporation and asserts substantially the same allegations regarding 427 of the MBS offerings that were at issue in the Luther Action Plaintiffs in the Maine Action (Maine Plaintiffs) seek compensatory and/or rescissory damages and other unspecified relief

On November 4 2010 the court granted CFC's motion to dismiss the amended complaint in its entirety and held that the Maine Plaintiffs only have standing to sue over the 81 offerings in which they actually purchased MBS The court also held that the applicable statute of limitations could be tolled by the filing of the Luther Action only with respect to the offerings in which the Luther Plaintiffs actually purchased MBS As a result of these standing and tolling rulings the number of offerings at issue in the Maine Action was reduced from 427 to 14 On December 6 2010 the Maine Plaintiffs filed a second amended complaint that relates to 14 MBS offerings On April 21 2011 the court dismissed with prejudice the successor liability claims against the Corporation and NB Holdings Corporation On May 6 2011 the court held that the Maine Plaintiffs only have standing to sue over the specific MBS tranches that they purchased and that the applicable statute of limitations could be tolled by the filing of the Luther Action only with respect to the specific tranches of MBS that the Luther Plaintiffs purchased As a result of these tranche-specific standing and tolling rulings the Maine Action was further reduced from 14 offerings to eight tranches On June 6 2011 the Maine Plaintiffs filed a third amended complaint that related to eight MBS tranches On June 15 2011 the court denied the Maine Plaintiffs' motion to permit immediate interlocutory appeal of the court's orders on standing tolling of the statute of limitations and successor liability On October 12 2011 upon stipulation by the parties the court certified a class consisting of eight subclasses one for each of the eight MBS tranches at issue

On November 17 2010 Western Conference of Teamsters Pension Trust Fund (Western Teamsters) filed a putative class action against the same defendants named in the Maine Action in California Superior Court Los Angeles County entitled *Western Conference of Teamsters Pension Trust Fund v Countrywide Financial Corporation et al* Western Teamsters' complaint asserts that Western Teamsters and other unspecified investors purchased MBS issued in the 428 offerings that were also at issue in the Luther Action and asserts substantially the same allegations as the Luther Action The Western Teamsters action has been coordinated with the Luther Action Western Teamsters seek unspecified compensatory and/or rescissory damages and other unspecified relief

On January 27 2011 Putnam Bank filed a putative class action lawsuit against CFC the Corporation and several related entities among others in the U S District Court for the District of Connecticut entitled *Putnam Bank v Countrywide Financial Corporation et al* Putnam Bank's complaint asserts certain MBS Claims in connection with alleged purchases in eight MBS offerings issued by CFC subsidiaries between 2005 and 2007 Putnam Bank seeks rescission of its purchases or a rescissory measure of unspecified damages and/or compensatory damages and other unspecified relief On August 15 2011 the case was transferred to the Countrywide RMBS MDL

Sealink Litigation

On September 29 2011 Sealink Funding Limited filed a complaint against the Corporation and related entities Countrywide entities NB Holdings Corporation and certain former officers of Countrywide The action is entitled *Sealink Funding Limited v Countrywide Financial Corp* and was filed in New York Supreme Court New York County The complaint asserts certain MBS Claims in connection with alleged purchases in 31 MBS offerings issued and/or underwritten by Countrywide entities between 2005 and 2007 Sealink seeks among other relief rescission of the consideration Sealink allegedly paid for the securities or alternatively damages allegedly incurred by Sealink as well as punitive damages On October 6 2011 defendants removed the action to the U S District Court for the Southern District of New York The JMDL transferred the case to the Countrywide RMBS MDL

Merrill Lynch MBS Litigation

Merrill Lynch MLPF&S MLMI and certain current and former directors of MLMI are named as defendants in a consolidated class action in the U S District Court in the Southern District of New York entitled *Public Employees' Ret System of Mississippi v Merrill Lynch & Co Inc* Plaintiffs assert certain MBS Claims in connection with their purchase of MBS In March 2010 the court dismissed claims related to 65 of 84 offerings with prejudice due to lack of standing as no named plaintiff purchased securities in those offerings On November 8 2010 the court dismissed claims related to one additional offering on separate grounds On December 14 2011 the court granted preliminary approval of a settlement providing for a payment by the Corporation in an amount not material to the Corporation's results of operations (which amount was fully accrued by the Corporation as of December 31 2011)

Stichting Pensioenfonds ABP (Merrill Lynch) Litigation

On August 19 2010 Stichting Pensioenfonds ABP (ABP) filed a complaint against Merrill Lynch related entities and certain current and former directors of MLMI and other defendants in New York Supreme Court New York County entitled *Stichting Pensioenfonds v Merrill Lynch & Co Inc et al* The action was removed to the U S District Court for the Southern District of New York ABP's complaint asserts certain MBS Claims in connection with alleged purchases in 13 offerings of Merrill Lynch-related MBS issued between 2006 and 2007 On October 12 2011 ABP filed an amended complaint regarding the same offerings and adding additional federal securities law and state law claims ABP seeks unspecified compensatory damages interest and legal fees or alternatively rescission

Regulatory Investigations

The Corporation has received a number of subpoenas and other requests for information from regulators and governmental authorities regarding MBS and other mortgage-related matters including inquiries and investigations related to a number of transactions involving the Corporation's underwriting and issuance of MBS and its participation in certain CDO offerings These inquiries and investigations include among others an investigation by the SEC related to Merrill Lynch's risk control valuation structuring marketing and purchase of CDOs The Corporation has provided documents and testimony and continues to cooperate fully with these inquiries and investigations

Countrywide may also be subject to contractual indemnification for the benefit of certain individuals involved in the MBS matters discussed above

Mortgage Repurchase Litigation

Walnut Place Litigation

On February 23 2011 11 entities with the common name Walnut Place (including Walnut Place LLC and Walnut Place II LLC through Walnut Place XI LLC) filed a lawsuit entitled *Walnut Place LLC et al v Countrywide Home Loans Inc et al* in New York Supreme Court New York County against CHL and several unaffiliated defendants (collectively Sellers) as well as the Corporation and the Bank of New York Mellon in its capacity as trustee The initial complaint was a purported derivative action for alleged breaches of a pooling and servicing agreement under which the Sellers sold residential mortgage loans to a securitization trust Plaintiffs are alleged holders of certificates in several classes of the securitization trust who purport to sue derivatively in the place of the trustee Plaintiffs allege that Sellers breached representations and warranties in the pooling and servicing agreement regarding mortgage loans Plaintiffs seek a court order requiring Sellers to repurchase the mortgage loans at issue or alternatively damages for breach of contract and allege that the Corporation is a successor in liability to CHL On April 12 2011 plaintiffs amended

their complaint to add similar allegations with respect to an additional securitization trust On May 17 2011 the Corporation and Sellers jointly moved to dismiss the amended complaint

On August 2 2011 plaintiffs filed a separate action entitled *Walnut Place LLC et al v Countrywide Home Loans Inc et al* in New York Supreme Court New York County against the Corporation and Sellers and The Bank of New York Mellon in its capacity as trustee This action makes allegations similar to those in the prior *Walnut Place LLC et al v Countrywide Home Loans Inc et al* lawsuit with respect to an additional securitization trust On October 7 2011 the Corporation and Sellers jointly moved to dismiss the complaint

TMST, Inc. Litigation

On April 29 2011 the Chapter 11 bankruptcy trustee for TMST Inc (formerly known as Thornburg Mortgage Inc) and for certain affiliated entities (collectively Thornburg) along with Zuni Investors LLC (ZI) filed an adversary proceeding in the U S Bankruptcy Court for the District of Maryland entitled *In Re TMST Inc f/k/a Thornburg Mortgage Inc* against CHL and the Corporation Plaintiffs filed an amended complaint on July 29 2011 in which they allege among other things that CHL sold residential mortgage loans to Thornburg pursuant to two agreements and that CHL allegedly breached certain representations and warranties contained in those agreements concerning property appraisals prudent and customary loan origination practices accuracy of mortgage loan schedules and occupancy status The complaint further alleges that those loans were deposited by Thornburg into a securitization trust that ZI purchased certificates issued by that trust and that the securitization trustee subsequently assigned to ZI and the bankruptcy trustee the right to pursue representation and warranty claims Plaintiffs seek a court order requiring CHL to repurchase the mortgage loans at issue or alternatively unspecified damages for alleged breach of contract CHL and the Corporation have filed motions to dismiss the case to withdraw the reference to the Bankruptcy Court and for transfer of venue to the United States District Court for the Central District of California

U.S. Bank Litigation

On August 29 2011 U S Bank National Association (U S Bank) as trustee for the HarborView Mortgage Loan Trust 2005-10 (the Trust) a mortgage pool backed by loans originated by CHL filed a complaint in New York Supreme Court New York County in a case entitled *U S Bank National Association as Trustee for HarborView Mortgage Loan Trust Series 2005-10 v Countrywide Home Loans Inc (dba Bank of America Home Loans) Bank of America Corporation Countrywide Financial Corporation Bank of America N A and NB Holdings Corporation* U S Bank seeks a declaration that as a result of alleged misrepresentations by CHL in connection with its sale of the loans defendants must repurchase the loans U S Bank further asserts that defendants are liable for breach of contract for the alleged failure to repurchase a subset of those loans Defendants removed the case to the U S District Court for the Southern District of New York U S Bank filed a motion to remand which is currently pending On February 7 2012 the JPML issued an order transferring the case to the Countrywide RMBS MDL in the U S District Court for the Central District of California

Mortgage Servicing Investigations and Litigation

The Corporation entered into a consent order with the Office of the Comptroller of the Currency (OCC) on April 13 2011 which requires servicers to make several enhancements to their servicing operations including implementation of a single point of contact model for borrowers throughout the loss mitigation and foreclosure processes adoption of measures designed to ensure that foreclosure activity is halted once a borrower has been approved for a modification unless the borrower fails to make payments under the modified loan and implementation of enhanced controls over third party vendors that provide default servicing support services In addition the consent order required that servicers retain an independent consultant approved by the OCC to conduct a review of all foreclosure actions pending or foreclosure sales that occurred between January 1 2009 and December 31 2010 and submit a plan to the OCC to remediate all financial injury to borrowers caused by any deficiencies identified through the review The review is comprised of two parts a sample file review conducted by the independent consultant which began in October 2011 and file reviews by the independent consultant based upon requests for review from customers with in-scope foreclosures The Corporation began outreach to those customers in November 2011 and additional outreach efforts are underway Because the review process is available to a large number of potentially eligible borrowers and involves an examination of many details and documents each review could take several months to complete The Corporation cannot yet accurately determine how many borrowers will request a review how many borrowers will meet the eligibility requirements or how much in compensation might ultimately be paid to eligible borrower

On February 9 2012 the Corporation reached agreements in principle (collectively the Servicing Resolution Agreements) with (i) the DOJ various federal regulatory agencies and 49 attorneys general to resolve federal and state investigations into certain origination servicing and foreclosure practices (the Global AIP) (ii) the Federal Housing Administration (the FHA) to resolve certain claims relating to the origination of FHA-insured mortgage loans primarily by Countrywide prior to and for a period following the acquisition of that lender (the FHA AIP) and (iii) each of the Federal Reserve and the OCC regarding civil monetary penalties related to conduct that was the subject of consent orders entered into with the banking regulators in April 2011 (the Consent Order AIPs)

The Servicing Resolution Agreements are subject to ongoing discussions among the parties and completion and execution of definitive documentation as well as required regulatory and court approvals The Global AIP is subject to among other things Federal court approval in the United States District Court in the District of Columbia and regulatory approvals of the United States Department of the Treasury and other federal agencies The Consent Order AIPs are subject to among other things the finalization of the Global AIP

The Global AIP calls for the establishment of certain uniform servicing standards upfront cash payments of approximately $1 9 billion to the state and federal governments and for borrower restitution approximately $7 6 billion in borrower assistance in the form of among other things principal reduction short sales and deeds-in-lieu of foreclosure and approximately $1 0 billion of refinancing assistance The Corporation could be required to make additional payments if it fails to meet its borrower assistance and refinancing assistance commitments over a three-year period In addition the Corporation could be required to pay an additional $350 million if the Corporation fails to meet certain first lien principal reduction thresholds over a three-year period The Corporation also entered into agreements with several states under which it committed to perform certain minimum levels of principal reduction and related activities within those states as part of the Global AIP and under which it could be required to make additional payments if it fails to meet such minimum levels The Corporation may also incur additional operating costs (e g servicing costs) to implement certain terms of the Global AIP in future periods The FHA AIP provides for an upfront cash payment by the Corporation of $500 million The FHA would release the Corporation from all claims arising from loans originated prior to April 30 2009 that were submitted for FHA insurance claim payments prior to January 1 2012 and from multiple damages and penalties for loans that were originated on or before April 30 2009 but had not been submitted for FHA insurance claim payment The Corporation would have the obligation to pay an additional $500 million if the Corporation fails to meet certain principal reduction thresholds over a three-year period

Pursuant to an agreement in principle the OCC agreed to hold in abeyance the imposition of a civil monetary penalty of $164 million Pursuant to a separate agreement in principle the Federal Reserve will assess a civil monetary penalty in the amount of $176 million against the Corporation Satisfying its payment borrower assistance and remediation obligations under the Global AIP will satisfy any civil monetary penalty obligations arising under these agreements in principle If however the Corporation does not make certain required payments or undertake certain required actions under the Global AIP the OCC will assess and the Federal Reserve will require the Corporation to pay the difference between the aggregate value of the payments and actions under these agreements in principle and the penalty amounts

Under the terms of the Global AIP the federal and participating state governments would release the Corporation from further liability for certain alleged residential mortgage origination servicing and foreclosure deficiencies In settling origination issues related to FHA guaranteed loans originated on or before April 30 2009 the FHA would provide the Corporation and its affiliates a release for all claims with respect to such loans if an insurance claim had been submitted to the FHA prior to January 1 2012 and a release of multiple damages and penalties (but not single damages) if no such claim had been submitted

The Servicing Resolution Agreements do not cover claims arising out of securitization including representations made to investors respecting MBS criminal claims private claims by borrowers claims by certain states for injunctive relief or actual economic damages to borrowers related to the Mortgage Electronic Registration System and claims by the GSEs (including repurchase demands) among other items

The Corporation continues to be subject to additional borrower and non-borrower litigation and governmental and regulatory scrutiny related to its past and current servicing and foreclosure activities including those claims not covered by the Servicing Resolution Agreements This scrutiny may extend beyond the Corporation s pending foreclosure matters to issues arising out of alleged irregularities with respect to previously completed foreclosure activities The current environment of heightened regulatory scrutiny may subject the Corporation to inquiries or investigations

Ocala Litigation

BNP Paribas Mortgage Corporation and Deutsche Bank AG each filed claims (the 2009 Actions) against BANA in the U S District Court for the Southern District of New York entitled *BNP Paribas Mortgage Corporation v Bank of America N A* and *Deutsche Bank AG v Bank of America, N A* Plaintiffs allege that BANA failed to properly perform its duties as indenture trustee collateral agent custodian and depositary for Ocala Funding LLC (Ocala) a home mortgage warehousing facility resulting in the loss of plaintiffs investment in Ocala Ocala was a wholly-owned subsidiary of Taylor Bean & Whitaker Mortgage Corp (TBW) a home mortgage originator and servicer which is alleged to have committed fraud that led to its eventual bankruptcy Ocala provided funding for TBW's mortgage origination activities by issuing notes the proceeds of which were to be used by TBW to originate home mortgages Such mortgages and other Ocala assets in turn were pledged to BANA as collateral agent to secure the notes Plaintiffs lost most or all of their investment in Ocala when as the result of the alleged fraud committed by TBW Ocala was unable to repay the notes purchased by plaintiffs and there was insufficient collateral to satisfy Ocala s debt obligations Plaintiffs allege that BANA breached its contractual fiduciary and other duties to Ocala thereby permitting TBW s alleged fraud to go undetected Plaintiffs seek compensatory damages and other relief from BANA including interest and attorneys fees in an unspecified amount, but which plaintiffs allege exceeds $1 6 billion

On March 23 2011 the U S District Court for the Southern District of New York issued an order granting in part and denying in part BANA s motions to dismiss the 2009 Actions The court dismissed plaintiffs claims against BANA in its capacity as custodian and depositary as well as plaintiffs claims for contractual indemnification and other claims The court retained the claims questioning BANA s performance as indenture trustee and collateral agent Finally the court agreed with BANA that plaintiffs may not pursue claims for any breach that arose prior to July 20 2009 (the date on which plaintiffs purchased the last issuance of Ocala notes) On December 29 2011 plaintiffs moved for leave to amend their complaints to include additional contractual tort and equitable claims

On June 22 2011 BANA filed third party complaints in the 2009 Actions against BNP Paribas Securities Corp (BNP Securities) and Deutsche Bank Securities Inc (Deutsche Securities) seeking contribution for damages sustained by BANA in the underlying actions BNP Securities and Deutsche Securities (collectively the Note Dealers) served as note dealers and private placement agents for the Ocala notes that are the subject of the underlying actions On September 15 2011 the Note Dealers moved to dismiss the third-party complaints

On August 30 2010 plaintiffs each filed new lawsuits (the 2010 Actions) against BANA in the U S District Court for the Southern District of Florida entitled *BNP Paribas Mortgage Corporation v Bank of America N A and Deutsche Bank AG v Bank of America, N A* which the parties agreed to transfer to the U S District Court for the Southern District of New York as related to the 2009 Actions On December 29 2011 plaintiffs voluntarily dismissed the 2010 Actions without prejudice and moved for leave to amend their complaints in the 2009 Actions as discussed above

On October 1 2010 BANA on behalf of Ocala s investors filed suit in the U S District Court for the District of Columbia against the FDIC as receiver of Colonial Bank TBW's primary bank, and Platinum Community Bank (Platinum a wholly-owned subsidiary

of TBW) entitled *Bank of America, National Association as indenture trustee, custodian and collateral agent for Ocala Funding, LLC v. Federal Deposit Insurance Corporation*. The suit seeks judicial review of the FDIC's denial of the administrative claims brought by BANA in the FDIC's Colonial and Platinum receivership proceedings. BANA's claims allege that Ocala's losses were in whole or in part the result of Colonial and Platinum's participation in TBW's alleged fraud. BANA seeks a court order requiring the FDIC to allow BANA's claims in an amount equal to Ocala's losses and accordingly to permit BANA as trustee, collateral agent, custodian and depositary for Ocala, to share appropriately in distributions of any receivership assets that the FDIC makes to creditors of the two failed banks.

On March 14, 2011, the FDIC moved to dismiss BANA's action, primarily on the ground that Ocala Funding had not exhausted its administrative remedies. BANA filed an amended complaint alleging that it had exhausted its administrative remedies. On August 5, 2011, the FDIC answered and moved to dismiss the amended complaint, and asserted counterclaims against BANA in its individual capacity, seeking approximately $900 million in damages. The counterclaims allege that Colonial sent 4,808 loans to BANA as bailee that BANA converted the loans into Ocala collateral without first ensuring that Colonial was paid, and that Colonial was never paid for these loans. BANA filed an opposition to the FDIC's motion to dismiss on October 21, 2011, along with a motion to dismiss the FDIC's counterclaims.

NOTE 18 Shareholders' Equity

Common Stock

In November 2011, August 2011, May 2011, and January 2011, the Corporation's Board of Directors (the Board) declared the fourth, third, second and first quarter cash dividends of $0.01 per common share, which were paid on December 23, 2011, September 23, 2011, June 24, 2011 and March 25, 2011 to common shareholders of record on December 2, 2011, September 2, 2011, June 3, 2011 and March 4, 2011, respectively. In addition, in January 2012, the Board declared a first quarter cash dividend of $0.01 per common share, payable on March 23, 2012 to common shareholders of record on March 2, 2012.

In connection with the exchanges described below in Preferred Stock, the Corporation issued 400 million shares of common stock.

On September 1, 2011, the Corporation closed the sale to Berkshire Hathaway Inc. (Berkshire) of 50,000 shares of the Series T Preferred Stock and a warrant (the Warrant) to purchase 700 million shares of the Corporation's common stock for an aggregate purchase price of $5.0 billion in cash. Of the $5.0 billion in cash proceeds, $2.9 billion was allocated to preferred stock and $2.1 billion to the Warrant on a relative fair value basis. The discount on the Series T Preferred Stock is not subject to accretion. The portion of proceeds allocated to the Warrant was recorded as additional paid-in capital. The Warrant is exercisable at the holder's option at any time, in whole or in part, until September 1, 2021, at an exercise price of $7.142857 per share of common stock. The Warrant may be settled in cash or by exchanging all or a portion of the Series T Preferred Stock. For additional information on the Berkshire investment and Series T Preferred Stock, see Preferred Stock in this Note.

On February 23, 2010, the Corporation held a special meeting of stockholders at which it obtained shareholder approval of an amendment to the Corporation's amended and restated certificate of incorporation to increase the number of authorized shares of common stock from 10.0 billion to 11.3 billion. On April 28, 2010, at the Corporation's 2010 annual meeting of stockholders, the Corporation obtained shareholder approval of an amendment to the Corporation's amended and restated certificate of incorporation to increase the number of authorized shares of common stock from 11.3 billion to 12.8 billion.

In January 2009, the Corporation issued 1.4 billion shares of common stock in connection with its acquisition of Merrill Lynch. During 2009 and 2008, in connection with preferred stock issuances to the U.S. government under the Troubled Asset Relief Program (TARP), the Corporation issued warrants to purchase 121.8 million shares of common stock at an exercise price of $30.79 per share and 150.4 million shares of common stock at an exercise price of $13.30 per share. The U.S. Treasury auctioned these warrants in March 2010.

In May 2009, the Corporation issued 1.3 billion shares of its common stock at an average price of $10.77 per share through an at-the-market issuance program resulting in gross proceeds of approximately $13.5 billion.

In connection with employee stock plans in 2011, the Corporation issued approximately 51 million shares and repurchased approximately 28 million shares of its common stock to satisfy tax withholding obligations. At December 31, 2011, the Corporation had reserved 2.2 billion unissued shares of common stock for future issuances under employee stock plans, common stock warrants, convertible notes and preferred stock.

There is no existing Board authorized share repurchase program.

Preferred Stock

During both 2011 and 2010, the dividends declared on preferred stock were $1.4 billion and $4.5 billion for 2009.

In 2011, the Corporation entered into separate agreements with certain institutional preferred and Trust Security holders (the Exchange Agreements) pursuant to which the Corporation and each security holder agreed to exchange shares or depositary shares representing fractional interests in shares of various series of the Corporation's preferred stock, par value $0.01 per share, or Trust Securities for an aggregate of 400 million shares of the Corporation's common stock, valued at $2.2 billion and $2.3 billion aggregate principal amount of senior notes. The exchanges, in the aggregate, increased Tier 1 common capital by $3.9 billion, or approximately 29 bps. The Exchange Agreements related to Trust Securities are described in *Note 13 – Long-term Debt* and the Exchange Agreements related to preferred stock are described below.

As part of the Exchange Agreements, the Corporation exchanged non-convertible preferred stock with an aggregate liquidation preference of $815 million and carrying value of $814 million for 72 million shares of common stock valued at $399 million and senior notes valued at $731 million. The $184 million difference between the carrying value of the non-convertible preferred stock and the fair value of the consideration issued to the holders of the non-convertible preferred stock was recorded in retained earnings as a non-cash reduction to preferred stock dividends.

Additionally, as a part of the Exchange Agreements, a portion of the Series L 7.25% Non-Cumulative Perpetual Convertible Preferred Stock (Series L Preferred Stock) with an aggregate liquidation preference and carrying value of $269 million was exchanged for 20 million common shares valued at $123 million and senior notes valued at $129 million. The $17 million difference between the carrying value of the Series L Preferred Stock and the fair value of the consideration issued to holders of the Series L Preferred Stock was reclassified from preferred stock to common stock and additional paid-in capital. Because the number of common shares issued to the Series L Preferred Stock holders was in excess of the number of common shares issuable pursuant to the original conversion terms, the $220 million fair value of consideration transferred to the Series L Preferred Stock holders in excess of the $32 million fair value of securities issuable pursuant to the original conversion terms was recorded as a non-cash preferred stock dividend. The dividend did not impact total shareholders' equity as it reduced retained earnings and increased common stock and additional paid-in capital by the same amount.

The table below lists the aggregate liquidation value of each series of preferred stock exchanged.

Preferred Stock Exchanged

(Dollars in millions, actual shares)	Preferred Shares Exchanged	Liquidation Value (1, 2)
Non-convertible		
Series D	260	$ 7
Series E	5,915	148
Series J	1,056	26
Series K	4,928	123
Series M	4,958	124
Series 1	1,215	36
Series 2	5,436	183
Series 3	563	17
Series 4	2,203	66
Series 5	3,288	99
Series 6	5,612	6
Total non-convertible	**35,437**	**815**
Convertible		
Series L	269,139	269
Total exchanged	**304,576**	**$ 1,084**

(1) Amounts shown are before third-party issuance costs.
(2) Carrying value of preferred stock exchanged was $1,083 million.

The Series T Preferred Stock issued as part of the Berkshire investment has a liquidation value of $100,000 per share and dividends on the Series T Preferred Stock accrue on the liquidation value at a rate per annum of six percent but will be paid only when and if declared by the Board out of legally available funds. Subject to the approval of the Board of Governors of the Federal Reserve System, the Series T Preferred Stock may be redeemed by the Corporation at any time at a redemption price of $105,000 per share plus any accrued, unpaid dividends. The Series T Preferred Stock has no maturity date and ranks senior to the outstanding common stock with respect to the payment of dividends and distributions in liquidation. At any time when dividends on the Series T Preferred Stock have not been paid in full, the unpaid amounts will accrue dividends at a rate per annum of eight percent and the Corporation will not be permitted to pay dividends or other distributions on, or to repurchase, any outstanding common stock or any of the Corporation's outstanding preferred stock of any series. Following payment in full of accrued but unpaid dividends on the Series T Preferred Stock, the dividend rate remains at eight percent per annum.

In connection with the Merrill Lynch acquisition, Merrill Lynch non-convertible preferred shareholders received Bank of America Corporation preferred stock having substantially identical terms. On October 15, 2010, all of the outstanding shares of the mandatory convertible preferred stock of Merrill Lynch automatically converted into an aggregate of 50 million shares of the Corporation's common stock in accordance with the terms of these preferred securities.

In January 2009, in connection with TARP and the Merrill Lynch acquisition, the Corporation issued to the U.S. Treasury non-voting perpetual preferred stock for $30.0 billion.

In December 2009, the Corporation repurchased the non-voting perpetual preferred stock previously issued to the U.S. Treasury (TARP Preferred Stock) in 2009 and 2008 through the use of $25.7 billion in excess liquidity and $19.3 billion in proceeds from the sale of 1.3 billion Common Equivalent Securities (CES) valued at $15.00 per unit. The CES consisted of depositary shares representing interests in shares of Common Equivalent Junior Preferred Stock, Series S (Common Equivalent Stock) and contingent warrants to purchase an aggregate of 60 million shares of the Corporation's common stock. On February 23, 2010, the Corporation held a special meeting of stockholders at which it obtained shareholder approval of an amendment to the Corporation's amended and restated certificate of incorporation to increase the number of authorized shares of common stock. Accordingly, the Common Equivalent Stock automatically converted in full into 1.286 billion shares of common stock on February 24, 2010. In addition, as a result, the contingent warrants expired without having become exercisable and the CES ceased to exist.

During 2009, the Corporation entered into agreements with certain holders of non-government perpetual preferred stock to exchange their holdings of approximately $7.3 billion aggregate liquidation preference before third-party issuance costs of 323 million shares of perpetual preferred stock for 545 million shares of common stock with a fair value of $6.1 billion. In addition, the Corporation exchanged $3.9 billion aggregate liquidation preference, before third-party issuance costs, of 144 million shares of non-government preferred stock for 200 million shares of common stock in an exchange offer with a fair value of stock issued of $2.5 billion. In total, these exchanges resulted in the exchange of $11.3 billion aggregate liquidation preference, before third-party issuance costs, or 467 million shares of preferred stock into 745 million shares of common stock with a fair value of $8.6 billion.

In addition, during 2009, the Corporation exchanged 3.6 million shares, or $3.6 billion aggregate liquidation preference, of Series L Preferred Stock into 255 million shares of common stock with a fair value of $2.8 billion, which was accounted for as an induced conversion of preferred stock.

As a result of these 2009 exchanges, the Corporation recorded an increase to retained earnings and net income (loss) applicable to common shareholders of $576 million. This represents the net of a $2.62 billion benefit due to the excess of the carrying value of the Corporation's non-convertible preferred stock over the fair value of the common stock exchanged, partially offset by a $2.04 billion inducement representing the excess of the fair value of the common stock exchanged over the fair value of the common stock that would have been issued under the original conversion terms.

The table below presents a summary of perpetual preferred stock previously issued by the Corporation and remaining outstanding at December 31 2011

Preferred Stock Summary

(Dollars in millions except as noted)

Series	Description	Initial Issuance Date	Total Shares Outstanding	Liquidation Preference per Share (in dollars)	Carrying Value (1)	Per Annum Dividend Rate	Redemption Period
Series B (2)	7% Cumulative Redeemable	June 1997	7 571	$ 100	$ 1	7 00%	n/a
Series D (3 4)	6 204% Non-Cumulative	September 2006	26 174	25 000	654	6 204%	On or after September 14 2011
Series E (3 5)	Floating Rate Non-Cumulative	November 2006	13 576	25 000	340	Annual rate equal to the greater of (a) 3-mo LIBOR + 35 bps and (b) 4 00%	On or after November 15 2011
Series H (3 6)	8 20% Non-Cumulative	May 2008	114 483	25 000	2 862	8 20%	On or after May 1 2013
Series I (3 6)	6 625% Non-Cumulative	September 2007	14 584	25 000	365	6 625%	On or after October 1 2017
Series J (3 6)	7 25% Non-Cumulative	November 2007	38 053	25 000	951	7 25%	On or after November 1 2012
Series K (3 5)	Fixed-to-Floating Rate Non-Cumulative	January 2008	61 773	25 000	1 544	8 00% through 1/29/18 3-mo LIBOR + 363 bps thereafter	On or after January 30 2018
Series L	7 25% Non-Cumulative Perpetual Convertible	January 2008	3 080 182	1 000	3 080	7 25%	n/a
Series M (3 5)	Fixed-to-Floating Rate Non-Cumulative	April 2008	52 399	25 000	1 310	8 125% through 5/14/18 3-mo LIBOR + 364 bps thereafter	On or after May 15 2018
Series T	6% Cumulative	September 2011	50 000	100 000	2 918	6 00%	See description in Preferred Stock in this Note
Series 1 (2 4)	Floating Rate Non-Cumulative	November 2004	3 646	30 000	109	3-mo LIBOR + 75 bps (5)	On or after November 28 2009
Series 2 (3 4)	Floating Rate Non-Cumulative	March 2005	12 111	30 000	363	3-mo LIBOR + 65 bps (5)	On or after November 28 2009
Series 3 (3 4)	6 375% Non-Cumulative	November 2005	21 773	30 000	653	6 375%	On or after November 28 2010
Series 4 (3 4)	Floating Rate Non-Cumulative	November 2005	10 773	30 000	323	3 mo LIBOR + 75 bps (5)	On or after November 28 2010
Series 5 (3 4)	Floating Rate Non-Cumulative	March 2007	16 902	30 000	507	3-mo LIBOR + 50 bps (5)	On or after May 21 2012
Series 8 (3 7)	8 70% Non-Cumulative Perpetual	September 2007	58 388	1 000	60	6 70%	On or after February 3 2009
Series 7 (3 7)	6 25% Non-Cumulative Perpetual	September 2007	16 598	1 000	17	6 25%	On or after March 18 2010
Series 8 (3 4)	8 625% Non-Cumulative	April 2008	89 100	30 000	2 673	8 625%	On or after May 28 2013
Total			5,668,094		$ 18,799		

(1) Amounts shown are before third party issuance costs and other Merrill Lynch purchase accounting fair value adjustments of $333 million

(2) Series B Preferred Stock does not have early redemption/call rights

(3) The Corporation may redeem series of preferred stock on or after the redemption date in whole or in part, at its option at the liquidation preference plus declared and unpaid dividends

(4) Ownership is held in the form of depositary shares each representing a 1/1200th interest in a share of preferred stock paying a quarterly cash dividend if and when declared

(5) Subject to 3 00% minimum rate per annum

(6) Subject to 4 00% minimum rate per annum

(7) Ownership is held in the form of depositary shares each representing a 1/40th interest in a share of preferred stock paying a quarterly cash dividend if and when declared

(8) Ownership is held in the form of depositary shares each representing a 1/1000th interest in a share of preferred stock paying a quarterly cash dividend if and when declared

(9) Ownership is held in the form of depositary shares each initially representing a 1/25th interest in a share of preferred stock paying a semi-annual cash dividend if and when declared until the redemption date adjusts to a quarterly cash dividend if and when declared thereafter

n/a = not applicable

Series L Preferred Stock listed in the Preferred Stock Summary table does not have early redemption/call rights Each share of the Series L Preferred Stock may be converted at any time at the option of the holder into 20 shares of the Corporation s common stock plus cash in lieu of fractional shares On or after January 30 2013 the Corporation may cause some or all of the Series L Preferred Stock at its option at any time or from time to time to be converted into shares of common stock at the then-applicable conversion rate if for 20 trading days during any period of 30 consecutive trading days the closing price of common stock exceeds 130 percent of the then-applicable conversion price of the Series L Preferred Stock If the Corporation exercises its rights to cause the automatic conversion of Series L Preferred Stock on January 30 2013 it will still pay any accrued dividends payable on January 30 2013 to the applicable holders of record

All series of preferred stock in the Preferred Stock Summary table have a par value of $0 01 per share are not subject to the operation of a sinking fund have no participation rights and with the exception of the Series L Preferred Stock are not convertible

The holders of the Series B Preferred Stock and Series 1 through 8 Preferred Stock have general voting rights and the holders of the other series included in the table have no general voting rights All outstanding series of preferred stock of the Corporation have preference over the Corporation s common stock with respect to the payment of dividends and distribution of the Corporation s assets in the event of a liquidation or dissolution With the exception of the Series T Preferred Stock if any dividend payable on these series is in arrears for three or more semi-annual or six or more quarterly dividend periods as applicable (whether consecutive or not) the holders of these series and any other class or series of preferred stock ranking equally as to payment of dividends and upon which equivalent voting rights have been conferred and are exercisable (voting as a single class) will be entitled to vote for the election of two additional directors These voting rights terminate when the Corporation has paid in full dividends on these series for at least two semi-annual or four quarterly dividend periods as applicable following the dividend arrearage

NOTE 16 Accumulated Other Comprehensive Income

The table below presents the changes in accumulated OCI in 2009 2010 and 2011 net-of-tax

(Dollars in millions)	Available-for-Sale Debt Securities	Available-for-Sale Marketable Equity Securities	Derivatives	Employee Benefit Plans (1)	Foreign Currency (2)	Total
Balance, December 31, 2008	$ (5 856)	$ 3 935	$ (3 458)	$ (4 642)	$ (704)	$ (10 825)
Cumulative adjustment for accounting change - OTTI (3)	(71)	–	–	–	–	(71)
Net change in fair value recorded in accumulated OCI	8 364	2 851	153	318	211	9 897
Net realized (gains) losses reclassified into earnings	(965)	(4 457)	770	232	–	(4 420)
Balance, December 31, 2009	$ (528)	$ 2 129	$ (2 535)	$ (4 092)	$ (493)	$ (5 819)
Cumulative adjustments for accounting changes (3)						
Consolidation of certain variable interest entities	(116)	–	–	–	–	(116)
Credit-related notes	229	–	–	–	–	229
Net change in fair value recorded in accumulated OCI	2 210	5 857	(1 108)	(104)	(44)	6 811
Net realized (gains) losses reclassified into earnings	(981)	(1 127)	407	249	281	(1 171)
Balance, December 31, 2010	$ 714	$ 6 859	$ (3 236)	$ (3 947)	$ (256)	$ (66)
Net change in fair value recorded in accumulated OCI	4,331	(1,839)	(1,357)	(754)	(94)	(713)
Net realized (gains) losses reclassified into earnings	(1,945)	(4,117)	1,016	278	(74)	(4,842)
Balance, December 31, 2011	$ 3,100	$ 903	$ (3,577)	$ (4,423)	$ (424)	$ (5,421)

(1) Net change in fair value represents after-tax adjustments based on the final year-end actuarial valuations For more information on employee benefit plans see Note 19 - Employee Benefit Plans

(2) Net change in fair value represents only the impact of changes in spot foreign exchange rates on the Corporation s net investment in non-U S operations and related hedges

(3) For additional information on the adoption of new accounting guidance see Note 1 - Summary of Significant Accounting Principles and Note 8 - Securities

NOTE 17 Earnings Per Common Share

The calculation of EPS and diluted EPS for 2011 2010 and 2009 is presented below See *Note 1 – Summary of Significant Accounting Principles* for additional information on the calculation of EPS

(Dollars in millions except per share information shares in thousands)	2011	2010	2009
Earnings (loss) per common share			
Net income (loss)	$ 1,446	$ (2 238)	$ 6 276
Preferred stock dividends	(1,961)	(1 357)	(4 494)
Accelerated accretion from redemption of preferred stock issued to the U S Treasury	–	–	(3 986)
Net income (loss) applicable to common shareholders	(515)	(3 595)	(2 204)
Dividends and undistributed earnings allocated to participating securities	(1)	(4)	(6)
Net income (loss) allocated to common shareholders	$ (516)	$ (3 599)	$ (2 210)
Average common shares issued and outstanding	10,143,833	9 790 472	7 728 570
Earnings (loss) per common share	$ (0 05)	$ (0 37)	$ (0 29)
Diluted earnings (loss) per common share			
Net income (loss) applicable to common shareholders	$ (515)	$ (3 595)	$ (2 204)
Dividends and undistributed earnings allocated to participating securities	(1)	(4)	(6)
Net income (loss) allocated to common shareholders	$ (516)	$ (3 599)	$ (2 210)
Average common shares issued and outstanding	10,143,833	9 790 472	7 728 570
Dilutive potential common shares (1)	113,190	–	–
Total diluted average common shares issued and outstanding	10,284,834	9 790 472	7 728 570
Diluted earnings (loss) per common share	$ (0 05)	$ (0 37)	$ (0 29)

(1) Includes incremental shares from RSUs restricted stock shares stock options and warrants

Due to the net loss applicable to common shareholders for 2010 and 2009 no dilutive potential common shares were included in the calculation of diluted EPS because they would have been antidilutive

For 2011 2010 and 2009 average options to purchase 217 million 271 million and 315 million shares respectively of common stock were outstanding but not included in the computation of EPS because they were antidilutive under the treasury stock method For both 2011 and 2010 average warrants to purchase 272 million shares of common stock and 265 million for 2009 were outstanding but not included in the computation of EPS because they were antidilutive under the treasury stock method For 2011 66 million average dilutive potential common shares associated with the Series L Preferred Stock were excluded from the diluted share count because the result would have been antidilutive under the "if-converted" method For 2010 and 2009 107 million and 147 million average dilutive potential common shares associated with the Series L Preferred Stock and the mandatory convertible Preferred Stock Series 2 and Series 3 of Merrill Lynch were excluded from the diluted share count because the result would have been antidilutive under the "if-converted" method For 2009 81 million average dilutive potential common shares associated with the CES were excluded from the diluted share count because the result would have been antidilutive under the "if-converted" method For 2011 234 million average dilutive potential common shares associated with the Series T Preferred Stock issued in 2011 were excluded from the diluted share count because the result would have been antidilutive under the if-converted method

For purposes of computing basic EPS CES were considered to be participating securities prior to February 24 2010 however due to a net loss for 2010 earnings were not allocated to the CES The two-class method prohibits allocation of an undistributed loss to participating securities For purposes of computing diluted EPS there was no dilutive effect of the CES which were outstanding prior to February 24 2010 due to a net loss for 2010

In 2011 in connection with the exchanges described in *Note 15 – Shareholders Equity* the Corporation recorded a net $36 million non-cash preferred stock dividend which is included in the calculation of net income allocated to common shareholders

For 2009 as a result of repurchasing the TARP Preferred Stock the Corporation accelerated the remaining accretion of the issuance discount on the TARP Preferred Stock of $4 0 billion and recorded a corresponding charge to retained earnings and income (loss) applicable to common shareholders in the calculation of diluted EPS In addition in 2009 the Corporation recorded an increase to retained earnings and net income (loss) applicable to common shareholders of $576 million related to the Corporation s preferred stock exchange for common stock

NOTE 18 Regulatory Requirements and Restrictions

The Federal Reserve requires the Corporation s banking subsidiaries to maintain reserve balances based on a percentage of certain deposits Average daily reserve balances required by the Federal Reserve were $14 6 billion and $12 9 billion for 2011 and 2010 Currency and coin residing in branches and cash vaults (vault cash) are used to partially satisfy the reserve requirement The average daily reserve balances in excess of vault cash held with the Federal Reserve amounted to $6 5 billion and $5 5 billion for 2011 and 2010

The primary sources of funds for cash distributions by the Corporation to its shareholders are dividends received from its banking subsidiaries Bank of America N A and FIA Card Services N A In 2011 the Corporation received $9 8 billion in dividends from Bank of America N A and FIA Card Services N A returned capital of $7 0 billion to the Corporation In 2012 Bank of America N A and FIA Card Services N A can declare and pay dividends to the Corporation of $4 5 billion and $0 plus an additional amount equal to their net profits for 2012 as defined by statute up to the date of any such dividend declaration The other subsidiary national banks can pay dividends in aggregate of $1 0 billion in 2012 plus an additional amount equal to their net profits for 2012 as defined by statute up to the date of any such dividend

declaration The amount of dividends that each subsidiary bank may declare in a calendar year without approval by the OCC is the subsidiary bank s net profits for that year combined with its net retained profits as defined for the preceding two years

The Federal Reserve OCC and FDIC (collectively joint agencies) have in place regulatory capital guidelines for U S banking organizations Failure to meet the capital requirements can initiate certain mandatory and discretionary actions by regulators that could have a material effect on the Corporation s financial position The regulatory capital guidelines measure capital in relation to the credit and market risks of both on and off-balance sheet items using various risk weights Under the regulatory capital guidelines Total capital consists of three tiers of capital Tier 1 capital includes qualifying common shareholders equity qualifying noncumulative perpetual preferred stock qualifying Trust Securities hybrid securities and qualifying non-controlling interests less goodwill and other adjustments Tier 2 capital consists of qualifying subordinated debt a limited portion of the allowance for loan and lease losses a portion of net unrealized gains on AFS marketable equity securities and other adjustments Tier 3 capital includes subordinated debt that is unsecured fully paid has an original maturity of at least two years is not redeemable before maturity without prior approval by the Federal Reserve and includes a lock-in clause precluding payment of either interest or principal if the payment would cause the issuing bank s risk-based capital ratio to fall or remain below the required minimum Tier 3 capital can only be used to satisfy the Corporation s market risk capital requirement and may not be used to support its credit risk requirement At December 31 2011 and 2010 the Corporation had no subordinated debt that qualified as Tier 3 capital

Certain corporate-sponsored trust companies which issue Trust Securities are not consolidated In accordance with Federal Reserve guidance Trust Securities continue to qualify as Tier 1 capital with revised quantitative limits effective March 31 2011 As a result the Corporation includes Trust Securities in Tier 1 capital The Financial Reform Act includes a provision under which the Corporation s previously issued and outstanding Trust Securities in the aggregate amount of $16 1 billion (approximately 125 bps of Tier 1 capital) at December 31 2011 will no longer qualify as Tier 1 capital effective January 1 2013 This amount excludes $633 million of hybrid Trust Securities that are expected to be converted to preferred stock prior to the date of implementation The exclusion of Trust Securities from Tier 1 capital will be phased in incrementally over a three-year phase-in period The treatment of Trust Securities during the phase in period remains unclear and is subject to future rulemaking

Current limits restrict core capital elements to 15 percent of total core capital elements for internationally active bank holding companies Internationally active bank holding companies are those that have significant activities in non-U S markets with consolidated assets greater than $250 billion or on balance sheet non-U S exposure greater than $10 billion In addition the Federal Reserve revised the qualitative standards for capital instruments included in regulatory capital At December 31 2011 the Corporation s restricted core capital elements comprised 9 1 percent of total core capital elements The Corporation is and expects to remain compliant with the revised limits

To meet minimum adequately capitalized regulatory requirements an institution must maintain a Tier 1 capital ratio of four percent and a Total capital ratio of eight percent A "well-capitalized" institution must generally maintain capital ratios 200 bps higher than the minimum guidelines The risk based capital rules have been further supplemented by a Tier 1 leverage ratio defined as Tier 1 capital divided by quarterly average total assets after certain adjustments "Well-capitalized" bank holding companies must have a minimum Tier 1 leverage ratio of four percent National banks must maintain a Tier 1 leverage ratio of at least five percent to be classified as "well-capitalized " At December 31 2011 the Corporation s Tier 1 capital Total capital and Tier 1 leverage ratios were 12 40 percent 16 75 percent and 7 53 percent, respectively This classifies the Corporation as "well-capitalized" for regulatory purposes the highest classification

Net unrealized gains or losses on AFS debt securities and marketable equity securities net unrealized gains and losses on derivatives and employee benefit plan adjustments in shareholders equity are excluded from the calculations of Tier 1 common capital as discussed below Tier 1 capital and leverage ratios The Total capital ratio excludes all of the above with the exception of up to 45 percent of the pre-tax net unrealized gains on AFS marketable equity securities

The Corporation calculates Tier 1 common capital as Tier 1 capital including any CES less preferred stock qualifying Trust Securities hybrid securities and qualifying noncontrolling interest in subsidiaries CES was included in Tier 1 common capital based upon applicable regulatory guidance and the expectation at December 31 2009 that the underlying Common Equivalent Junior Preferred Stock Series S would convert into common stock following shareholder approval of additional authorized shares Shareholders approved the increase in the number of authorized shares of common stock and the Common Equivalent Stock converted into common stock on February 24 2010 Tier 1 common capital was $126 7 billion and $125 1 billion and the Tier 1 common capital ratio was 9 86 percent and 8 60 percent at December 31 2011 and 2010

The table below presents actual and minimum required regulatory capital amounts for 2011 and 2010

Regulatory Capital

	December 31					
	2011			2010		
	Actual		Minimum Required (1)	Actual		Minimum Required (1)
(Dollars in millions)	Ratio	Amount		Ratio	Amount	
Risk-based capital						
Tier 1 common						
Bank of America Corporation	8.66%	$ 136,000	n/a	8.60%	$ 125,139	n/a
Tier 1						
Bank of America Corporation	13.40	$ 130,253	$ 81,670	11.24	163,626	$ 58,238
Bank of America, N.A.	11.74	110,861	40,830	10.78	114,345	42,416
FIA Card Services, N.A.	17.88	24,000	8,890	15.30	25,569	6,691
Total						
Bank of America Corporation	16.78	$ 163,101	$ 122,787	15.77	229,594	118,476
Bank of America, N.A.	15.17	134,868	61,661	14.26	151,255	84,831
FIA Card Services, N.A.	19.01	26,804	11,121	16.94	28,343	13,383
Tier 1 leverage						
Bank of America Corporation	7.53	$ 130,253	$ 64,527	7.21	163,626	90,811
Bank of America, N.A.	8.06	110,861	55,456	7.83	114,345	58,391
FIA Card Services, N.A.	14.22	24,000	6,865	13.21	25,569	7,748

(1) Dollar amount required to meet guidelines for adequately capitalized institutions
n/a = not applicable

Regulatory Capital Developments

The Corporation manages regulatory capital to adhere to regulatory standards of capital adequacy based on current understanding of the rules and the application of such rules to the Corporation's business as currently conducted The regulatory capital rules as written by the Basel Committee on Banking Supervision (the Basel Committee) continue to evolve

U S banking regulators published a final Basel II rule (Basel II) in December 2007 which requires the Corporation to implement Basel II at the holding company level as well as at certain U S bank subsidiaries establishes requirements for the U S implementation and provides detailed requirements for a new regulatory capital framework related to credit and operational risk (Pillar 1) supervisory requirements (Pillar 2) and disclosure requirements (Pillar 3) The Corporation is currently in the Basel II parallel period

On December 15 2010 U S regulators announced a notice of proposed rulemaking (NPR) on the Risk-based Capital Guidelines for Market Risk On December 29 2011 U S regulators issued an NPR that would amend the December 2010 NPR The amended NPR is expected to increase the capital requirements for the Corporation's trading assets and liabilities The Corporation continues to evaluate the capital impact of the proposed rules and currently anticipates it will be in compliance with any final rules by the projected implementation date in late 2012

In addition the Basel Committee issued capital standards entitled "Basel III A global regulatory framework for more resilient banks and banking systems " together with liquidity standards discussed below (Basel III) in December 2010 The Corporation expects to be in compliance with the Basel III capital standards within the regulatory timelines If implemented by U S banking regulators as proposed Basel III could significantly increase the Corporation's capital requirements Basel III and the Financial Reform Act propose the disqualification of Trust Securities from Tier 1 capital with the Financial Reform Act proposing that the disqualification be phased in from 2013 to 2015 Basel III also proposes the deduction of certain assets from capital (deferred tax assets MSRs investments in financial firms and pension assets among others within prescribed limitations) the inclusion of accumulated OCI in capital increased capital for counterparty credit risk and new minimum capital and buffer requirements For additional information on deferred tax assets and MSRs see *Note 21 – Income Taxes* and *Note 25 – Mortgage Servicing Rights* The phase-in period for the capital deductions is proposed to occur in 20 percent increments from 2014 through 2018 with full implementation by December 31 2018 An increase in capital requirements for counterparty credit is proposed to be effective January 2013 The phase-in period for the new minimum capital requirements and related buffers is proposed to occur between 2013 and 2019 U S banking regulators have indicated a goal to adopt final rules in 2012

Preparing for the implementation of the new capital rules is a top strategic priority for the Corporation The Corporation intends to continue to build capital through retaining earnings actively reducing legacy asset portfolios and implementing other capital related initiatives including focusing on reducing both higher risk-weighted assets and assets currently deducted or expected to be deducted under Basel III from capital

On June 17 2011 U S banking regulators proposed rules requiring all large bank holding companies (BHCs) to submit a comprehensive capital plan to the Federal Reserve as part of an annual Comprehensive Capital Analysis and Review (CCAR) The proposed regulations require BHCs to demonstrate adequate capital to support planned capital actions such as dividends share repurchases or other forms of distributing capital CCAR submissions are subject to approval by the Federal Reserve The Federal Reserve may require BHCs to provide prior notice under certain circumstances before making a capital distribution On January 5 2012 the Corporation submitted a capital plan to the Federal Reserve consistent with the proposed rules

On July 19 2011 the Basel Committee published the consultative document "Globally systemic important banks Assessment methodology and the additional loss absorbency requirement" which sets out measures for global systemically important financial institutions including the methodology for measuring systemic importance the additional capital required (the SIFI buffer) and the arrangements by which they will be phased in As proposed the SIFI buffer would be met with additional Tier 1 common equity ranging from one percent to 2 5 percent and in certain circumstances 3 5 percent This will be phased in from 2016 through 2018 U S banking regulators have not yet provided similar rules for U S implementation of a SIFI buffer

Given that the U S regulatory agencies have issued neither proposed rulemaking nor supervisory guidance on Basel III significant uncertainty exists regarding the eventual impacts of Basel III on U S financial institutions including the Corporation These regulatory changes also require approval by the U S regulatory agencies of analytical models used as part of the Corporation's capital measurement and assessment, especially in the case of more complex models If these more complex models are not approved it could require financial institutions to hold additional capital which in some cases could be significant

On December 20, 2011 the Federal Reserve issued proposed rules to implement enhanced supervisory and prudential requirements and the early remediation requirements established under the Financial Reform Act The enhanced standards include risk-based capital and leverage requirements liquidity standards requirements for overall risk management, single-counterparty credit limits stress test requirements and a debt-to-equity limit for certain companies determined to pose a threat to financial stability Comments on the proposed rules are due by March 31 2012 The final rules are likely to influence the Corporation's regulatory capital and liquidity planning process and may impose additional operational and compliance costs on the Corporation

NOTE 19 Employee Benefit Plans

Pension and Postretirement Plans

The Corporation sponsors noncontributory trusteed pension plans that cover substantially all officers and employees a number of noncontributory nonqualified pension plans and postretirement health and life plans The plans provide defined benefits based on an employee's compensation and years of service The Bank of America Pension Plan (the Pension Plan) provides participants with compensation credits, generally based on years of service For account balances based on compensation credits prior to January 1 2008 the Pension Plan allows participants to select from various earnings measures which are based on the returns of certain funds or common stock of the Corporation The participant-selected earnings measures determine the earnings rate on the individual participant account balances in the Pension Plan Participants may elect to modify earnings measure allocations on a periodic basis subject to the provisions of the Pension Plan For account balances based on compensation credits subsequent to December 31 2007 the account balance earnings rate is based on a benchmark rate For eligible employees in the Pension Plan on or after January 1 2008 the benefits become vested upon completion of three years of service It is the policy of the Corporation to fund not less than the minimum funding amount required by ERISA

The Pension Plan has a balance guarantee feature for account balances with participant-selected earnings applied at the time a benefit payment is made from the plan that effectively provides principal protection for participant balances transferred and certain compensation credits The Corporation is responsible for funding any shortfall on the guarantee feature

As a result of acquisitions the Corporation assumed the obligations related to the pension plans of certain legacy companies These acquired pension plans have been merged into a separate defined benefit pension plan which together with the Pension Plan are referred to as the Qualified Pension Plans The benefit structures under these acquired plans have not changed and remain intact in the merged plan Certain benefit structures are substantially similar to the Pension Plan discussed above however certain of these structures do not allow participants to select various earnings measures rather the earnings rate is based on a benchmark rate In addition, these benefit structures include participants with benefits determined under formulas based on average or career compensation and years of service rather than by reference to a pension account Certain of the other benefit structures provide a participant's retirement benefits based on the number of years of benefit service and a percentage of the participant's average annual compensation during the five highest paid consecutive years of the last ten years of employment

In connection with a redesign of the Corporation's retirement plans after the end of 2011 the Corporation announced that it will freeze the benefits earned in the Qualified Pension Plans effective June 30 2012 The Corporation will continue to offer retirement benefits through its defined contribution plans and will increase its contributions to certain of these plans

As a result of the Merrill Lynch acquisition the Corporation assumed the obligations related to the plans of Merrill Lynch These plans include a terminated U S pension plan non-U S pension plans nonqualified pension plans and postretirement plans The non-U S pension plans vary based on the country and local practices The terminated U S pension plan is referred to as the Other Pension Plan

In 1988 Merrill Lynch purchased a group annuity contract that guarantees the payment of benefits vested under the terminated U S pension plan The Corporation under a supplemental agreement, may be responsible for or benefit from actual experience and investment performance of the annuity assets The Corporation made no contribution under this agreement in 2011 or 2010 Contributions may be required in the future under this agreement

The Corporation sponsors a number of noncontributory nonqualified pension plans (the Nonqualified Pension Plans) As a result of acquisitions the Corporation assumed the obligations related to the noncontributory nonqualified pension plans of certain legacy companies including Merrill Lynch These plans which are unfunded provide defined pension benefits to certain employees

In addition to retirement pension benefits full-time salaried employees and certain part-time employees may become eligible to continue participation as retirees in health care and/or life insurance plans sponsored by the Corporation Based on the other provisions of the individual plans certain retirees may also have the cost of these benefits partially paid by the Corporation The obligations assumed as a result of acquisitions are substantially similar to the Corporation s postretirement health and life plans except for Countrywide which did not have a postretirement health and life plan Collectively these plans are referred to as the Postretirement Health and Life Plans

The Pension and Postretirement Plans table summarizes the changes in the fair value of plan assets changes in the projected benefit obligation (PBO) the funded status of both the accumulated benefit obligation (ABO) and the PBO and the weighted average assumptions used to determine benefit obligations for the pension plans and postretirement plans at December 31 2011 and 2010 Amounts recognized at December 31 2011 and 2010 are reflected in other assets and accrued expenses and other liabilities on the Consolidated Balance Sheet The discount rate assumption is based on a cash flow matching technique and is subject to change each year This technique utilizes yield curves that are based on Aa rated corporate bonds with cash flows that match estimated benefit payments of each of the plans to produce the discount rate assumptions The asset valuation method for the Qualified Pension Plans recognizes 60 percent of the prior year s market gains or losses at the next measurement date with the remaining 40 percent spread equally over the subsequent four years

The Corporation s best estimate of its contributions to be made to the Non-U S Pension Plans Nonqualified and Other Pension Plans and Postretirement Health and Life Plans in 2012 is $98 million $124 million and $115 million respectively The Corporation does not expect to make a contribution to the Qualified Pension plans in 2012

Pension and Postretirement Plans

(Dollars in millions)	Qualified Pension Plans (1)		Non-U.S. Pension Plans (1)		Nonqualified and Other Pension Plans (1)		Postretirement Health and Life Plans (1)	
	2011	2010	2011	2010	2011	2010	2011	2010
Change in fair value of plan assets								
Fair value, January 1	$ 15,648	$ 14,527	$ 1,691	$ 1,522	$ 2,689	$ 2,535	$ 108	$ 113
Actual return on plan assets	183	1,835	206	168	488	272	2	13
Company contributions	–	–	104	99	88	196	84	100
Plan participant contributions	–	–	8	2	–	–	125	139
Benefits paid	(780)	(714)	(69)	(83)	(230)	(314)	(288)	(275)
Plan transfer	–	–	10	–	–	–	–	–
Federal subsidy on benefits paid	n/a	n/a	n/a	n/a	n/a	n/a	13	18
Foreign currency exchange rate changes	n/a	n/a	(142)	(35)	n/a	n/a	–	–
Fair value, December 31	$ 15,670	$ 15,648	$ 2,023	$ 1,691	$ 3,081	$ 2,689	$ 81	$ 108
Change in projected benefit obligation								
Projected benefit obligation, January 1	$ 13,936	$ 13,048	$ 1,916	$ 1,613	$ 3,078	$ 2,918	$ 1,704	$ 1,820
Service cost	429	397	48	32	5	3	13	14
Interest cost	746	748	88	95	163	163	80	92
Plan participant contributions	–	–	8	2	–	–	125	139
Plan amendments	(11)	–	2	2	–	–	(31)	64
Actuarial loss (gain)	806	459	(19)	78	134	308	(89)	32
Benefits paid	(780)	(714)	(69)	(83)	(230)	(314)	(288)	(275)
Plan transfer	–	–	10	–	–	–	–	–
Federal subsidy on benefits paid	n/a	n/a	n/a	n/a	n/a	n/a	13	18
Foreign currency exchange rate changes	n/a	n/a	(112)	(43)	–	–	–	–
Projected benefit obligation, December 31	$ 14,991	$ 13,936	$ 1,964	$ 1,916	$ 3,157	$ 3,078	$ 1,619	$ 1,704
Amount recognized, December 31	$ 679	$ 1,712	$ 59	$ (225)	$ (76)	$ (389)	$ (1,538)	$ (1,596)
Funded status, December 31								
Accumulated benefit obligation	$ 13,908	$ 13,192	$ 1,886	$ 1,781	$ 3,135	$ 3,077	n/a	n/a
Overfunded (unfunded) status of ABO	1,762	2,456	139	(90)	(76)	(388)	n/a	n/a
Provision for future salaries	823	746	101	135	1	1	n/a	n/a
Projected benefit obligation	14,991	13,936	1,964	1,916	3,157	3,078	$ 1,619	$ 1,704
Weighted-average assumptions, December 31								
Discount rate	4.66%	5.45%	4.67%	5.32%	4.66%	5.20%	4.69%	5.10%
Rate of compensation increase	4.00	4.00	4.41	4.65	4.00	4.00	n/a	n/a

(1) The measurement date for the Qualified Pension Plans Non-U.S. Pension Plans, Nonqualified and Other Pension Plans and Postretirement Health and Life Plans was December 31 of each year reported
n/a = not applicable

Amounts recognized in the Corporation s Consolidated Balance Sheet at December 31 2011 and 2010 are presented in the table below

Amounts Recognized on Consolidated Balance Sheet

(Dollars in millions)	Qualified Pension Plans		Non-U.S. Pension Plans		Nonqualified and Other Pension Plans		Postretirement Health and Life Plans	
	2011	2010	2011	2010	2011	2010	2011	2010
Other assets	$ 346	$ 1,710	$ 362	$ 33	$ 1,080	$ 809	$ –	$ –
Accrued expenses and other liabilities	(167)	–	(304)	(258)	(1,172)	(1,198)	(1,538)	(1,596)
Net amount recognized at December 31	$ 179	$ 1,710	$ 58	$ (225)	$ (76)	$ (389)	$ (1,538)	$ (1,596)

Pension Plans with ABO and PBO in excess of plan assets as of December 31 2011 and 2010 are presented in the table below For the non-qualified plans not subject to ERISA or non-U S pension plans funding strategies vary due to legal requirements and local practices

Plans with ABO and PBO in Excess of Plan Assets

(Dollars in millions)	Qualified Pension Plans		Non-U.S. Pension Plans		Nonqualified and Other Pension Plans	
	2011	2010	2011	2010	2011	2010
Plans with ABO in excess of plan assets						
PBO	$ –	$ –	$ 783	$ 477	$ 1,174	$ 1,200
ABO	–	–	686	466	1,178	1,190
Fair value of plan assets	–	–	438	259	3	2
Plans with PBO in excess of plan assets						
PBO	$ 6,834	$ –	$ 783	$ 842	$ 1,174	$ 1,200
Fair value of plan assets	6,667	–	438	384	3	2

Net periodic benefit cost for 2011 2010 and 2009 included the following components

Net Periodic Benefit Cost

	Qualified Pension Plans			Non-U.S. Pension Plans		
(Dollars in millions)	2011	2010	2009	2011	2010	2009
Components of net periodic benefit cost						
Service cost	$ 433	$ 397	$ 357	$ 48	$ 32	$ 30
Interest cost	746	748	740	89	95	78
Expected return on plan assets	(1,396)	(1,263)	(1,231)	(116)	(97)	(74)
Amortization of prior service cost	38	28	39	–	–	–
Amortization of net actuarial loss (gain)	367	362	377	–	(1)	–
Recognized gain due to settlements and curtailments	–	–	–	–	–	(2)
Recognized termination benefit costs	–	–	36	–	–	–
Net periodic benefit cost	$ 190	$ 272	$ 348	$ 37	$ 29	$ 30
Weighted-average assumptions used to determine net cost for years ended December 31						
Discount rate	5.60%	5.75%	6.00%	5.82%	5.41%	5.55%
Expected return on plan assets	6.50	6.00	6.00	6.26	6.60	6.78
Rate of compensation increase	4.00	4.00	4.00	4.26	4.67	4.61

	Nonqualified and Other Pension Plans			Postretirement Health and Life Plans		
(Dollars in millions)	2011	2010	2009	2011	2010	2009
Components of net periodic benefit cost						
Service cost	$ 8	$ 3	$ 4	$ 15	$ 14	$ 16
Interest cost	183	183	187	89	92	93
Expected return on plan assets	(141)	(138)	(148)	(9)	(9)	(8)
Amortization of transition obligation	–	–	–	31	31	31
Amortization of prior service cost (credits)	(8)	(8)	(8)	6	6	–
Amortization of net actuarial loss (gain)	16	10	5	(17)	(49)	(77)
Recognized loss due to settlements and curtailments	8	17	2	–	–	–
Net periodic benefit cost	$ 55	$ 47	$ 22	$ 104	$ 85	$ 55
Weighted-average assumptions used to determine net cost for years ended December 31						
Discount rate	5.30%	5.75%	6.00%	5.10%	5.75%	6.00%
Expected return on plan assets	6.50	5.25	5.25	6.00	8.00	8.00
Rate of compensation increase	4.00	4.00	4.00	n/a	n/a	n/a

n/a = not applicable

Net periodic postretirement health and life expense was determined using the "projected unit credit" actuarial method Gains and losses for all benefits except postretirement health care are recognized in accordance with the standard amortization provisions of the applicable accounting guidance For the Postretirement Health Care Plans 50 percent of the unrecognized gain or loss at the beginning of the fiscal year (or at subsequent remeasurement) is recognized on a level basis during the year

The discount rate and expected return on plan assets impact the net periodic benefit cost recorded for the plans With all other assumptions held constant, a 25-basis point decline in the discount rate and expected return on plan assets would result in an increase of approximately $55 million and $27 million for the Qualified Pension Plans For the Non-U S Pension Plans, the Nonqualified and Other Pension Plans and Postretirement Health and Life Plans the 25-basis point decline in rates would not have a significant impact

Assumed health care cost trend rates affect the postretirement benefit obligation and benefit cost reported for the Postretirement Health and Life Plans The assumed health care cost trend rate used to measure the expected cost of benefits covered by the Postretirement Health and Life Plans was 8 00 percent for 2012 reducing in steps to 5 00 percent in 2019 and later years A one-percentage-point increase in assumed health care cost trend rates would have increased the service and interest costs and the benefit obligation by $4 million and $59 million in 2011 A one-percentage-point decrease in assumed health care cost trend rates would have lowered the service and interest costs and the benefit obligation by $3 million and $52 million in 2011

Pre-tax amounts included in accumulated OCI for employee benefit plans at December 31 2011 and 2010 are presented in the table below

Pre-tax Amounts Included in Accumulated OCI

	Qualified Pension Plans		Non-U.S. Pension Plans		Nonqualified and Other Pension Plans		Postretirement Health and Life Plans		Total	
(Dollars in millions)	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Net actuarial (gain) loss	$ 6,748	$ 5 481	$ (313)	$ (20)	$ 409	$ 656	$ (39)	$ (27)	$ 6,861	$ 6 070
Transition obligation	–	–	–	–	–	–	33	63	33	63
Prior service cost (credits)	67	88	8	1	(7)	(15)	33	58	96	142
Amounts recognized in accumulated OCI	$ 6,815	$ 5 559	$ (305)	$ (19)	$ 402	$ 641	$ 6	$ 94	$ 7,809	$ 6 275

Pre-tax amounts recognized in OCI for employee benefit plans in 2011 included the following components

Pre-tax Amounts Recognized in OCI

(Dollars in millions)	Qualified Pension Plans	Non-U.S. Pension Plans	Nonqualified and Other Pension Plans	Postretirement Health and Life Plans	Total
Other changes in plan assets and benefit obligations recognized in OCI					
Current year actuarial (gain) loss	$ 1 669	$ (192)	$ (228)	$ (49)	$ 1,200
Amortization of actuarial gain (loss)	(387)	–	(19)	17	(389)
Current year prior service cost (credit)	(11)	2	–	(21)	(30)
Amortization of prior service credit (cost)	(20)	–	8	(4)	(16)
Amortization of transition obligation	–	–	–	(31)	(31)
Amounts recognized in OCI	$ 1,351	$ (190)	$ (239)	$ (88)	$ 734

The estimated pre-tax amounts that will be amortized from accumulated OCI into period cost in 2012 are presented in the table below

Estimated Pre-tax Amounts from Accumulated OCI into Period Cost

(Dollars in millions)	Qualified Pension Plans (1)	Non-U.S. Pension Plans	Nonqualified and Other Pension Plans	Postretirement Health and Life Plans	Total
Net actuarial (gain) loss	$ 508	$ (8)	$ 10	$ (19)	$ 491
Prior service cost (credit)	18	–	(7)	4	15
Transition obligation	–	–	–	31	31
Total amortized from accumulated OCI	$ 526	$ (8)	$ 3	$ 16	$ 537

(1) Estimates are subject to change based on final calculations related to the pension plan freeze discussed on page 241

Plan Assets

The Qualified Pension Plans have been established as retirement vehicles for participants and trusts have been established to secure benefits promised under the Qualified Pension Plans The Corporation's policy is to invest the trust assets in a prudent manner for the exclusive purpose of providing benefits to participants and defraying reasonable expenses of administration The Corporation s investment strategy is designed to provide a total return that over the long term increases the ratio of assets to liabilities The strategy attempts to maximize the investment return on assets at a level of risk deemed appropriate by the Corporation while complying with ERISA and any applicable regulations and laws The investment strategy utilizes asset allocation as a principal determinant for establishing the risk/return profile of the assets Asset allocation ranges are established periodically reviewed and adjusted as funding levels and liability characteristics change Active and passive investment managers are employed to help enhance the risk/return profile of the assets An additional aspect of the investment strategy used to minimize risk (part of the asset allocation plan) includes matching the equity exposure of participant-selected earnings measures For example the common stock of the Corporation held in the trust is maintained as an offset to the exposure related to participants who elected to receive an earnings measure based on the return performance of common stock of the Corporation No plan assets are expected to be returned to the Corporation during 2012

The assets of the Non-U S Pension Plans are primarily attributable to a U K pension plan This U K pension plan s assets are invested prudently so that the benefits promised to members are provided with consideration given to the nature and the duration of the plan s liabilities The current planned investment strategy was set following an asset-liability study and advice from the trustee s investment advisors The selected asset allocation strategy is designed to achieve a higher return than the lowest risk strategy while maintaining a prudent approach to meeting the plan s liabilities

The Expected Return on Asset assumption (EROA assumption) was developed through analysis of historical market returns historical asset class volatility and correlations current market conditions anticipated future asset allocations the funds' past experience and expectations on potential future market returns The EROA assumption is determined using the calculated market-related value for the Qualified Pension Plans and the Other Pension Plan and the fair value for the Non-U S Pension Plans and Postretirement Health and Life Plans The EROA assumption represents a long-term average view of the performance of the assets in the Qualified Pension Plans the Non-U S Pension Plans the Other Pension Plan and Postretirement Health and Life Plans a return that may or may not be achieved during any one calendar year Some of the building blocks used to arrive at the long-term return assumption include an implied return from equity securities of 8 75 percent debt securities of 5 75 percent and real estate of 7 00 percent for the Qualified Pension Plans the Non-U S Pension Plans the Other Pension Plan and Postretirement Health and Life Plans The terminated U S pension plan is solely invested in a group annuity contract which is primarily invested in fixed-income securities structured such that asset maturities match the duration of the plan s obligations

The target allocations for 2012 by asset category for the Qualified Pension Plans Non-U S Pension Plans Nonqualified and Other Pension Plans and Postretirement Health and Life Plans are presented in the table below

2012 Target Allocation Percentage

Asset Category	Qualified Pension Plans	Non-U.S. Pension Plans	Nonqualified and Other Pension Plans	Postretirement Health and Life Plans
Equity securities	60 - 80	25 - 75	0 - 5	50 - 75
Debt securities	20 - 40	10 - 60	95 - 100	25 - 45
Real estate	0 - 5	0 - 15	0 - 5	0 - 5
Other	0 - 10	5 - 40	0 - 5	0 - 5

Equity securities for the Qualified Pension Plans include common stock of the Corporation in the amounts of $82 million (0 55 percent of total plan assets) and $189 million (1 21 percent of total plan assets) at December 31 2011 and 2010

Fair Value Measurements

For information on fair value measurements including descriptions of Level 1 2 and 3 of the fair value hierarchy and the valuation methods employed by the Corporation see *Note 1 – Summary of Significant Accounting Principles* and *Note 22 – Fair Value Measurements*

Plan investment assets measured at fair value by level and in total at December 31 2011 and 2010 are summarized in the Fair Value Measurements table

Fair Value Measurements

	December 31, 2011			
(Dollars in millions)	Level 1	Level 2	Level 3	Total
Cash and short-term investments				
Money market and interest-bearing cash	$ 1,068	$ –	$ –	$ 1,068
Cash and cash equivalent commingled/mutual funds	–	80	–	80
Fixed Income				
U S government and government agency securities	1,187	2,880	13	4,100
Corporate debt securities	–	1,088	–	1,088
Asset-backed securities	–	907	–	907
Non-U S debt securities	88	479	10	943
Fixed income commingled/mutual funds	63	1,467	–	1,530
Equity				
Common and preferred equity securities	5,882	–	–	5,882
Equity commingled/mutual funds	880	2,084	–	2,484
Public real estate investment trusts	300	–	–	300
Real estate				
Private real estate	–	–	115	115
Real estate commingled/mutual funds	–	11	348	359
Limited partnerships	–	105	232	337
Other investments (1)	14	573	122	709
Total plan investment assets, at fair value	$ 8,583	$ 8,043	$ 789	$ 20,344

	December 31 2010			
Cash and short-term investments				
Money market and interest-bearing cash	$ 1 471	$ –	$ –	$ 1 471
Cash and cash equivalent commingled/mutual funds	–	45	–	45
Fixed Income				
U S government and government agency securities	701	2 604	14	3 319
Corporate debt securities	–	1 108	–	1 108
Asset-backed securities	–	796	–	796
Non-U S debt securities	36	420	9	465
Fixed income commingled/mutual funds	240	1 503	–	1 743
Equity				
Common and preferred equity securities	6 980	1	–	6 981
Equity commingled/mutual funds	637	2 374	–	3 011
Public real estate investment trusts	–	168	–	168
Real estate				
Private real estate	–	–	110	110
Real estate commingled/mutual funds	30	2	215	247
Limited partnerships	–	101	230	331
Other investments (1)	19	230	94	343
Total plan investment assets, at fair value	$ 10 114	$ 9 350	$ 672	$ 20 136

(1) Other investments represent interest rate swaps of $487 million and $138 million participant loans of $75 million and $79 million commodity and balanced funds of $116 million and $32 million and other various investments of $80 million and $28 million at December 31 2011 and 2010

The Level 3 Fair Value Measurements table presents a reconciliation of all plan investment assets measured at fair value using significant unobservable inputs (Level 3) during 2011 and 2010

Level 3 – Fair Value Measurements

(Dollars in millions)	Balance January 1	Actual Return on Plan Assets Still Held at the Reporting Date	Purchases	Sales and Settlements	Transfers Into/ (out of) Level 3	Balance December 31
2011						
Fixed Income						
U.S. government and government agency securities	$ 14	$ (1)	$ –	$ –	$ –	$ 13
Non-U.S. debt securities	9	–	9	(9)	–	9
Real estate						
Private real estate	110	–	5	–	–	115
Real estate commingled/mutual funds	315	26	8	(3)	–	346
Limited partnerships	290	(9)	18	(6)	–	293
Other investments	94	1	36	–	1	133
Total	$ 872	$ 20	$ 84	$ (8)	$ 1	$ 789
2010						
Fixed Income						
U.S. government and government agency securities	$ –	$ –	$ –	$ –	$ 14	$ 14
Non-U.S. debt securities	6	1	–	–	2	9
Real estate						
Private real estate	119	(9)	1	(1)	–	110
Real estate commingled/mutual funds	195	(4)	24	–	–	215
Limited partnerships	192	13	7	(5)	53	230
Other investments	188	–	18	(1)	(111)	94
Total	$ 670	$ 1	$ 50	$ (7)	$ (42)	$ 672
2009						
Fixed Income						
Corporate debt securities	$ 1	$ (1)	$ –	$ –	$ –	$ –
Non-U.S. debt securities	8	–	–	–	–	6
Real estate						
Private real estate	149	(29)	–	(1)	–	119
Real estate commingled/mutual funds	281	(92)	6	–	–	195
Limited partnerships	91	14	41	(4)	20	192
Other investments	293	(106)	5	(4)	–	188
Total	$ 821	$ (234)	$ 52	$ (9)	$ 20	$ 670

Projected Benefit Payments

Benefit payments projected to be made from the Qualified Pension Plans Non-U.S. Pension Plans Nonqualified and Other Pension Plans and Postretirement Health and Life Plans are presented in the table below

Projected Benefit Payments

				Postretirement Health and Life Plans	
(Dollars in millions)	Qualified Pension Plans (1)	Non-U.S. Pension Plans (2)	Nonqualified and Other Pension Plans (2)	Net Payments (3)	Medicare Subsidy
2012	$ 1,054	$ 67	$ 251	$ 159	$ 18
2013	1,059	69	244	160	18
2014	1,062	71	236	161	18
2015	1,062	72	238	160	18
2016	1,060	74	238	157	18
2017 - 2021	5,283	392	1,126	702	81

(1) Benefit payments expected to be made from the plans' assets
(2) Benefit payments expected to be made from a combination of the plans' and the Corporation's assets
(3) Benefit payments (net of retiree contributions) expected to be made from a combination of the plans' and the Corporation's assets

Defined Contribution Plans

The Corporation maintains qualified defined contribution retirement plans and nonqualified defined contribution retirement plans As a result of the Merrill Lynch acquisition the Corporation also maintains the defined contribution plans of Merrill Lynch which include the 401(k) Savings & Investment Plan the Retirement and Accumulation Plan (RAP) and the Employee Stock Ownership Plan (ESOP) The Corporation contributed approximately $723 million $670 million and $605 million in 2011 2010 and 2009 respectively in cash to the qualified defined contribution plans At December 31 2011 and 2010 232 million shares and 208 million shares of the Corporation's common stock were held by these plans Payments to the plans for dividends on common stock were $9 million $8 million and $8 million in 2011 2010 and 2009 respectively

In addition certain non-U.S. employees within the Corporation are covered under defined contribution pension plans that are separately administered in accordance with local laws

NOTE 20 Stock-based Compensation Plans

The Corporation administers a number of equity compensation plans including the Key Employee Stock Plan the Key Associate Stock Plan and the Merrill Lynch Employee Stock Compensation Plan Descriptions of the significant features of the equity compensation plans are below Under these plans the Corporation grants stock-based awards including stock options restricted stock shares and RSUs For grants in 2011 restricted stock awards generally vest in three equal annual installments beginning one year from the grant date

For most awards expense is generally recognized ratably over the vesting period net of estimated forfeitures, unless the employee meets certain retirement eligibility criteria For awards to employees that meet retirement eligibility criteria the Corporation records the expense upon grant For employees that become retirement eligible during the vesting period the Corporation recognizes expense from the grant date to the date on which the employee becomes retirement eligible net of estimated forfeitures The compensation cost for the stock-based plans was $2.6 billion, $2.0 billion and $2.4 billion in 2011 2010 and 2009 respectively The related income tax benefit was $969 million $727 million and $892 million for 2011 2010 and 2009 respectively

For capital purposes the Corporation issued approximately 122 million of immediately tradable shares of common stock or approximately $1.0 billion (after-tax) to certain employees in February 2012 in lieu of a portion of their 2011 year-end cash incentive

Key Employee Stock Plan

The Key Employee Stock Plan as amended and restated provided for different types of awards including stock options restricted stock shares and RSUs Under the plan 10-year options to purchase approximately 260 million shares of common stock were granted through December 31 2002 to certain employees at the closing market price on the respective grant dates At December 31 2011 approximately 21 million fully vested options were outstanding under this plan No further awards may be granted

Key Associate Stock Plan

The Key Associate Stock Plan became effective January 1 2003 It provides for different types of awards including stock options restricted stock shares and RSUs As of December 31 2011 the shareholders had authorized approximately 1.1 billion shares for grant under this plan Additionally any shares covered by awards under the Key Employee Stock Plan or certain legacy company plans that cancel terminate expire lapse or settle in cash after a specified date may be re-granted under the Key Associate Stock Plan

During 2011 the Corporation issued approximately 193 million RSUs to certain employees under the Key Associate Stock Plan Certain awards are earned based on the achievement of specified performance criteria Vested RSUs may be settled in cash or in shares of common stock depending on the terms of the applicable award In 2011 approximately 126 million of these RSUs were authorized to be settled in shares of common stock Certain awards contain clawback provisions which permit the Corporation to cancel all or a portion of the award under specified circumstances The compensation cost for cash-settled awards and awards subject to certain clawback provisions is accrued over the vesting period and is adjusted to fair value based upon changes in the share price of the Corporation's common stock The compensation cost for the remaining awards is fixed and based on the share price of the Corporation's common stock on the date of grant The Corporation hedges a portion of its exposure to variability in the expected cash flows for certain unvested awards using a combination of economic and cash flow hedges as described in *Note 4 – Derivatives*

At December 31 2011 approximately 135 million options were outstanding under this plan There were no options granted under this plan during 2011 or 2010

Merrill Lynch Employee Stock Compensation Plan

The Corporation assumed the Merrill Lynch Employee Stock Compensation Plan with the acquisition of Merrill Lynch Approximately 8 million RSUs were granted in 2011 which generally vest in three equal annual installments beginning one year from the grant date There were no shares granted under this plan during 2010 Awards granted in 2009 generally vest in three equal annual installments beginning one year from the grant date, and awards granted prior to 2009 generally vest in four equal annual installments beginning one year from the grant date At December 31 2011 there were approximately 20 million shares outstanding

Other Stock Plans

As a result of the Merrill Lynch acquisition the Corporation assumed the obligations of outstanding awards granted under the Merrill Lynch Financial Advisor Capital Accumulation Award Plan (FACAAP) and the Merrill Lynch Employee Stock Purchase Plan (ESPP) The FACAAP is no longer an active plan and no awards were granted in 2011 or 2010 Awards granted in 2003 and thereafter are generally payable eight years from the grant date in a fixed number of the Corporation's common shares For outstanding awards granted prior to 2003 payment is generally made ten years from the grant date in a fixed number of the Corporation's common shares unless the fair value of such shares is less than a specified minimum value in which case the minimum value is paid in cash At December 31 2011 there were 12 million shares outstanding under this plan

The ESPP allows eligible employees to invest from one percent to 10 percent of eligible compensation to purchase the Corporation's common stock subject to legal limits. Purchases were made at a discount of five percent of the average high and low market price on the relevant purchase date and the maximum annual contribution per employee was $23,750 in 2011. Approximately 107 million shares were authorized for issuance under the ESPP in 2009. There were 6 million shares available at December 31, 2011.

The weighted average fair value of the ESPP stock purchase rights representing the five percent discount on the Corporation's common stock purchases exercised by employees in 2011 was $0.54 per stock purchase right.

Restricted Stock/Unit Details

The table below presents the status of the share-settled restricted stock/units at December 31, 2011 and changes during 2011.

Restricted Stock/Unit Details

	Shares	Weighted-average Exercise Price
Outstanding at January 1, 2011	212,072,660	$ 13.37
Granted	138,063,421	14.48
Vested	(80,788,008)	14.90
Canceled	(15,401,263)	13.99
Outstanding at December 31, 2011	**253,946,810**	**$ 13.48**

At December 31, 2011, there was $1.2 billion of total unrecognized compensation cost related to share-based compensation arrangements for all awards and it is expected to be recognized over a period up to seven years with a weighted average period of 1.4 years. The total fair value of restricted stock vested in 2011 was $1.7 billion. In 2011, the amount of cash paid to settle equity-based awards was $489 million, which included cash settled RSUs not reflected in the Restricted Stock/Unit Details table.

Stock Options

The table below presents the status of all option plans at December 31, 2011 and changes during 2011. Outstanding options at December 31, 2011 include 21 million options under the Key Employee Stock Plan, 135 million options under the Key Associate Stock Plan and 52 million options to employees of predecessor company plans assumed in mergers.

Stock Options

	Options	Weighted-average Exercise Price
Outstanding at January 1, 2011	261,122,819	$ 50.61
Forfeited	(52,853,270)	65.12
Outstanding at December 31, 2011	**208,269,549**	**46.83**
Options exercisable at December 31, 2011	208,258,554	46.83
Options vested and expected to vest (1)	208,269,549	46.83

(1) Includes vested shares and nonvested shares after a forfeiture rate is applied.

At December 31, 2011, there was no aggregate intrinsic value of options outstanding, exercisable and vested and expected to vest. The weighted-average remaining contractual term of options outstanding was 2.7 years, options exercisable was 2.6 years, and options vested and expected to vest was 2.6 years at December 31, 2011. These remaining contractual terms are similar because options have not been granted since 2008 and they generally vest over three years.

NOTE 21 Income Taxes

The components of income tax expense (benefit) for 2011, 2010 and 2009 were as presented in the table below.

Income Tax Expense (Benefit)

(Dollars in millions)	2011	2010	2009
Current income tax expense (benefit)			
U.S. federal	$ (732)	$ (886)	$ (3,576)
U.S. state and local	869	158	555
Non-U.S.	618	815	735
Total current expense (benefit)	879	307	(2,286)
Deferred income tax expense (benefit)			
U.S. federal	(2,678)	(287)	792
U.S. state and local	(884)	201	(620)
Non-U.S.	1,906	694	198
Total deferred expense (benefit)	(1,648)	608	370
Total income tax expense (benefit)	$ (1,678)	$ 915	$ (1,916)

Total income tax expense (benefit) does not reflect the deferred tax effects of unrealized gains and losses on AFS debt and marketable equity securities, foreign currency translation adjustments, derivatives and employee benefit plan adjustments that are included in accumulated OCI. As a result of these tax effects, accumulated OCI increased $3.0 billion in 2011 and decreased $3.2 billion and $1.6 billion in 2010 and 2009. In addition, total income tax expense (benefit) does not reflect tax effects associated with the Corporation's employee stock plans which increased common stock and additional paid-in capital $19 million in 2011 and decreased common stock and additional paid-in capital $98 million and $295 million in 2010 and 2009.

Income tax expense (benefit) for 2011, 2010 and 2009 varied from the amount computed by applying the statutory income tax rate to income (loss) before income taxes. A reconciliation between the expected U.S. federal income tax expense using the federal statutory tax rate of 35 percent to the Corporation's actual income tax expense (benefit) and resulting effective tax rate for 2011, 2010 and 2009 is presented in the Reconciliation of Income Tax Expense (Benefit) table.

Reconciliation of Income Tax Expense (Benefit)

	2011		2010		2009	
(Dollars in millions)	Amount	Percent	Amount	Percent	Amount	Percent
Expected U.S. federal income tax expense (benefit)	$ (611)	35.0 %	$ (463)	35.0 %	$ 1,526	35.0 %
Increase (decrease) in taxes resulting from						
State tax expense (benefit), net of federal effect	(134)	7.7	233	(17.6)	(42)	(1.0)
Change in federal and non-U.S. valuation allowances	(1,102)	63.1	(1,857)	125.4	(650)	(14.9)
Subsidiary sales and liquidations	(333)	19.1	–	–	(595)	(13.7)
Low-income housing credits/other credits	(800)	45.8	(732)	55.4	(668)	(15.3)
Tax-exempt income, including dividends	(654)	37.4	(981)	74.2	(883)	(18.6)
Non-U.S. tax differential	(883)	50.6	(190)	14.4	(709)	(16.3)
Changes in prior period UTBs (including interest)	(339)	19.4	(349)	26.4	87	2.0
Goodwill impairment and other	1,439	(82.4)	4,508	(341.0)	–	–
Non-U.S. statutory rate reductions	880	(50.4)	392	(29.7)	–	–
Leveraged lease tax differential	121	(6.9)	98	(7.4)	59	1.4
Nondeductible expenses	119	(6.8)	99	(7.5)	69	1.6
Other	(90)	5.2	(43)	3.2	(130)	(3.0)
Total income tax expense (benefit)	$ (1,678)	n/m	$ 915	(69.2)%	$ (1,916)	(44.0)%

n/m = not meaningful

The reconciliation of the beginning unrecognized tax benefits (UTB) balance to the ending balance is presented in the table below.

Reconciliation of the Change in Unrecognized Tax Benefits

(Dollars in millions)	2011	2010	2009
Beginning balance	$ 5,169	$ 5,253	$ 3,541
Increases related to positions taken during the current year	119	172	181
Positions acquired or assumed in business combinations	–	–	1,924
Increases related to positions taken during prior years (1)	879	755	791
Decreases related to positions taken during prior years (1)	(1,669)	(657)	(554)
Settlements	(377)	(305)	(615)
Expiration of statute of limitations	(119)	(49)	(15)
Ending balance	$ 4,906	$ 5,169	$ 5,253

(1) The gain per year of positions taken during prior years differs from the $(339) million, $(349) million and $87 million in the Reconciliation of Income Tax Expense (Benefit) table due to temporary items and jurisdictional offsets, as well as the inclusion of interest in the Reconciliation of Income Tax Expense (Benefit) table.

At December 31 2011 2010 and 2009 the balance of the Corporation s UTBs which would if recognized affect the Corporation s effective tax rate was $3 3 billion $3 4 billion and $4 0 billion respectively Included in the UTB balance are some items the recognition of which would not affect the effective tax rate such as the tax effect of certain temporary differences the portion of gross state UTBs that would be offset by the tax benefit of the associated federal deduction and the portion of gross non-U S UTBs that would be offset by tax reductions in other jurisdictions

The Corporation files income tax returns in more than 100 state and non-U S jurisdictions each year The IRS and other tax authorities in countries and states in which it has significant business operations examine tax returns periodically (continuously in some jurisdictions) The Tax Examination Status table summarizes the status of significant examinations (U S federal unless otherwise noted) for the Corporation and various acquired subsidiaries as of December 31 2011

Tax Examination Status

	Years under Examination (1)	Status at December 31, 2011
Bank of America Corporation - U S	2001 - 2009	See below
Bank of America Corporation - New York	1999 - 2003	Field examination
Merrill Lynch - U S	2004 - 2008	See below
Various - U K	2007 - 2009	Field examination
Fleet Boston - U S	2001 - 2004	In Appeals process

(1) All tax years subsequent to the years shown remain open to examination

During 2011 the Corporation and IRS made significant progress toward resolving all federal income tax examinations for Bank of America Corporation tax years through 2009 and Merrill Lynch tax years through 2008 While subject to final agreement, including review by the Joint Committee on Taxation of the U S Congress for certain years the Corporation believes that all federal examinations in the Tax Examination Status table may be concluded during 2012

Considering all examinations it is reasonably possible the UTB balance may decrease by as much as $2 6 billion during the next twelve months since resolved items will be removed from the balance whether their resolution results in payment or recognition If such decrease were to occur it likely would primarily result from outcomes consistent with management expectations

During 2011 and 2010 the Corporation recognized in income tax expense a benefit of $168 million and expense of $99 million for interest and penalties net-of-tax At December 31 2011 and 2010 the Corporation s accrual for interest and penalties that related to income taxes net of taxes and remittances was $787 million and $1 1 billion

Significant components of the Corporation s net deferred tax assets and liabilities at December 31 2011 and 2010 are presented in the Deferred Tax Assets and Liabilities table

Deferred Tax Assets and Liabilities

	December 31	
(Dollars in millions)	2011	2010
Deferred tax assets		
Net operating loss (NOL) carryforwards	$ 14,907	$ 18 732
Allowance for credit losses	11,834	14 659
Accrued expenses	6,960	3 550
Employee compensation and retirement benefits	4,792	3 868
Credit carryforwards	4,510	4 183
State income taxes	2,480	1 781
Security and loan valuations	1,091	427
Capital loss carryforwards	—	1 530
Other	1,484	1 980
Gross deferred tax assets	48,057	50 700
Valuation allowance	(1,798)	(2 976)
Total deferred tax assets net of valuation allowance	47,211	47 724
Deferred tax liabilities		
Long-term borrowings	1,886	3 328
Equipment lease financing	3,043	2 957
Mortgage servicing rights	1,886	4 280
Intangibles	1,886	2 148
Available-for-sale securities	1,811	4 330
Fee income	1,088	1 235
Other	3,074	2 375
Gross deferred tax liabilities	18,318	20 651
Net deferred tax assets	$ 31,893	$ 27 073

The 2010 U S federal deferred tax asset excludes $56 million related to certain employee stock plan deductions that was recognized and increased additional paid-in capital in 2011

The table below summarizes the deferred tax assets and related valuation allowances recognized for the net operating loss and tax credit carryforwards at December 31 2011

NOL and Tax Credit Carryforwards

(Dollars in millions)	Deferred Tax Asset	Valuation Allowance	Net Deferred Tax Asset	First Year Expiring
Net operating losses - U S	$ 5 088	$ —	$ 5 088	After 2027
Net operating losses - U K	8 836	—	8 836	None (1)
Net operating losses - other non-U S	383	(251)	132	Various
Net operating losses - U S states (2)	1 879	(915)	964	Various
General business credits	2 327	—	2 327	After 2027
Foreign tax credits	2 183	(246)	1 937	After 2017

(1) The U K NOLs may be carried forward indefinitely
(2) The NOLs and related valuation allowances for U S states before consideration of federal deduction were $2 8 billion and $1 4 billion

The Corporation concluded that no valuation allowance is necessary to reduce the U K NOLs U S NOL and general business credit carryforwards since estimated future taxable income will be sufficient to utilize these assets prior to their expiration During 2011 the valuation allowance decreased due to the utilization of the remaining acquired capital loss carryforward and increased primarily against net operating loss carryforwards in non-U S and state jurisdictions

At December 31 2011 and 2010 U S federal income taxes had not been provided on $18 5 billion and $17 9 billion of undistributed earnings of non-U S subsidiaries earned prior to 1997 and after 1997 that have been reinvested for an indefinite period of time If the earnings were distributed an additional $2 5 billion and $2 6 billion of tax expense net of credits for non-U S taxes paid on such earnings and for the related non-U S withholding taxes would have resulted as of December 31 2011 and 2010

NOTE 22 Fair Value Measurements

Under applicable accounting guidance fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date The Corporation determines the fair values of its financial instruments based on the fair value hierarchy established under applicable accounting guidance which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value There are three levels of inputs used to measure fair value For more information regarding the fair value hierarchy and how the Corporation measures fair value see *Note 1 – Summary of Significant Accounting Principles* The Corporation accounts for certain financial instruments under the fair value option For more information see *Note 23 – Fair Value Option*

Level 1, 2 and 3 Valuation Techniques

Financial instruments are considered Level 1 when the valuation is based on quoted prices in active markets for identical assets or liabilities Level 2 financial instruments are valued using quoted prices for similar assets or liabilities quoted prices in markets that are not active, or models using inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities Financial instruments are considered Level 3 when their values are determined using pricing models discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable and when determination of the fair value requires significant management judgment or estimation

Trading Account Assets and Liabilities and Available-for-Sale Debt Securities

The fair values of trading account assets and liabilities are primarily based on actively traded markets where prices are based on either direct market quotes or observed transactions The fair values of AFS debt securities are generally based on quoted market prices or market prices for similar assets Liquidity is a significant factor in the determination of the fair values of trading account assets and liabilities and AFS debt securities Market price quotes may not be readily available for some positions or positions within a market sector where trading activity has slowed significantly or ceased Some of these instruments are valued using a discounted cash flow model which estimates the fair value of the securities using internal credit risk interest rate and prepayment risk models that incorporate management s best estimate of current key assumptions such as default rates loss severity and prepayment rates Principal and interest cash flows are discounted using an observable discount rate for similar instruments with adjustments that management believes a market participant would consider in determining fair value for the specific security Other instruments are valued using a net asset value approach which considers the value of the underlying securities Underlying assets are valued using external pricing services where available or matrix pricing based on the vintages and ratings Situations of illiquidity generally are triggered by the market s perception of credit uncertainty regarding a single company or a specific market sector In these instances fair value is determined based on limited available market information and other factors principally from reviewing the issuer s financial statements and changes in credit ratings made by one or more rating agencies

Derivative Assets and Liabilities

The fair values of derivative assets and liabilities traded in the OTC market are determined using quantitative models that utilize multiple market inputs including interest rates prices and indices to generate continuous yield or pricing curves and volatility factors to value the position The majority of market inputs are actively quoted and can be validated through external sources including brokers market transactions and third-party pricing services When third-party pricing services are used the methods and assumptions used are reviewed by the Corporation Estimation risk is greater for derivative asset and liability positions that are either option-based or have longer maturity dates where observable market inputs are less readily available or are unobservable in which case quantitative-based extrapolations of rate price or index scenarios are used in determining fair values The fair values of derivative assets and liabilities include adjustments for market liquidity counterparty credit quality and other instrument-specific factors where appropriate In addition the Corporation incorporates within its fair value measurements of OTC derivatives a valuation adjustment to reflect the credit risk associated with the net position Positions are netted by counterparty and fair value for net long exposures is adjusted for counterparty credit risk while the fair value for net short exposures is adjusted for the Corporation s own credit risk An estimate of severity of loss is also used in the determination of fair value primarily based on market data

Loans and Loan Commitments

The fair values of loans and loan commitments are based on market prices where available or discounted cash flow analyses using market-based credit spreads of comparable debt instruments or credit derivatives of the specific borrower or comparable borrowers Results of discounted cash flow calculations may be adjusted as appropriate to reflect other market conditions or the perceived credit risk of the borrower

Mortgage Servicing Rights

The fair values of MSRs are determined using models that rely on estimates of prepayment rates the resultant weighted-average lives of the MSRs and the OAS levels For more information on MSRs see *Note 25 – Mortgage Servicing Rights*

Loans Held-for-Sale

The fair values of LHFS are based on quoted market prices where available or are determined by discounting estimated cash flows using interest rates approximating the Corporation s current origination rates for similar loans adjusted to reflect the inherent credit risk

Other Assets

The fair values of AFS marketable equity securities are generally based on quoted market prices or market prices for similar assets However non-public investments are initially valued at the transaction price and subsequently adjusted when evidence is available to support such adjustments

Securities Financing Agreements

The fair values of certain reverse repurchase agreements repurchase agreements and securities borrowed transactions are determined using quantitative models including discounted cash flow models that require the use of multiple market inputs including interest rates and spreads to generate continuous yield or pricing curves and volatility factors The majority of market inputs are actively quoted and can be validated through external sources including brokers market transactions and third-party pricing services

Deposits and Other Short-term Borrowings

The fair values of deposits and other short-term borrowings are determined using quantitative models including discounted cash flow models that require the use of multiple market inputs including interest rates and spreads to generate continuous yield or pricing curves and volatility factors The majority of market inputs are actively quoted and can be validated through external sources including brokers market transactions and third-party pricing services The Corporation considers the impact of its own credit spreads in the valuation of these liabilities The credit risk is determined by reference to observable credit spreads in the secondary cash market

Long-term Debt

The Corporation issues structured liabilities that have coupons or repayment terms linked to the performance of debt or equity securities indices currencies or commodities The fair values of these structured liabilities are estimated using valuation models for the combined derivative and debt portions of the notes These models incorporate observable and in some instances unobservable inputs including security prices interest rate yield curves option volatility currency commodity or equity rates and correlations between these inputs The Corporation considers the impact of its own credit spreads in the valuation of these liabilities The credit risk is determined by reference to observable credit spreads in the secondary bond market

Asset-backed Secured Financings

The fair values of asset-backed secured financings are based on external broker bids where available or are determined by discounting estimated cash flows using interest rates approximating the Corporation s current origination rates for similar loans adjusted to reflect the inherent credit risk

Recurring Fair Value

Assets and liabilities carried at fair value on a recurring basis at December 31 2011 and 2010 including financial instruments which the Corporation accounts for under the fair value option are summarized in the following tables

	December 31, 2011				
	Fair Value Measurements				
(Dollars in millions)	Level 1 (1)	Level 2 (1)	Level 3	Netting Adjustments (2)	Assets/Liabilities at Fair Value
Assets					
Federal funds sold and securities borrowed or purchased under agreements to resell	$ –	$ 87,482	$ –	$ –	$ 87,482
Trading account assets					
U S government and agency securities	39,349	13,979	–	–	53,313
Corporate securities trading loans and other	1,067	36,634	8,990	–	86,871
Equity securities	17,161	2,949	344	–	20,674
Non-U S sovereign debt	23,987	1,987	342	–	48,996
Mortgage trading loans and ABS	–	9,838	8,998	–	18,816
Total trading account assets	83,482	75,409	11,466	–	169,319
Derivative assets (3)	2,186	1,905,219	14,996	(1,908,330)	73,029
AFS debt securities					
U S Treasury securities and agency securities	38,988	3,478	–	–	42,994
Mortgage-backed securities					
Agency	–	143,239	87	–	143,998
Agency-collateralized mortgage obligations	–	44,998	–	–	44,998
Non-agency residential	–	13,807	998	–	14,767
Non-agency commercial	–	6,462	60	–	6,522
Non-U S securities	1,994	3,236	–	–	4,930
Corporate/Agency bonds	–	3,873	163	–	6,998
Other taxable securities	30	6,998	4,396	–	11,878
Tax-exempt securities	–	1,998	2,948	–	4,906
Total AFS debt securities	41,078	227,098	8,013	–	276,191
Loans and leases	–	6,998	2,744	–	8,806
Mortgage servicing rights	–	–	7,978	–	7,978
Loans held-for-sale	–	4,348	3,987	–	7,990
Other assets	14,963	13,998	4,236	–	37,094
Total assets	$ 144,977	$ 2,279,437	$ 61,977	$ (1,908,330)	$ 684,941
Liabilities					
Interest-bearing deposits in U S offices	$ –	$ 8,297	$ –	$ –	$ 8,297
Federal funds purchased and securities loaned or sold under agreements to repurchase	–	94,236	–	–	94,236
Trading account liabilities					
U S government and agency securities	19,139	1,936	–	–	20,719
Equity securities	13,239	1,936	–	–	14,994
Non-U S sovereign debt	16,780	660	–	–	17,440
Corporate securities and other	829	6,811	114	–	7,754
Total trading account liabilities	49,986	10,438	114	–	60,886
Derivative liabilities (3)	2,056	1,880,804	8,909	(1,901,698)	86,839
Other short-term borrowings	–	6,638	–	–	6,638
Accrued expenses and other liabilities	13,853	1,987	14	–	15,743
Long-term debt	–	49,998	1,943	–	44,339
Total liabilities	$ 66,896	$ 1,980,313	$ 11,971	$ (1,901,698)	$ 326,109

(1) There were no transfers between Level 1 and Level 2 were not significant during 2011

(2) Amounts represent the impact of legally enforceable master netting agreements and also cash collateral held or placed with the same counterparties

(3) For further disaggregation of derivative assets and liabilities see *Note 4 – Derivatives*

(Dollars in millions)	December 31 2010				
	Fair Value Measurements				
	Level 1 (1)	Level 2 (1)	Level 3	Netting Adjustments (2)	Assets/Liabilities at Fair Value
Assets					
Federal funds sold and securities borrowed or purchased under agreements to resell	$ –	$ 78 599	$ –	$ –	$ 78 599
Trading account assets					
U S government and agency securities	28 237	32 574	–	–	60 811
Corporate securities trading loans and other	732	40 869	7 751	–	49 352
Equity securities	23 249	8 257	623	–	32 129
Non-U S sovereign debt	24 834	8 348	243	–	33 523
Mortgage trading loans and ABS	–	11 948	6 908	–	18 856
Total trading account assets	77 152	101 994	15 525	–	194 671
Derivative assets (3)	2 827	1 518 244	18 773	(1 464 844)	73 000
AFS debt securities					
U S Treasury securities and agency securities	46 003	3 102	–	–	49 105
Mortgage-backed securities					
Agency	–	191 213	4	–	191 217
Agency-collateralized mortgage obligations	–	37 017	–	–	37 017
Non-agency residential	–	21 649	1 468	–	23 117
Non-agency commercial	–	6 833	19	–	6 852
Non-U S securities	1 440	2 696	3	–	4 139
Corporate/Agency bonds	–	5 154	137	–	5 291
Other taxable securities	20	2 354	13 018	–	15 392
Tax-exempt securities	–	4 273	1 224	–	5 497
Total AFS debt securities	47 463	274 781	15 873	–	337 627
Loans and leases	–	–	3 321	–	3 321
Mortgage servicing rights	–	–	14 900	–	14 900
Loans held-for-sale	–	21 802	4 140	–	25 942
Other assets	32 624	31 051	6 856	–	70 531
Total assets	$ 159 586	$ 2 023 981	$ 70 388	$ (1 464 844)	$ 786 591
Liabilities					
Interest-bearing deposits in U S offices	$ –	$ 2 732	$ –	$ –	$ 2 732
Federal funds purchased and securities loaned or sold under agreements to repurchase	–	37 424	–	–	37 424
Trading account liabilities					
U S government and agency securities	29 357	5 983	–	–	29 340
Equity securities	14 568	914	–	–	15 482
Non U S sovereign debt	14 748	1 065	–	–	15 813
Corporate securities and other	224	11 119	7	–	11 350
Total trading account liabilities	52 897	18 081	7	–	71 985
Derivative liabilities (3)	1 789	1 492 983	11 028	(1 449 876)	55 914
Other short-term borrowings	–	6 472	706	–	7 178
Accrued expenses and other liabilities	31 470	931	828	–	33 229
Long-term debt	–	47 998	2 986	–	50 984
Total liabilities	$ 86 156	$ 1 607 601	$ 15 555	$ (1 449 876)	$ 259 448

(1) Gross transfers between Level 1 and Level 2 were approximately $1 3 billion during 2010
(2) Amounts represent the impact of legally enforceable master netting agreements and also cash collateral held or placed with the same counterparties
(3) For further disaggregation of derivative assets and liabilities see Note 4 – Derivatives

The following tables present a reconciliation of all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during 2011 2010 and 2009 including net realized and unrealized gains (losses) included in earnings and accumulated OCI

Level 3 – Fair Value Measurements (1)

(Dollars in millions)	2011										
					Gains						
	Balance January 1 2011	Reclassification of NBs	Sales (Losses) in Earnings	Sales (Losses) in OCI	Purchases	Sales	Issuances	Settlements	Gross Transfers into Level 3	Gross Transfers out of Level 3	Balance December 31 2011
Trading account assets											
Corporate securities trading loans and other (2)	$ 7,751	$ –	$ 480	$ –	$ 5,823	$ (6,864)	$ –	$ (1,252)	$ 1,866	$ (715)	$ 6,990
Equity securities	627	–	49	–	336	(382)	–	(140)	183	(37)	644
Non U S sovereign debt	243	–	67	–	186	(137)	–	(3)	8	(44)	843
Mortgage trading loans and ABS	6,908	–	443	–	2,323	(4,718)	–	(443)	78	(809)	5,689
Total trading account assets	15,529	–	1,039	–	8,436	(12,076)	–	(1,848)	1,910	(1,605)	11,465
Net derivative assets (3)	7,745	–	5,189	–	1,238	(1,553)	–	(7,779)	1,189	(189)	5,996
AFS debt securities											
Mortgage-backed securities											
Agency	4	–	–	–	14	(11)	–	–	94	(4)	97
Agency-collateralized mortgage obligations	–	–	–	–	55	(55)	–	–	–	–	–
Non-agency residential	1,468	–	(1,05)	41	11	(997)	–	(996)	573	–	999
Non-agency commercial	19	–	–	–	15	–	–	–	6	–	40
Non-U S securities	3	–	–	–	–	–	–	–	99	(91)	–
Corporate/Agency bonds	137	–	(11)	(9)	904	(17)	–	–	7	(969)	183
Other taxable securities	13,018	–	99	11	9,579	(3,949)	–	(3,113)	3	(5,331)	4,366
Tax-exempt securities	1,224	–	11	(99)	2,943	(92)	–	(997)	55	(979)	2,946
Total AFS debt securities	15,873	–	(1,13)	19	7,199	(3,726)	–	(5,977)	549	(6,599)	8,013
Loans and leases (2, 4)	3,321	6,196	(99)	–	11	(3,644)	3,115	(1,599)	9	(4,999)	3,744
Mortgage servicing rights (4)	14,900	–	(5,091)	–	–	(999)	1,999	(2,511)	–	–	7,279
Loans held-for-sale (2)	4,149	–	99	–	157	(999)	–	(994)	999	(97)	5,967
Other assets (5)	6,999	–	149	–	1,993	(3,991)	–	(799)	979	(1,979)	4,299
Trading account liabilities – Corporate securities and other	(7)	–	4	–	139	(139)	–	–	(99)	19	(114)
Other short-term borrowings (2)	(799)	–	(99)	–	–	–	–	99	–	999	–
Accrued expenses and other liabilities (2)	(999)	–	91	–	–	(9)	(9)	9	–	791	(14)
Long-term debt (2)	(3,999)	–	(1,99)	–	999	(79)	(999)	999	(3,111)	1,979	(3,949)

(1) Assets (liabilities) Per assets increase / (decrease) to Level 3 and for liabilities (increase) / decrease to Level 3
(2) Amounts represent items that are accounted for under the fair value option
(3) Net derivatives at December 31 2011 include derivative assets of $14 4 billion and derivative liabilities of $8 5 billion
(4) Amounts represent loan originations and mortgage servicing rights retained following securitizations or whole loan sales
(5) Other assets is primarily comprised of net derivative exposure to a single counterparty and private equity investments

During 2011 the transfers into Level 3 included $1 9 billion of trading account assets $1 2 billion of net derivative assets and $2 1 billion of long-term debt accounted for under the fair value option Transfers into Level 3 for trading account assets were primarily certain CLOs corporate loans and bonds which were transferred due to decreased market activity Transfers into Level 3 for net derivative assets were the result of changes in the valuation methodology for certain total return swaps in addition to increases in certain equity derivatives with significant unobservable inputs Transfers into Level 3 for long-term debt were primarily due to changes in the impact of unobservable inputs on the value of certain structured liabilities Transfers occur on a regular basis for these long-term debt instruments based on the fair value of the embedded derivative in relation to the instrument as a whole

During 2011 the transfers out of Level 3 included $1 6 billion of trading account assets $6 3 billion of AFS debt securities $4 4 billion of loans and leases $2 0 billion of other assets and $1 6 billion of long-term debt Transfers out of Level 3 for trading account assets were primarily driven by increased price observability on certain RMBS commercial mortgage-backed securities and consumer ABS portfolios as well as certain corporate bond positions due to increased trading volume Transfers out of Level 3 for AFS debt securities primarily related to auto credit card and student loan ABS portfolios due to increased trading volume in the secondary market for similar securities Transfers out of Level 3 for loans and leases were driven by increased observable inputs primarily market comparables for certain corporate loans accounted for under the fair value option Transfers out of Level 3 for other assets were primarily the result of an initial public offering of an equity investment Transfers out of Level 3 for long-term debt were primarily due to changes in the impact of unobservable inputs on the value of certain structured liabilities Transfers occur on a regular basis for these long-term debt instruments based on the fair value of the embedded derivative in relation to the instrument as a whole

Level 3 – Fair Value Measurements (1)

(Dollars in millions)	2010 Balance January 1 2010	Consolidation of VIEs	Gains (Losses) in Earnings	Gains (Losses) in OCI	Purchases Issuances and Settlements	Gross Transfers Into Level 3	Gross Transfers Out of Level 3	Balance December 31 2010
Trading account assets								
Corporate securities trading loans and other (2)	$ 11 080	$ 117	$ 848	$ –	$ (4 852)	$ 2 589	$ (2 041)	$ 7 751
Equity securities	1 084	–	(81)	–	(342)	131	(169)	623
Non-U.S. sovereign debt	1 143	–	(138)	–	(157)	115	(720)	243
Mortgage trading loans and ABS	7 770	175	653	–	(1 659)	396	(427)	6 908
Total trading account assets	21 077	292	1 282	–	(7 010)	3 241	(3 357)	15 525
Net derivative assets (3)	7 883	–	8 118	–	(8 778)	1 067	(525)	7 745
AFS debt securities								
Mortgage-backed securities								
Agency	–	–	–	–	4	–	–	4
Non-agency residential	7 218	113	(648)	(169)	(6 767)	1 909	(188)	1 468
Non-agency commercial	258	–	(13)	(31)	(178)	71	(88)	19
Non-U.S. securities	486	–	(125)	(75)	(321)	56	–	3
Corporate/Agency bonds	927	–	(3)	47	(847)	32	(19)	137
Other taxable securities	9 854	5 803	(296)	44	(3 263)	1 118	(43)	13 018
Tax-exempt securities	1 623	–	(25)	(9)	(574)	318	(107)	1 224
Total AFS debt securities	20 348	5 716	(1 108)	(193)	(11 946)	3 503	(445)	15 873
Loans and leases (2)	4 936	–	(69)	–	(1 529)	–	–	3 321
Mortgage servicing rights	19 465	–	(4 321)	–	(244)	–	–	14 900
Loans held-for-sale (2)	8 942	–	482	–	(3 714)	624	(194)	4 140
Other assets (4)	7 821	–	1 946	–	(2 812)	–	(299)	6 656
Trading account liabilities								
Non-U.S. sovereign debt	(388)	–	23	–	(17)	–	380	–
Corporate securities and other	(10)	–	(5)	–	11	(52)	49	(7)
Total trading account liabilities	(398)	–	18	–	(6)	(52)	429	(7)
Other short-term borrowings (2)	(707)	–	(96)	–	98	–	–	(706)
Accrued expenses and other liabilities (2)	(891)	–	148	–	(83)	–	–	(826)
Long-term debt (2)	(4 880)	–	897	–	1 074	(1 881)	1 784	(2 906)

(1) Assets (liabilities). For assets: increases / (decreases) to Level 3 and for liabilities: (increases) / decreases to Level 3
(2) Amounts represent items that are accounted for under the fair value option
(3) Net derivatives at December 31 2010 include derivative assets of $16 8 billion and derivative liabilities of $11 0 billion
(4) Other assets is primarily comprised of AFS marketable equity securities

During 2010 the transfers into Level 3 included $3 2 billion of trading account assets $3 5 billion of AFS debt securities $1 1 billion of net derivative contracts and $1 9 billion of long-term debt Transfers into Level 3 for trading account assets were driven by reduced price transparency as a result of lower levels of trading activity for certain municipal auction rate securities and corporate debt securities as well as a change in valuation methodology for certain ABS to a discounted cash flow model Transfers into Level 3 for AFS debt securities were due to an increase in the number of non-agency RMBS and other taxable securities priced using a discounted cash flow model Transfers into Level 3 for net derivative contracts were primarily related to a lack of price observability for certain credit default and total return swaps Transfers into Level 3 for long-term debt were primarily due to changes in the impact of unobservable inputs on the value of certain structured liabilities

During 2010 the transfers out of Level 3 included $3 4 billion of trading account assets and $1 8 billion of long term debt. Transfers out of Level 3 for trading account assets were driven by increased price verification of certain MBS corporate debt and non-U.S. government and agency securities Transfers out of Level 3 for long-term debt were primarily due to changes in the impact of unobservable inputs on the value of certain structured liabilities

Level 3 – Fair Value Measurements (1)

(Dollars in millions)	2009 Balance January 1 2009	Merrill Lynch Acquisition	Gains (Losses) Included in Earnings	Gains (Losses) Included in OCI	Purchases Issuances and Settlements	Transfers in/(out of) Level 3	Balance December 31 2009
Trading account assets							
Corporate securities trading loans and other	$ 4 540	$ 7 012	$ 370	$ –	$ (2 015)	$ 1 173	$ 11 080
Equity securities	848	3 848	(398)	–	(2 425)	(489)	1 084
Non-U.S. sovereign debt	–	30	136	–	187	810	1 143
Mortgage trading loans and ABS	1 847	7 294	(262)	–	933	(1 842)	7 770
Total trading account assets	8 733	18 184	(152)	–	(3 340)	(348)	21 077
Net derivative assets (2)	2 270	2 307	5 526	–	(7 906)	5 886	7 883
AFS debt securities							
Non-agency MBS							
Residential	5 439	2 509	(1 159)	2 738	(4 187)	1 878	7 218
Commercial	657	–	(185)	(7)	(155)	(52)	258
Non-U.S. securities	1 247	–	(79)	(226)	(73)	(401)	468
Corporate/Agency bonds	1 598	–	(22)	127	324	(1 100)	927
Other taxable securities	9 589	–	(75)	869	815	(1 154)	9 854
Tax-exempt securities	182	–	2	26	788	845	1 823
Total AFS debt securities	18 702	2 509	(1 518)	3 327	(2 488)	(188)	20 348
Loans and leases (3)	5 413	2 452	815	–	(3 718)	274	4 936
Mortgage servicing rights	12 733	709	5 286	–	1 237	–	19 465
Loans held-for-sale (3)	3 382	3 872	878	–	(1 048)	58	6 942
Other assets (4)	4 157	2 698	1 273	–	(308)	3	7 821
Trading account liabilities							
Non-U.S. sovereign debt	–	–	(38)	–	–	(348)	(388)
Corporate securities and other	–	–	–	–	4	(14)	(10)
Total trading account liabilities	–	–	(38)	–	4	(362)	(396)
Other short-term borrowings (3)	(816)	–	(11)	–	120	–	(707)
Accrued expenses and other liabilities (3)	(1 124)	(1 337)	1 396	–	174	–	(891)
Long-term debt (3)	–	(7 481)	(2 310)	–	830	4 301	(4 660)

(1) Assets (liabilities). For assets: increases / (decreases) to Level 3 and for liabilities: (increases) / decreases to Level 3
(2) Net derivatives at December 31 2009 include derivative assets of $23 0 billion and derivative liabilities of $15 2 billion
(3) Amounts represent items that are accounted for under the fair value option
(4) Other assets is primarily comprised of AFS marketable equity securities

The following tables summarize gains (losses) due to changes in fair value, including both realized and unrealized gains (losses), recorded in earnings for Level 3 assets and liabilities during 2011, 2010 and 2009. These amounts include gains (losses) on loans, LHFS, loan commitments and structured liabilities that are accounted for under the fair value option.

Level 3 – Total Realized and Unrealized Gains (Losses) Included in Earnings

	2011				
(Dollars in millions)	Equity Investment Income (Loss)	Trading Account Profits (Losses)	Mortgage Banking Income (Loss) (1)	Other Income (Loss)	Total
Trading account assets:					
Corporate securities, trading loans and other (2)	$ –	$ 490	$ –	$ –	$ 490
Equity securities	–	49	–	–	49
Non-U.S. sovereign debt	–	67	–	–	67
Mortgage trading loans and ABS	–	443	–	–	443
Total trading account assets	–	1,049	–	–	1,049
Net derivative assets	–	1,510	3,883	–	5,393
AFS debt securities:					
Non-agency residential MBS	–	–	–	(180)	(180)
Corporate/Agency bonds	–	–	–	(12)	(12)
Other taxable securities	–	16	–	10	26
Tax-exempt securities	–	(2)	–	24	22
Total AFS debt securities	–	14	–	(158)	(144)
Loans and leases (2)	–	–	(13)	(43)	(56)
Mortgage servicing rights	–	–	(5,961)	–	(5,961)
Loans held-for-sale (2)	–	–	(106)	144	38
Other assets	343	–	(51)	(51)	240
Trading account liabilities - Corporate securities and other	–	4	–	–	4
Other short-term borrowings (2)	–	–	(90)	–	(90)
Accrued expenses and other liabilities (2)	–	(10)	71	–	61
Long-term debt (2)	–	(106)	–	(32)	(138)
Total	$ 343	$ 1,469	$ (2,109)	$ (167)	$ (464)

	2010				
Trading account assets:					
Corporate securities, trading loans and other (2)	$ –	$ 848	$ –	$ –	$ 848
Equity securities	–	(61)	–	–	(61)
Non-U.S. sovereign debt	–	(138)	–	–	(138)
Mortgage trading loans and ABS	–	653	–	–	653
Total trading account assets	–	1,282	–	–	1,282
Net derivative assets	–	(1,257)	9,375	–	8,118
AFS debt securities:					
Non-agency MBS:					
Residential	–	–	(16)	(630)	(646)
Commercial	–	–	–	(13)	(13)
Non-U.S. securities	–	–	–	(125)	(125)
Corporate/Agency bonds	–	–	–	(3)	(3)
Other taxable securities	–	(295)	–	(1)	(296)
Tax-exempt securities	–	23	–	(48)	(25)
Total AFS debt securities	–	(272)	(16)	(820)	(1,108)
Loans and leases (2)	–	–	–	(89)	(89)
Mortgage servicing rights	–	–	(4,321)	–	(4,321)
Loans held-for-sale (2)	–	–	72	410	482
Other assets	1,987	–	(21)	–	1,966
Trading account liabilities:					
Non-U.S. sovereign debt	–	23	–	–	23
Corporate securities and other	–	(5)	–	–	(5)
Total trading account liabilities	–	18	–	–	18
Other short-term borrowings (2)	–	–	(95)	–	(95)
Accrued expenses and other liabilities (2)	–	(28)	–	172	144
Long-term debt (2)	–	677	–	20	697
Total	$ 1,987	$ 422	$ 4,994	$ (307)	$ 7,076

(1) Mortgage banking income does not reflect the impact of Level 1 and Level 2 hedges on MSRs.
(2) Amounts represent items that are accounted for under the fair value option.

Level 3 – Total Realized and Unrealized Gains (Losses) Included in Earnings

	2009				
(Dollars in millions)	Equity Investment Income (Loss)	Trading Account Profits (Losses)	Mortgage Banking Income (Loss) (1)	Other Income (Loss)	Total
Trading account assets					
Corporate securities, trading loans and other	$ –	$ 370	$ –	$ –	$ 370
Equity securities	–	(396)	–	–	(396)
Non-U.S. sovereign debt	–	136	–	–	136
Mortgage trading loans and ABS	–	(262)	–	–	(262)
Total trading account assets	–	(152)	–	–	(152)
Net derivative assets	–	(2,526)	8,052	–	5,526
AFS debt securities					
Non-agency MBS					
Residential	–	–	(20)	(1,139)	(1,159)
Commercial	–	–	–	(185)	(185)
Non-U.S. securities	–	–	–	(79)	(79)
Corporate/Agency bonds	–	–	–	(22)	(22)
Other taxable securities	–	–	–	(75)	(75)
Tax-exempt securities	–	–	–	2	2
Total AFS debt securities	–	–	(20)	(1,498)	(1,518)
Loans and leases (2)	–	(11)	–	526	515
Mortgage servicing rights	–	–	5,286	–	5,286
Loans held-for-sale (2)	–	(218)	306	588	676
Other assets	968	–	244	61	1,273
Trading account liabilities – Non-U.S. sovereign debt	–	(38)	–	–	(38)
Other short-term borrowings (2)	–	–	(11)	–	(11)
Accrued expenses and other liabilities (2)	–	36	–	1,360	1,396
Long-term debt (2)	–	(2,083)	–	(227)	(2,310)
Total	$ 968	$ (4,990)	$ 13,857	$ 810	$ 10,645

(1) Mortgage banking income does not reflect the impact of Level 1 and Level 2 hedges on MSRs.
(2) Amounts represent items that are accounted for under the fair value option.

The following tables summarize changes in unrealized gains (losses) recorded in earnings during 2011, 2010 and 2009 for Level 3 assets and liabilities that were still held at December 31, 2011, 2010 and 2009. These amounts include changes in fair value on loans, LHFS, loan commitments and structured liabilities that are accounted for under the fair value option.

Level 3 – Changes in Unrealized Gains (Losses) Relating to Assets and Liabilities Still Held at Reporting Date

	2011				
(Dollars in millions)	Equity Investment Income (Loss)	Trading Account Profits (Losses)	Mortgage Banking Income (Loss) (1)	Other Income (Loss)	Total
Trading account assets					
Corporate securities, trading loans and other (2)	$ –	$ (36)	$ –	$ –	$ (36)
Equity securities	–	(90)	–	–	(90)
Non-U.S. sovereign debt	–	101	–	–	101
Mortgage trading loans and ABS	–	80	–	–	80
Total trading account assets	–	(13)	–	–	(13)
Net derivative assets	–	1,439	1,301	–	2,741
AFS debt securities					
Non-agency residential MBS	–	–	–	(196)	(196)
Corporate/Agency bonds	–	–	–	(14)	(14)
Other taxable securities	–	–	–	19	19
Total AFS debt securities	–	–	–	(191)	(191)
Loans and leases (2)	–	–	–	(360)	(360)
Mortgage servicing rights	–	–	(5,958)	–	(5,958)
Loans held-for-sale (2)	–	–	(153)	5	(148)
Other assets	(309)	–	(93)	(51)	(453)
Trading account liabilities – Corporate securities and other	–	8	–	–	8
Long-term debt (2)	–	(187)	–	(94)	(281)
Total	$ (309)	$ 1,311	$ (5,910)	$ (886)	$ (5,497)

	2010				
Trading account assets					
Corporate securities, trading loans and other (2)	$ –	$ 289	$ –	$ –	$ 289
Equity securities	–	(50)	–	–	(50)
Non-U.S. sovereign debt	–	(144)	–	–	(144)
Mortgage trading loans and ABS	–	227	–	–	227
Total trading account assets	–	322	–	–	322
Net derivative assets	–	(945)	676	–	(269)
Non-agency residential MBS, AFS debt securities	–	–	(2)	(182)	(184)
Loans and leases (2)	–	–	–	(142)	(142)
Mortgage servicing rights	–	–	(5,740)	–	(5,740)
Loans held-for-sale (2)	–	10	(9)	258	259
Other assets	50	–	(22)	–	28
Trading account liabilities – Non-U.S. sovereign debt	–	52	–	–	52
Other short-term borrowings (2)	–	–	(46)	–	(46)
Accrued expenses and other liabilities (2)	–	–	–	(182)	(182)
Long-term debt (2)	–	585	–	43	628
Total	$ 50	$ 24	$ (5,143)	$ (185)	$ (5,254)

(1) Mortgage banking income does not reflect the impact of Level 1 and Level 2 hedges on MSRs.
(2) Amounts represent items that are accounted for under the fair value option.

Level 3 – Changes in Unrealized Gains (Losses) Relating to Assets and Liabilities Still Held at Reporting Date

	2009				
(Dollars in millions)	Equity Investment Income (Loss)	Trading Account Profits (Losses)	Mortgage Banking Income (Loss) (1)	Other Income (Loss)	Total
Trading account assets					
Corporate securities, trading loans and other	$ –	$ 89	$ –	$ –	$ 89
Equity securities	–	(328)	–	–	(328)
Non-U.S. sovereign debt	–	137	–	–	137
Mortgage trading loans and ABS	–	(332)	–	–	(332)
Total trading account assets	–	(434)	–	–	(434)
Net derivative assets	–	(2,761)	348	–	(2,413)
AFS debt securities					
Non-agency residential MBS	–	–	(20)	(659)	(679)
Other taxable securities	–	(11)	–	(3)	(14)
Tax-exempt securities	–	(2)	–	(8)	(10)
Total AFS debt securities	–	(13)	(20)	(670)	(703)
Loans and leases (2)	–	–	–	210	210
Mortgage servicing rights	–	–	4,100	–	4,100
Loans held-for-sale (2)	–	(195)	184	895	884
Other assets	(177)	–	6	1,061	890
Trading account liabilities – Non-U.S. sovereign debt	–	(38)	–	–	(38)
Other short-term borrowings (2)	–	–	(11)	–	(11)
Accrued expenses and other liabilities (2)	–	–	–	1,740	1,740
Long-term debt (2)	–	(2,303)	–	(225)	(2,528)
Total	$ (177)	$ (5,744)	$ 4,587	$ 2,811	$ 1,477

(1) Mortgage banking income does not reflect the impact of Level 1 and Level 2 hedges on MSRs.
(2) Amounts represent items that are accounted for under the fair value option.

Nonrecurring Fair Value

The Corporation held certain assets that are measured at fair value on a nonrecurring basis and are not included in the previous tables in this Note. These assets primarily include LHFS, certain loans and leases, and foreclosed properties. The amounts below represent only balances measured at fair value during 2011, 2010 and 2009 and still held as of the reporting date.

Assets Measured at Fair Value on a Nonrecurring Basis

	December 31			
	2011		2010	
(Dollars in millions)	Level 2	Level 3	Level 2	Level 3
Assets				
Loans held-for-sale	$ 2,863	$ 1,008	$ 931	$ 5,406
Loans and leases	9	10,439	23	11,917
Foreclosed properties (1)	–	2,821	10	2,125
Other assets	44	885	8	88

	Gains (Losses)		
(Dollars in millions)	2011	2010	2009
Assets			
Loans held-for-sale	$ (181)	$ 174	$ (1,284)
Loans and leases (2)	(4,813)	(6,074)	(5,596)
Foreclosed properties	(289)	(240)	(322)
Other assets	–	(50)	(268)

(1) Amounts are included in other assets on the Consolidated Balance Sheet and represent fair value and related losses on foreclosed properties that were written down subsequent to their initial classification as foreclosed properties.
(2) Gains (losses) represent charge-offs on real estate-secured loans.

NOTE 23 Fair Value Option

Loans and Loan Commitments

The Corporation elected to account for certain consumer and commercial loans and loan commitments that exceeded the Corporation's single name credit risk concentration guidelines under the fair value option. Lending commitments, both funded and unfunded, are actively managed and monitored and, as appropriate, credit risk for these lending relationships may be mitigated through the use of credit derivatives, with the Corporation's public side credit view and market perspectives determining the size and timing of the hedging activity. These credit derivatives do not meet the requirements for designation as accounting hedges and therefore are carried at fair value with changes in fair value recorded in other income (loss). Electing the fair value option allows the Corporation to carry these loans and loan commitments at fair value, which is more consistent with management's view of the underlying economics and the manner in which they are managed. In addition, election of the fair value option allows the Corporation to reduce the accounting volatility that would otherwise result from the asymmetry created by accounting for the financial instruments at historical cost and the economic hedges at fair value. An immaterial portion of the changes in fair value for these loans was attributable to changes in borrower-specific credit risk.

Loans Held-for-Sale

The Corporation elected to account for residential mortgage LHFS, commercial mortgage LHFS and other LHFS under the fair value option with interest income on these LHFS recorded in other interest income. The changes in fair value are largely offset by hedging activities. An immaterial portion of the changes in fair value for these loans was attributable to changes in borrower-specific credit risk. Election of the fair value option allows the Corporation to reduce the accounting volatility that would otherwise result from the asymmetry created by accounting for the financial instruments at historical cost and the economic hedges at fair value. The Corporation has not elected to account for other LHFS under the fair value option primarily because these loans are floating-rate loans that are not economically hedged using derivative instruments.

Loans Reported as Trading Account Assets

The Corporation elected to account for certain loans that are risk-managed on a fair value basis under the fair value option. An immaterial portion of the changes in fair value for these loans was attributable to changes in borrower specific credit risk.

Other Assets

The Corporation elected to account for certain private equity investments that are not in an investment company under the fair value option as this measurement basis is consistent with applicable accounting guidance for similar investments that are in an investment company.

Securities Financing Agreements

The Corporation elected to account for certain securities financing agreements including resale and repurchase agreements under the fair value option based on the tenor of the agreements, which reflects the magnitude of the interest rate risk. The majority of securities financing agreements collateralized by U.S. government securities are not accounted for under the fair value option as these contracts are generally short-dated and therefore the interest rate risk is not significant.

Long-term Deposits

The Corporation elected to account for certain long-term fixed-rate and rate-linked deposits that are economically hedged with derivatives under the fair value option. Election of the fair value option allows the Corporation to reduce the accounting volatility that would otherwise result from the asymmetry created by accounting for the financial instruments at historical cost and the economic hedges at fair value. The Corporation did not elect to carry other long-term deposits at fair value because they were not economically hedged using derivatives.

Other Short-term Borrowings

The Corporation elected to account for certain other short-term borrowings under the fair value option because this debt is risk-managed on a fair value basis.

Long-term Debt

The Corporation elected to account for certain long-term debt, primarily structured liabilities, under the fair value option. This long-term debt is risk-managed on a fair value basis. Election of the fair value option allows the Corporation to reduce the accounting volatility that would otherwise result from the asymmetry created by accounting for these financial instruments at historical cost and the economic hedges at fair value.

Asset-backed Secured Financings

The Corporation elected to account for certain asset-backed secured financings, which are classified in other short-term borrowings, under the fair value option. Election of the fair value option allows the Corporation to reduce the accounting volatility that would otherwise result from the asymmetry created by accounting for the asset-backed secured financings at historical cost and the corresponding mortgage LHFS securing these financings at fair value.

The table below provides information about the fair value carrying amount and the contractual principal outstanding of assets and liabilities accounted for under the fair value option at December 31 2011 and 2010

Fair Value Option Elections

	December 31					
	2011			2010		
(Dollars in millions)	Fair Value Carrying Amount	Contractual Principal Outstanding	Fair Value Carrying Amount Less Unpaid Principal	Fair Value Carrying Amount	Contractual Principal Outstanding	Fair Value Carrying Amount Less Unpaid Principal
Loans reported as trading account assets	$ 1,181	$ 2,971	$ (1,790)	$ 964	$ 1 917	$ (953)
Consumer and commercial loans	5,809	10,832	(5,019)	3 269	3 638	(369)
Loans held-for-sale	7,999	9,972	(2,973)	25 942	28 370	(2 428)
Securities financing agreements	121,988	121,092	896	116 023	115 053	970
Other assets	351	n/a	n/a	310	n/a	n/a
Long-term deposits	2,367	2,055	312	2 732	2 692	40
Asset-backed secured financings	650	1,271	(621)	708	1 358	(650)
Unfunded loan commitments	1,249	n/a	n/a	886	n/a	n/a
Other short-term borrowings	5,908	5,908	(1)	6 472	6 472	–
Long-term debt (1)	46,289	53,884	(9,618)	50 984	54 656	(3 672)

(1) The majority of the difference between the fair value carrying amount and contractual principal outstanding at December 31 2011 relates to the impact of widening of the Corporation's credit spreads as well as the fair value of the embedded derivative where applicable
n/a = not applicable

The following tables provide information about where changes in the fair value of assets and liabilities accounted for under the fair value option are included in the Consolidated Statement of Income for 2011 2010 and 2009

Gains (Losses) Relating to Assets and Liabilities Accounted for Under the Fair Value Option

	2011			
(Dollars in millions)	Trading Account Profits (Losses)	Mortgage Banking Income (Loss)	Other Income (Loss) (1)	Total
Loans reported as trading account assets	$ 78	$ –	$ –	$ 78
Consumer and commercial loans	15	–	(278)	(263)
Loans held-for-sale	(30)	4,137	146	4,253
Securities financing agreements	–	–	137	137
Other assets	–	–	196	196
Long-term deposits	–	–	(77)	(77)
Asset-backed secured financings	–	(30)	–	(30)
Unfunded loan commitments	–	–	(439)	(439)
Other short-term borrowings	261	–	–	261
Long-term debt (2)	2,149	–	9,320	11,469
Total	$ 2,473	$ 4,107	$ 9,010	$ 15,590

	2010		
Loans reported as trading account assets	$ 157	$ –	$ 157
Commercial loans	2	–	82	84
Loans held-for-sale	–	9 091	493	9 584
Securities financing agreements	–	–	52	52
Other assets	–	–	107	107
Long-term deposits	–	–	(48)	(48)
Asset-backed secured financings	–	(95)	–	(95)
Unfunded loan commitments	–	–	23	23
Other short-term borrowings	(192)	–	–	(192)
Long-term debt (2)	(821)	–	18	(803)
Total	$ (854)	$ 8 996	$ 727	$ 9 069

	2009		
Loans reported as trading account assets	$ 259	$ –	$ 259
Commercial loans	25	–	521	546
Loans held-for-sale	(211)	8 251	588	8 628
Securities financing agreements	–	–	(292)	(292)
Other assets	379	–	(177)	202
Long-term deposits	–	–	35	35
Asset-backed secured financings	–	(11)	–	(11)
Unfunded loan commitments	–	–	1,365	1,365
Other short-term borrowings	(238)	–	–	(238)
Long-term debt (2)	(3 936)	–	(4 900)	(8 836)
Total	$ (3 722)	$ 8 240	$ (2 860)	$ 1,658

(1) Other assets includes $177 million of equity investment loss for 2009
(2) Reported in other income (loss) for long-term debt where no changes in fair value that were attributable to changes in the Corporation's credit spreads

NOTE 24 Fair Value of Financial Instruments

The fair values of financial instruments have been derived using methodologies described in *Note 22 – Fair Value Measurements* The following disclosures include financial instruments where only a portion of the ending balance at December 31 2011 and 2010 was carried at fair value on the Corporation's Consolidated Balance Sheet

Short-term Financial Instruments

The carrying value of short-term financial instruments including cash and cash equivalents time deposits placed federal funds sold and purchased resale and certain repurchase agreements and other short-term investments and borrowings approximates the fair value of these instruments These financial instruments generally expose the Corporation to limited credit risk and have no stated maturities or have short-term maturities and carry interest rates that approximate market The Corporation elected to account for certain repurchase agreements under the fair value option

Loans

Fair values were generally determined by discounting both principal and interest cash flows expected to be collected using an observable discount rate for similar instruments with adjustments that the Corporation believes a market participant would consider in determining fair value The Corporation estimates the cash flows expected to be collected using internal credit risk interest rate and prepayment risk models that incorporate the Corporation's best estimate of current key assumptions such as default rates loss severity and prepayment speeds for the life of the loan The

carrying value of loans is presented net of the applicable allowance for loan losses and excludes leases The Corporation elected to account for certain large corporate loans that exceeded the Corporation s single name credit risk concentration guidelines under the fair value option

Deposits

The fair value for certain deposits with stated maturities was determined by discounting contractual cash flows using current market rates for instruments with similar maturities The carrying value of non-U S time deposits approximates fair value For deposits with no stated maturities the carrying value was considered to approximate fair value and does not take into account the significant value of the cost advantage and stability of the Corporation s long-term relationships with depositors The Corporation accounts for certain long-term fixed-rate deposits that are economically hedged with derivatives under the fair value option

Long-term Debt

The Corporation uses quoted market prices when available to estimate fair value for its long term debt When quoted market prices are not available fair value is estimated based on current market interest rates and credit spreads for debt with similar terms and maturities The Corporation accounts for certain structured liabilities under the fair value option

Fair Value of Financial Instruments

The carrying values and fair values of certain financial instruments where only a portion of the ending balance at December 31 2011 and 2010 was carried at fair value are presented in the table below

Fair Value of Financial Instruments

	December 31			
	2011		2010	
(Dollars in millions)	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Held-to-maturity debt securities	$ 38,398	$ 38,443	$ 427	$ 427
Loans	870,529	848,883	878 739	861 895
Financial liabilities				
Deposits	1,028,041	1,028,340	1 010 430	1,010 490
Long-term debt	572,396	568,815	448 431	441 872

NOTE 25 Mortgage Servicing Rights

The Corporation accounts for consumer MSRs at fair value with changes in fair value recorded in the Consolidated Statement of Income in mortgage banking income (loss) The Corporation economically hedges these MSRs with certain derivatives and securities including MBS and U S Treasuries The securities that economically hedge the MSRs are classified in other assets with changes in the fair value of the securities and the related interest income recorded in mortgage banking income (loss)

The table below presents activity for residential first-lien MSRs for 2011 and 2010 Commercial and residential reverse MSRs which are carried at the lower of carrying or market value and accounted for using the amortization method totaled $132 million and $277 million at December 31 2011 and 2010 and are not included in the tables in this Note

(Dollars in millions)	2011	2010
Balance, January 1	$ 14,900	$ 19 465
Additions	1,896	3 629
Sales	(906)	(110)
Impact of customer payments (1)	(2,631)	(3 760)
Impact of changes in interest rates and other market factors (2)	(4,880)	(3 224)
Model and other cash flow assumption changes (3)		
Projected cash flows, primarily due to increases in cost to service loans	(1,308)	(3 161)
Impact of changes in the Home Price Index	438	937
Impact of changes in the prepayment model	1,618	1 296
Other model changes	(711)	(173)
Balance, December 31	$ 7,878	$ 14 900
Mortgage loans serviced for investors (in billions)	$ 1,579	$ 1 628

(1) Represents the change in the expired value of the MSR asset due to the impact of contractual payments received during the period

(2) These amounts reflect changes in the expected MSR fair value largely due to observed changes in interest rates volatility spreads and the shape of the forward swap curve

(3) These amounts reflect periodic adjustments to the valuation model as well as changes in certain cash flow assumptions such as costs to service and ancillary income per loan

The Corporation uses an OAS valuation approach which factors in prepayment risk to determine the fair value of MSRs This approach consists of projecting servicing cash flows under multiple interest rate scenarios and discounting these cash flows using risk-adjusted discount rates The significant economic assumptions used in determining the fair value of MSRs at December 31 2011 and 2010 are presented below

Significant Economic Assumptions

	December 31			
	2011		2010	
(Dollars in millions)	Fixed	Adjustable	Fixed	Adjustable
Weighted-average OAS	2.80%	5.41%	2 17%	5 12%
Weighted-average life in years	9.78	2.10	4 85	2 28

The table below presents the sensitivity of the weighted-average lives and fair value of MSRs to changes in modeled assumptions These sensitivities are hypothetical and should be used with caution As the amounts indicate changes in fair value based on variations in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear Also the effect of a variation in a particular assumption on the fair value of MSRs that continue to be held by the Corporation is calculated without changing any other assumption In reality changes in one factor may result in changes in another which might magnify or counteract the sensitivities The below sensitivities do not reflect any hedge strategies that may be undertaken to mitigate such risk

Sensitivity Impacts

	December 31, 2011		
	Change in Weighted-average Lives		
(Dollars in millions)	Fixed	Adjustable	Change in Fair Value
Prepayment rates			
Impact of 10% decrease	0 29 years	0 14 years	$ 639
Impact of 20% decrease	0 63	0 31	1,375
Impact of 10% increase	(0 25)	(0 12)	(561)
Impact of 20% increase	(0 48)	(0 23)	(1,056)
OAS level			
Impact of 100 bps decrease	n/a	n/a	$ 375
Impact of 200 bps decrease	n/a	n/a	782
Impact of 100 bps increase	n/a	n/a	(345)
Impact of 200 bps increase	n/a	n/a	(664)

n/a = not applicable

NOTE 26 Business Segment Information

The Corporation reports the results of its operations through six business segments *Deposits Card Services Consumer Real Estate Services (CRES)* formerly *Home Loans & Insurance Global Commercial Banking Global Banking & Markets (GBAM)* and *Global Wealth & Investment Management (GWIM)* with the remaining operations recorded in *All Other* The Corporation may periodically reclassify business segment results based on modifications to its management reporting methodologies and changes in organizational alignment Prior period amounts have been reclassified to conform to current period presentation

Deposits

Deposits includes the results of consumer deposits activities which consist of a comprehensive range of products provided to consumers and small businesses Deposit products include traditional savings accounts money market savings accounts CDs and IRAs noninterest- and interest-bearing checking accounts as well as investment accounts and products These products provide a relatively stable source of funding and liquidity The Corporation earns net interest spread revenue from investing this liquidity in earning assets through client-facing lending and ALM activities The revenue is allocated to the deposit products using a funds transfer pricing process which takes into account the interest rates and implied maturity of the deposits *Deposits* also generates fees such as account service fees non-sufficient funds fees overdraft charges and ATM fees as well as investment and brokerage fees from Merrill Edge accounts In addition *Deposits* includes the net impact of migrating customers and their related deposit balances between *Deposits* and other client managed businesses Subsequent to the date of migration the associated net interest income service charges and noninterest expense are recorded in the business to which deposits were transferred

Card Services

Card Services is one of the leading issuers of credit and debit cards in the U S to consumers and small businesses providing a broad offering of lending products including co-branded and affinity products During 2011 the Corporation sold its Canadian consumer card business and is evaluating its remaining international consumer card operations In light of these actions the international consumer card business results were moved to *All Other* effective July 1 2011 prior periods have been reclassified and the *Global Card Services* business segment was renamed *Card Services*

The Corporation reports its *Card Services* results in accordance with new consolidation guidance that was effective on January 1 2010 Under this new consolidation guidance the Corporation consolidated all previously unconsolidated credit card trusts Accordingly 2011 and 2010 results are comparable to 2009 results that were presented on a managed basis which was consistent with the way that management evaluated the results of the business Managed basis assumed that securitized loans were not sold and presented earnings on these loans in a manner similar to the way loans that have not been sold are presented

Consumer Real Estate Services

CRES provides an extensive line of consumer real estate products and services to customers nationwide *CRES* products include fixed- and adjustable-rate first-lien mortgage loans for home purchase and refinancing needs HELOC and home equity loans First mortgage products are either sold into the secondary mortgage market to investors while retaining MSRs and the Bank of America customer relationships or are held on the Corporation s Consolidated Balance Sheet in All Other for ALM purposes HELOC and home equity loans are retained on the *CRES* balance sheet *CRES* services mortgage loans including those loans it owns loans owned by other business segments and *All Other* and loans owned by outside investors

The financial results of the on-balance sheet loans are reported in the business segment that owns the loans or *All Other CRES* is not impacted by the Corporation s first mortgage production retention decisions as *CRES* is compensated for loans held for ALM purposes on a management accounting basis with a corresponding offset recorded in *All Other* and for servicing loans owned by other business segments and *All Other CRES* also includes the impact of transferring customers and their related loan balances between *GWIM* and *CRES* based on client segmentation thresholds Subsequent to the date of transfer the associated net interest income and noninterest expense are recorded in the business segment to which loans were transferred

Global Commercial Banking

Global Commercial Banking provides a wide range of lending-related products and services integrated working capital management and treasury solutions to clients through the Corporation s network of offices and client relationship teams along with various product partners Clients include business banking and middle-market companies commercial real estate

firms and governments and are generally defined as companies with sales up to $2 billion Lending products and services include commercial loans and commitment facilities real estate lending asset-based lending and indirect consumer loans Capital management and treasury solutions include treasury management foreign exchange and short-term investing options In 2011 management responsibility for the merchant services joint venture was moved from *GBAM* to *Global Commercial Banking* Prior periods have been reclassified to reflect the change

Global Banking & Markets

GBAM provides advisory services financing securities clearing settlement and custody services globally to institutional investor clients in support of their investing and trading activities *GBAM* also works with commercial and corporate clients to provide debt and equity underwriting and distribution capabilities merger related and other advisory services and risk management products using interest rate equity credit currency and commodity derivatives foreign exchange fixed-income and mortgage-related products As a result of the Corporation s market-making activities in these products it may be required to manage positions in government securities equity and equity-linked securities high-grade and high-yield corporate debt securities commercial paper MBS and ABS Corporate banking services provide a wide range of lending related products and services integrated working capital management and treasury solutions to clients through the Corporation s network of offices and client relationship teams along with various product partners Corporate clients are generally defined as companies with annual sales greater than $2 billion

Global Wealth & Investment Management

GWIM provides comprehensive wealth management capabilities to a broad base of clients from emerging affluent to the ultra-high net worth These services include investment and brokerage services estate and financial planning fiduciary portfolio management cash and liability management and specialty asset management *GWIM* also provides retirement and benefit plan services philanthropic management and asset management to individual and institutional clients *GWIM* results are impacted by the migration of clients and their related deposit and loan balances to or from *Deposits CRES* and the ALM portfolio Migration in the current year includes the additional movement of balances to Merrill Edge which is in *Deposits* Subsequent to the date of migration the associated net interest income noninterest income and noninterest expense are recorded in the business to which the clients migrated

All Other

All Other consists of equity investment activities including Global Principal Investments Strategic and other investments and Corporate Investments *All Other* also includes liquidating businesses merger and restructuring charges ALM functions such as residential mortgage portfolio and investment securities and related activities including economic hedges and gains/losses on structured liabilities the impact of certain allocation methodologies and accounting hedge ineffectiveness Additionally *All Other* includes certain residential mortgage and discontinued real estate loans that are managed by *CRES* During 2011 the Corporation sold its Canadian consumer card business and is evaluating its remaining international consumer card operations As a result of these actions the international consumer card business results were moved to *All Other* from *Card Services* and prior periods have been reclassified

Basis of Presentation

The management accounting and reporting process derives segment and business results by utilizing allocation methodologies for revenue and expense The net income derived for the businesses is dependent upon revenue and cost allocations using an activity-based costing model funds transfer pricing and other methodologies and assumptions management believes are appropriate to reflect the results of the business

Total revenue net of interest expense includes net interest income on a fully taxable equivalent (FTE) basis and noninterest income The adjustment of net interest income to a FTE basis results in a corresponding increase in income tax expense The segment results also reflect certain revenue and expense methodologies that are utilized to determine net income The net interest income of the businesses includes the results of a funds transfer pricing process that matches assets and liabilities with similar interest rate sensitivity and maturity characteristics For presentation purposes in segments where the total of liabilities and equity exceeds assets which are generally deposit-taking segments the Corporation allocates assets to match liabilities Net interest income of the business segments also includes an allocation of net interest income generated by the Corporation s ALM activities

The Corporation s ALM activities include an overall interest rate risk management strategy that incorporates the use of interest rate contracts to manage fluctuations in earnings that are caused by interest rate volatility The Corporation s goal is to manage interest rate sensitivity so that movements in interest rates do not significantly adversely affect earnings and capital The majority of the Corporation s ALM activities are allocated to the business segments and fluctuate based on performance ALM activities include external product pricing decisions including deposit pricing strategies the effects of the Corporation s internal funds transfer pricing process and the net effects of other ALM activities

Certain expenses not directly attributable to a specific business segment are allocated to the segments The most significant of these expenses include data and item processing costs and certain centralized or shared functions Data processing costs are allocated to the segments based on equipment usage Item processing costs are allocated to the segments based on the volume of items processed for each segment The costs of certain centralized or shared functions are allocated based on methodologies that reflect utilization

The following tables present total revenue net of interest expense on a FTE basis and net income (loss) for 2011 2010 and 2009 and total assets at December 31 2011 and 2010 for each business segment as well as *All Other*

Business Segments

At and for the Year Ended December 31	Total Corporation (1)			Deposits			Card Services (2)		
(Dollars in millions)	2011	2010	2009	2011	2010	2009	2011	2010	2009
Net interest income (FTE basis)	$ 48,585	$ 52 693	$ 48 410	$ 8,471	$ 8 278	$ 7 195	$ 11,897	$ 14 413	$ 18 502
Noninterest income	46,536	58 697	72 534	4,818	5 284	7 041	9,230	7 927	8 275
Total revenue net of interest expense	94,439	111,390	120 944	13,289	13 562	14 236	18,143	22 340	24 777
Provision for credit losses	13,410	28 435	48 570	178	201	341	5,073	10 962	26 351
Amortization of intangibles	1,909	1,731	1,978	184	194	237	899	668	746
Goodwill impairment	2,184	12 400	–	–	–	–	–	10 400	–
Other noninterest expense	75,861	68 977	64 735	10,479	11 002	9 451	5,425	5 289	5 857
Income (loss) before income taxes	743	(153)	5 661	2,448	2 165	4 207	6,647	(4 979)	(6 177)
Income tax expense (benefit) (FTE basis)	(704)	2 085	(615)	981	803	1 530	2,290	2 001	(2 965)
Net income (loss)	$ 1,447	$ (2 238)	$ 6 276	$ 1,467	$ 1 362	$ 2 677	$ 4,357	$ (6 980)	$ (5 212)
Year-end total assets	$ 2,129,046	$ 2 264 909		$ 448,980	$ 440 954		$ 127,698	$ 138 491	

	Consumer Real Estate Services			Global Commercial Banking			Global Banking & Markets		
	2011	2010	2009	2011	2010	2009	2011	2010	2009
Net interest income (FTE basis)	$ 5,597	$ 4 662	$ 4 961	$ 7,179	$ 8 007	$ 8 022	$ 7,601	$ 8 000	$ 9 557
Noninterest income	(9,561)	5 667	11 677	5,577	3 219	7 438	16,317	19 949	18 624
Total revenue net of interest expense	(3,964)	10 329	16 638	12,756	11 226	15 460	23,918	27 949	28 181
Provision for credit losses	4,834	8 490	11 244	(884)	1 979	7 782	(306)	(166)	1 998
Amortization of intangibles	55	35	63	87	72	100	116	125	129
Goodwill impairment	2,005	2 000	–	–	–	–	–	–	–
Other noninterest expense	10,279	12 845	11 437	4,177	4 058	4 120	16,068	17 412	15 135
Income (loss) before income taxes	(20,571)	(13 047)	(6 106)	8,353	5 117	3 458	8,795	10 580	10 919
Income tax expense (benefit) (FTE basis)	(10,042)	(4 100)	(2 217)	2,551	1 899	1 279	1,786	4 283	3 246
Net income (loss)	$ (10,529)	$ (8 947)	$ (3 889)	$ 5,802	$ 3 218	$ 2 179	$ 7,007	$ 6 297	$ 7 673
Year-end total assets	$ 166,715	$ 212 412		$ 280,863	$ 312 807		$ 687,764	$ 853 737	

	Global Wealth & Investment Management			All Other (3)		
	2011	2010	2009	2011	2010	2009
Net interest income (FTE basis)	$ 6,048	$ 5 677	$ 5 882	$ 1,790	$ 3 656	$ (3 709)
Noninterest income	11,980	10 612	9 904	19,431	6 039	9 575
Total revenue net of interest expense	17,976	16 289	15 786	16,301	9 695	5 866
Provision for credit losses	866	846	1 060	6,178	8 323	(206)
Amortization of intangibles	436	458	480	194	178	223
Goodwill impairment	–	–	–	881	–	–
Other noninterest expense	13,967	12 769	11 841	4,301	5 589	7 094
Income (loss) before income taxes	2,963	2 416	2 805	4,113	(2 405)	(1,245)
Income tax expense (benefit) (FTE basis)	948	1 076	938	(579)	(3 877)	(2 424)
Net income	$ 1,835	$ 1 340	$ 1 669	$ 4,691	$ 1 472	$ 1 179
Year-end total assets	$ 233,844	$ 298 251		$ 180,486	$ 210 257	

(1) There were no material intersegment revenues

(2) 2011 and 2010 are presented in accordance with new consolidation guidance 2009 *Card Services* results are presented on a managed basis with a corresponding offset recorded in *All Other*

The following tables present a reconciliation of the six business segments total revenue net of interest expense on a FTE basis and net income (loss) to the Consolidated Statement of Income and total assets to the Consolidated Balance Sheet The adjustments presented in the following tables include consolidated income expense and asset amounts not specifically allocated to individual business segments

Business Segment Reconciliations

(Dollars in millions)	2011	2010	2009
Segments total revenue net of interest expense (FTE basis)	$ 79,225	$ 101 895	$ 115 076
Adjustments			
ALM activities	7,576	1 899	(766)
Equity investment income	7,087	4 549	10 589
Liquidating businesses	1,799	5 155	8 932
FTE basis adjustment	(972)	(1 170)	(1 301)
Managed securitization impact to total revenue net of interest expense	n/a	n/a	(11 399)
Other	(2,130)	(1 908)	510
Consolidated revenue, net of interest expense	$ 90,484	$ 110 220	$ 119 643
Segments net income (loss)	$ (5,548)	$ (3 710)	$ 5 097
Adjustments net of taxes			
ALM activities	513	(2 482)	(6 597)
Equity investment income	4,489	2 906	6 671
Liquidating businesses	(1,099)	718	412
Merger and restructuring charges	(407)	(1.146)	(1 714)
Other	548	1 496	2 407
Consolidated net income (loss)	$ 1,446	$ (2 238)	$ 6 278

	December 31	
	2011	2010
Segments total assets	$ 1,966,811	$ 2 054 852
Adjustments		
ALM activities including securities portfolio	847,869	801 307
Equity investments	6,823	34 165
Liquidating businesses	29,746	43 288
Elimination of segment excess asset allocations to match liabilities	(881,782)	(476 471)
Other	27,698	7 948
Consolidated total assets	$ 2,129,865	$ 2 264 909

n/a = not applicable

NOTE 27 Parent Company Information

The following tables present the Parent Company only financial information

Condensed Statement of Income

(Dollars in millions)	2011	2010	2009
Income			
Dividends from subsidiaries			
Bank holding companies and related subsidiaries	$ 14,377	$ 7 263	$ 4 100
Nonbank companies and related subsidiaries	883	226	27
Interest from subsidiaries	999	899	1 179
Other income (1)	10,906	2 781	7 784
Total income	33,302	11 269	13 090
Expense			
Interest on borrowed funds	9,296	4 484	4 737
Noninterest expense (2)	11,961	8 030	4 238
Total expense	18,066	12 514	8 975
Income (loss) before income taxes and equity in undistributed earnings of subsidiaries	4,307	(1 245)	4 115
Income tax benefit	(3,788)	(3 709)	(85)
Income before equity in undistributed earnings of subsidiaries	8,095	2 464	4 200
Equity in undistributed earnings (losses) of subsidiaries			
Bank holding companies and related subsidiaries	6,889	7 847	(21.614)
Nonbank companies and related subsidiaries	(13,184)	(12 349)	23 690
Total equity in undistributed earnings (losses) of subsidiaries	(6,344)	(4 702)	2 078
Net income (loss)	$ 1,446	$ (2 238)	$ 6 278
Net income (loss) applicable to common shareholders	$ 88	$ (3 595)	$ 2 204

(1) Includes $6.5 billion and $7.3 billion of gains related to the sale of the Corporation s investment in CCB during 2011 and 2009

(2) Includes in aggregate, $6 9 billion, $3 6 billion and $229 million in 2011 2010 and 2009 of representations and warranties provision which is presented as a component of mortgage banking income on the Corporation s Consolidated Statement of Income and litigation expense

Condensed Balance Sheet

	December 31	
(Dollars in millions)	2011	2010
Assets		
Cash held at bank subsidiaries	$ 134,881	$ 117 124
Securities	518	19 518
Receivables from subsidiaries		
Bank holding companies and related subsidiaries	44,679	50 588
Nonbank companies and related subsidiaries	7,969	8 320
Investments in subsidiaries		
Bank holding companies and related subsidiaries	191,276	184 838
Nonbank companies and related subsidiaries	89,219	81.374
Other assets	11,780	10 837
Total assets	$ 487,781	$ 456 300
Liabilities and shareholders' equity		
Commercial paper and other short-term borrowings	$ 401	$ 13 899
Accrued expenses and other liabilities	22,419	22 803
Payables to subsidiaries		
Bank holding companies and related subsidiaries	3,829	4 241
Nonbank companies and related subsidiaries	518	513
Long-term debt	181,480	186 596
Shareholders equity	280,134	228 248
Total liabilities and shareholders' equity	$ 487,781	$ 456 300

Condensed Statement of Cash Flows

(Dollars in millions)	2011	2010	2009
Operating activities			
Net income (loss)	$ 1,446	$ (2 238)	$ 6 276
Reconciliation of net income (loss) to net cash provided by operating activities			
Equity in undistributed (earnings) losses of subsidiaries	6,844	4 702	(2 076)
Other operating activities net	9,718	(906)	4 400
Net cash provided by operating activities	18,708	1 468	8 600
Investing activities			
Net sales of securities	8,444	5 972	3 729
Net payments from (to) subsidiaries	6,780	3 531	(25 437)
Other investing activities net	(9)	2 592	(17)
Net cash provided by (used in) investing activities	14,216	12 095	(21 725)
Financing activities			
Net increase (decrease) in commercial paper and other short-term borrowings	(10,172)	8 052	(20 873)
Proceeds from issuance of long-term debt	10,047	29 275	30 347
Retirement of long-term debt	(21,742)	(27 176)	(20 190)
Proceeds from issuance of preferred stock and warrants	5,000	–	49 244
Repayment of preferred stock	–	–	(45 000)
Proceeds from issuance of common stock	–	–	13 468
Cash dividends paid	(1,786)	(1 782)	(4 863)
Other financing activities net	(4,493)	3 280	4 149
Net cash provided by (used in) financing activities	(33,068)	11 649	6 492
Net increase (decrease) in cash held at bank subsidiaries	7,857	25 232	(8 633)
Cash held at bank subsidiaries at January 1	117,124	91 892	98 525
Cash held at bank subsidiaries at December 31	$ 124,981	$ 117 124	$ 91 892

NOTE 28 Performance by Geographical Area

Since the Corporation s operations are highly integrated certain asset, liability income and expense amounts must be allocated to arrive at total assets total revenue net of interest expense income (loss) before income taxes and net income (loss) by geographic area The Corporation identifies its geographic performance based on the business unit structure used to manage the capital or expense deployed in the region as applicable This requires certain judgments related to the allocation of revenue so that revenue can be appropriately matched with the related expense or capital deployed in the region

		December 31	Year Ended December 31		
(Dollars in millions)	Year	Total Assets (1)	Total Revenue, Net of Interest Expense (2)	Income (Loss) Before Income Taxes	Net Income (Loss)
U S (3)	2011	$ 1,999,694	$ 73,819	$ (9,361)	$ (6,471)
	2010	1 875 840	95 115	(5 878)	(4 727)
	2009		98 278	(6 901)	(1 025)
Asia (4)	2011	98,778	10,899	7,896	4,797
	2010	107 140	4 187	1 372	864
	2009		10 685	8 006	5 101
Europe, Middle East and Africa	2011	151,899	7,839	1,008	(157)
	2010	180 821	8 490	1 549	723
	2009		9 085	2 295	1 652
Latin America and the Caribbean	2011	24,899	1,831	436	287
	2010	21 508	2 428	1 432	902
	2009		1 585	870	548
Total Non-U S	2011	272,392	18,841	9,081	4,917
	2010	289 269	15 105	4 353	2 489
	2009		21 365	11 261	7 301
Total Consolidated	2011	$ 2,129,846	$ 98,484	$ (280)	$ 1,446
	2010	2 264 909	110 220	(1 525)	(2 238)
	2009		119 643	4 360	6 276

(1) Total assets include long-lived assets which are primarily located in the U S

(2) There were no material intercompany revenues between geographic regions for any of the periods presented

(3) Includes the Corporation s Canadian operations which had total assets of $6 1 billion and $18 1 billion at December 31, 2011 and 2010, total revenue net of interest expense of $1 3 billion $1.3 billion and $2 5 billion income before income taxes of $421 million $458 million and $723 million, and net income of $626 million, $328 million and $488 million for 2011, 2010 and 2009 respectively

(4) Amounts include pre-tax gains of $6 5 billion and $7 3 billion ($4 1 billion and $4 6 billion net-of-tax) on the sale of common shares of the Corporation s investment in CCB during 2011 and 2009

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls And Procedures

Disclosure Controls and Procedures

As of the end of the period covered by this report and pursuant to Rule 13a-15 of the Securities Exchange Act of 1934 (Exchange Act) Bank of America s management including the Chief Executive Officer and Chief Financial Officer conducted an evaluation of the effectiveness and design of our disclosure controls and procedures (as that term is defined in Rule 13a-15(e) of the Exchange Act) Based upon that evaluation Bank of America s Chief Executive Officer and Chief Financial Officer concluded that Bank of America s disclosure controls and procedures were effective as of the end of the period covered by this report in recording processing summarizing and reporting information required to be disclosed within the time periods specified in the SEC s rules and forms

Report of Independent Registered Public Accounting Firm

To the Board of Directors of Bank of America Corporation:

We have examined based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission Bank of America Corporation s (the 'Corporation') assertion included under Item 9A that the Corporation s disclosure controls and procedures were effective as of December 31 2011 ('Management s Assertion) Disclosure controls and procedures mean controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by an issuer in reports that it files or submits under the Securities Exchange Act of 1934 is recorded processed summarized and reported within the time periods specified in the Securities and Exchange Commission s rules and forms and that information required to be disclosed by an issuer in reports that it files or submits under the Securities Exchange Act of 1934 is accumulated and communicated to the issuer s management including its principal executive and principal financial officer or persons performing similar functions as appropriate to allow timely decisions regarding required disclosure The Corporation's management is responsible for maintaining effective disclosure controls and procedures and for Management s Assertion of the effectiveness of its disclosure controls and procedures Our responsibility is to express an opinion on Management s Assertion based on our examination

There are inherent limitations to disclosure controls and procedures Because of these inherent limitations effective disclosure controls and procedures can only provide reasonable assurance of achieving the intended objectives Disclosure controls and procedures may not prevent or detect and correct material misstatements and they may not identify all information relating to the Corporation to be accumulated and communicated to the Corporation s management to allow timely decisions regarding required disclosures Also projections of any evaluation of effectiveness to future periods are subject to the risk that disclosure controls and procedures may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate

We conducted our examination in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States) Those standards require that we plan and perform the examination to obtain reasonable assurance about whether effective disclosure controls and procedures were maintained in all material respects Our examination included obtaining an understanding of the Corporation s disclosure controls and procedures and testing and evaluating the design and operating effectiveness of the Corporation s disclosure controls and procedures based on the assessed risk Our examination also included performing such other procedures as we considered necessary in the circumstances We believe that our examination provides a reasonable basis for our opinion Our examination was not conducted for the purpose of expressing an opinion and accordingly we express no opinion on the accuracy or completeness of the Corporation s disclosures in its reports or whether such disclosures comply with the rules and regulations adopted by the Securities and Exchange Commission

In our opinion Management s Assertion that the Corporation s disclosure controls and procedures were effective as of December 31 2011 is fairly stated in all material respects based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission

PricewaterhouseCoopers LLP

Charlotte North Carolina
February 23 2012

Report of Management on Internal Control Over Financial Reporting

The Report of Management on Internal Control over Financial Reporting is set forth on page 151 and incorporated herein by reference The Report of our Independent Registered Public Accounting Firm with respect to the Corporation s internal control over financial reporting is set forth on page 152 and incorporated herein by reference

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended December 31 2011 that materially affected or are reasonably likely to materially affect our internal control over financial reporting

Item 9B. Other Information

None

Part III

Bank of America Corporation and Subsidiaries

Item 10. Directors, Executive Officers and Corporate Governance

Executive Officers of The Registrant

The name age position and office and business experience during the last five years of our current executive officers are

David C. Darnell (59) Co-Chief Operating Officer since September 2011 President Global Commercial Banking from July 2005 to September 2011 Mr Darnell joined the Corporation in 1979 and served in a number of senior leadership roles prior to July 2005

Terrence P. Laughlin (57) Chief Risk Officer since August 2011 Legacy Asset Servicing Executive from February 2011 to August 2011 Credit Loss Mitigation Strategies & Secondary Markets Executive from August 2010 to February 2011 Chief Executive Officer and President of OneWest Bank FSB from March 2009 to July 2010 Chairman of Merrill Lynch Bank & Trust Co FSB and Managing Director of Merrill Lynch & Co Inc from February 2005 to May 2008

Gary G. Lynch (61) Global Chief of Legal, Compliance and Regulatory Relations since July 2011 Vice Chairman of Morgan Stanley from May 2009 to July 2011 Chief Legal Officer of Morgan Stanley from October 2005 to September 2010

Thomas K. Montag (55) Co-Chief Operating Officer since September 2011 President, Global Banking and Markets from August 2009 to September 2011 President Global Markets from January 2009 to August 2009 Executive Vice President and Head of Global Sales and Trading of Merrill Lynch & Co Inc from August 2008 to December 2008 Co-head Global Securities of The Goldman Sachs Group Inc from 2006 to 2008 Co-president Japanese Operations of The Goldman Sachs Group Inc from 2002 to 2007 Member Management Committee of The Goldman Sachs Group Inc from 2002 to 2008 Member Fixed Income Currency and Commodities & Equities Executive Committee of The Goldman Sachs Group Inc from 2000 to 2008

Brian T. Moynihan (52) President and Chief Executive Officer and member of the Board of Directors since January 2010 President Consumer and Small Business Banking from August 2009 to December 2009 President Global Banking and Wealth Management from January 2009 to August 2009 General Counsel from December 2008 to January 2009 President Global Corporate and Investment Banking from October 2007 to December 2008 President Global Wealth and Investment Management from April 2004 to October 2007

Edward P. O'Keefe (56) General Counsel since January 2009 Deputy General Counsel and Head of Litigation from December 2008 to January 2009 Global Compliance and Operational Risk Executive and Senior Privacy Executive from September 2008 to December 2008 Deputy General Counsel for Staff Support from January 2005 to September 2008

Bruce R. Thompson (47) Chief Financial Officer since June 2011 Chief Risk Officer from January 2010 to June 2011 Head of Global Capital Markets from July 2008 to January 2010 Co-head of Capital Markets from October 2007 to July 2008 Co-head of Global Credit Products from June 2007 to October 2007 Co-head of Global Leveraged Finance from March 2007 to June 2007 Head of U S Leveraged Finance Capital Markets from May 2006 to March 2007

Information included under the following captions in the Corporation's proxy statement relating to its 2012 annual meeting of stockholders scheduled to be held on May 9 2012 (the 2012 Proxy Statement) is incorporated herein by reference

- "Proposal 1 Election of Directors – The Nominees"
- Section 16(a) Beneficial Ownership Reporting Compliance and
- "Corporate Governance – Additional Corporate Governance Information Available

Item 11. Executive Compensation

Incorporated by reference to

- "Compensation Discussion and Analysis"
- "Executive Compensation"
- "Director Compensation" and
- "Compensation and Benefits Committee Report in the 2012 Proxy Statement

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Incorporated by reference to

- "Stock Ownership of Directors Executive Officers" and Certain Beneficial Ownership in the 2012 Proxy Statement

The table below presents information on equity compensation plans at December 31 2011

Plan Category (1, 2)	Number of Shares to be Issued Under Outstanding Options and Rights (3)	Weighted-Average Exercise Price of Outstanding Options (4)	Number of Shares Remaining for Future Issuance Under Equity Compensation Plans
Plans approved by the Corporation's shareholders	370,823,357	$ 42 38	433184259 (5)
Plans not approved by the Corporation's shareholders (6)	61,788,083	59 52	90615828 (7)
Total	432,611,440	$ 45 93	523 780 087

(1) This table does not include outstanding options to purchase 4,297 783 shares of the Corporation's common stock that were assumed by the Corporation in connection with prior acquisitions under which plans the options were originally granted The weighted-average exercise price of these assumed options was $80 63 at December 31 2011 Also at December 31 2011 there were 178 052 vested deferred restricted stock units associated with these plans No additional awards were granted under these plans following the respective dates of acquisition

(2) This table does not include outstanding options to purchase 6 979 960 shares of the Corporation's common stock that were assumed by the Corporation in connection with the Merrill Lynch acquisition which were originally granted under certain Merrill Lynch plans The weighted-average option price of these assumed options was $46 28 at December 31 2011 Also at December 31 2011 there were 13 286 398 outstanding restricted stock units and 1 888 151 vested deferred restricted stock units and stock options give rise to dividends equivalents with such plans These Merrill Lynch plans were frozen at the time of the acquisition and no additional awards may be granted under these plans However as previously approved by the Corporation's shareholders if any of the outstanding awards under these frozen plans subsequently are cancelled forfeited or settled in stock the shares relating to such awards themselves will be available for future awards granted under the Corporation's key Associate Stock Plan (KASP)

(3) Includes 230 749 882 outstanding restricted stock units under plans approved by the Corporation's shareholders and 30,827,283 outstanding restricted stock units under plans not approved by the Corporation's shareholders

(4) Does not reflect restricted stock units included in the first column which do not have an exercise price

(5) Includes 432 576 282 shares of common stock available for future issuance under the KASP Employee 26 488 386 shares originally subject to awards outstanding under the two Merrill Lynch plans at the time of the acquisition which subsequently have been canceled forfeited or settled in stock and become available for issuance under the KASP as described in footnote (2) above) and 586 677 shares of common stock which are available for future issuance under the Corporation's Directors Stock Plan

(6) In connection with the Merrill Lynch acquisition the Corporation assumed and has continued to issue awards in accordance with applicable NYSE listing standards under the following plans which were not approved by the Corporation's shareholders the Merrill Lynch Employee Stock Compensation Plan (ESCP) and the Merrill Lynch Employee Stock Purchase Plan (ESPP) both of which were approved by Merrill Lynch's shareholders prior to the acquisition The material features of these plans are described below under the heading "Description of Plans Not Approved by the Corporation's Shareholders"

(7) This amount includes 84 782 676 shares of common stock available for future issuance under the ESCP and 5 833 152 shares of common stock available for future issuance under the ESPP

Description of Plans Not Approved by the Corporation's Shareholders

Merrill Lynch Employee Stock Compensation Plan (ESCP) The ESCP covers employees who were salaried key employees of Merrill Lynch or its subsidiaries immediately prior to the effective date of the Merrill Lynch acquisition other than executive officers Under the ESCP the Corporation may award restricted shares restricted units incentive stock options nonqualified stock options and stock appreciation rights Awards of restricted shares and restricted units are subject to a vesting schedule specified in the grant documentation Restricted shares and restricted units under the ESCP may generally be canceled prior to the vesting date in the event of (i) violation of covenants specified in the grant documentation (including but not limited to non-competition non solicitation non-disparagement and confidentiality covenants) or (ii) termination of employment prior to the end of the vesting period (except in certain limited circumstances such as death disability and retirement) Options have an exercise price equal to the fair market value of the stock on the date of grant Options granted under the ESCP expire not more than 10 years from the date of grant and the applicable grant documentation specifies the extent to which options may be exercised during their respective terms including in the event of an employee's death disability or termination of employment Shares that are canceled forfeited or settled in cash from an additional frozen Merrill Lynch plan also will become available for grant under the ESCP

Merrill Lynch Employee Stock Purchase Plan (ESPP) The purpose of the ESPP is to give employees employed by Merrill Lynch or an eligible subsidiary an opportunity to purchase the Corporation's common stock through payroll deductions (an employee can elect either payroll deductions of one percent to 10 percent of current compensation or an annual dollar amount equal to a maximum of 10 percent of current eligible compensation) Shares are purchased quarterly at 95 percent of the fair market value (average of the highest and lowest share prices) on the date of the purchase and the maximum annual contribution is $23 750 An employee is eligible to participate if he or she was employed by Merrill Lynch or any participating subsidiary for at least 12 months prior to the start of the new plan year

For additional information on our equity compensation plans see *Note 20 – Stock-based Compensation Plans* to the Consolidated Financial Statements which is incorporated herein by reference

Item 13. Certain Relationships and Related Transactions, and Director Independence

Incorporated by reference to

- "Review of Related Person and Certain Other Transactions" and
- Corporate Governance – Director Independence" in the 2012 Proxy Statement

Item 14. Principal Accounting Fees and Services

Incorporated by reference to

- "Proposal 3 Ratification of the Registered Independent Public Accounting Firm for 2012 – PwC's 2011 and 2010 Fees and "– Audit Committee Pre-Approval Policies and Procedures" in the 2012 Proxy Statement

Part IV

Bank of America Corporation and Subsidiaries

Item 15. Exhibits, Financial Statement Schedules

The following documents are filed as part of this report.

(1) Financial Statements
- Report of Independent Registered Public Accounting Firm
- Consolidated Statement of Income for the years ended December 31 2011 2010 and 2009
- Consolidated Balance Sheet at December 31 2011 and 2010
- Consolidated Statement of Changes in Shareholders' Equity for the years ended December 31 2011 2010 and 2009
- Consolidated Statement of Cash Flows for the years ended December 31 2011 2010 and 2009
- Notes to Consolidated Financial Statements

(2) Schedules
- None

(3) The exhibits filed as part of this report and exhibits incorporated herein by reference to other documents are listed in the Index to Exhibits to this Annual Report on Form 10-K (pages E-1 through E-5 including executive compensation plans and arrangements which are listed under Exhibit Nos 10(a) through 10(iii))

With the exception of the information expressly incorporated herein by reference the 2012 Proxy Statement shall not be deemed filed as part of this Annual Report on Form 10-K

Signatures

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934 the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized

Date February 23 2012

Bank of America Corporation

By */s/ Brian T Moynihan
Brian T Moynihan
Chief Executive Officer and President

Pursuant to the requirements of the Securities Exchange Act of 1934 this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated

Signature	Title	Date
*/s/ Brian T Moynihan Brian T Moynihan	Chief Executive Officer President and Director (Principal Executive Officer)	February 23 2012
*/s/ Bruce R Thompson Bruce R Thompson	Chief Financial Officer (Principal Financial Officer)	February 23 2012
*/s/ Neil A Cotty Neil A Cotty	Chief Accounting Officer (Principal Accounting Officer)	February 23 2012
*/s/ Mukesh D Ambani Mukesh D Ambani	Director	February 23 2012
*/s/ Susan S Bies Susan S Bies	Director	February 23 2012
*/s/ Frank P Bramble, Sr Frank P Bramble, Sr	Director	February 23 2012
*/s/ Virgis W Colbert Virgis W Colbert	Director	February 23 2012
*/s/ Charles K Gifford Charles K Gifford	Director	February 23 2012
*/s/ Charles O Holliday, Jr Charles O Holliday, Jr	Director	February 23 2012
*/s/ D Paul Jones D Paul Jones	Director	February 23 2012
*/s/ Monica C Lozano Monica C Lozano	Director	February 23 2012

Signature	Title	Date
*/s/ Thomas J May Thomas J May	Director	February 23 2012
*/s/ Donald E Powell Donald E Powell	Director	February 23 2012
*/s/ Charles O Rossotti Charles O Rossotti	Director	February 23 2012
*/s/ Robert W Scully Robert W Scully	Director	February 23 2012
*/s/ Craig T Beazer Craig T Beazer Attorney-in-Fact		

Index to Exhibits

Exhibit No.	Description
2(a)	Agreement and Plan of Merger dated as of September 15 2008 by and between Merrill Lynch & Co. Inc. and registrant, incorporated by reference to Exhibit 2 1 of registrant's Current Report on Form 8-K (File No 1-6523) filed on September 18 2008
3(a)	Amended and Restated Certificate of Incorporation of registrant, as in effect on the date hereof incorporated by reference to Exhibit 3(a) of registrant's Quarterly Report on Form 10-Q (File No 1-6523) for the quarterly period ended September 30 2011 filed on November 3 2011
(b)	Amended and Restated Bylaws of registrant as of February 24 2011 as in effect on the date hereof incorporated by reference to Exhibit 3(b) of registrant's 2010 Annual Report on Form 10-K (File No 1 6523) filed on February 25 2011 (the "2010 10-K)
4(a)	Indenture dated as of January 1, 1995 between registrant (successor to NationsBank Corporation) and BankAmerica National Trust Company incorporated by reference to Exhibit 4 1 of registrant's Registration Statement on Form S-3 (Registration No 33-57533) filed on February 1, 1995 First Supplemental Indenture thereto dated as of September 18 1998 between registrant and U S Bank Trust National Association (successor to BankAmerica National Trust Company) incorporated by reference to Exhibit 4 3 of registrant's Current Report on Form 8-K (File No 1-6523) filed on November 18 1998 Second Supplemental Indenture thereto dated as of May 7 2001 between registrant, U S Bank Trust National Association, as Prior Trustee, and The Bank of New York as Successor Trustee, incorporated by reference to Exhibit 4 4 of registrant's Current Report on Form 8-K (File No 1-6523) filed on June 14 2001 Third Supplemental Indenture thereto dated as of July 28 2004 between registrant and The Bank of New York incorporated by reference to Exhibit 4 2 of registrant's Current Report on Form 8-K (File No 1-6523) filed on August 27 2004 Fourth Supplemental Indenture thereto dated as of April 28 2006 between the registrant and The Bank of New York incorporated by reference to Exhibit 4 6 of registrant's Registration Statement on Form S-3 (Registration No. 333-133852) filed on May 5 2006 Fifth Supplemental Indenture dated as of December 1, 2008 between registrant and The Bank of New York Mellon Trust Company N A (successor to The Bank of New York), incorporated by reference to Exhibit 4 1 of registrant's Current Report on Form 8-K (File No. 1-6523) filed on December 5 2008 and Sixth Supplemental Indenture dated as of February 23 2011 between registrant and The Bank of New York Mellon Trust Company N A Incorporated by reference to Exhibit 4(ee) of the 2010 10-K.
(b)	Form of Senior Registered Note incorporated by reference to Exhibit 4 7 of registrant's Registration Statement on Form S-3 (Registration No 333 133852) filed on May 5 2006
(c)	Form of Global Senior Medium-Term Note, Series L incorporated by reference to Exhibit 4 12 of registrant's Registration Statement on Form S-3 (Registration No 333-158863) filed on April 20, 2009
(d)	Indenture dated as of January 1, 1995 between registrant (successor to NationsBank Corporation) and The Bank of New York incorporated by reference to Exhibit 4 5 of registrant's Registration Statement on Form S-3 (Registration No 33-57533) filed on February 1, 1995 First Supplemental Indenture thereto dated as of August 26 1998 between registrant and The Bank of New York, incorporated by reference to Exhibit 4 8 of registrant's Current Report on Form 8-K (File No 1-6523) filed on November 18 1998 Second Supplemental Indenture thereto dated as of January 25 2007 between registrant and The Bank of New York Trust Company N A (successor to The Bank of New York) incorporated by reference to Exhibit 4 3 of registrant's Registration Statement on Form S-4 (Registration No 333 141381) filed on March 16 2007 and Third Supplemental Indenture dated as of February 23 2011 between registrant and The Bank of New York Mellon Trust Company N A incorporated by reference to Exhibit 4(ff) of the 2010 10-K
(e)	Form of Subordinated Registered Note incorporated by reference to Exhibit 4 10 of registrant's Registration Statement on Form S-3 (Registration No 333-133852) filed on May 5, 2006
(f)	Form of Global Subordinated Medium-Term Note Series L, incorporated by reference to Exhibit 4 17 of registrant's Registration Statement on Form S-3 (Registration No 333 158863) filed on April 20 2009
(g)	Amended and Restated Agency Agreement dated as of July 22 2010 among registrant, Bank of America, N A London Branch as Principal Agent, and Merrill Lynch International Bank Limited as Registrar and Transfer Agent, incorporated by reference to Exhibit 4 1 of registrant's Current Report on Form 8-K (File No 1-6523) filed on July 27 2010
(h)	Amended and Restated Senior Indenture dated as of July 1, 2001 between registrant and The Bank of New York, pursuant to which registrant issued its Senior InterNotes℠ incorporated by reference to Exhibit 4 1 of registrant's Registration Statement on Form S-3 (Registration No 333-65750) filed on July 24 2001 and First Supplemental Indenture dated as of February 23 2011 between registrant and The Bank of New York Mellon Trust Company N A (successor to The Bank of New York), incorporated by reference to Exhibit 4(gg) of the 2010 10-K
(i)	Amended and Restated Subordinated Indenture dated as of July 1, 2001 between registrant and The Bank of New York, pursuant to which registrant issued its Subordinated InterNotes℠ incorporated by reference to Exhibit 4 2 of registrant's Registration Statement on Form S-3 (Registration No 333-65750) filed on July 24 2001, and First Supplemental Indenture dated as of February 23 2011 between registrant and The Bank of New York Mellon Trust Company N A (successor to The Bank of New York), incorporated by reference to Exhibit 4(hh) of the 2010 10-K.
(j)	Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York, incorporated by reference to Exhibit 4 10 of amendment No 1 to registrant's Registration Statement on Form S-3 (Registration No 333-70984) filed on November 15 2001
(k)	First Supplemental Indenture dated as of December 14 2001 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 7% Junior Subordinated Notes due 2031, incorporated by reference to Exhibit 4 3 of registrant's Current Report on Form 8-K (File No 1-6523) filed on December 14 2001
(l)	Second Supplemental Indenture dated as of January 31, 2002 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 7% Junior Subordinated Notes due 2032 incorporated by reference to Exhibit 4 3 of registrant's Current Report on Form 8-K (File No 1-6523) filed on January 31 2002
(m)	Third Supplemental Indenture dated as of August 9 2002 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 7 ¼ Junior Subordinated Notes due 2032 Incorporated by reference to Exhibit 4 3 of registrant's Current Report on Form 8-K (File No 1-6523) filed on August 9 2002
(n)	Fourth Supplemental Indenture dated as of April 30, 2003 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 5 7/8% Junior Subordinated Notes due 2033 Incorporated by reference to Exhibit 4 3 of registrant's Current Report on Form 8-K (File No. 1-6523) filed on April 30 2003
(o)	Fifth Supplemental Indenture dated as of November 3 2004 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 6% Junior Subordinated Notes due 2034 incorporated by reference to Exhibit 4 3 of registrant's Current Report on Form 8-K (File No. 1-6523) filed on November 3 2004
(p)	Sixth Supplemental Indenture dated as of March 8, 2005 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York pursuant to which registrant issued its 5 3/8% Junior Subordinated Notes due 2035 Incorporated by reference to Exhibit 4 3 of registrant's Current Report on Form 8-K (File No 1-6523) filed on March 9 2005

Exhibit No.	Description
(q)	Seventh Supplemental Indenture dated as of August 10 2005 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York pursuant to which registrant issued its 5¼% Junior Subordinated Notes due 2035 incorporated by reference to Exhibit 4 3 of registrant s Current Report on Form 8-K (File No 1-6523) filed on August 11 2005
(r)	Eighth Supplemental Indenture dated as of August 25 2005 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York pursuant to which registrant issued its 6% Junior Subordinated Notes due 2035 incorporated by reference to Exhibit 4 3 of the Current Report on Form 8-K (File No 1-6523) filed on August 26 2005
(s)	Tenth Supplemental Indenture dated as of March 28 2006 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York pursuant to which registrant issued its 6¼% Junior Subordinated Notes due 2055 incorporated by reference to Exhibit 4(bb) of registrant s 2006 Annual Report on Form 10-K (File No 1-6523) filed on February 28 2007 (the "2006 10-K")
(t)	Eleventh Supplemental Indenture dated as of May 23 2006 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York pursuant to which registrant issued its 6⅜% Junior Subordinated Notes due 2036 incorporated by reference to Exhibit 4(cc) of the 2006 10-K
(u)	Twelfth Supplemental Indenture dated as of August 2 2006 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York pursuant to which registrant issued its 6⅞% Junior Subordinated Notes due 2055 incorporated by reference to Exhibit 4(dd) of the 2006 10 K
(v)	Thirteenth Supplemental Indenture dated as of February 16 2007 to the Restated Indenture dated as of November 1, 2001 between registrant and The Bank of New York Trust Company N A (successor to The Bank of New York) pursuant to which registrant issued its Remarketable Floating Rate Junior Subordinated Notes due 2043 incorporated by reference to Exhibit 4 6 of registrant s Current Report on Form 8-K (File No 1-6523) filed on February 16 2007
(w)	Fourteenth Supplemental Indenture dated as of February 16 2007 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York Trust Company N A (successor to The Bank of New York) pursuant to which registrant issued its Remarketable Fixed Rate Junior Subordinated Notes due 2043 incorporated by reference to Exhibit 4 7 of registrant s Current Report on Form 8-K (File No 1-6523) filed on February 16 2007
(x)	Fifteenth Supplemental Indenture dated as of May 31 2007 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York Trust Company N A (successor to The Bank of New York) pursuant to which registrant issued its Floating Rate Junior Subordinated Notes due 2058 incorporated by reference to Exhibit 4 4 of registrant s Current Report on Form 8-K (File No 1-6523) filed on June 1 2007
(y)	Form of Supplemental Indenture to be used in connection with the issuance of registrant s junior subordinated notes including form of Junior Subordinated Note incorporated by reference to Exhibit 4 44 of registrant s Registration Statement on Form S 3 (Registration No 333-133852) filed on May 5 2006
(z)	Form of Guarantee with respect to capital securities to be issued by various capital trusts incorporated by reference to Exhibit 4 47 of registrant s Registration Statement on Form S 3 (Registration No 333-133852) filed on May 5 2006
(aa)	Agreement of Appointment and Acceptance dated as of December 29 2006 between registrant and The Bank of New York Trust Company N A incorporated by reference to Exhibit 4(ee) of the 2006 10-K
(bb)	Global Agency Agreement dated as of July 25 2007 among Bank of America N A Deutsche Bank Trust Company Americas Deutsche Bank AG London Branch, and Deutsche Bank Luxembourg S A incorporated by reference to Exhibit 4(x) of registrant s 2008 Annual Report on Form 10-K (File No 1-6523) filed on February 27 2009 (the "2008 10-K")
(cc)	Supplement to Global Agency Agreement dated as of December 19 2008 among Bank of America N A Deutsche Bank Trust Company Americas Deutsche Bank AG London Branch and Deutsche Bank Luxembourg S A incorporated by reference to Exhibit 4(y) of the 2008 10-K
(dd)	Supplement to Global Agency Agreement dated as of April 30 2010 among Bank of America N A Deutsche Bank Trust Company Americas Deutsche Bank AG London Branch and Deutsche Bank Luxembourg S A incorporated by reference to Exhibit 4(a) of registrant s Quarterly Report on Form 10-Q (File No 1-6523) for the quarterly period ended June 30 2010 filed on August 6 2010
(ee)	Supplemental Agreement to the Amended and Restated Agency Agreement dated as of July 22 2011 among registrant, Bank of America, N A (operating through its London branch) as Principal Agent and Merrill Lynch International Bank Limited as Registrar and Transfer Agent, incorporated by reference to Exhibit 4(a) of registrant s Quarterly Report on Form 10-Q (File No 1-6523) for the quarterly period ended June 30 2011 filed on August 4 2011
(ff)	Seventh Supplemental Indenture dated as of December 8 2011 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York Mellon Trust Company N A (successor to The Bank of New York) filed herewith
(gg)	Seventeenth Supplemental Indenture dated as of December 8 2011 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York Mellon Trust Company N A (successor to The Bank of New York) filed herewith
(hh)	Eighteenth Supplemental Indenture dated as of January 12 2012 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York Mellon Trust Company N A (successor to The Bank of New York) incorporated by reference to Exhibit 4 1 of registrant s Current Report on Form 8-K (File No 1-6523) filed on January 13 2012
(ii)	Nineteenth Supplemental Indenture dated as of January 12 2012 to the Restated Indenture dated as of November 1 2001 between registrant and The Bank of New York Mellon Trust Company N A (successor to The Bank of New York), incorporated by reference to Exhibit 4 2 of registrant s Current Report on Form 8-K (File No 1-6523) filed on January 13 2012
	Registrant and its subsidiaries have other long-term debt agreements but these are omitted pursuant Item 601(b)(4)(iii) of Regulation S-K Copies of these agreements will be furnished to the Commission on request.

Exhibit No.	Description
10(a)	NationsBank Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan incorporated by reference to Exhibit 10(j) of registrant s 1994 Annual Report on Form 10-K (File No 1-6523) filed on March 30 1995 (the 1994 10-K"), Amendment thereto dated as of June 28 1988 incorporated by reference to Exhibit 10(g) of registrant s 1989 Annual Report on Form 10-K (File No 1-6523) (the 1989 10-K") Amendment thereto dated as of June 27 1990 incorporated by reference to Exhibit 10(g) of registrant's 1990 Annual Report on Form 10-K (File No 1-6523) (the 1990 10-K") Amendment thereto dated as of July 21 1991 incorporated by reference to Exhibit 10(bb) of registrant s 1991 Annual Report on Form 10-K (File No 1-6523) (the 1991 10-K") Amendments thereto dated as of December 3 1992 and December 13 1992 incorporated by reference to Exhibit 10(f) of registrant s 1992 Annual Report on Form 10-K (File No 1-6523) (the 1992 10-K"), Amendment thereto dated as of September 28 1994 incorporated by reference to Exhibit 10(j) of registrant's 1994 10-K, Amendments thereto dated March 27 1996 and June 25 1997 incorporated by reference to Exhibit 10(c) of registrant s 1997 Annual Report on Form 10-K filed on March 13 1998 Amendments thereto dated April 10 1998 June 24 1998 and October 1 1998 incorporated by reference to Exhibit 10(b) of registrant s 1998 Annual Report on Form 10-K (File No 1-6523) filed on March 22 1999 (the "1998 10-K"); Amendment thereto dated December 14 1999 incorporated by reference to Exhibit 10(b) of registrant s 1999 Annual Report on Form 10-K filed on March 20 2000 Amendment thereto dated as of March 28 2001 incorporated by reference to Exhibit 10(b) of registrant s 2001 Annual Report on Form 10-K (File No 1-6523) filed on March 27 2002 (the "2001 10-K) and Amendment thereto dated December 10 2002 incorporated by reference to Exhibit 10(b) of registrant s 2002 Annual Report on Form 10-K (File No 1-6523) filed on March 3 2003 (the 2002 10-K) *
(b)	NationsBank Corporation and Designated Subsidiaries Deferred Compensation Plan for Key Employees incorporated by reference to Exhibit 10(h) of the 1994 10-K, Amendment thereto dated as of June 28 1989 incorporated by reference to Exhibit 10(h) of the 1989 10-K, Amendment thereto dated as of June 27 1990 incorporated by reference to Exhibit 10(h) of the 1990 10 K Amendment thereto dated as of July 21 1991 incorporated by reference to Exhibit 10(bb) of the 1991 10-K, Amendment thereto dated as of December 3 1992 incorporated by reference to Exhibit 10(m) of the 1992 10-K, and Amendments thereto dated April 10 1998 and October 1 1998 Incorporated by reference to Exhibit 10(b) of the 1998 10-K *
(c)	Bank of America Pension Restoration Plan, as amended and restated effective January 1 2009 Incorporated by reference to Exhibit 10(c) of registrant s 2008 10-K, Amendment thereto dated December 18 2009 incorporated by reference to Exhibit 10(c) of registrant's 2009 Annual Report on Form 10-K (File No 1-6523) filed on February 26 2010 (the "2009 10-K) and Amendment thereto dated December 18 2010 incorporated by reference to Exhibit 10(c) of the 2010 10-K *
(d)	NationsBank Corporation Benefit Security Trust dated as of June 27 1990 incorporated by reference to Exhibit 10(t) of the 1990 10-K, First Supplement thereto dated as of November 30 1992 incorporated by reference to Exhibit 10(r) of the 1992 10-K, and Trustee Removal/Appointment Agreement dated as of December 19 1995 incorporated by reference to Exhibit 10(s) of registrant s 1995 Annual Report on Form 10-K (File No 1-6523) filed on March 29 1996 *
(e)	Bank of America 401(k) Restoration Plan, as amended and restated effective January 1, 2009 incorporated by reference to Exhibit 10(e) of registrant s Quarterly Report on Form 10-Q (File No 1-6523) for the quarterly period ended September 30 2009 filed on November 6 2009 Amendment thereto dated December 18 2009 incorporated by reference to Exhibit 10(e) of the 2009 10-K and Amendment thereto dated December 18 2010 incorporated by reference to Exhibit 10(c) of the 2010 10-K *
(f)	Bank of America Executive Incentive Compensation Plan as amended and restated effective December 10 2002 incorporated by reference to Exhibit 10(g) of the 2002 10-K *
(g)	Bank of America Director Deferral Plan as amended and restated effective January 1 2005 incorporated by reference to Exhibit 10(g) of the 2008 10-K *
(h)	Bank of America Corporation Directors Stock Plan as amended and restated effective April 26 2006 incorporated by reference to Exhibit 10 2 to the registrant s Current Report on Form 8-K filed on December 14 2005 and the following forms of award agreements • Form of Restricted Stock Award Agreement incorporated by reference to Exhibit 10(h) of registrant s 2004 Annual Report on Form 10-K (File No 1-6523) filed on March 1 2005 (the 2004 10-K") • Form of Directors Stock Plan Restricted Stock Award Agreement for Nonemployee Chairman incorporated by reference to Exhibit 10(b) of registrant s Quarterly Report on Form 10-Q (File No 1-6523) for the quarterly period ended September 30 2009 filed on November 6 2009 • Form of Directors Stock Plan Restricted Stock Award Agreement for Non-U S Director incorporated by reference to Exhibit 10(a) of registrant s Quarterly Report on Form 10-Q (File No 1-6523) for the quarterly period ended March 30 2011 filed on May 5 2011, and • Form of Directors Stock Plan Conditional Restricted Stock Award Agreement for Non-U S Director incorporated by reference to Exhibit 10(a) of registrant s Quarterly Report on Form 10-Q (File No 1-6523) for the quarterly period ended June 30 2011 filed on August 4 2011
(i)	Bank of America Corporation Key Associate Stock Plan as amended and restated effective April 28 2010 incorporated by reference to Exhibit 10 2 of registrant s Current Report on Form 8-K (File No 1-6523) filed on May 3 2010* and the following forms of award agreement under the plan • Form of Restricted Stock Units Award Agreement (February 2007 grant), incorporated by reference to Exhibit 10(i) of the registrant s 2007 Annual Report on Form 10-K (File No 1-6523) filed on February 28 2008 (the "2007 10-K")* • Form of Stock Option Award Agreement (February 2007 grant) incorporated by reference to Exhibit 10(i) of the 2007 10-K* • Form of Restricted Stock Units Award Agreement for non-executives (February 2008 grant), incorporated by reference to Exhibit 10(r) of the 2008 10-K* • Form of Stock Option Award Agreement for non-executives (February 2008 grant) incorporated by reference to Exhibit 10(l) of the 2009 10-K* • Restricted Stock Units Award Agreement for Sallie L. Krawcheck dated January 15 2010 incorporated by reference to Exhibit 10(k) of the 2010 10-K * • Form of Restricted Stock Units Award Agreement for executives (February 2010 grant), incorporated by reference to Exhibit 10(l) of the 2010 10-K * • Form of Restricted Stock Award Agreement (February 2010 grant) incorporated by reference to Exhibit 10(n) of the 2010 10-K * • Form of Performance Contingent Restricted Stock Units Award Agreement, incorporated by reference to Exhibit 10 3 of registrant s Current Report on Form 8-K (File No 1-6523) filed on January 31 2011 * • Form of Performance Contingent Restricted Stock Units Award Agreement (February 2011 grant), incorporated by reference to Exhibit 10(l) of the 2010 10-K * and • Form of Restricted Stock Units Award Agreement for non-executives (February 2011 grant), incorporated by reference to Exhibit 10(l) of the 2010 10-K.* • Form of Restricted Stock Units Award Agreement (February 2012 grant), filed herewith. * • Form of Performance Contingent Restricted Stock Units Award Agreement (February 2012 grant), filed herewith. *
(j)	Amendment to various plans in connection with FleetBoston Financial Corporation merger incorporated by reference to Exhibit 10(r) of registrant s 2003 Annual Report on Form 10-K filed on March 1, 2004 *
(k)	FleetBoston Supplemental Executive Retirement Plan, as amended by Amendment One thereto effective January 1, 1997 Amendment Two thereto effective October 15 1997 Amendment Three thereto effective July 1, 1998 Amendment Four thereto effective August 15 1998 Amendment Five thereto effective January 1, 2000 Amendment Six thereto effective October 10 2001, Amendment Seven thereto effective February 19 2002 Amendment Eight thereto effective October 15 2002 Amendment Nine thereto effective January 1, 2003 Amendment Ten thereto effective October 21 2003 and Amendment Eleven thereto effective December 31 2004 incorporated by reference to Exhibit 10(r) of the 2004 10-K *
(l)	FleetBoston Amended and Restated 1992 Stock Option and Restricted Stock Plan incorporated by reference to Exhibit 10(a) of the 2004 10-K *

Exhibit No.	Description
(m)	FleetBoston Executive Deferred Compensation Plan No 2 as amended by Amendment One thereto effective February 1 1999 Amendment Two thereto effective January 1, 2000 Amendment Three thereto effective January 1 2002 Amendment Four thereto effective October 15 2002 Amendment Five thereto effective January 1 2003 and Amendment Six thereto effective December 16 2003 incorporated by reference to Exhibit 10(k) of the 2004 10-K *
(n)	FleetBoston Executive Supplemental Plan as amended by Amendment One thereto effective January 1 2000 Amendment Two thereto effective January 1 2002 Amendment Three thereto effective January 1 2003 Amendment Four thereto effective January 1 2003 and Amendment Five thereto effective December 31 2004 incorporated by reference to Exhibit 10(r) of the 2004 10-K *
(o)	Retirement Income Assurance Plan for Legacy Fleet, as amended and restated effective January 1 2009 incorporated by reference to Exhibit 10(p) of the 2009 10-K and Amendment thereto dated December 16 2010 incorporated by reference to Exhibit 10(c) of the 2010 10-K *
(p)	Trust Agreement for the FleetBoston Executive Deferred Compensation Plans No 1 and 2 incorporated by reference to Exhibit 10(s) of the 2004 10-K
(q)	Trust Agreement for the FleetBoston Executive Supplemental Plan incorporated by reference to Exhibit 10(y) of the 2004 10 K *
(r)	Trust Agreement for the FleetBoston Retirement Income Assurance Plan and the FleetBoston Supplemental Executive Retirement Plan incorporated by reference to Exhibit 10(z) of the 2004 10 K *
(s)	FleetBoston Directors Deferred Compensation and Stock Unit Plan as amended by an amendment thereto effective as of July 1 2000 a Second Amendment thereto effective as of January 1 2003 a Third Amendment thereto dated April 14 2003 and a Fourth Amendment thereto effective January 1 2004 incorporated by reference to Exhibit 10(ee) of the 2004 10-K *
(t)	FleetBoston 1998 Long-Term Incentive Plan incorporated by reference to Exhibit 10(bb) of the 2004 10 K *
(u)	BankBoston Corporation and its Subsidiaries Deferred Compensation Plan as amended by a First Amendment thereto a Second Amendment thereto a Third Amendment thereto an instrument thereto (providing for the cessation of accruals effective December 31, 2000) and an Amendment thereto dated December 24 2001 incorporated by reference to Exhibit 10(cc) of the 2004 10-K *
(v)	BankBoston N A Bonus Supplemental Employee Retirement Plan as amended by a First Amendment a Second Amendment a Third Amendment and a Fourth Amendment thereto incorporated by reference to Exhibit 10(dd) of the 2004 10-K *
(w)	Description of BankBoston Supplemental Life Insurance Plan incorporated by reference to Exhibit 10(ee) of the 2004 10-K *
(x)	BankBoston, N A Excess Benefit Supplemental Employee Retirement Plan as amended by a First Amendment, a Second Amendment a Third Amendment thereto (assumed by FleetBoston on October 1 1999) and an instrument thereto incorporated by reference to Exhibit 10(ff) of the 2004 10-K *
(y)	Description of BankBoston Supplemental Long Term Disability Plan, incorporated by reference to Exhibit 10(gg) of the 2004 10-K *
(z)	BankBoston Director Stock Award Plan Incorporated by reference to Exhibit 10(hh) of the 2004 10-K *
(aa)	BankBoston Directors Deferred Compensation Plan, as amended by a First Amendment and a Second Amendment thereto incorporated by reference to Exhibit 10(e) of the 2004 10-K *
(bb)	BankBoston N A Directors Deferred Compensation Plan as amended by a First Amendment and a Second Amendment thereto Incorporated by reference to Exhibit 10(jj) of the 2004 10-K *
(cc)	BankBoston 1997 Stock Option Plan for Non-Employee Directors as amended by an amendment thereto dated as of October 18 2001 incorporated by reference to Exhibit 10(kk) of the 2004 10 K *
(dd)	Description of BankBoston Director Retirement Benefit Exchange Program incorporated by reference to Exhibit 10(ll) of the 2004 10-K *
(ee)	Employment Agreement, dated as of March 14 1999 between FleetBoston and Charles K. Gifford as amended by an amendment thereto effective as of February 7 2000 a Second Amendment thereto effective as of April 22 2002 and a Third Amendment thereto effective as of October 1, 2002 incorporated by reference to Exhibit 10(mm) of the 2004 10-K *
(ff)	Form of Change in Control Agreement entered into with Charles K. Gifford, incorporated by reference to Exhibit 10(nn) of the 2004 10-K *
(gg)	Global amendment to definition of change in control or change of control together with a list of plans affected by such amendment, incorporated by reference to Exhibit 10(oo) of the 2004 10 K *
(hh)	Retirement Agreement dated January 26 2005 between Bank of America Corporation and Charles K. Gifford incorporated by reference to Exhibit 10 1 to registrant's Current Report on Form 8-K (File No 1 8523) filed on January 26 2005 *
(ii)	Amendment to various FleetBoston stock option awards dated March 25 2004 incorporated by reference to Exhibit 10(ee) of the 2004 10-K *
(jj)	Merrill Lynch & Co Inc Employee Stock Compensation Plan incorporated by reference to Exhibit 10(rr) of the 2008 10-K, and 2008 Restricted Stock Unit Award Agreement for Thomas K. Montag incorporated by reference to Exhibit 10(qq) of the 2008 10-K *
(kk)	Employment Agreement dated October 27 2003 between Bank of America Corporation and Brian T Moynihan, incorporated by reference to Exhibit 10(d) of registrant s Registration Statement, on Form S-4 (Registration No 333-110824) filed on December 4 2003 *
(ll)	Cancellation Agreement dated October 26 2005 between Bank of America Corporation and Brian T Moynihan incorporated by reference to Exhibit 10 1 of registrant's Current Report on Form 8-K (File No 1-6523) filed on October 26 2005 *
(mm)	Agreement Regarding Participation in the Fleet Boston Supplemental Executive Retirement Plan dated October 26 2005 between Bank of America Corporation and Brian T Moynihan incorporated by reference to Exhibit 10 2 of registrant s Current Report on Form 8-K (File No. 1-6523) filed on October 26 2005 *
(nn)	Forms of Stock Unit Agreements for salary stock units awarded to certain executive officers in connection with registrant's participation in the U S. Department of Treasury's Troubled Asset Relief Program incorporated by reference to Exhibit 10(uu) of the 2009 10-K *
(oo)	Bank of America Corporation Equity Incentive Plan amended and restated effective as of January 1 2006 incorporated by reference to Exhibit 10(zz) of the 2009 10-K *
(pp)	Merrill Lynch & Co Inc Long-Term Incentive Compensation Plan amended as of January 1, 2009 and 2008 Restricted Units/Stock Option Grant Document for Thomas K. Montag, incorporated by reference to Exhibit 10(eee) of the 2009 10-K *
(qq)	Employment Letter dated May 1 2008 between Merrill Lynch & Co Inc and Thomas K. Montag and Summary of Agreement with respect to Post-Employment Medical Coverage incorporated by reference to Exhibit 10(bbb) of the 2009 10-K *

Exhibit No.	Description
(rr)	Amendment to various plans as required to the extent necessary to comply with Section 111 of the Emergency Economic Stabilization Act of 2008 (EESA) and form of waiver for any changes to compensation or benefits required to comply with the EESA, all in connection with registrant s October 26 2008 participation in the U S Department of Treasury's Troubled Assets Relief Program incorporated by reference to Exhibit 10(vv) of the 2008 10-K *
(ss)	Further amendment to various plans and further form of waiver for any changes to compensation or benefits in connection with registrant s January 15 2009 participation in the U S Department of Treasury's Troubled Assets Relief Program incorporated by reference to Exhibit 10(tt) of the 2008 10-K *
(tt)	Letter Agreement, dated October 26 2008 between registrant and U S Department of the Treasury with respect to the issuance and sale of registrant s Fixed Rate Cumulative Perpetual Preferred Stock, Series N and a warrant to purchase common stock, incorporated by reference to Exhibit 10 1 of registrant's Current Report on Form 8-K (File No 1-6523) filed on October 30 2008
(uu)	Letter Agreement, dated January 9 2009 between registrant and U S Department of the Treasury with respect to the issuance and sale of registrant s Fixed Rate Cumulative Perpetual Preferred Stock Series Q and a warrant to purchase common stock incorporated by reference to Exhibit 10 1 of registrant's Current Report on Form 8-K (File No 1-6523) filed on January 13 2009
(vv)	Securities Purchase Agreement, dated January 15 2009 between registrant and U S Department of the Treasury with respect to the issuance and sale of registrant s Fixed Rate Cumulative Perpetual Preferred Stock Series R and a warrant to purchase common stock, incorporated by reference to Exhibit 10 1 of registrant s Current Report on Form 8-K (File No 1-6523) filed on January 22 2009
(vw)	Summary of Terms dated January 15 2009 incorporated by reference to Exhibit 10 2 of registrant s Current Report on Form 8-K (File No 1-6523) filed on January 22 2009
(xx)	Letter Agreement dated December 9 2009 between registrant and the U S Department of the Treasury amending the Securities Purchase Agreement dated January 9 2009 incorporated by reference to Exhibit 10(ss) of the 2009 10-K
(yy)	Letter Agreement dated December 9 2009 between registrant and the U S Department of the Treasury amending the Securities Purchase Agreement dated January 15 2009 incorporated by reference to Exhibit 10(tt) of the 2009 10 K
(zz)	Retention Award Letter Agreement with Bruce R Thompson dated January 26 2009 incorporated by reference to Exhibit 10(ddd) of the 2010 10 K *
(aaa)	Offer letter between registrant and Sallie L. Krawcheck dated August 3 2008 incorporated by reference to Exhibit 10(eee) of the 2010 10-K *
(bbb)	Offer letter between registrant and Charles H Noski dated April 13 2010 incorporated by reference to Exhibit 10 1 of registrant's Current Report on Form 8-K (File No 1-6523) filed on April 16 2010 *
(ccc)	Form of Cash-Settled Stock Unit Award Agreement, incorporated by reference to Exhibit 10 2 of registrant s Current Report on Form 8-K (File No 1-6523) filed on January 31 2011 *
(ddd)	Form of Cash-Settled Stock Unit Award Agreement (February 2011 grant), incorporated by reference to Exhibit 10(ss) of the 2010 10-K *
(eee)	Aircraft Time Sharing Agreement (Multiple Aircraft) dated February 24 2011 between Bank of America, N A. and Brian T Moynihan, incorporated by reference to Exhibit 10(zz) of the 2010 10 K *
(fff)	Form of Bank of America Corporation Long-Term Cash Award Agreement for non-executives (February 2008 EIP award) incorporated by reference to Exhibit 10(kkk) of the 2010 10-K *
(ggg)	Form of Bank of America Corporation Long-Term Cash Award Agreement for non-executives (February 2008 APP award) incorporated by reference to Exhibit 10(lll) of the 2010 10-K *
(hhh)	General Release and Separation Agreement between registrant and Sallie L. Krawcheck dated October 6 2011 incorporated by reference to Exhibit 10 1 of registrant s Current Report on Form 8-K (File no 1-6523) filed on October 7 2011
(iii)	General Release and Separation Agreement between registrant and Joe L. Price dated October 6 2011 incorporated by reference to Exhibit 10 1 of registrant s Current Report on Form 8-K (File no 1 6523) filed on October 7 2011
(jjj)	Bank of America Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan for Senior Management Employees effective as of January 1 1998 reflecting the following amendments Amendments thereto dated as of June 26 1998 June 27 1990 July 21 1991 December 3 1992 December 15 1992 September 28 1994 March 27 1996 June 25 1997 April 10 1998 June 24 1998 October 1 1998 December 14 1999 and March 28 2001, and Amendment thereto dated December 10 2002 filed herewith *
(kkk)	Settlement Agreement dated as of June 28 2011, among The Bank of New York Mellon registrant, BAC Home Loans Servicing, LP Countrywide Financial Corporation, and Countrywide Home Loans, Inc incorporated by reference to Exhibit 99 2 of registrant's Current Report on Form 8-K (File no 1-6523) filed on June 29 2011
(lll)	Institutional Investor Agreement dated as of June 28 2011 among The Bank of New York Mellon registrant, BAC Home Loans Servicing, LP Countrywide Financial Corporation Countrywide Home Loans, Inc and the other parties thereto, incorporated by reference to Exhibit 99 3 of registrant's Current Report on Form 8-K (File no 1-6523) filed on June 29 2011
(mmm)	Securities Purchase Agreement dated August 25 2011 between registrant and Berkshire Hathaway Inc (including forms of the Certificate of Designations Warrant and Registration Rights Agreement), incorporated by reference to Exhibit 1 1 of registrant's Current Report on Form 8-K (File No 1-6523) filed on August 25 2011
12	Ratio of Earnings to Fixed Charges, filed herewith
	Ratio of Earnings to Fixed Charges and Preferred Dividends filed herewith
21	List of Subsidiaries filed herewith
23(a)	Consent of PricewaterhouseCoopers LLP filed herewith
(b)	Consent of PricewaterhouseCoopers LLP filed herewith
24(a)	Power of Attorney filed herewith
(b)	Corporate Resolution, filed herewith.
31(a)	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 filed herewith.
(b)	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 filed herewith
32(a)	Certification of the Chief Executive Officer pursuant to 18 U S C Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 filed herewith

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Exhibit No.	Description
(b)	Certification of the Chief Financial Officer pursuant to 18 U S C Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 filed herewith
99(a)	Resolution Agreement with Respect to Certain Repurchase and Make-Whole Obligations and Claims dated as of December 31 2010 by and among Fannie Mae and Bank of America N A BAC Home Loans Servicing LP and Countrywide Home Loans Inc filed herewith We have requested confidential treatment of certain provisions contained in this exhibit The copy filed as an exhibit omits the information subject to the confidentiality request. The schedules to this agreement were filed in paper on February 23 2012 pursuant to a temporary hardship exemption
(b)	Settlement Agreement dated as of December 31 2010 by and between Federal Home Loan Mortgage Corporation Bank of America National Association BAC Home Loans Servicing, L P and Countrywide Home Loans Inc filed herewith We have requested confidential treatment of certain provisions contained in this exhibit The copy filed as an exhibit omits the information subject to the confidentiality request. Exhibits A 1 A-2 and C to this agreement were filed in paper on February 23 2012 pursuant to a temporary hardship exemption
Exhibit 101 INS	XBRL Instance Document, filed herewith
Exhibit 101 SCH	XBRL Taxonomy Extension Schema Document, filed herewith
Exhibit 101 CAL	XBRL Taxonomy Extension Calculation Linkbase Document, filed herewith
Exhibit 101 LAB	XBRL Taxonomy Extension Label Linkbase Document, filed herewith
Exhibit 101 PRE	XBRL Taxonomy Extension Presentation Linkbase Document, filed herewith
Exhibit 101 DEF	XBRL Taxonomy Extension Definitions Linkbase Document, filed herewith

* Exhibit is a management contract or a compensatory plan or arrangement

SIXTEENTH SUPPLEMENTAL INDENTURE

BETWEEN

BANK OF AMERICA CORPORATION

AND

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

DATED AS OF DECEMBER 8, 2011

Supplement to Restated Junior Subordinated Debt Securities Indenture dated as of November 1, 2001, as supplemented

SIXTEENTH SUPPLEMENTAL INDENTURE

THIS SIXTEENTH SUPPLEMENTAL INDENTURE, dated as of December 8, 2011 (the "Sixteenth Supplemental Indenture"), between **BANK OF AMERICA CORPORATION**, a Delaware corporation (the "Company"), having its principal office at 100 North Tryon Street, Charlotte, North Carolina 28255, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (formerly The Bank of New York Trust Company, N A), a national banking association, as successor Trustee (the "Trustee")

WITNESSETH:

WHEREAS, the Company and The Bank of New York Mellon (formerly The Bank of New York), as predecessor trustee, previously entered into a Restated Junior Subordinated Debt Securities Indenture dated as of November 1, 2001 (the "Base Indenture" and, as supplemented, the "Indenture");

WHEREAS, Section 9 01(i) of the Base Indenture provides that the Company and the Trustee may enter into indentures supplemental to the Indenture without the consent of any holder of Securities to establish the form and terms of the Company's Remarketable Floating Rate Junior Subordinated Notes due 2043 (the "Notes");

WHEREAS, pursuant to Section 9 01 of the Base Indenture, the Company and the Trustee entered into the Thirteenth Supplemental Indenture, dated as of February 16, 2007 (the "Thirteenth Supplemental Indenture"), to establish the form and terms of the Notes,

WHEREAS, on February 16, 2007, the Company issued $700,100,000 aggregate principal amount of the Notes to BAC Capital Trust XIII (the "Trust"), a Delaware statutory trust, in connection with the Trust's public offering of its securities known as Floating Rate Preferred Hybrid Income Securities (the "Preferred HITS");

WHEREAS, Section 9 01(h) of the Base Indenture provides that the Company and the Trustee may enter into indentures supplemental to the Indenture without the consent of any holder of Securities to make any change that does not adversely affect the rights of any Securityholder in any material respect;

WHEREAS, the Company has requested that the Trustee execute and deliver this Sixteenth Supplemental Indenture,

WHEREAS, the conditions set forth in the Indenture for the execution and delivery of this Sixteenth Supplemental Indenture have been satisfied,

WHEREAS, all things necessary to make this Sixteenth Supplemental Indenture a valid agreement of the Company and the Trustee, in accordance with its terms, and a valid amendment of, and supplement to, the Indenture have been done,

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, it is mutually covenanted and agreed that the Indenture is supplemented and amended to the extent and for the purposes expressed herein, as follows

ARTICLE I

CAPITALIZED TERMS

Section 1 1 *Definition of Terms*

For purposes of this Sixteenth Supplemental Indenture, capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture, unless the context otherwise requires

(a) terms defined in the Base Indenture and the Thirteenth Supplemental Indenture have the same meaning when used in this Sixteenth Supplemental Indenture Amendment unless otherwise specified herein

(b) a term defined anywhere in this Sixteenth Supplemental Indenture has the same meaning throughout,

(c) the singular includes the plural and vice versa

(d) a reference to a Section or Article is to a Section or Article of this Sixteenth Supplemental Indenture,

(e) headings are for convenience of reference only and do not affect interpretation and

ARTICLE II

AMENDMENTS TO THE THIRTEENTH

SUPPLEMENTAL INDENTURE

Section 2 1 Section 1 1(e) of the Thirteenth Supplemental Indenture is hereby amended as follows

(a) The current definition of "Collateral Agreement" is deleted in its entirety and replaced with the following

""Collateral Agreement" means the Amended and Restated Collateral Agreement dated as of December 8, 2011 among the Company, The Bank of New York Mellon Trust Company, N A , as Collateral Agent, Custodial Agent, Securities Intermediary and Securities Registrar, and the Trust, acting through The Bank of New York Mellon, as Property Trustee "

(b) The current definition of "Declaration" is deleted in its entirety and replaced with the following

""*Declaration*" means the Amended and Restated Declaration of Trust, dated as of February 16, 2007, among the Company, as Sponsor, the Property Trustee, the Delaware Trustee, and the Regular Trustees (each as named therein), with respect to the HITS, as amended by that certain Amendment No 1 to Amended and Restated Declaration of Trust of BAC Capital Trust XIII, dated as of December 8, 2011, as the same may be further amended, modified or supplemented from time to time "

Section 2 2 Section 2 4(a) of the Thirteenth Supplemental Indenture is hereby amended and restated in its entirety as follows

"(a) The Notes shall be issued in fully registered definitive form in the name of the Property Trustee, on behalf of the Trust, and shall be delivered to the Collateral Agent to be held as Pledged Notes pursuant to the terms of the Collateral Agreement. For so long as such Pledged Notes are held by the Collateral Agent or any Custody Notes are held by the Custodial Agent, in their respective capacities as such under the Collateral Agreement, each such Note shall represent the principal amount so indicated in the Securities Register, *provided* that the aggregate principal amount of all such Notes shall at all times equal the principal amount issued in accordance with Section 2 1, as adjusted for any subsequent cancellation pursuant to Section 2 10 of the Indenture "

Section 2 3 The following Section 2 4(f) is hereby added to the Thirteenth Supplemental Indenture

"(f) In the event that any Pledged Note is to be released from the Pledge and transferred to the Property Trustee pursuant to Section 2 04 of the Collateral Agreement (a "Cancelled Note") in connection with the retirement of any Subject Preferred HITS and Subject Common Securities (as defined in the Declaration) pursuant to Section 4 9 of the Declaration, as provided for in said Section 2 04 of the Collateral Agreement, such release and transfer shall be evidenced by an endorsement by the Collateral Agent or the Securities Registrar of the Note held by the Collateral Agent reflecting a reduction in the principal amount of the Cancelled Note The Collateral Agent shall confirm any such reduced principal amount by faxing or otherwise delivering a photocopy of such endorsement made on the Note evidencing such reduced principal amount to the Trustee at the facsimile number or address of the Trustee provided for notices to the Property Trustee in the Collateral Agreement (or at such other facsimile number or address as the Property Trustee shall provide to the Collateral Agent) "

ARTICLE III

MISCELLANEOUS

Section 3 1 *Effectiveness*

This Sixteenth Supplemental Indenture will become effective upon its execution and delivery

Section 5 2 *Successors and Assigns*

All covenants and agreements in the Base Indenture and the Thirteenth Supplemental Indenture, as supplemented and amended by this Sixteenth Supplemental Indenture, by the Company shall bind its successors and assigns, whether so expressed or not.

Section 5 3 *Further Assurances*

The Company will, at its own cost and expense, execute and deliver any documents or agreements, and take any other actions that the Trustee or its counsel may from time to time request in order to assure the Trustee of the benefits of the rights granted to the Trustee under the Indenture, as supplemented and amended by this Sixteenth Supplemental Indenture

Section 5 4 *Effect of Recitals*

The recitals contained herein shall be taken as the statements of the Company, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness The Trustee makes no representations as to the validity or sufficiency of this Sixteenth Supplemental Indenture or of the Notes Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of the Notes or the proceeds thereof

Section 5 5 *Ratification of Indenture* The Indenture, as supplemented by this Sixteenth Supplemental Indenture, is in all respects ratified and confirmed, and this Sixteenth Supplemental Indenture shall be deemed part of the Indenture in the manner and to the extent herein and therein provided.

Section 5 6 *Governing Law* This Sixteenth Supplemental Indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York

Section 5 7 *Counterparts*

This Sixteenth Supplemental Indenture may be executed in any number of counterparts each of which shall be an original, but such counterparts shall together constitute but one and the same instrument

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Sixteenth Supplemental Indenture to be duly executed as of the day and year first above written

BANK OF AMERICA CORPORATION

By /s/ ANGELA C. JONES
Name Angela C Jones
Title Senior Vice President

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By /s/ TINA D. GONZALEZ
Name Tina D Gonzalez
Title Vice President

Exhibit 4 (gg)

SEVENTEENTH SUPPLEMENTAL INDENTURE

BETWEEN

BANK OF AMERICA CORPORATION

AND

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

DATED AS OF DECEMBER 8, 2011

Supplement to Restated Junior Subordinated Debt Securities Indenture dated as of November 1, 2001, as supplemented

SEVENTEENTH SUPPLEMENTAL INDENTURE

THIS SEVENTEENTH SUPPLEMENTAL INDENTURE, dated as of December 8, 2011 (the "Seventeenth Supplemental Indenture"), between **BANK OF AMERICA CORPORATION**, a Delaware corporation (the "Company"), having its principal office at 100 North Tryon Street, Charlotte, North Carolina 28255, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.** (formerly The Bank of New York Trust Company, N.A.), a national banking association, as successor Trustee (the "Trustee")

WITNESSETH:

WHEREAS, the Company and The Bank of New York Mellon (formerly The Bank of New York), as predecessor trustee, previously entered into a Restated Junior Subordinated Debt Securities Indenture dated as of November 1, 2001 (the "Base Indenture" and, as supplemented, the "Indenture");

WHEREAS, Section 9.01(a) of the Base Indenture provides that the Company and the Trustee may enter into indentures supplemental to the Indenture without the consent of any holder of Securities to establish the form and terms of the Company's Remarketable Fixed Rate Junior Subordinated Notes due 2043 (the "Notes");

WHEREAS, pursuant to Section 9.01 of the Base Indenture, the Company and the Trustee entered into the Fourteenth Supplemental Indenture, dated as of February 16, 2007 (the "Fourteenth Supplemental Indenture"), to establish the form and terms of the Company's Notes;

WHEREAS, on February 16, 2007, the Company issued $850,100,000 aggregate principal amount of the Notes to BAC Capital Trust XIV (the "Trust"), a Delaware statutory trust, in connection with the Trust's public offering of its securities known as Fixed-to-Floating Rate Preferred Hybrid Income Securities (the "Preferred HITS");

WHEREAS, Section 9.01(h) of the Base Indenture provides that the Company and the Trustee may enter into indentures supplemental to the Indenture without the consent of any holder of Securities to make any change that does not adversely affect the rights of any Securityholder in any material respect;

WHEREAS, the Company has requested that the Trustee execute and deliver this Seventeenth Supplemental Indenture;

WHEREAS, the conditions set forth in the Indenture for the execution and delivery of this Seventeenth Supplemental Indenture have been satisfied;

WHEREAS, all things necessary to make this Seventeenth Supplemental Indenture a valid agreement of the Company and the Trustee, in accordance with its terms, and a valid amendment of, and supplement to, the Indenture have been done;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, it is mutually covenanted and agreed that the Indenture is supplemented and amended to the extent and for the purposes expressed herein, as follows:

ARTICLE I

CAPITALIZED TERMS

Section 1.1 *Definition of Terms*

For purposes of this Seventeenth Supplemental Indenture, capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture, unless the context otherwise requires:

(a) terms defined in the Base Indenture and the Fourteenth Supplemental Indenture have the same meaning when used in this Seventeenth Supplemental Indenture Amendment unless otherwise specified herein;

(b) a term defined anywhere in this Seventeenth Supplemental Indenture has the same meaning throughout;

(c) the singular includes the plural and vice versa;

(d) a reference to a Section or Article is to a Section or Article of this Seventeenth Supplemental Indenture;

(e) headings are for convenience of reference only and do not affect interpretation; and

ARTICLE II

AMENDMENTS TO THE

FOURTEENTH SUPPLEMENTAL INDENTURE

Section 2 1 Section 1 1(e) of the Fourteenth Supplemental Indenture is hereby amended as follows

(a) The current definition of "Collateral Agreement" is deleted in its entirety and replaced with the following

""Collateral Agreement" means the Amended and Restated Collateral Agreement dated as of December 8, 2011 among the Company, The Bank of New York Mellon Trust Company, N A , as Collateral Agent, Custodial Agent, Securities Intermediary and Securities Registrar, and the Trust, acting through The Bank of New York Mellon, as Property Trustee "

(b) The current definition of "Declaration" is deleted in its entirety and replaced with the following

""*Declaration*" means the Amended and Restated Declaration of Trust, dated as of February 16, 2007, among the Company, as Sponsor, the Property Trustee, the Delaware Trustee, and the Regular Trustees (each as named therein), with respect to the HITS, as amended by that certain Amendment No 1 to Amended and Restated Declaration of Trust of BAC Capital Trust XIV, dated as of December 8, 2011, as the same may be further amended, modified or supplemented from time to time "

Section 2 2 Section 2 4(a) of the Fourteenth Supplemental Indenture is hereby amended and restated in its entirety as follows

"(a) The Notes shall be issued in fully registered definitive form in the name of the Property Trustee, on behalf of the Trust, and shall be delivered to the Collateral Agent to be held as Pledged Notes pursuant to the terms of the Collateral Agreement For so long as such Pledged Notes are held by the Collateral Agent or any Custody Notes are held by the Custodial Agent, in their respective capacities as such under the Collateral Agreement, each such Note shall represent the principal amount so indicated in the Securities Register, *provided* that the aggregate principal amount of all such Notes shall at all times equal the principal amount issued in accordance with Section 2 1, as adjusted for any subsequent cancellation pursuant to Section 2 10 of the Indenture "

Section 2 3 The following Section 2 4(f) is hereby added to the Fourteenth Supplemental Indenture

"(f) In the event that any Pledged Note is to be released from the Pledge and transferred to the Property Trustee pursuant to Section 2 04 of the Collateral Agreement (a "Cancelled Note") in connection with the retirement of any Subject Preferred HITS and Subject Common Securities (as defined in the Declaration) pursuant to Section 4 9 of the Declaration, as provided for in said Section 2 04 of the Collateral Agreement, such release and transfer shall be evidenced by an endorsement by the Collateral Agent or the Securities Registrar of the Note held by the Collateral Agent reflecting a reduction in the principal amount of the Cancelled Note The Collateral Agent shall confirm any such reduced principal amount by faxing or otherwise delivering a photocopy of such endorsement made on the Note evidencing such reduced principal amount to the Trustee at the facsimile number or address of the Trustee provided for notices to the Property Trustee in the Collateral Agreement (or at such other facsimile number or address as the Property Trustee shall provide to the Collateral Agent) "

ARTICLE III

MISCELLANEOUS

Section 3 1 *Effectiveness*

This Seventeenth Supplemental Indenture will become effective upon its execution and delivery

Section 5 2 *Successors and Assigns*

All covenants and agreements in the Base Indenture and the Fourteenth Supplemental Indenture, as supplemented and amended by this Seventeenth Supplemental Indenture, by the Company shall bind its successors and assigns, whether so expressed or not

Section 5 3 *Further Assurances*

The Company will, at its own cost and expense, execute and deliver any documents or agreements, and take any other actions that the Trustee or its counsel may from time to time request in order to assure the Trustee of the benefits of the rights granted to the Trustee under the Indenture, as supplemented and amended by this Seventeenth Supplemental Indenture

Section 5 4 *Effect of Recitals*

The recitals contained herein shall be taken as the statements of the Company, and neither the Trustee nor any Authenticating Agent assumes any responsibility for their correctness The Trustee makes no representations as to the validity or sufficiency of this Seventeenth Supplemental Indenture or of the Notes Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the Company of the Notes or the proceeds thereof

Section 5 5 *Ratification of Indenture* The Indenture, as supplemented by this Seventeenth Supplemental Indenture, is in all respects ratified and confirmed, and this Seventeenth Supplemental Indenture shall be deemed part of the Indenture in the manner and to the extent herein and therein provided.

Section 5 6 *Governing Law* This Seventeenth Supplemental Indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York

Section 5 7 *Counterparts*

This Seventeenth Supplemental Indenture may be executed in any number of counterparts each of which shall be an original, but such counterparts shall together constitute but one and the same instrument

[Signature page to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Seventeenth Supplemental Indenture to be duly executed as of the day and year first above written

BANK OF AMERICA CORPORATION

By /s/ ANGELA C. JONES
Name Angela C Jones
Title Senior Vice President

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By /s/ TINA D. GONZALEZ
Name Tina D Gonzalez
Title Vice President

Exhibit 10(i)

Bank of America

This document contains your Award Agreement under the Bank of America Corporation 2003 Key Associate Stock Plan

What you need to do

1 Review the Award Agreement to ensure you understand its provisions With each award you receive, provisions of your Award Agreement may change so it is important to review your Award Agreement
2 Print the Award Agreement and file it with your important papers
3 Designate your beneficiary on the Benefits OnLine® Beneficiary tab

2003 KEY ASSOCIATE STOCK PLAN
RESTRICTED STOCK UNITS AWARD AGREEMENT

Granted To :
Grant Date :
Grant Type :
Number Granted :

Note The number of Restricted Stock Units is based on a "divisor price" of $7 95, which is the ten-day average closing price of Bank of America Corporation common stock for the ten business days immediately preceding and including February 15, 2012

This Restricted Stock Units Award Agreement and all Exhibits hereto (the "Agreement") is made between Bank of America Corporation, a Delaware corporation ("Bank of America"), and you, an employee of Bank of America or one of its Subsidiaries

Bank of America sponsors the Bank of America Corporation 2003 Key Associate Stock Plan (the "Stock Plan") A Prospectus describing the Stock Plan has been delivered to you The Stock Plan itself is available upon request, and its terms and provisions are incorporated herein by reference When used herein, the terms which are defined in the Stock Plan shall have the meanings given to them in the Stock Plan, as modified herein (if applicable)

The Restricted Stock Units covered by this Agreement are being awarded to you, subject to the following terms and provisions

1 Subject to the terms and conditions of the Stock Plan and this Agreement, Bank of America awards to you the number of Restricted Stock Units shown above Each Restricted Stock Unit shall have a value equal to the Fair Market Value of one (1) share of Bank of America common stock

2 You acknowledge having read the Prospectus and agree to be bound by all the terms and conditions of the Stock Plan and this Agreement

3 The Restricted Stock Units covered by this Award shall become earned by, and payable to, you in accordance with the terms and conditions of the Stock Plan and this Agreement, in the amounts and on the dates shown on the enclosed Exhibit A

4 If a cash dividend is paid with respect to Bank of America common stock, you shall not receive any dividend equivalents, additional full or fractional Restricted Stock Units or other cash payments with respect to such cash dividends

5 You may designate a beneficiary to receive payment in connection with the Restricted Stock Units awarded hereunder in the event of your death while in service with Bank of America or its Subsidiaries in accordance with Bank of America's beneficiary designation procedures, as in effect from time to time If you do not designate a beneficiary or if your designated beneficiary does not survive you, then your beneficiary will be your estate

6 The existence of this Award shall not affect in any way the right or power of Bank of America or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in Bank of America's capital structure or its business, or any merger or consolidation of Bank of America, or any issue of bonds, debentures, preferred or prior preference stocks ahead of or convertible into, or otherwise affecting the Bank of America common stock or the rights thereof, or the dissolution or liquidation of Bank of America, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise

7 Bank of America may, in its sole discretion, decide to deliver any documents related to this grant or future Awards that may be granted under the Stock Plan by electronic means or request your consent to participate in the Stock Plan by electronic means You hereby consent to receive such documents by electronic delivery and, if requested, agree to participate in the Stock Plan through an on-line or electronic system established and maintained by Bank of America or a third party designated by Bank of America

Any notice which either party hereto may be required or permitted to give to the other shall be in writing and may be delivered personally, by intraoffice mail, by fax, by electronic mail or other electronic means, or via a postal service, postage prepaid, to such electronic mail or postal address and directed to such person as Bank of America may notify you from time to time, and to you at your electronic mail or postal address as shown on the records of Bank of America from time to time, or at such other electronic mail or postal address as you, by notice to Bank of America, may designate in writing from time to time

8 You agree that the Award covered by this Agreement is subject to the Incentive Compensation Recoupment Policy set forth in the Bank of America Corporate Governance Guidelines To the extent allowed by and consistent with applicable law and any applicable limitations period, if it is determined at any time that you have engaged in Detrimental Conduct or engaged in any hedging or derivative transactions involving Bank of America common stock in violation of the Bank of America Corporation Code of Ethics that would undermine the performance incentives created by the Award, Bank of America will be entitled to recover from you in its sole discretion some or all of the cash paid to you pursuant to this Agreement You recognize that if you engage in Detrimental Conduct or any hedging or derivative transactions involving Bank of America common stock, the losses to Bank of America and/or its Subsidiaries may amount to the full value of any cash paid to you pursuant to this Agreement In addition, the Award is subject to the requirements of (i) Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations thereunder, (ii) similar rules under the laws of any other jurisdiction and (iii) any policies adopted by Bank of America to implement such requirements, all to the extent determined by Bank of America in its discretion to be applicable to you

9 Regardless of any action Bank of America or your employer takes with respect to any or all income tax, payroll tax or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items owed by you is and remains your responsibility and may exceed the amount actually withheld by Bank of America or your employer You further acknowledge that Bank of America and/or your employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the grant of Restricted Stock Units, including the grant and vesting of the Restricted Stock Units or payout of the Award, and (ii) do not commit to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items Further, if you have become subject to the Tax-Related Items in connection with the Award in more than one jurisdiction, you acknowledge that Bank of America or your employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction

In the event Bank of America determines that it and/or your employer must withhold any Tax-Related Items as a result of your participation in the Stock Plan, you agree as a condition of the grant of the Restricted Stock Units to make arrangements satisfactory to Bank of America and/or your employer to enable it to satisfy all withholding requirements, including, but not limited to, withholding any applicable Tax-Related Items from the pay-out of the Restricted Stock Units In addition, you authorize Bank of America and/or your employer to fulfill its withholding obligations by all legal means, including, but not limited to, withholding Tax-Related Items from your wages, salary or other cash compensation your employer pays to you Bank of America may refuse to pay any earned Restricted Stock Units if you fail to comply with any withholding obligation

10 The validity, construction and effect of this Agreement are governed by, and subject to, the laws of the State of Delaware and the laws of the United States, as provided in the Stock Plan For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Award or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of North Carolina and agree that such litigation shall be conducted solely in the courts of Mecklenburg County, North Carolina or the federal courts for the United States for the Western District of North Carolina, where this grant is made and/or to be performed, and no other courts

11 In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Agreement, and the Agreement shall be construed and enforced as if the illegal or invalid provision had not been included. This Agreement constitutes the final understanding between you and Bank of America regarding the Restricted Stock Units Any prior agreements, commitments or negotiations concerning the Restricted Stock Units are superseded Subject to the terms of the Stock Plan, this Agreement may only be amended by a written instrument signed by both parties

12 If you move to any country other than the one in which you are currently working during the term of your Award, additional terms and conditions may apply to your Award Bank of America reserves the right to impose other requirements on the Award to the extent Bank of America determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Award and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing

Bank of America Corporation
2003 Key Associate Stock Plan

PAYMENT OF RESTRICTED STOCK UNITS

(a) PAYMENT SCHEDULE Subject to the provisions of paragraphs (b) and (c) below, the Restricted Stock Units shall be earned and payable if you remain employed with Bank of America and its Subsidiaries through each of the payment dates as follows one twelfth (1/12th) of the total Restricted Stock Units granted for 2011 shall be payable on the fifteenth (15th) day of each month during the twelve (12)-month period beginning in March 2012 and ending in February 2013 (each, a "Payment Date")

Payment shall be made as soon as administratively practicable, generally within 30 days after each applicable Payment Date

(b) IMPACT OF TERMINATION OF EMPLOYMENT ON PAYMENT OF RESTRICTED STOCK UNITS If your employment with Bank of America and its Subsidiaries terminates prior to any of the above Payment Date(s), then any portion of the Restricted Stock Units that has not yet become earned and payable shall become earned and payable or be canceled depending on the reason for termination as follows

(i) Death or Disability Any unearned portion of the Restricted Stock Units shall become immediately earned and payable as of the date of your termination of employment if your termination is due to death or Disability Payment will be made as soon as administratively practicable, generally within 30 days after notification of termination from the payroll system

(ii) All Other Terminations In the case of All Other Terminations, any portion of the Restricted Stock Units that that was not already earned and payable pursuant to paragraph (a) above as of the date of termination of employment shall be cancelled as of that date

(c) COVENANTS

(i) Detrimental Conduct You agree that during any period in which the Restricted Stock Units remain payable, you will not engage in Detrimental Conduct

(ii) Hedging or Derivative Transactions You agree that during any period in which the Restricted Stock Units remain payable, you will not engage in any hedging or derivative transactions involving Bank of America common stock in violation of the Bank of America Corporation Code of Ethics that would undermine the performance incentives created by the Award

(iii) Remedies Payment of Restricted Stock Units in accordance with the schedule set forth in paragraph (a) above is specifically conditioned on the requirement that, at all times prior to each Payment Date, you do not engage in Detrimental Conduct or hedging or derivative transactions involving Bank of America common stock, as described in paragraphs (c)(i) and (ii) during such period If Bank of America determines in its reasonable business judgment that you have failed to satisfy the foregoing requirements, then any portion of the Restricted

Stock Units that has not yet been paid as of the date of such determination shall be immediately cancelled as of the date of such determination

(d) FORM OF PAYMENT Payment of Restricted Stock Units shall be made in the form of cash for each Restricted Stock Unit that is payable The amount of the payment that you will receive with respect to the Restricted Stock Units shall be determined by multiplying the number of Restricted Stock Units by the Fair Market Value of one (1) share of Bank of America common stock on the Payment Date

(e) DEFINITIONS For purposes hereof, the following terms shall have the following meanings

All Other Terminations means any termination of your employment with Bank of America and its Subsidiaries, whether initiated by you or your employer, other than a termination due to your death or Disability

Cause shall be defined as that term is defined in your offer letter or other applicable employment agreement, or, if there is no such definition, "Cause" means a termination of your employment with Bank of America and its Subsidiaries if it occurs in conjunction with a determination by your employer that you have (i) committed an act of fraud or dishonesty in the course of your employment, (ii) been convicted of (or plead no contest with respect to) a crime constituting a felony or a crime of comparable magnitude under applicable law (as determined by Bank of America in its sole discretion), (iii) committed an act or omission which causes you or Bank of America or its Subsidiaries to be in violation of federal or state securities laws, rules or regulations, and/or the rules of any exchange or association of which Bank of America or its Subsidiaries is a member, including statutory disqualification, (iv) failed to perform your job function(s), which Bank of America views as being material to your position and the overall business of Bank of America and its Subsidiaries under circumstances where such failure is detrimental to Bank of America or any Subsidiary, (v) materially breached any written policy applicable to employees of Bank of America and its Subsidiaries including, but not limited to, the Bank of America Corporation Code of Ethics and General Policy on Insider Trading, or (vi) made an unauthorized disclosure of any confidential or proprietary information of Bank of America or its Subsidiaries or have committed any other material violation of Bank of America's written policy regarding Confidential and Proprietary Information

Detrimental Conduct means (i) any conduct that would constitute Cause or (ii) any one of the following (A) any act or omission by you resulting or intended to result in personal gain at the expense of Bank of America or its Subsidiaries, (B) the improper disclosure by you of proprietary, privileged or confidential information of Bank of America or its Subsidiaries or a client or former client of Bank of America or its Subsidiaries or breach of a fiduciary duty owed to Bank of America or its Subsidiaries or a client or former client of Bank of America or its Subsidiaries, (C) improper conduct by you including, but not limited to, fraud, unethical conduct, falsification of the records of Bank of America or its Subsidiaries, unauthorized removal of property or information of Bank of America or its Subsidiaries, intentional violation or negligent disregard for Bank of America's or its Subsidiaries' policies, rules and procedures, insubordination, theft, violent acts or threats of violence, unauthorized possession of controlled substances on the property of Bank of America or its Subsidiaries, conduct causing reputational harm to Bank of America or its Subsidiaries or a client of Bank of America or its Subsidiaries, or the use of the property, facilities or services of Bank of America or its

Subsidiaries for unauthorized or illegal purposes, (D) the performance by you of your employment duties in a manner deemed by Bank of America or its Subsidiaries to be grossly negligent, (E) the commission of a criminal act by you, whether or not performed in the workplace, that subjects, or if generally known, would subject Bank of America or its Subsidiaries to public ridicule or embarrassment, or (F) you taking or maintaining trading positions that result in a need to restate financial results in a subsequent reporting period or that result in a significant financial loss to Bank of America or its Subsidiaries during or after the performance year

Disability is as defined in the Stock Plan

IN WITNESS WHEREOF, Bank of America has caused this Agreement to be executed by its duly authorized officer, and you have hereunto set your hand, all effective as of the Grant Date listed above

Brian T Moynihan
Chief Executive Officer and President

Bank of America

This document contains your Award Agreement under the Bank of America Corporation 2003 Key Associate Stock Plan

What you need to do

1 Review the Award Agreement to ensure you understand its provisions With each award you receive, provisions of your Award Agreement may change so it is important to review your Award Agreement
2 Print the Award Agreement and file it with your important papers
3 Accept your Award Agreement through the online acceptance process *
4 Designate your beneficiary on the Benefits OnLine® Beneficiary tab
5 More detailed information about competitive businesses can be found on Flagscape® under Benefits & Pay / Pay & Timekeeping / Stock and Long-Term Cash, to the extent that the competition restriction is applicable to you, as described in this Award Agreement

* If you do not accept your Award Agreement through the online acceptance process by November 15, 2012, or such other date that may be communicated, Bank of America will automatically accept the Award Agreement on your behalf

2003 KEY ASSOCIATE STOCK PLAN
PERFORMANCE CONTINGENT RESTRICTED STOCK UNITS
AWARD AGREEMENT

Granted To :	
Grant Date :	
Grant Type :	
Number Granted :	

Note The number of Restricted Stock Units is based on a "divisor price" of $7 95, which is the ten-day average closing price of Bank of America Corporation common stock for the ten business days immediately preceding and including February 15, 2012

This Performance Contingent Restricted Stock Units Award Agreement and all Exhibits hereto (the "Agreement") is made between Bank of America Corporation, a Delaware corporation ("Bank of America"), and you, an employee of Bank of America or one of its Subsidiaries

Bank of America sponsors the Bank of America Corporation 2003 Key Associate Stock Plan (the "Stock Plan") A Prospectus describing the Stock Plan has been delivered to you The Stock Plan itself is available upon request, and its terms and provisions are incorporated herein by reference When used herein, the terms which are defined in the Stock Plan shall have the meanings given to them in the Stock Plan, as modified herein (if applicable)

The Restricted Stock Units covered by this Agreement are being awarded to you with respect to Performance Year 2011, subject to the following terms and provisions.

1 Subject to the terms and conditions of the Stock Plan and this Agreement, Bank of America awards to you the number of Restricted Stock Units shown above Each Restricted Stock Unit shall have a value equal to the Fair Market Value of one (1) share of Bank of America common stock

2 You acknowledge having read the Prospectus and agree to be bound by all the terms and conditions of the Stock Plan and this Agreement

3 The Restricted Stock Units covered by this Award shall become earned by, and payable to, you in the amounts and on the dates shown on the enclosed Exhibit A

4 If a cash dividend is paid with respect to Bank of America common stock, a cash dividend equivalent equal to the total cash dividend you would have received had your Restricted Stock Units been actual shares of Bank of America common stock will be accumulated and paid in cash through payroll when the Restricted Stock Units become earned and payable Dividend equivalents are credited with interest at the three-year constant maturity Treasury rate in effect on the date of grant until the payment date

5 You agree that you shall comply with (or provide adequate assurance as to future compliance with) all applicable securities laws as determined by Bank of America as a condition precedent to the delivery of any shares of Bank of America common stock pursuant to this Agreement In addition, you agree that, upon request, you will furnish a letter agreement providing that (i) you will not distribute or resell any of said shares in violation of the Securities Act of 1933, as amended, (ii) you will indemnify and hold Bank of America harmless against all liability for any such violation and (iii) you will accept all liability for any such violation

6 You agree that the Award covered by this Agreement is subject to the Incentive Compensation Recoupment Policy set forth in the Bank of America Corporate Governance Guidelines To the extent allowed by and consistent with applicable law and any applicable limitations period, if it is determined at any time that you have engaged in Detrimental Conduct or engaged in any hedging or derivative transactions involving Bank of America common stock in violation of the Bank of America Corporation Code of Ethics that would undermine the long-term performance incentives created by the Award, Bank of America will be entitled to recover from you in its sole discretion some or all of the shares of Bank of America common stock (and any related dividend equivalents) paid to you pursuant to this Agreement You recognize that if you engage in Detrimental Conduct or any hedging or derivative transactions involving Bank of America common stock, the losses to Bank of America and/or its Subsidiaries may amount to the full value of any shares of Bank of America common stock (and any related dividend equivalents) paid to you pursuant to this Agreement. In addition, Awards are subject to the requirements of (i) Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules and regulations thereunder, (ii) similar rules under the laws of any other jurisdiction and (iii) any policies adopted by Bank of America to implement such requirements, all to the extent determined by Bank of America in its discretion to be applicable to you

7 You may designate a beneficiary to receive payment in connection with the Restricted Stock Units awarded hereunder in the event of your death while in service with Bank of America or its Subsidiaries in accordance with Bank of America's beneficiary designation procedures, as in effect from time to time If you do not designate a beneficiary or if your designated beneficiary does not survive you, then your beneficiary will be your estate

8 The existence of this Award shall not affect in any way the right or power of Bank of America or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in Bank of America's capital structure or its business, or any merger or consolidation of Bank of America, or any issue of bonds, debentures, preferred or prior preference stocks ahead of or convertible into, or otherwise affecting the Bank of America common stock or the rights thereof, or the dissolution or liquidation of Bank of America, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise

9 Bank of America may, in its sole discretion, decide to deliver any documents related to this grant or future Awards that may be granted under the Stock Plan by electronic means or request your consent to participate in the Stock Plan by electronic means You hereby consent to receive such documents by electronic delivery and, if requested, agree to participate in the Stock Plan through an on-line or electronic system established and maintained by Bank of America or a third party designated by Bank of America

Any notice which either party hereto may be required or permitted to give to the other shall be in writing and may be delivered personally, by intraoffice mail, by fax, by electronic mail or other electronic means, or via a postal service, postage prepaid, to such electronic mail or postal address and directed to such person as Bank of America may notify you from time to time, and to you at your electronic mail or postal address as shown on the records of Bank of America from time to time, or at such other electronic mail or postal address as you, by notice to Bank of America, may designate in writing from time to time

10 Regardless of any action Bank of America or your employer takes with respect to any or all income tax, payroll tax or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items owed by you is and remains your responsibility and may exceed the amount actually withheld by Bank of America or your employer You further acknowledge that Bank of America and/or your employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the grant of Restricted Stock Units, including the grant and vesting of the Restricted Stock Units, the subsequent sale of Shares acquired upon the vesting of the Restricted Stock Units and the receipt of any dividends and/or dividend equivalents, and (ii) do not commit to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate your liability for Tax-Related Items Further, if you have become subject to the Tax-Related Items in connection with the Award in more than one jurisdiction, you acknowledge that Bank of America or your employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction

In the event Bank of America determines that it and/or your employer must withhold any Tax-Related Items as a result of your participation in the Stock Plan, you agree as a condition of the grant of the Restricted Stock Units to make arrangements satisfactory to Bank of America and/or your employer to enable it to satisfy all withholding requirements, including, but not limited to, withholding any applicable Tax-Related Items from the pay-out of the Restricted Stock Units In addition, you authorize Bank of America and/or your employer to fulfill its withholding obligations by all legal means, including, but not limited to, withholding Tax-Related Items from your wages, salary or other cash compensation your employer pays to you, withholding Tax-Related Items from the cash proceeds, if any, received upon any sale of any Shares received in payment for your Restricted Stock Units and, at the time of payment, withholding Shares sufficient to meet minimum withholding obligations for Tax-Related Items Bank of America may refuse to pay any earned Restricted Stock Units if you fail to comply with any withholding obligation

11 The validity, construction and effect of this Agreement are governed by, and subject to, the laws of the State of Delaware and the laws of the United States, as provided in the Stock Plan For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of North Carolina and agree that such litigation shall be conducted solely in the courts of Mecklenburg County, North Carolina or the federal courts for the United States for the Western District of North Carolina, where this grant is made and/or to be performed, and no other courts

12 In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of the Agreement, and the Agreement shall be construed and enforced as if the illegal or invalid provision had not been included This Agreement constitutes the final understanding between you and Bank of America regarding the Restricted Stock Units Any prior agreements, commitments or negotiations concerning the Restricted Stock Units are superseded Subject to the terms of the Stock Plan, this Agreement may only be amended by a written instrument signed by both parties

13 If you move to any country outside of the United States during the term of your Award, additional terms and conditions may apply to your Award Bank of America reserves the right to impose other requirements on the Award to the extent Bank of America determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Award and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing

Exhibit A

Bank of America Corporation
2003 Key Associate Stock Plan

PAYMENT OF PERFORMANCE CONTINGENT RESTRICTED STOCK UNITS

(a) PERFORMANCE-BASED VESTING SCHEDULE AND SETTLEMENT DATES

(i) Performance Vesting Schedule and Settlement Dates Subject to the additional conditions set forth in paragraph (a)(iv) below, the number of Restricted Stock Units that are earned for a Performance Period equals (A) the total number of Restricted Stock Units granted times (B) the percentage earned in accordance with the following table, rounded down to the next whole unit and reduced by the number of Restricted Stock Units earned for any prior Performance Period

Return on Assets for the Performance Period	Percentage of Restricted Stock Units Earned
Less than 50 basis points	0%
50 basis points	33-1/3%
65 basis points	66-2/3%
80 basis points or higher	100%

The percentage earned for performance between 50 basis points and 65 basis points or between 65 basis points and 80 basis points in any Performance Period shall be interpolated on a straight line basis If Return on Assets does not equal at least 50 basis points for any Performance Period, then the Restricted Stock Units shall be canceled as of the completion of the final Performance Period

(ii) Annual Determinations The determination as to whether, and the extent to which, the performance vesting requirements of this paragraph (a) have been satisfied for any Performance Period ending during a calendar year shall be made as soon as practicable after the end of the calendar year, and such results must be certified in writing by the Committee before settlement

(iii) Settlement Dates The "Settlement Date" for any portion of the Award that satisfies the performance vesting requirements under this paragraph (a) during a calendar year shall be March 1 of the immediately following calendar year, provided, however, that the earliest Settlement Date for any portion of the Award shall be March 1, 2015 On the applicable Settlement Date, to the extent earned, the Restricted Stock Units payable as of such Settlement Date shall be settled by issuing one (1) share of Bank of America common stock for each Restricted Stock Unit that is payable Settlement shall occur as soon as administratively practicable after the applicable Settlement Date, generally within 30 days

(iv) Additional Conditions For any portion of the Award payable as of a Settlement Date, you must remain employed with Bank of America and its Subsidiaries through such Settlement Date except as otherwise provided in paragraphs (b) and (c) below In addition, payment as of each Settlement Date is subject to your complying with the covenants set forth in paragraph (d) below and the additional performance condition set forth in paragraph (e) below

(b) IMPACT OF TERMINATION OF EMPLOYMENT ON RESTRICTED STOCK UNITS If your employment with Bank of America and its Subsidiaries terminates prior to a Settlement Date, then (A) any Restricted Stock Units otherwise payable as of such Settlement Date plus (B) any other Restricted Stock Units that have not yet satisfied the performance vesting requirements of paragraph (a) above as of such Settlement Date (collectively, the "Unearned Restricted Stock Units") (together with any related dividend equivalents) shall become earned and payable or be canceled depending on the reason for termination as follows

(i) Death Any Unearned Restricted Stock Units (and any related dividend equivalents) shall become immediately earned and payable as of the date of your termination of employment if your termination is due to death Payment will be made as soon as administratively practicable, generally within 30 days after notification of termination from the payroll system

(ii) Disability If your employment is terminated by Bank of America or its Subsidiaries due to Disability, then your Unearned Restricted Stock Units (and any related dividend equivalents) shall continue to become earned and payable in accordance with paragraph (a) above (without regard to whether you are employed by Bank of America and its Subsidiaries as of each applicable Settlement Date), subject to your complying with the covenants set forth in paragraph (d) below and to the additional performance condition set forth in paragraph (e) below

(iii) Termination by Bank of America With Cause If your employment is terminated by Bank of America or its Subsidiaries with Cause, then any Unearned Restricted Stock Units (and any related dividend equivalents) shall be immediately canceled as of the date of your termination of employment

(iv) Change in Control Notwithstanding anything in this Agreement to the contrary, if (A) a Change in Control occurs and (B) on or after the Change in Control and on or before the second anniversary of the Change in Control either (1) your employment is terminated by Bank of America or its Subsidiaries without Cause or (2) you terminate your employment with Bank of America or its Subsidiaries for Good Reason, then any Unearned Restricted Stock Units (and any related dividend equivalents) shall become immediately earned as of the date of such termination and shall be payable as of the immediately following Settlement Date, without regard to the covenants set forth in paragraph (d) below or the additional performance condition set forth in paragraph (e) below

(v) All Other Terminations In case of All Other Terminations, unless you have attained the Rule of 60 as described below, any Unearned Restricted Stock Units (and any related dividend equivalents) shall be immediately canceled as of the date of your termination of employment [For Mr Montag Notwithstanding the foregoing or any other provision herein to the contrary, in accordance with the terms of your offer letter dated May 1, 2008, if your employment is terminated by Bank of America without "Cause" or you terminate your employment for "Good Reason" (as such terms are defined in your offer letter), then your

Unearned Restricted Stock Units (and any related dividend equivalents) shall continue to become earned and payable in accordance with paragraph (a) above (without regard to whether you are employed by Bank of America and its Subsidiaries as of each applicable Settlement Date), subject to your complying with the covenants set forth in paragraph (d) below and to the additional performance condition set forth in paragraph (e) below]

(c) RULE OF 60 If your employment terminates for any reason other than death, Disability, Cause or in connection with a Change in Control as described in paragraph (b)(iv) above after you have attained the Rule of 60, then any Unearned Restricted Stock Units (and any related dividend equivalents) shall continue to become earned and payable in accordance with paragraph (a) above (without regard to whether you are employed by Bank of America and its Subsidiaries as of each applicable Settlement Date) subject to the performance condition in paragraph (e) below, provided that (i) to the extent permissible under applicable law, you do not engage in Competition during such period, (ii) you comply with the covenants described in paragraph (d) below and (iii) prior to each applicable Settlement Date, you provide Bank of America with a written certification that you have not engaged in Competition to the extent the Competition restriction in (i) above is applicable To be effective, such certification must be provided on such form, at such time and pursuant to such procedures as Bank of America shall establish from time to time If Bank of America determines in its reasonable business judgment that you have failed to satisfy any of the foregoing requirements, then any Unearned Restricted Stock Units (and any related dividend equivalents) shall be immediately canceled as of the date of such determination In addition, from time to time following your termination of employment after having attained the Rule of 60, Bank of America may require you to further certify that you are not engaging in Competition, and if you fail to fully cooperate with any such requirement Bank of America may determine that you are engaging in Competition

(d) COVENANTS

(i) Non-Solicitation You agree that during any period in which Restricted Stock Units (and any related dividend equivalents) remain payable, (A) you will not directly or indirectly solicit or recruit for employment or encourage to leave employment with Bank of America or its Subsidiaries, on your own behalf or on behalf of any other person or entity other than Bank of America or its Subsidiaries, any person who is an employee of Bank of America and its Subsidiaries and (B) to the extent permissible under applicable law, you will not, directly or indirectly, on your own behalf or on behalf of any other person or entity other than Bank of America or its Subsidiaries, solicit any client or customer of Bank of America and its Subsidiaries which you actively solicited or with whom you worked or otherwise had material contact in the course of your employment with Bank of America and its Subsidiaries

(ii) Detrimental Conduct You agree that during any period in which Restricted Stock Units (and any related dividend equivalents) remain payable, you will not engage in Detrimental Conduct

(iii) Hedging or Derivative Transactions You agree that during any period in which Restricted Stock Units (and any related dividend equivalents) remain payable, you will not engage in any hedging or derivative transactions involving Bank of America common stock in violation of the Bank of America Corporation Code of Ethics that would undermine the long-term performance incentive created by the Restricted Stock Units

(iv) Remedies Payment of Restricted Stock Units (and any related dividend equivalents) on any Settlement Date is specifically conditioned on the requirement that at all times prior to the Settlement Date, you do not engage in solicitation, Detrimental Conduct or hedging or derivative transactions, as described in paragraphs (d)(i), (ii) and (iii), during such period If Bank of America determines in its reasonable business judgment that you have failed to satisfy such requirements, then any Unearned Restricted Stock Units (and any related dividend equivalents) as of the date of such determination shall be canceled as of such date of determination

(e) PERFORMANCE CONDITION In order to encourage sustainable, long-term performance, payment of Restricted Stock Units (and any related dividend equivalents) on any Settlement Date is specifically conditioned on Bank of America or its lines of business remaining profitable during the calendar year preceding the applicable Settlement Date If a loss is determined to have occurred

(i) with respect to Bank of America, if you are the Chief Executive Officer, Chief Financial Officer, any Chief Executive Officer direct report who does not lead a line of business who is part of a key control function (such as audit, compliance, human resources, legal, risk, etc), or

(ii) with respect to Bank of America or the applicable line of business, if you lead a line of business,

then your accountability for such loss will be determined, taking into account such factors as (i) the magnitude of the loss (including positive or negative variance from plan), (ii) your degree of involvement (including such factors as your current or former leadership role with respect to Bank of America or line of business, and the degree to which you were involved in decisions that are determined to have contributed to the loss), (iii) your performance and (iv) such other factors as deemed appropriate The Committee, together with key control functions, will review losses and your accountability The Committee will then make a final determination to either take no action or to cancel all or a portion of the Restricted Stock Units otherwise payable as of the applicable Settlement Date. All such determinations will be final and binding

(f) DEFINITIONS For purposes hereof, the following terms shall have the following meanings

All Other Terminations means any termination of your employment with Bank of America and its Subsidiaries prior to your having attained the Rule of 60, whether initiated by you or your employer, other than (i) a termination due to your death or Disability, (ii) a termination with Cause and (iii) a termination in connection with a Change in Control as described in paragraph (b)(iv) above

Cause shall be defined as that term is defined in your offer letter or other applicable employment agreement, or, if there is no such definition, "Cause" means a termination of your employment with Bank of America and its Subsidiaries if it occurs in conjunction with a determination by your employer that you have (i) committed an act of fraud or dishonesty in the course of your employment, (ii) been convicted of (or plead no contest with respect to) a crime constituting a felony or a crime of comparable magnitude under applicable law (as determined by Bank of America in its sole discretion), (iii) committed an act or omission which causes you or Bank of America or its Subsidiaries to be in violation of federal or state securities laws, rules or regulations, and/or the rules of any exchange or association of which

Bank of America or its Subsidiaries is a member, including statutory disqualification, (iv) failed to perform your job duties, which Bank of America views as being material to your position and the overall business of Bank of America and its Subsidiaries under circumstances where such failure is detrimental to Bank of America or any Subsidiary, or to Bank of America's or such Subsidiary's business interests or reputation, (v) materially breached any written policy applicable to employees of Bank of America and its Subsidiaries including, but not limited to, the Bank of America Corporation Code of Ethics and General Policy on Insider Trading, or (vi) made an unauthorized disclosure of any confidential or proprietary information of Bank of America or its Subsidiaries or have committed any other material violation of Bank of America's written policy regarding Confidential and Proprietary Information

Competition means your being engaged, directly or indirectly, whether as a director, officer, employee, consultant, agent or otherwise, with a business entity that is designated as a "Competitive Business" as of the date of your termination of employment

Detrimental Conduct means (i) any conduct that would constitute Cause or (ii) any one of the following (A) any act or omission by you resulting or intended to result in personal gain at the expense of Bank of America or its Subsidiaries, (B) the improper disclosure by you of proprietary, privileged or confidential information of Bank of America or its Subsidiaries or a client or former client of Bank of America or its Subsidiaries or breach of a fiduciary duty owed to Bank of America or its Subsidiaries or a client or former client of Bank of America or its Subsidiaries, (C) improper conduct by you including, but not limited to, fraud, unethical conduct, falsification of the records of Bank of America or its Subsidiaries, unauthorized removal of property or information of Bank of America or its Subsidiaries, intentional violation or negligent disregard for Bank of America's or its Subsidiaries' policies, rules and procedures, insubordination, theft, violent acts or threats of violence, unauthorized possession of controlled substances on the property of Bank of America or its Subsidiaries, conduct causing reputational harm to Bank of America or its Subsidiaries or a client of Bank of America or its Subsidiaries, or the use of the property, facilities or services of Bank of America or its Subsidiaries for unauthorized or illegal purposes, (D) the performance by you of your employment duties in a manner deemed by Bank of America or its Subsidiaries to be grossly negligent, (E) the commission of a criminal act by you, whether or not performed in the workplace, that subjects, or if generally known, would subject Bank of America or its Subsidiaries to public ridicule or embarrassment, or (F) you taking or maintaining trading positions that result in a need to restate financial results in a subsequent reporting period or that result in a significant financial loss to Bank of America or its Subsidiaries during or after the performance year

Disability is as defined in the Stock Plan

Good Reason means, provided that you have complied with the Good Reason Process, the occurrence of any of the following events without your consent (i) a material diminution in your responsibility, authority or duty, (ii) a material diminution in your base salary except for across-the-board salary reductions based on Bank of America and its Subsidiaries' financial performance similarly affecting all or substantially all management employees of Bank of America and its Subsidiaries, or (iii) the relocation of the office at which you were principally employed immediately prior to a Change in Control to a location more than fifty (50) miles from the location of such office, or your being required to be based anywhere other than such office, except to the extent you were not previously assigned to a principal location and except

for required travel on your employer's business to an extent substantially consistent with your business travel obligations at the time of the Change in Control

Good Reason Process means that (i) you reasonably determine in good faith that a Good Reason condition has occurred, (ii) you notify Bank of America and its Subsidiaries in writing of the occurrence of the Good Reason condition within sixty (60) days of such occurrence, (iii) you cooperate in good faith with Bank of America and its Subsidiaries' efforts, for a period of not less than thirty (30) days following such notice (the "Cure Period"), to remedy the condition, (iv) notwithstanding such efforts, the Good Reason condition continues to exist following the Cure Period, and (v) you terminate your employment for Good Reason within sixty (60) days after the end of the Cure Period If Bank of America or its Subsidiaries cures the Good Reason condition during the Cure Period, and you terminate your employment with Bank of America and its Subsidiaries due to such condition (notwithstanding its cure), then you will not be deemed to have terminated your employment for Good Reason

Performance Period means each trailing four calendar quarters, beginning with the four calendar quarters ending December 31, 2012 and continuing for each calendar quarter thereafter through December 31, 2016

Return on Assets means "Return on Assets" as defined in the Stock Plan, as calculated for the applicable Performance Period in accordance with generally accepted accounting principles in effect as of January 1, 2012

Rule of 60 means, as of the date of your termination of employment with Bank of America and its Subsidiaries, you have (i) a length of service of at least ten (10) years and (ii) attained a combined age and years of service equal to at least sixty (60) Your length of service will be determined by your employer, and, in that regard, if you participate in a tax-qualified pension plan sponsored by Bank of America or its Subsidiaries, your length of service shall be your "Vesting Service" under the tax-qualified pension plan in which you participate [For Mr Noski Notwithstanding the foregoing, you shall be deemed to have satisfied the Rule of 60 as of the date you attain age 60] [For Mr Montag Notwithstanding the foregoing, you shall be deemed to have satisfied the Rule of 60 as of the third anniversary of your date of hire]

IN WITNESS WHEREOF, Bank of America has caused this Agreement to be executed by its duly authorized officer, and you have hereunto set your hand, all effective as of the Grant Date listed above

Brian T Moynihan
Chief Executive Officer and President

Exhibit 10 (iii)

BANK OF AMERICA CORPORATION AND DESIGNATED SUBSIDIARIES

SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

FOR SENIOR MANAGEMENT EMPLOYEES*

* Effective as of January 1, 1989, reflecting the following amendments: Amendments thereto dated as of June 28, 1989, June 27, 1990, July 21, 1991, December 3, 1992, December 15, 1992, September 28, 1994, March 27, 1996, June 25, 1997, April 10, 1998, June 24, 1998, October 1, 1998, December 14, 1999, and March 28, 2001

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BANK OF AMERICA CORPORATION AND DESIGNATED SUBSIDIARIES
SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN
FOR SENIOR MANAGEMENT EMPLOYEES

ARTICLE I
NAME AND PURPOSE

Section 1 1 Name The Plan shall be known as the "Bank of America Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan for Senior Management Employees " Prior to January 1, 1992 the Plan was known as the "NCNB Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan for Senior Management Employees "

Section 1 2 Purpose The purpose of the Plan is to provide certain Employees of the Participating Employers who are designated as Participants in this Plan with certain benefits in accordance with the provisions of the Plan

ARTICLE II
CONSTRUCTION, DEFINITIONS AND APPLICABLE LAW

Section 2 1 Construction and Definitions

(a) Construction Article, section and paragraph headings have been inserted for convenience of reference only in the Plan and are to be ignored in any construction of the provisions hereof If any provision of the Plan shall for any reason be invalid or unenforceable, the remaining provisions shall nevertheless be valid, enforceable and fully effective

(b) Definitions Whenever used in the Plan, unless the context clearly indicates otherwise, the following terms shall have the following meanings

(1) Assumed Retirement Benefit means, with respect to a Participant as of any date, the sum of annual benefits, if any, which would have been payable to such Participant as of such date under the Retirement Plan and the ERISA Supplemental Plan assuming for such purpose

(A) in the case of a married Participant, that the Participant had elected to receive such benefits in the form of a "modified joint and survivor annuity"

with the survivor annuity for such Participant's spouse being equal to sixty-six and two-thirds percent (66-2/3%) of the benefit payable during the joint lives of the Participant and such spouse, and

(B) in the case of an unmarried Participant, that the Participant had elected to receive such benefits in the form of a "ten-year certain and life annuity."

The foregoing assumptions are made solely for the purpose of determining the benefits, if any, payable under this Plan, and such assumptions shall be applied regardless of the actual method of payment used to provide such Participant's benefits under the Retirement Plan or the ERISA Supplemental Plan

(2) Base Salary means, with respect to a Participant, the "base salary" payable to such Participant from time to time as remuneration for hours of employment by a Participating Employer determined without regard to (i) any deferrals pursuant to the Deferred Compensation Plan, (ii) any salary reduction pursuant to the Group Benefits Plan, and (iii) any salary reduction pursuant to the Thrift Plan

(3) Beneficiary means the person(s) or entity(ies) designated by a Participant or the provisions of the Plan to receive such benefits as may become payable to such person(s) or entity(ies) in accordance with the provisions of the Plan

(4) Bonus(es) means, with respect to a Participant, any bonus(es) payable to such Participant pursuant to

(A) the Corporate Management Incentive Plan, and

(B) any other similar incentive compensation plan of the Participating Employers approved for purposes of this Plan by the Compensation Committee

determined without regard to any deferrals pursuant to the Deferred Compensation Plan

(5) Child or Children means, with respect to a Participant, each child born to or "adopted" by such Participant A person shall be considered "adopted" if adopted for life and either (i) the final order of adoption has been entered or (ii) the adoption proceeding has been instituted and the adopted person is in the custody and possession of the adoptive parent(s) and final decree is entered within a period not to exceed three (3) years after the date of the institution of said adoption proceeding

(6) Claim means a claim for benefits under the Plan

(7) Claimant means a person making a Claim

(8) Compensation means, with respect to a Participant, the Base Salary and Bonus(es), if any, payable to such Participant from time to time by a Participating Employer Compensation shall not include

(A) awards, overtime pay, shift premium, or other incentive compensation or extra or special remuneration of any kind which is not a Bonus,

(B) any other sums paid by the Participating Employers on account of any health, welfare or group insurance benefits (exclusive of sick pay), including "Basic Employer Contributions" under the Group Benefits Plan, or on account of reimbursement of relocation expenses, regardless of whether such sums are taxable income to the Participant, or

(C) any compensation pursuant to any other employee benefit plan, including without limitation any sums selected to be received in cash pursuant to any such plan

Amounts of Base Salary or Bonus(es) which are deferred pursuant to the Deferred Compensation Plan or the subject of salary reduction pursuant to the Group Benefits Plan or the Thrift Plan shall be treated as Compensation for purposes of this Plan for the calendar year in which such amount would have been otherwise paid to a Participant by a Participating Employer but for such deferral or salary reduction For any period in which the Corporate Management Incentive Plan is in effect after the Effective Date, Bonus(es) under the Corporate Management Incentive Plan shall be treated as Compensation for purposes of this Plan for the calendar year in which such amount is earned by a Participant, regardless of when such amount is actually paid to such Participant

(9) Compensation Committee means the Compensation Committee of the Board of Directors of Bank of America Corporation

(10) Creditable Service means, with respect to a Participant as of any date, the sum of (A) and (B) where

(A) is such Participant's months of "Creditable Service" as of such date determined in accordance with the provisions of the Retirement Plan, and

(B) is such additional number of months, if any, determined in the sole and exclusive discretion of the Compensation Committee at the time such Participant commences participation in the Plan

(11) Deferred Compensation Plan means any non-qualified deferred compensation plan maintained by the Corporation for the benefit of a select group of management or highly compensated employees

(12) Delayed Retirement means, with respect to a Participant, such Participant's separation from Service after the Plan Year in which such Participant attains the Normal Retirement Age

(13) Delayed Retirement Benefit means, with respect to a Participant, an annual amount equal to (A) minus (B) where

(A) is such Participant's Target Retirement Benefit, and

(B) is the sum of such Participant's (i) Assumed Retirement Benefit and (ii) Social Security Benefit

(14) Disability means, with respect to a Participant, "Disability" as defined in the Long Term Disability Plan

(15) Disabled means, with respect to a Participant, "Disabled" as defined in the Long Term Disability Plan

(16) Early Retirement means, with respect to a Participant, such Participant's separation from Service (A) after having attained age fifty-five (55) and having completed at least one hundred eighty (180) months of Creditable Service, (B) after having attained age sixty (60) and having completed at least three hundred (300) months of Creditable Service, or (C) after having attained age sixty-two (62)

(17) Early Retirement Benefit means

(A) with respect to a Participant eligible for Early Retirement who has attained age sixty-two (62) or who has attained age sixty (60) and completed at least three hundred (300) months of Creditable Service, an annual amount equal to (i) minus (ii) where

(i) is such Participant's Target Retirement Benefit, and

(ii) is the sum of such Participant's (aa) Assumed Retirement Benefit and (bb) Social Security Benefit, and

(B) with respect to a Participant eligible for Early Retirement who has not attained age sixty-two (62) or who has not attained age sixty (60) and completed at least three hundred (300) months of Creditable Service an annual amount equal to (i) minus (ii) where

(i) is such Participant's Target Retirement Benefit reduced by one-three hundred sixtieth (1/360) for each of the first twenty-four (24) months and one-one hundred eightieth (1/180) for each additional month in excess of twenty-four (24) months that the date such Participant commences receiving such Participant's Early Retirement Benefit precedes the month in which such Participant would have attained age sixty-two (62), and

(ii) is the sum of such Participant's (aa) Assumed Retirement Benefit and (bb) Social Security Benefit

(18) Effective Date means, with respect to the Plan, January 1, 1989

(19) Eligible Spouse means, with respect to a deceased Participant, the person, if any, who was married to such deceased Participant throughout the entire one (1) year period ending on the date of such deceased Participant's death

(20) Employee means a person employed by any of the Participating Employers

(21) ERISA Supplemental Plan means the NationsBank Corporation and Designated Subsidiaries Supplemental Retirement Plan, as amended from time to time

(22) Family Death Benefit means, with respect to a deceased Participant, an annual amount equal to (A) minus (B) where

(A) is twenty-five percent (25%) of such deceased Participant's Final Average Compensation, and

(B) is the sum of such Participant's (i) Retirement Plan Death Benefit and (ii) Social Security Benefit

(23) Family Death Benefit Termination Date means, with respect to a deceased Participant, the date determined as follows

(A) if the deceased Participant is survived by an Eligible Spouse, the date of the last to occur of the following

(i) the death of such surviving Eligible Spouse, or

(ii) the attainment of age twenty-one (21) by the last Child of such deceased Participant to attain such age or, if earlier, the death of the last Child of such deceased Participant, or

(B) if the deceased Participant is not survived by an Eligible Spouse, the date of the attainment of age twenty-one (21) by the last Child of such deceased Participant to attain such age or, if earlier, the date of the death of the last Child of such deceased Participant

(24) Final Average Compensation means, with respect to a Participant as of any determination date, the average of the annual Compensation paid to such Participant during the five (5) calendar years of highest Compensation (which calendar years need not be consecutive) during the ten (10) calendar years next preceding the Participant's separation from Service, to be determined by dividing the aggregate Compensation received by the Participant during the appropriate five (5) calendar years by five (5) If a Participant has completed less than five (5) calendar years of Service as hereinabove provided, such Participant's Final Average Compensation shall be determined by dividing the aggregate Compensation received by the Participant during said calendar years by the number of such calendar years

(25) Group Benefits Plan means the NationsBank Group Benefits Plan, as amended from time to time

(26) Joint and Sixty-Six and Two-Thirds Percent (66-2/3%) Annuity means an annuity for the life of a Participant with a survivor annuity for the life of such Participant's spouse which is sixty-six and two-thirds percent (66-2/3%) of the amount of the annuity payable during the joint lives of the Participant and such Participant's spouse

(27) Long Term Disability Plan means the NationsBank Corporation Long Term Disability Plan, as amended from time to time

(28) Long Term Disability Plan Benefit means, with respect to a Participant, the annual amount of benefits payable to a Disabled Participant from time to time pursuant to the provisions of the Long Term Disability Plan

(29) Corporate Management Incentive Plan means the NationsBank Corporation Corporate Management Incentive Plan, as amended from time to time

(30) Normal Retirement means, with respect to a Participant, such Participant's separation from Service after attainment of the Normal Retirement Age

(31) Normal Retirement Age means, with respect to a Participant, age sixty-five (65)

(32) Normal Retirement Benefit means, with respect to a Participant, an annual amount equal to (A) minus (B) where

(A) is such Participant's Target Retirement Benefit, and

(B) is the sum of such Participant's (i) Assumed Retirement Benefit and (ii) Social Security Benefit

(33) Participant means an Employee who has been designated a Participant in the Plan as provided in Section 3 2 of the Plan

(34) Participating Employers means

(A) the Corporation, and

(B) those Subsidiary Corporations which adopt and participate in the Plan

(35) Plan means the Bank of America Corporation and Designated Subsidiaries Supplemental Executive Retirement Plan for Senior Management Employees, as amended from time to time

(36) Plan Committee means the committee described in Article V hereof

(37) Retirement means, with respect to a Participant, such Participant's separation from Service on account of such Participant's Normal Retirement, Early Retirement or Delayed Retirement

(38) Retirement Plan means the NationsBank Corporation and Designated Subsidiaries Retirement Plan and Trust, as amended from time to time

(39) Retirement Plan Death Benefit means, with respect to a deceased Participant, the sum of the annual amount of death benefits, if any, payable from time to time to such deceased Participant's surviving spouse pursuant to the provisions of the Retirement Plan and the ERISA Supplemental Plan

(40) Service means "Service" as defined in the Retirement Plan

(41) Social Security Benefit means, with respect to a Participant as of any date, such Participant's "Social Security Benefit" (expressed as an annual amount) determined

as of such date in accordance with the provisions of the Retirement Plan (whether or not such Social Security Benefit is used for purposes of determining such Participant's benefits under the Retirement Plan)

(42) Subsidiary Corporation means

(A) any corporation more than fifty percent (50%) of whose outstanding voting capital stock is owned by Bank of America Corporation,

(B) any corporation at least eighty percent (80%) of whose outstanding voting capital stock and at least eighty percent (80%) of each class of whose outstanding non-voting capital stock is owned by a corporation more than fifty percent (50%) of whose outstanding voting capital stock is owned by Bank of America Corporation, or

(C) any corporation at least eighty percent (80%) of whose outstanding voting capital stock and at least eighty percent (80%) of each class of whose outstanding non-voting capital stock is owned by a corporation described in subparagraph (B) above

(43) Target Retirement Benefit means, with respect to a Participant as of any date, an annual amount equal to the product of (A) multiplied by (B) where

(A) is fifty percent (50%) of such Participant's Final Average Compensation, and

(B) is a fraction [not exceeding one (1)], the numerator of which is the Participant's months of Creditable Service as of such date, and the denominator of which is one hundred eighty (180)

(44) Ten-Year Certain and Life Annuity means a monthly amount payable to a Participant beginning on the date benefits are to commence under the Plan and continuing on the last day of each calendar month thereafter for one hundred twenty (120) consecutive calendar months certain and thereafter on the last day of each calendar month until the death of such Participant and providing that in the event that such Participant shall die prior to the expiration of the one hundred twenty (120) month-certain period, payments for the remainder of such period shall be made to such Participant's Beneficiary

(45) Thrift Plan means the NationsBank Corporation and Designated Subsidiaries Stock/Thrift Plan and Trust, as amended from time to time

(46) Change of Control means, and shall be deemed to have occurred upon, any of the following events

(A) The acquisition by any person, individual, entity or "group" (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (collectively, a "Person") of Beneficial Ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty-five percent (25%) or more of either

(i) The then-outstanding shares of common stock of the Corporation (the "Outstanding Shares"), or

(ii) The combined voting power of the then-outstanding voting securities of the Corporation entitled to vote generally in the election of directors of the Corporation (the "Outstanding Voting Securities").

provided, however, that the following acquisitions shall not constitute a Change of Control for purposes of this subparagraph (a) (A) any acquisition directly from the Corporation, (B) any acquisition by the Corporation or any of its subsidiaries, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries, or (D) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subparagraph (C) below, or

(B) Individuals who, as of September 30, 1998, constitute the Board of Directors of the Corporation (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board of Directors of the Corporation, provided, however, that any individual who becomes a director subsequent to September 30, 1998 and whose election, or whose nomination for election by the Corporation's shareholders, to the Board of Directors of the Corporation was either (i) approved by a vote of at least a majority of the directors then comprising the Incumbent Board or (ii) recommended by a nominating committee comprised entirely of directors who are then Incumbent Board members shall be considered as though such individual were a member of the Incumbent Board, but excluding,

for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act), other actual or threatened solicitation of proxies or consents or an actual or threatened tender offer, or

(C) Approval by the Corporation's shareholders of a reorganization, merger, or consolidation or sale or other disposition of all or substantially all of the assets of the Corporation (a "Business Combination"), in each case, unless following such Business Combination, (i) all or substantially all of the Persons who were the Beneficial Owners (within the meaning of Rule 13d-3 promulgated under the Exchange Act), respectively, of the Outstanding Shares and Outstanding Voting Securities immediately prior to such Business Combination own, directly or indirectly, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from the Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Corporation or all or substantially all of the Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Shares and Outstanding Voting Securities, as the case may be (provided, however, that for purposes of this clause (i), any shares of common stock or voting securities of such resulting corporation received by such Beneficial Owners in such Business Combination other than as the result of such Beneficial Owners' ownership of Outstanding Shares or Outstanding Voting Securities immediately prior to such Business Combination shall not be considered to be owned by such Beneficial Owners for the purposes of calculating their percentage of ownership of the outstanding common stock and voting power of the resulting corporation), (ii) no Person (excluding any corporation resulting from such Business Combination or any employee benefit plan (or related trust) of the Corporation or such corporation resulting from the Business Combination) beneficially owns,

directly or indirectly, twenty-five percent (25%) or more of, respectively, the then outstanding shares of common stock of the corporation resulting from the Business Combination or the combined voting power of the then outstanding voting securities of such corporation unless such Person owned twenty-five percent (25%) or more of, respectively, the Outstanding Shares or Outstanding Voting Securities immediately prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or the action of the Board of Directors of the Corporation, providing for such Business Combination, or

(D) Approval by the Corporation's shareholders of a complete liquidation or dissolution of the Corporation

Notwithstanding the foregoing, a Change of Control shall not be deemed to have occurred for purposes of this Plan as a result of the transactions contemplated by that certain Agreement and Plan of Reorganization between the Corporation and BankAmerica Corporation dated April 10, 1998

(47) Commuted Payment Amount means the sum of (A) and (B) where

(A) is an amount equal to the actuarial equivalent single sum value of certain benefits payable under the Plan to the subject Participant, Beneficiary, Spouse or Eligible Spouse calculated as of the date of a Change of Control or other determination date, as applicable, using the actuarial assumptions and procedures set forth on Exhibit B which is attached hereto and hereby made a part hereof, provided, however, solely for the purposes of determining such amount, it shall be assumed that a Participant not currently receiving benefits under the Plan as of the date of such Change of Control or other determination date, as applicable, had separated from Service on such date, and

(B) is an amount equal to the balance, if any, to a subject Participant's credit in the reserve account referred to in Section 4 8 of the Plan accrued through the date of a Change of Control or other determination date, as applicable

(48) Corporation means Bank of America Corporation, a Delaware corporation

after such Participant's death shall be determined in accordance with the provisions of such Joint and Sixty-Six and Two-Thirds Percent (66-2/3%) Annuity or Ten-Year Certain and Life Annuity, as applicable, pursuant to which such Participant was receiving or entitled to receive benefits at the time of such Participant's death

(b) Death of a Disabled Participant Except as provided in Section 4 6(d), in the event (i) a Participant becomes Disabled prior to the attainment of the Normal Retirement Age and prior to being eligible for Early Retirement, (ii) such Participant dies prior to the Normal Retirement Age without recovering from such Disability, and (iii) such Participant is survived by an Eligible Spouse or one (1) or more Children under age twenty-one (21) at the time of the Participant's death, the Eligible Spouse of such Participant, or such Participant's Beneficiary, as applicable, shall be entitled to the death benefit provided for in Section 4 6(c)(1) Except as provided in Section 4 6(d), in the event (i) a Participant becomes Disabled prior to the attainment of the Normal Retirement Age, but after being eligible for Early Retirement, (ii) such Participant does not elect pursuant to Section 4 5(f) to receive such Participant's Early Retirement Benefit, (iii) such Participant dies prior to the Normal Retirement Age without recovering from such Disability, and (iv) such Participant is survived by an Eligible Spouse or one (1) or more Children under age twenty-one (21) at the time of the Participant's death, the Eligible Spouse of such Participant, or such Participant's Beneficiary, as applicable, shall be entitled to the death benefit provided for in Section 4 6(c)(2)

(c) Death While in Service In the event a Participant dies while in Service, the death benefits, if any, payable following such Participant's death, shall be determined in accordance with the provisions of this Section 4 6(c)

(1) Death Prior to Eligibility for Early Retirement Except as provided in Section 4 6(d), in the event a Participant dies while in Service [or, to the extent provided in Section 4 6(b), while Disabled] and prior to such Participant becoming eligible for Early Retirement, the following provisions shall apply

(A) In the event the deceased Participant is survived by an Eligible Spouse, such Eligible Spouse shall become entitled to such Participant's Family Death Benefit in a monthly amount equal to one-twelfth (1/12) of the annual amount of such Family Death Benefit Such monthly benefit shall commence on the last day of the month following the month in which the Participant dies and

continue through the last day of the month in which the Family Death Benefit Termination Date occurs In the event such Eligible Spouse dies prior to the Family Death Benefit Termination Date, such monthly benefit shall be paid to the estate of such deceased Eligible Spouse through the last day of the month in which the Family Death Benefit Termination Date occurs

(B) In the event the deceased Participant is not survived by an Eligible Spouse but the deceased Participant is survived by one (1) or more Children under age twenty-one (21) at the time of the Participant's death, the Beneficiary of the deceased Participant shall become entitled to such Participant's Family Death Benefit in a monthly amount equal to one-twelfth (1/12) of the annual amount of such Family Death Benefit Such monthly benefit shall commence on the last day of the month following the month in which the Participant dies and continue through the last day of the month in which the Family Death Benefit Termination Date occurs

(C) In the event the deceased Participant is survived neither by an Eligible Spouse nor by one (1) or more Children under age twenty-one (21) at the time of the Participant's death, no death benefit shall be payable under Section 4 6(c)

The benefits under this Section 4 6(c)(1) shall be subject to the provisions of Section 4 7(a)

(2) Death After Eligibility for Early Retirement Except as provided in Section 4 6(d), in the event a Participant dies while in Service [or, to the extent provided in Section 4 6(b), while Disabled] and after becoming eligible for Early Retirement, the following provisions shall apply

(A) In the event the deceased Participant is survived by an Eligible Spouse, such Eligible Spouse shall receive a monthly payment for the life of such Eligible Spouse commencing on the first day of the month following the month in which such Participant dies in an amount equal to the greater of

(i) one-twelfth (1/12) of the annual amount of the Family Death Benefit, or

(ii) sixty-six and two-thirds percent (66-2/3%) of the deceased Participant's Target Retirement Benefit, reduced in accordance with the provisions of Section 2 1(b)(17) as though the Participant had retired on the date of the Participant's death, minus the sum of (A) the monthly life annuity that is the actuarial equivalent of the benefits payable to such Eligible Spouse from the Retirement Plan and the ERISA Supplemental Plan and (B) sixty-six and two-thirds percent (66-2/3%) of the deceased Participant's Social Security Benefit

In the event that the Eligible Spouse dies prior to the time the last Child of the deceased Participant attains age twenty-one (21), then in addition to the foregoing benefit, the Family Death Benefit shall be paid after the death of the Eligible Spouse until the Family Death Benefit Termination Date in the manner set forth in Section 4 6(c)(1)(A)

(B) In the event the deceased Participant is not survived by an Eligible Spouse, but the deceased Participant is survived by one (1) or more Children under age twenty-one (21) at the time of the Participant's death, the Beneficiary of the deceased Participant shall become entitled to such Participant's Family Death Benefit in accordance with the provisions of Section 4 6(c)(1)(B)

(C) In the event the deceased Participant is survived neither by an Eligible Spouse nor by one (1) or more Children under age twenty-one (21) at the time of the Participant's death, no death benefits shall be payable under this Section 4 6(c)

The benefits under this Section 4 6(c)(2) shall be subject to the provisions of Section 4 7(a)

(d) Suicide Notwithstanding the provisions of Section 4 6(b) and Section 4 6(c), in the event a Participant dies as a result of suicide within twenty-five (25) calendar months of the calendar month as of which such Participant was designated as a Participant under Section 3 2, no death benefits shall be payable pursuant to Section 4 6(c) of the Plan

(e) Article VI Controlling The provisions of this Section 4 6 shall be subject to the provisions of Article VI

Section 4 7 Adjustment in Benefits

(a) Reduction in Benefits Based on Spouse's Age In the event (i) a married Participant's spouse is more than ten (10) years younger than such Participant at the time such Participant becomes entitled to commence receiving such Participant's Normal Retirement Benefit provided for in Section 4 2, Early Retirement Benefit provided for in Section 4 3 or Delayed Retirement Benefit provided for in Section 4 4, as applicable, or (ii) an Eligible Spouse entitled to receive a Family Death Benefit provided for in Section 4 6(c) is more than ten (10) years younger than the deceased Participant at the time of such deceased Participant's death, the benefit which such Participant is otherwise entitled to receive (and the survivor annuity of such Participant's spouse), or the benefit to which such Eligible Spouse is entitled, as applicable, shall be reduced to an amount determined by multiplying such benefit by the percentage amount determined from the table attached hereto as Exhibit A based on the age difference between such Participant and such Participant's spouse

(b) Recalculation of Benefits A Participant's Assumed Retirement Benefit, Retirement Plan Death Benefit and Long Term Disability Plan Benefit can vary from time to time under the terms of the Retirement Plan, ERISA Supplemental Plan and Long Term Disability Plan or because of possible future amendments to such Plans at the election of the Participating Employers or as may be required by applicable law As of each date on which any benefit payable to a Participant (or his spouse or Beneficiary) under the Retirement Plan, ERISA Supplemental Plan or Long Term Disability Plan changes for any reason, there shall be a recalculation of the benefits, if any, payable under this Plan (based on the assumptions contained herein) to such Participant (or his spouse or Beneficiary) using the benefits then payable under the Retirement Plan, ERISA Supplemental Plan and Long Term Disability Plan as a result of such changes Such increased or decreased benefits payable under this Plan shall become effective at the same time as the change in benefits under the Retirement Plan, the ERISA Supplemental Plan and the Long Term Disability Plan Notwithstanding the provisions of this Section 4 7(b), once a Participant's Social Security Benefit is determined for purposes of determining benefits payable under this Plan, such benefits shall not be subject to recalculation after benefits commence under the terms of this Plan due to increases or decreases in benefits payable from time to time under the Federal Social Security Act

Section 4 8 Special Benefit The Participating Employers sponsor the Deferred Compensation Plan for the benefit of their key employees In the event an Employee of the Participating Employers who has been designated as eligible to participate in the Deferred Compensation Plan elects to participate in the Deferred Compensation Plan by deferring Compensation pursuant to the terms of the Deferred Compensation Plan, any Compensation which is deferred pursuant to the Deferred Compensation Plan is ineligible to be taken into consideration as "compensation" under the terms of the Thrift Plan for purposes of determining the maximum amount of a Participant's salary reduction contributions under the terms of the Thrift Plan Under the terms of the Thrift Plan, salary reduction contributions up to six percent (6%) of "compensation" as defined in the Thrift Plan are eligible for a fifty percent (50%) "matching contribution" by the Participating Employers, that is, a "matching contribution" of three percent (3%) of such Participant's "compensation " To the extent (i) a Participant in this Plan also participates in the Deferred Compensation Plan and the Thrift Plan and (ii) such Participant is contributing at least six percent (6%) of "compensation" as a salary reduction contribution to the Thrift Plan, then any "matching contribution" by the Participating Employers which such Participant would have received under the terms of the Thrift Plan (after applying the terms of the Thrift Plan related to limitations on salary reduction and matching contributions under Sections 402(g) and 415 of the Internal Revenue Code of 1986) had such Participant contributed six percent (6%) of the "Compensation" deferred pursuant to the Deferred Compensation Plan to the Thrift Plan shall be credited to a reserve account on the books and records of the Participating Employers as of the last day of the calendar year in which such "matching contribution" would have been made by the Participating Employers under the Thrift Plan The amount credited to such account each year shall bear interest from the first day of such calendar year at the rate of thirteen percent (13%) compounded annually Upon a Participant's separation from Service for any reason or upon a Participant becoming Disabled, the amount of such reserve account (including any addition for the year in which separation from Service or Disability occurs) shall be paid to such Participant (or in the event of such Participant's death, to such Participant's Beneficiary) in such manner as the Plan Committee shall determine in its sole and exclusive discretion over a period of five (5) years following such Participant's separation from Service or such Participant becoming Disabled Interest shall accrue with respect to the unpaid balance of such reserve account during such payment period

through the last day of the month preceding the month in which the unpaid balance is paid in full In addition to the foregoing, a Participant who separates from Service after attaining age sixty (60) and completing three hundred (300) months of Creditable Service shall receive a supplemental monthly benefit equal to such Participant's monthly Social Security Benefit until such Participant attains age sixty-two (62)

Section 4 9 Beneficiary or Beneficiaries

(a) Designation or Change of Beneficiary by a Participant Each Participant may from time to time designate the person(s) or entity (ies) to whom the death benefits provided for in Section 4 6(c)(1)(B). Section 4 6(c)(2)(B) and Section 4 8 are to be paid A Participant may from time to time change such Participant's said designation of Beneficiary and upon any such change, any previously designated Beneficiary's right to receive any benefits under the Plan shall terminate In order to be effective, any designation or change of designation of a Beneficiary must be made on a form furnished by the Plan Committee and signed by the Participant and received by the Plan Committee while the Participant is alive If a Beneficiary of a deceased Participant shall survive the deceased Participant but die prior to the receipt of all benefits payable to said Beneficiary under the Plan, then such benefits as would have been payable to said deceased Beneficiary shall be paid to such Beneficiary's estate at the same time and in the same manner as such benefits would have been payable to said deceased Beneficiary

(b) Beneficiary Designated by the Plan In the event that a Participant shall die without having designated a Beneficiary, or in the event that a Participant shall die having revoked an earlier Beneficiary Designation without having effectively designated another Beneficiary, or in the event that a Participant shall die but the Beneficiary designated by such Participant shall fail to survive such Participant, then and in any such event, the person(s) who shall constitute the Beneficiary of such deceased Participant shall be determined as follows

(i) In the event said deceased Participant is survived by a Child, Children or by issue of a deceased Child or Children, such surviving Children and surviving issue of such deceased Children shall share as Beneficiaries on a per stirpes basis, the issue of a deceased Child of the deceased Participant to take per stirpes the same share their parent would have taken if living

(ii) In the event said deceased Participant is not survived by any person described in subparagraph (i) then said deceased Participant's estate shall be such deceased Participant's Beneficiary

Section 4 10 Benefits Payable After Change of Control and Special Single Sum Benefit In the event of a Change of Control,

(i) benefit accruals (except as provided below) and payments under the Plan, respectively, shall cease for each Participant or, if a Participant is deceased, such deceased Participant's Beneficiary, spouse or Eligible Spouse, as the case may be, who is then receiving, or is entitled to receive, benefits under the Plan at such date,

(ii) the Commuted Payment Amount on the date of such Change of Control shall be determined in accordance with the provisions set forth in Exhibit B hereto with respect to each such party,

(iii) such Commuted Payment Amount (plus interest on such amount at that GATT Rate (as defined in Exhibit B hereto) compounded annually from the date of the Change of Control to the date of payment) shall be paid in a single sum cash payment to such party within the sixty (60) day period immediately following either (A) the date the Participant separates from Service in the event the Participant has not separated from Service at the date of such Change of Control or (B) the date of such Change of Control in the event the Participant has separated from Service at the date of such Change of Control, and

(iv) the Plan shall terminate as of the date all such payments have been made

Further, whether or not a Change of Control has occurred, upon or after Participant's separation from Service, the Compensation Committee, in its sole and exclusive discretion, may pay in a single sum cash payment to that Participant (or if the Participant is deceased, such deceased Participant's Beneficiary, spouse or Eligible Spouse, as the case may be, who is then receiving, or is entitled to receive, benefits under the Plan) on a determination date specified by the Compensation Committee the Commuted Payment Amount that such party would have been entitled to receive had a Change of Control occurred on such determination date, in which event such party's participation in the Plan shall terminate as of such date

Section 4 11 Certain Reduction of Payments

(a) It is the intention of the Participating Employers and the Participants to reduce the amounts payable or distributable to a Participant hereunder if the aggregate Net After Tax

Receipts (as defined below) to the Participant would thereby be increased, as a result of the application of the excise tax provisions of Section 4999 of the Internal Revenue Code of 1986 and valid Treasury regulations thereunder (the "Code") Accordingly, anything in this Plan to the contrary notwithstanding, in the event that the certified public accountants regularly employed by Bank of America Corporation immediately prior to any "change" described below (the "Accounting Firm") shall determine that receipt of all Payments (as defined below) would subject the Participant to tax under Section 4999 of the Code, it shall determine whether some amount of Payments would meet the definition of a "Reduced Amount" (as defined below) If the Accounting Firm determines that there is a Reduced Amount, the aggregate Payments shall be reduced to such Reduced Amount in accordance with the provisions of Paragraph (c) below

(b) For purposes of this Section 4 11 (i) a "Payment" shall mean any payment or distribution in the nature of compensation to or for the benefit of a Participant who is a "disqualified individual" within the meaning of Section 280G(c) of the Code and which is contingent on a "change" described in Section 280G(b)(2)(A)(i) of the Code with respect to the Corporation, whether paid or payable pursuant to this Plan or otherwise, (ii) "Plan Payment" shall mean a Payment paid or payable pursuant to this Plan (disregarding this Section 4.11), (iii) "Net After Tax Receipt" shall mean the Present Value of a Payment net of all taxes imposed on the Participant with respect thereto under Sections 1 and 4999 of the Code, determined by applying the highest marginal rate under Section 1 of the Code which applied to the Participant's federal taxable income for the immediately preceding taxable year, (iv) "Present Value" shall mean such value determined in accordance with Section 280G(d)(4) of the Code, and (v) "Reduced Amount" shall mean the smallest aggregate amount of Payments which (a) is less than the sum of all Payments and (b) results in aggregate Net After Tax Receipts which are equal to or greater than the Net After Tax Receipts which would result if all Payments were paid to or for the benefit of the Participant

(c) If the Accounting Firm determines that aggregate Payments should be reduced to the Reduced Amount, the Compensation Committee shall promptly give the Participant notice to that effect and a copy of the detailed calculation thereof, and the Participant may then elect, in the Participant's sole discretion, which and how much of the Payments, including without limitation Plan Payments, shall be eliminated or reduced (as long as after such election the present value of the aggregate Payments is equal to the Reduced Amount), and shall advise the

Compensation Committee in writing of such election within ten (10) days of the Participant's receipt of notice If no such election is made by the Participant within such ten (10) day period, the Compensation Committee may elect which of the Payments, including without limitation Plan Payments, shall be eliminated or reduced (as long as after such election the Present Value of the aggregate Payments is equal to the Reduced Amount) and shall notify the Participant promptly of such election All determinations made by the Accounting Firm under this Section 4 11 shall be binding upon the Participating Employers and the Participant and shall be made within sixty (60) days immediately following that event constituting the "change" referred to above As promptly as practicable following such determination, the Participating Employers shall pay to or distribute for the benefit of the Participant such Payments as are then due to the Participant under this Plan

(d) At the time of the initial determination by the Accounting Firm hereunder, it is possible that amounts will have been paid or distributed by the Participating Employers to or for the benefit of the Participant pursuant to this Plan which should not have been so paid or distributed ("Overpayment") or that additional amounts which will have not been paid or distributed by the Participating Employers to or for the benefit of the Participant pursuant to this Plan could have been so paid or distributed ("Underpayment"), in each case, consistent with the calculation of the Reduced Amount hereunder In the event that the Accounting Firm, based either upon the assertion of a deficiency by the Internal Revenue Service against a Participating Employer or the Participant which the Accounting Firm believes has a high probability of success or controlling precedent or other substantial authority, determines that an Overpayment has been made, any such Overpayment paid or distributed by the Participating Employers to or for the benefit of the Participant shall be treated for all purposes as a loan ab initio to the Participant which the Participant shall repay to the Participating Employer together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code, provided, however, that no such loan shall be deemed to have been made and no amount shall be payable by the Participant to the Participating Employer if and to the extent such deemed loan and payment would not either reduce the amount on which the Participant is subject to tax under Section 1 and Section 4999 of the Code or generate a refund of such taxes In the event that the Accounting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Participating

Employer to or for the benefit of the Participant together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code

Section 4 12 Special Election of Single Lump Sum or Installment Payments

(a) Alternative Methods of Payment Notwithstanding any provisions of the Plan to the contrary, a Participant may elect from time to time pursuant to this Section 4 12 to have the single sum value (the "Lump Sum Benefit Amount") of the benefits payable under Section 4 2, 4 3 or 4 4 upon the Participant's Retirement or the benefits payable under Section 4 6 upon the Participant's death while in Service [or, to the extent provided in Section 4 6(b), while Disabled] paid in accordance with one of the following methods of payment, in lieu of the method otherwise applicable under the provisions of this Article IV

(i) single lump sum payment,

(ii) five (5) annual installments, or

(iii) ten (10) annual installments

Unless deferred pursuant to the provisions of Section 4 12(c), the payment(s) to be made to a Participant pursuant to the Participant's alternative method of payment election under this Section shall commence immediately upon the Participant's Retirement or death while in Service

(b) Determination of Lump Sum Benefit Amount and Amount of Installment Payments The Lump Sum Benefit Amount shall be equal to (i) in the event of a Participant's Retirement, the Commuted Payment Amount determined for the Participant as of the date of the Participant's Retirement or (ii) in the event of a Participant's death while in Service [or, to the extent provided in Section 4 6(b), while Disabled], the actuarially equivalent single sum value of the benefits (if any) provided for in Section 4 6(c) determined as of the date of the Participant's death using assumptions consistent with those set forth in Exhibit B to the Plan The amount of each annual installment payment payable under Section 4 12(a) shall be the amount necessary to amortize the Participant's Lump Sum Benefit Amount in equal annual installments over the selected period using the GATT Rate (as defined in Exhibit B hereto) in effect for the calendar year of the Participant's Retirement or death

(c) Deferral of Lump Sum Payment Date

(i) Elective Deferral Any Participant who elects payment of the Participant's benefit in a single lump sum may also elect to defer receipt of such payment until March 31 of the year following the Participant's Retirement or death (as the case may be)

(ii) Deferral Period Interest The amount of any single lump sum payment that is deferred under this Section 4 12(c) shall be the Participant's Lump Sum Benefit Amount determined under Section 4 12(b) plus interest at the GATT Rate (as defined in Exhibit B hereto) in effect for the calendar year of the Participant's Retirement or death compounded annually to the date of payment

(d) Timing of Elections and Effective Date An alternative method of payment election under Section 4 12(a) and any deferral election under Section 4 12(c)(i) may be made at any time and from time to time after the date the Participant attains age fifty-four (54) Any such election shall be made on such form and pursuant to such procedures as are adopted by the Plan Committee for such purpose and shall become effective upon the first anniversary of the date such election is made Any change in such an election shall not become effective until the first anniversary of the date the new election is made

Section 4 13 Coordination with Texas SERP In the event a Participant is to receive a benefit under this Plan and a benefit under the NationsBank of Texas, N A Supplemental Executive Retirement Plan (the "Texas SERP"), the Participant's benefits under this Plan shall be reduced dollar for dollar by the benefits payable under the Texas SERP For purposes of determining this dollar for dollar reduction, the Texas SERP benefit shall be converted to the normal form of payment under this Plan

Section 4 14 Employees of AMRESCO

(a) General Pursuant to a Stock Sale Agreement between NationsBank Corporation ("NationsBank") and AMRESCO Acquisition Corporation ("AAC") dated November 20, 1992, as the same may be amended (the "Stock Sale Agreement"), NationsBank has agreed to sell to AAC all of the stock of Asset Management Resolution Company ("AMRC") and AMRESCO Holdings, Inc ("AHI") (AMRC, AHI and the subsidiary corporations of AMRC and AHI set forth in the Stock Sale Agreement being collectively referred to herein as "AMRESCO")

(b) Payment of Benefits The accrued benefit under the Plan of an employee of AMRESCO who is employed by AMRESCO on the "closing date" as defined in the Stock Sale Agreement (the "Closing Date") and who has become a Participant in the Plan as of the Closing

Date (an "Affected Participant") shall not be forfeited from and after the Closing Date, and no further benefits shall accrue under the Plan with respect to any Affected Participant on account of such Affected Participant's service with, or compensation from, AMRESCO from and after the Closing Date An Affected Participant's accrued benefit under the Plan shall be payable to such Affected Participant in a single cash payment by NationsBank to such Affected Participant as of the Closing Date The amount of such single cash payment shall be the Commuted Payment Amount for such Affected Participant determined as of the Closing Date, adjusted in accordance with the terms of the Stock Sale Agreement

(c) Provisions Controlling Notwithstanding any provisions of the Plan to the contrary, the provisions of this Section 4 14 shall control with respect to the Affected Participants

ARTICLE V
PLAN COMMITTEE

Section 5 1 Appointment, Term of Office and Vacancy The Plan Committee shall consist of one or more individuals appointed by the Management Compensation Committee who shall serve at the pleasure of the Management Compensation Committee The Management Compensation Committee shall have the absolute right to remove any member of the Plan Committee at any time, with or without cause, and any member of the Plan Committee shall have the right to resign at any time If a vacancy in the Plan Committee should occur, from death, resignation, removal or otherwise, a successor shall be appointed by the Management Compensation Committee

Section 5 2 Organization of Plan Committee The Management Compensation Committee shall designate one of the members of the Plan Committee to serve as its Chairman, one member as its Vice-Chairman and one member as its Secretary One person may hold more than one office The Plan Committee may appoint such agents, who need not be members of the Plan Committee, as it may deem necessary for the effective performance of its duties, and may delegate to such agent such powers and duties, whether ministerial or discretionary, as the Plan Committee may deem expedient or appropriate The Plan Committee shall act by majority vote and may adopt such bylaws, rules and regulations as it deems desirable for the conduct of its affairs The members of the Plan Committee shall serve as such without compensation

Section 5 3 Powers of the Plan Committee The Plan Committee shall administer the Plan The Plan Committee shall have all the powers to enable it to carry out its duties under the Plan properly Not in limitation of the foregoing, the Plan Committee shall have the power to construe and interpret the Plan and determine all questions that shall arise thereunder It shall decide all questions relating to eligibility to receive benefits under the Plan The Plan Committee shall have such other and further specified duties, powers, authority and discretion as are elsewhere in the Plan either expressly or by necessary implication conferred upon it The decision of the Plan Committee upon all matters within the scope of its authority shall be final and conclusive on all persons, except to the extent otherwise provided by law

Section 5 4 Expenses of Plan Committee The reasonable expenses of the Plan Committee incurred by the Plan Committee in the performance of its duties under the Plan, including without limitation, reasonable counsel fees and expenses of other agents, shall be paid by the Participating Employers

ARTICLE VI
AMENDMENT AND TERMINATION

Section 6 1 Amendment of Plan Subject to the provisions of Section 6 4 of the Plan, the Participating Employers expressly reserve the right, at any time and from time to time, to amend in whole or in part any of the terms and provisions of the Plan for whatever reason(s) the Participating Employers may deem appropriate Prior to a Change of Control, the Plan, including Sections 4 10 and 4 11 hereof, may be amended in the manner specified above Notwithstanding any other provision of the Plan to the contrary, however, from and after a Change of Control, the Participating Employers may not modify or amend the terms and provisions of the Plan, in whole or in part

Section 6 2 Termination of Plan Subject to the provisions of Section 6 4 of the Plan, the Participating Employers expressly reserve the right, at any time and for whatever reason they may deem appropriate, to terminate the Plan

Section 6 3 Effective Date and Procedure for Amendment or Termination Subject to the provisions of Section 6 4 of the Plan, any amendment to the Plan or termination of the Plan may be retroactive to the extent not prohibited by applicable law Any amendment to the Plan or termination of the Plan shall be made by the Participating Employers by resolution of the

Compensation Committee and shall not require the approval or consent of any Participant or Beneficiary in order to be effective

Section 6 4 Effect of Amendment or Termination on Certain Benefits No amendment or termination of the Plan may reduce or eliminate the benefits (if any) payable under the Plan (without regard to such amendment or termination) to

(a) any Participant who commenced receiving benefits under the Plan prior to the amendment or termination date and is alive on the amendment or termination date and the spouse or Beneficiary of such Participant, or

(b) any spouse or Beneficiary who commenced receiving benefits under the Plan prior to the amendment and termination date

In addition, with respect to all other Participants in the Plan on such amendment or termination who have not commenced receiving benefits under the Plan prior to the amendment or termination date, any such amendment or termination shall not result in such Participant receiving benefits under the Plan upon such Participant's separation from Service which are less than the benefits such Participant would have received under the Plan but for such amendment or termination multiplied by a fraction, the numerator of which is such Participant's Creditable Service at the time of such amendment or termination and the denominator of which is the Creditable Service such Participant would have accumulated as a Participant if such Participant had continued as a Participant until such Participant had attained age sixty-two (62) Except as hereinabove expressly provided to the contrary in this Section 6 4, the Plan may be amended or terminated so that no benefits or (if such amendment or termination so provides) reduced benefits shall be payable to any Participant, spouse or Beneficiary after the effective date of such amendment or termination

ARTICLE VII
MISCELLANEOUS

Section 7 1 Adoption by a Subsidiary Corporation A Subsidiary Corporation may, with the approval of the Compensation Committee and the Board of Directors of such Subsidiary Corporation, elect to adopt the Plan as of the date mutually agreeable to the Compensation Committee and the Board of Directors of such Subsidiary Corporation Any such adoption of the

Plan by a Subsidiary Corporation shall be evidenced by an appropriate instrument of adoption executed by such Subsidiary Corporation

Section 7 2 Authorization and Delegation to the Compensation Committee Each Subsidiary Corporation which is or hereafter becomes a Participating Employer authorizes and empowers the Compensation Committee (i) to amend or terminate the Plan without further action by said Subsidiary Corporation as provided in Article VI and (ii) to perform such other acts and do such other things as the Compensation Committee is expressly directed, authorized or permitted to perform or do as provided herein

Section 7 3 Spendthrift Clause To the extent permitted by law, no benefits payable under the Plan shall be subject to the claim of any creditor of any Participant or to any legal process by any creditor of any Participant and no Participant entitled to benefits hereunder shall have any right whatsoever to alienate, commute, anticipate or assign any benefits under the Plan

Section 7 4 Benefits Payable From General Assets of the Participating Employers All benefits payable hereunder shall be paid from the general assets of the Participating Employers No assets of the Participating Employers shall be segregated or placed in trust pursuant to the Plan in a manner which would put such asset beyond the reach of the general creditors of any of the Participating Employers, and the rights of any Participant (or Beneficiary) to receive any benefits hereunder shall be no greater than the right of any general, unsecured creditor of the Participating Employers Nothing contained in the Plan shall create or be construed as creating a trust of any kind or any other fiduciary relationship between the Participating Employers and a Participant In the event the Participating Employers purchase any insurance policies insuring the life of any Participant hereunder, no Participant shall have any rights whatsoever therein and the Participating Employers shall be the sole owner and beneficiary thereof and shall possess and exercise all incidents of ownership therein

Section 7 5 Allocation of Costs of Benefits Among the Participating Employers The cost of benefits to be provided a Participant (or spouse or Beneficiary, if applicable) pursuant to this Plan shall be paid by the Participating Employer which employs the Participant In the case of a Participant employed by more than one Participating Employer the cost of benefits provided pursuant to the Plan shall be allocated among the Participating Employers in proportion to the Compensation payable by each such Participating Employer during the period such Participant participates in the Plan

Section 7 6 Benefits Limited to the Plan Participation in the Plan shall not give a Participant any right to be retained in the employ of any one or more of the Participating Employers nor, upon dismissal, any right or interest in the Plan except as expressly provided herein

ARTICLE VIII
CLAIMS PROCEDURE

Section 8 1 Claims Procedure

(a) General In the event that a Claimant has a Claim under the Plan, such Claim shall be made by the Claimant's filing a notice thereof with the Plan Committee within ninety (90) days after such Claimant first has knowledge of such Claim Each Claimant who has submitted a Claim to the Plan Committee shall be afforded a reasonable opportunity to state such Claimant's position and to present evidence and other material relevant to the Claim to the Plan Committee for its consideration in rendering its decision with respect thereto The Plan Committee shall render its decision in writing within sixty (60) days after the Claim is referred to it, and a copy of such written decision shall be furnished to the Claimant

(b) Notice of Decision of Committee Each Claimant whose Claim has been denied by the Plan Committee shall be provided written notice thereof, which notice shall set forth

(i) the specific reason(s) for the denial,

(ii) specific reference to pertinent provision(s) of the Plan upon which such denial is based,

(iii) a description of any additional material or information necessary for the Claimant to perfect such Claim and an explanation of why such material or information is necessary, and

(iv) an explanation of the procedure hereunder for review of such Claim,

all in a manner calculated to be understood by such Claimant

(c) Review of Decision of Plan Committee Each such Claimant shall be afforded a reasonable opportunity for a full and fair review of the decision of the Plan Committee denying the Claim Such review shall be by the Compensation Committee Such appeal shall be made

amount of the Frozen Plan Benefit shall be actuarially reduced to reflect the early commencement of such benefits

Adjustments for Late Commencement If an Affected Participant's Frozen Plan Benefit is to commence after the Affected Participant's Normal Retirement Date, then the amount of the Frozen Plan Benefit shall be actuarially increased to reflect the delayed commencement of such benefits

(c) Optional Forms of Payment An Affected Participant may elect in accordance with the provisions of this subparagraph (c) one of the following optional forms of payment for the Affected Participant's Frozen Plan Benefit

(i) a single lump sum payment,

(ii) five (5) annual installments, or

(iii) ten (10) annual installments

The amount of a single lump sum payment shall be determined as follows depending on whether separation from Service occurs before or after the Affected Participant's Normal Retirement Date

Separation Before Normal Retirement Date If the Affected Participant separates from Service before the Affected Participant's Normal Retirement Date, the amount of the lump sum payment shall be equal to the actuarially equivalent present value of the Affected Participant's Frozen Plan Benefit determined as of the date of separation from Service assuming the Affected Participant's Frozen Plan Benefit is payable in the form of a deferred annuity commencing at the Participant's Normal Retirement Date

Separation On or After Normal Retirement Date If the Affected Participant separates from Service on or after the Affected Participant's Normal Retirement Date, the amount of the lump sum payment shall be equal to the actuarially equivalent present value of the Affected Participant's Frozen Plan Benefit determined as of the date of separation from Service assuming the Affected Participant's Frozen Plan Benefit is payable in the form of an immediate annuity

The amount of installment payments shall be based on the lump sum amount of the Frozen Plan Benefit as set forth above amortized as equal annual payments over the applicable payment period using for such purpose the interest rate specified in Section 6 of this Exhibit

The single cash payment or initial installment payment, as applicable, shall be made as soon as administratively practicable after the Affected Participant's date of separation from Service, and each subsequent installment payment (if applicable) shall be made on or around the anniversary of the first payment date

An election for an optional form of payment under this subparagraph shall become effective on the date that is twelve (12) months (or such lesser period as the Corporation's Personnel Group may determine in its discretion consistent with the Corporation's intent that benefits be subject to taxation as and when actually received by the Affected Participant) after the date that the election is made if the Affected Participant remains in Service throughout that period Any such election shall be made on such form, at such time and pursuant to such procedures as determined by the Personnel Group in its sole discretion from time to time An Affected Participant may not have more than two (2) payment elections pending under this subparagraph at any one time If no such election is effective as of the date of the Affected Participant's separation from Service, payment shall be in the normal form of annuity described above

5 Death Benefits

(a) Death After Commencement of Benefits If an Affected Participant dies after having commenced payment of the Affected Participant's Frozen Plan Benefit, then payment of any benefits after such death shall be determined in accordance with the method of payment in effect In that regard, if the Affected Participant was receiving installment payments under Section 4(c) of this Exhibit immediately prior to death, the remaining unpaid installments shall continue to be paid to the Affected Participant's Beneficiary, unless the Corporation determines to pay the actuarially equivalent present value of the remaining unpaid installments in a single lump sum payment

(b) Death Before Commencement of Benefits If an Affected Participant dies before having commenced payment of the Affected Participant's Frozen Plan Benefit, then the actuarially equivalent present value of the Affected Participant's Frozen Plan Benefit determined as of the date of death shall be payable to the Affected Participant's Beneficiary in a single lump sum payment as soon as administratively practicable after death However, the Affected Participant may elect in accordance with such procedures as the Personnel Group may establish from time to time to have such death benefits payable to the Affected Participant's Beneficiary in five (5) or ten (10) annual installments (with the amount of each installment determined in accordance with the provisions of Section 4 above) or in an actuarially equivalent single life annuity on the life of the Beneficiary

6 Actuarial Equivalency For purposes of this Exhibit, all determinations of actuarial equivalency shall based on the following mortality and interest assumptions

Mortality 1983 GAM Unisex Mortality Table
Interest 5 48% per annum, compounded annually

For purposes of determining (i) the actuarial adjustment for early or late commencement of an Affected Participant's Frozen Plan Benefit as set forth in Section 4(b) of this Exhibit and (ii) the actuarially equivalent present value of an Affected Participant's Frozen Plan Benefit under Section 4(c) or Section 5 of this Exhibit, if the Affected Participant has not attained age fifty (50) as of December 31, 2002, the Affected Participant shall be deemed to have attained age fifty (50) as of the Affected Participant's birthday occurring during 2002

Bank of America Corporation and Subsidiaries **Exhibit 12**
Ratio of Earnings to Fixed Charges
Ratio of Earnings to Fixed Charges and Preferred Dividends

	Year Ended December 31				
(Dollars in millions)	2011	2010	2009	2008	2007
Excluding Interest on Deposits					
Income (loss) before income taxes	$ (230)	$ (1,323)	$ 4,360	$ 4,428	$ 20,924
Equity in undistributed earnings (loss) of unconsolidated subsidiaries	(2,112)	1,285	(1,833)	(144)	(95)
Fixed charges					
Interest expense	18,618	19,977	23,000	25,074	34,778
1/3 of net rent expense [1]	1,072	1,099	1,110	791	669
Total fixed charges	19,690	21,076	24,110	25,865	35,447
Preferred dividend requirements [2]	211	n/m	5,921	1,461	254
Fixed charges and preferred dividends	19,901	21,076	30,031	27,326	35,701
Earnings	$ 17,348	$ 21,038	$ 26,637	$ 30,149	$ 56,276
Ratio of earnings to fixed charges [3]	0.88	1.00	1.10	1.17	1.59
Ratio of earnings to fixed charges and preferred dividends [3,4,5]	0.87	n/m	0.89	1.10	1.58

	Year Ended December 31				
(Dollars in millions)	2011	2010	2009	2008	2007
Including Interest on Deposits					
Income (loss) before income taxes	$ (230)	$ (1,323)	$ 4,360	$ 4,428	$ 20,924
Equity in undistributed earnings (loss) of unconsolidated subsidiaries	(2,112)	1,285	(1,833)	(144)	(95)
Fixed charges					
Interest expense	21,620	23,974	30,807	40,324	52,871
1/3 of net rent expense [1]	1,072	1,099	1,110	791	669
Total fixed charges	22,692	25,073	31,917	41,115	53,540
Preferred dividend requirements [2]	211	n/m	5,921	1,461	254

Fixed charges and preferred dividends	22,903	25,073	37,838	42,576	53,794
Earnings	$ 20,350	$ 25,035	$ 34,444	$ 45,399	$ 74,369
Ratio of earnings to fixed charges [a]	0.90	1.00	1.08	1.10	1.39
Ratio of earnings to fixed charges and preferred dividends [a,b,c]	0.89	n/m	0.90	1.07	1.38

[a] Represents an appropriate interest factor

[b] Reflects the impact of $12.4 billion of goodwill impairment charges during 2010 which resulted in a negative preferred dividend requirement.

[c] The earnings for 2011 were inadequate to cover the ratio of earnings to fixed charges and the ratio of earnings to fixed charges and preferred dividends. The earnings deficiency reflects the impact of $8.5 billion of mortgage banking losses. The coverage deficiency for fixed charges was $2.5 billion and the coverage deficiency for fixed charges and preferred dividends was $2.6 billion.

[d] The earnings for 2009 were inadequate to cover fixed charges and preferred stock dividends. The earnings deficiency as a result of the accelerated accretion of $4.0 billion recorded as a result of the repurchase of TARP Preferred Stock. The coverage deficiency for fixed charges and preferred dividends was $3.4 billion.

n/m = not meaningful

Exhibit 21

Direct and Indirect Subsidiaries of Bank of America Corporation
As of December 31, 2011

Name	Location	Jurisdiction
100 Federal Street Limited Partnership	Boston, MA	Massachusetts
201 North Tryon, LLC	Charlotte, NC	North Carolina
214 North Tryon, LLC	Charlotte, NC	North Carolina
222 Broadway, LLC	New York, NY	New York
2007 Merrill Lynch MB Fund Capital, Ltd	New York, NY	Cayman Islands
2007 Merrill Lynch MB Fund Strategies, Ltd	New York, NY	Cayman Islands
2007 Merrill Lynch Merchant Banking Fund, L.P.	New York, NY	Cayman Islands
2007 Merrill Lynch Merchant Banking Fund International, L.P.	New York, NY	Cayman Islands
2008 Merrill Lynch Merchant Banking Fund International, L.P.	New York, NY	Cayman Islands
2008 Merrill Lynch Merchant Banking Fund, L.P.	New York, NY	Cayman Islands
1110421 Ontario Limited	Toronto, Ontario, Canada	Canada
1300186 Ontario Limited	Toronto, Ontario, Canada	Canada
1343180 Alberta Inc.	Toronto, Ontario, Canada	Canada
AANAH Holding, LLC	Chicago, IL	Delaware
AANAH Holding, LLC II	Chicago, IL	Delaware
AANAH Holding, LLC III	Chicago, IL	Delaware
Aarco 106 Limited	Chester, United Kingdom	United Kingdom
Abilene Park, Inc.	Charlotte, NC	Delaware
Above Investment Limited	George Town, Grand Cayman, Cayman Is	Cayman Islands
Acceptance Alliance, LLC	Louisville, KY	Delaware
Access 1 Fundo De Investimento Em Cotas De Fundo De Investimento Em Direitos Creditorios Nao Padronizado	Sao Paulo, Brazil	Brazil
ACP Power and Energy Real Asset Fund	New York, NY	Delaware
ACP Power and Energy Real Asset Fund, A	New York, NY	Delaware
ACP Power and Energy Real Asset Fund, B	New York, NY	Delaware
Administradora Blue 2234 B. de R.L. de C.V.	Mexico City, Mexico	Mexico
Agusto Corp S.A.C.	Lima, Peru	Peru
Alamo Funding II, Inc.	Charlotte, NC	Delaware
Alexandra IV, LLC	New York, NY	Delaware
Ale Street Investments Limited	London, U.K.	United Kingdom
Ale Street Investments 5 Limited	London, U.K.	United Kingdom
Ale Street Investments 8 Limited	London, U.K.	United Kingdom
Ale Street Investments 12 Limited	London, U.K.	United Kingdom
Ale Street Investments 18 Limited	London, U.K.	United Kingdom
Ale Street Investments 24 Limited	London, U.K.	United Kingdom
Alenutors Holdings S.a.r.l.	Luxembourg, Luxembourg	Luxembourg
Alentek Sarl	Luxembourg, Luxembourg	Luxembourg
Alpine Associates Access LLC	New York, NY	Delaware
Alpine Associates Access Ltd.	New York, NY	Cayman Islands
Amarillo Lane, Inc.	Charlotte, NC	Delaware
AMM Holdings Pty Limited	Sydney, New South Wales, Australia	Australia
Andrew VI, LLC	New York, NY	Delaware
Anzac Peaks, Inc.	Charlotte, NC	Delaware
Apollo Trading, LLC	Charlotte, NC	Delaware
Appold Property Management Limited	London, U.K.	United Kingdom
Assured Access, LLC	New York, NY	Delaware
Assured Access Ltd.	New York, NY	Cayman Islands
Asesores Argentinos de Seguros S.A.	Buenos Aires, Argentina	Argentina
Asia Investment Consulting Ltd.	George Town, Grand Cayman, Cayman Is	Cayman Islands
Asian American Merchant Bank Ltd.	Singapore, Singapore	Singapore
Asset Backed Funding Corporation	Charlotte, NC	Delaware
Asset Transition Management Services, Inc.	Jacksonville, FL	Delaware
Aspen Development Associates, LLC	Miami, FL	Florida
Aspen Village Associates, LLC	Miami, FL	Florida
Atlantic Equity Corporation	Charlotte, NC	North Carolina
Audubon - *MM Urban Investments, LLC*	Dallas, TX	Texas
Audubon - MM Urban Investments II, LLC	Dallas, TX	Texas
Audubon Urban Investments, LLC	Dallas, TX	Texas
Augusta Trading, LLC	Charlotte, NC	Delaware
Austin Acquisition Inc.	Charlotte, NC	Delaware
Aztec Associates, L.P.	New York, NY	Delaware
B of A Issuance B.V.	Amsterdam, The Netherlands	Netherlands
B.A. International (Cayman) Ltd.	George Town, Grand Cayman, Cayman Is	Cayman Islands
BA 1998 Partners Associates Fund, L.P.	Chicago, IL	Delaware
BA 1998 Partners Fund I, L.P.	Chicago, IL	Delaware
BA 1998 Partners Fund II, L.P.	Chicago, IL	Delaware
BA 1998 Partners Fund LDC	Chicago, IL	Cayman Islands

Name	Location	Jurisdiction
BA 1998 Partners Master Fund I L P	Chicago, IL	Delaware
BA 1998 Partners Master Fund II L P	Chicago, IL	Delaware
BA 2001 Partners Associates Fund L P	Boston, MA	Delaware
BA 2001 Partners Fund II L P	Boston, MA	Delaware
BA 2001 Partners Master Fund, LLC	Boston, MA	Delaware
BA Alternative Investment Solutions Master Fund LLC	Boston, MA	Delaware
BA Australia Limited	Sydney New South Wales Australia	Australia
BA Auto SecuritiZation Corporation	Charlotte, NC	Delaware
BA Capital Company L P	Charlotte, NC	Delaware
BA Co-Invest Fund 2001 (Cayman) L P	Chicago, IL	Cayman Islands
BA Co-Invest Fund 2002 (Cayman), L P	Chicago, IL	Cayman Islands
BA Connect, GP, Inc	Chicago, IL	North Carolina
BA Continuum Costa Rica Limitada	San Jose, Costa Rica	Costa Rica
BA Continuum India Private Limited	Hyderabad, India	India
BA Continuum Mauritius Holdings Limited	Port Louis, Mauritius	Republic of Mauritius
BA Continuum Mexican Holdings Private Limited	Singapore, Singapore	Singapore
BA Continuum Mexico Administracion S de R L de C V	Tlaquepaque, Jalisco, Mexico	Mexico
BA Continuum Mexico, S C	Tlaquepaque, Jalisco, Mexico	Mexico
BA Continuum Netherlands B V	Amsterdam, The Netherlands	Netherlands
BA Continuum Philippines, Inc	Taguig City Philippines	Philippines
BA Continuum Private Limited	Mumbai, India	India
BA Continuum Singapore International Holdings Private Limited	Singapore, Singapore	Singapore
BA Credit Card Funding, LLC	Charlotte, NC	Delaware
BA Custodial Services (Jersey) Limited	St. Helier Jersey, Channel Islands	Channel Islands
BA Direct Investment Fund M L P	Chicago, IL	Delaware
BA Diversified Real Estate Fund L P	Boston, MA	Delaware
BA Electronic Data Processing (Guangzhou) Ltd	Guangzhou, PRC	People's Republic of China
BA Employment Services Limited	George Town Grand Cayman Cayman Is	Cayman Islands
BA Equity Co-Invest GP, LLC	Charlotte, NC	Delaware
BA Equity Holdings, L P	Charlotte, NC	Delaware
BA Equity Investors, Inc	Charlotte, NC	North Carolina
BA Finance Ireland Limited	Dublin, Ireland	Ireland
BA Financial Trading (Luxembourg) S a r l	Luxembourg, Luxembourg	Cayman Islands
BA Fund of Funds Direct, L P	Boston, MA	Delaware
BA Fund Services (Cayman) Limited	George Town Grand Cayman, Cayman Is	Cayman Islands
BA Global Funding Inc	George Town, Grand Cayman, Cayman Is	Cayman Islands
BA GSS International B V	Amsterdam, The Netherlands	Netherlands
BA GSS International C V	St. Helier Jersey Channel Islands	Netherlands
BA GSTB GP LLC	St. Helier Jersey Channel Islands	Delaware
BA Hedge Fund Direct, LP	Boston, MA	Delaware
BA Hedge Fund Solutions, LLC	Boston, MA	Delaware
BA Insurance Group Inc	Charlotte, NC	Delaware
BA Insurance Services Inc	Baltimore, MD	Maryland
BA Leasing BSC, LLC	San Francisco CA	Delaware
BA Merchant Services LLC	Louisville KY	Ohio
BA Multi-Strategy Fund LLC	Boston, MA	Delaware
BA Overseas Holdings	George Town Grand Cayman Cayman Is	Cayman Islands
BA Partners Fund III LLC	Chicago, IL	Delaware
BA Partners Fund IV Buyout, L P	Boston, MA	Delaware
BA Partners Fund IV Buyout Master Fund I, L C	Boston, MA	Delaware
BA Partners Fund IV New Century L P	Boston, MA	Delaware
BA Partners Fund IV New Century Master Fund L.L.C	Boston, MA	Delaware
BA Partners Fund IV Venture, L P	Boston, MA	Delaware
BA Partners Fund IV Venture Master Fund L.L.C	Boston MA	Delaware
BA Partners Fund V Buyout, L.P	Boston MA	Delaware
BA Partners Fund V Buyout Master Fund, L.L.C	Boston MA	Delaware
BA Partners Fund V Intermezzanet, L.P	Boston, MA	Delaware
BA Partners Fund V International Master Fund L.L.C	Boston, MA	Delaware
BA Partners Fund V Opportunistic Real Estate L P	Boston, MA	Delaware
BA Partners Fund V PE Blend L P	Boston, MA	Delaware
BA Partners Fund V Venture L P	Boston, MA	Delaware
BA Partners Fund V Venture Master Fund L.L.C	Boston, MA	Delaware
BA Partners Fund VI PE Blend (Cayman) L P	Boston MA	Cayman Islands
BA Partners Fund VI PE Blend L.P	Boston, MA	Delaware
BA Properties Inc	Los Angeles CA	Delaware
BA Residential Securitization LLC	Charlotte, NC	Delaware
BA SBIC Sub Inc	Charlotte, NC	North Carolina
BA Securities Australia Limited	Sydney New South Wales Australia	Australia
BA Venture Management Corporation	Thousand Oaks CA	Delaware
BAC AAH Capital Funding, LLC I	Chicago, IL	Delaware

Name	Location	Jurisdiction
BAC AAH Capital Funding LLC II	Chicago, IL	Delaware
BAC AAH Capital Funding LLC III	Chicago, IL	Delaware
BAC AAH Capital Funding LLC IV	Chicago, IL	Delaware
BAC AAH Capital Funding LLC V	Chicago, IL	Delaware
BAC AAH Capital Funding LLC VI	Chicago, IL	Delaware
BAC AAH Capital Funding LLC VII	Chicago, IL	Delaware
BAC AAH Capital Funding LLC VIII	Chicago, IL	Delaware
BAC AAH Capital Funding LLC IX	Chicago, IL	Delaware
BAC AAH Capital Funding LLC X	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XI	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XII	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XIII	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XIV	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XV	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XVI	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XVII	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XVIII	Chicago, IL	Delaware
BAC AAH Capital Funding LLC XIX	Chicago, IL	Delaware
BAC AAH Preferred Exchange LLC	Chicago, IL	Delaware
BAC AAH Preferred Exchange LLC II	Chicago, IL	Delaware
BAC AAH Preferred Exchange LLC III	Chicago, IL	Delaware
BAC AAH Preferred Holding LLC	Chicago, IL	Delaware
BAC AAH Preferred Holding LLC II	Chicago, IL	Delaware
BAC AAH Preferred Holding LLC III	Chicago, IL	Delaware
BAC Canada Finance Company	Toronto Ontario, Canada	Canada
BAC CDC Fund IV Mezzanine Investments, L L C	Chicago, IL	Delaware
BAC CDC Mezzanine Investments, L.L.C	Chicago, IL	Delaware
BAC CDC Private Equity Investments Inc	Chicago, IL	Delaware
BAC Field Services Corporation	Simi Valley CA	California
BAC LB Capital Funding LLC I	Chicago, IL	Delaware
BAC LB Capital Funding LLC II	Chicago, IL	Delaware
BAC LB Capital Funding Trust I	Chicago, IL	Delaware
BAC LB Capital Funding Trust II	Chicago, IL	Delaware
BAC LB Holding LLC I	Chicago, IL	Delaware
BAC LB Holding LLC II	Chicago, IL	Delaware
BAC LB Preferred Exchange LLC I	Chicago, IL	Delaware
BAC LB Preferred Exchange LLC II	Chicago, IL	Delaware
BAC LB Preferred Holding LLC I	Chicago, IL	Delaware
BAC LB Preferred Holding LLC II	Chicago, IL	Delaware
BAC Mezzanine Management I L P	Chicago, IL	Delaware
BAC Mezzanine Management III L P	Chicago, IL	Delaware
BAC Mezzanine Management, Inc	Chicago IL	Illinois
BAC North America Holding Company	Charlotte, NC	Delaware
BAC NUBAFA, Inc	San Francisco, CA	Delaware
BAC Retail Group LLC	Troy MI	Michigan
BAC Strategic Investments B V	Amsterdam The Netherlands	Netherlands
BAC Tax Services Corporation	Simi Valley CA	California
BACAP Alternatives Advisors, Inc	New York, NY	Missouri
BACAP Alternative Mortage Fund LLC	New York, NY	Delaware
BACAP Diversified Real Estate Fund L P	New York, NY	Delaware
BACAP Institutional Multi-Strategy Hedge Fund Ltd	New York, NY	Cayman Islands
BACAP Multi-Strategy Hedge Fund LLC	New York, NY	Delaware
BACAP Multi-Strategy Hedge Fund Ltd	New York, NY	Cayman Islands
BACDC Crossings 29th LLC	Dallas TX	Delaware
BACDC Crossing at Big Bear LLC	Dallas TX	Delaware
BACDC Crossings North Hills LLC	Dallas TX	Delaware
BACDC Horizons at Morgan Hill LLC	Dallas TX	Delaware
BACI Trust LLC	Chicago, IL	Delaware
BACP Europe Fund II L.P	Chicago, IL	Delaware
BACP Europe Fund IV M L.P	Chicago, IL	Delaware
Bakerton Finance Inc	Charlotte NC	Delaware
BAL Corporate Aviation LLC	New Castle DE	Delaware
BAL Energy Holding, LLC	San Francisco, CA	Delaware
BAL Energy Management, LLC	San Francisco CA	Delaware
BAL Energy Management II LLC	San Francisco CA	Delaware
BAL Global Finance (Deutschland) GmbH	Dusseldorf Germany	Germany
BAL Global Finance (UK) Limited	London U K	United Kingdom
BAL Global Finance Canada Corporation	Toronto Ontario Canada	Canada
BAL Investment & Advisory Inc	San Francisco, CA	Delaware

Name	Location	Jurisdiction
BAL Solar I LLC	San Francisco CA	Delaware
BAL Solar II LLC	San Francisco CA	Delaware
BAL Solar III LLC	San Francisco CA	Delaware
Balboa Insurance Company	Irvine CA	California
Balboa Insurance Services Inc	Simi Valley CA	California
Balboa Life & Casualty LLC	Irvine CA	Delaware
BALCAP Funding, LLC	San Francisco CA	Delaware
BALI Australia Leasing Pty Limited	Sydney New South Wales Australia	Australia
BALI Funding Luxembourg Limited	Luxembourg Luxembourg	United Kingdom
Ballantyne Funding LLC	Charlotte NC	Delaware
Baltic Funding LLC	Charlotte NC	Delaware
BAML GP Inc	New York NY	Delaware
BAML Investors L P	New York NY	Cayman Islands
BAML Partnership L P	New York NY	Cayman Islands
BAMS Solutions Inc	Louisville KY	Ohio
BANA Alberta Funding Company ULC	Calgary Alberta Canada	Canada
BANA BACM 2000-1 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2000-2 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2001 1 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2001-PB1 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2002 2 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2002-PB2 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2003 1 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2003-2 PAWTUCKET SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2003-2 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2004 1 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2004 2 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2004-3 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2004-4 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2004 5 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2004-6 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2005-1 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2005 2 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2005-3 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2005-4 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2005-5 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2005-6 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2006 1 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2006-4 SB 1 LLC	Charlotte NC	Delaware
BANA BACM 2007 1 SB 1 LLC	Charlotte NC	Delaware
BANA BOA-FUNB 2001-3 SB 1 LLC	Charlotte NC	Delaware
BANA Canada Funding Company Ltd	Calgary Alberta Canada	Canada
BANA CSFB 2002-CKS4 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE HOLDING COMPANY LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2000 1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2000-2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2001 1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2001-PB1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2002 2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2002-PB2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2003 1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANGER BACM 2003 2 PAWTUCKET SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2003 2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2004 1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2004 2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2004 3 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2004-4 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2004-5 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2004-6 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2005-1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2005 2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2005-3 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2005-4 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2005-5 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2005-6 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2006-1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2006-4 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BACM 2007 1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER BOA-FUNB 2001 3 SB 1 LLC	Charlotte NC	Delaware

Name	Location	Jurisdiction
BANA DEFEASANCE MANAGER CSFB 2002-CKS4 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER DORADO/ALVARADO SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2002 2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2002-3 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2003-C1 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2003-C2 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2004-C1 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2004-C3 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2005-C1 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2005-C2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER GECMC 2007-C1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER MLMT 2004-MKB1 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER MLMT 2005-MKB2 SB 1 LLC	Charlotte NC	Delaware
BANA DEFEASANCE MANAGER NLFC 1998 2 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER NLFC 1999-1 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER NLFC 1999-2 SB 1 LLC	Charlotte, NC	Delaware
BANA DEFEASANCE MANAGER TENTH VENTURE SB 1 LLC	Charlotte NC	Delaware
BANA DORADO/ALVARADO SB 1 LLC	Charlotte NC	Delaware
BANA GA Mortgage Company	Charlotte, NC	Delaware
BANA GECMC 2002-2 SB 1 LLC	Charlotte, NC	Delaware
BANA GECMC 2002-3 SB 1 LLC	Charlotte, NC	Delaware
BANA GECMC 2003-C1 SB 1 LLC	Charlotte NC	Delaware
BANA GECMC 2003-C2 SB 1 LLC	Charlotte, NC	Delaware
BANA GECMC 2004-C1 SB 1 LLC	Charlotte NC	Delaware
BANA GECMC 2004-C3 SB 1 LLC	Charlotte, NC	Delaware
BANA GECMC 2005-C1 SB 1 LLC	Charlotte NC	Delaware
BANA GECMC 2005-C2 SB 1 LLC	Charlotte, NC	Delaware
BANA GECMC 2007-C1 SB 1 LLC	Charlotte, NC	Delaware
BANA (Gibraltar) Holdings Limited	Gibraltar Gibraltar	Gibraltar
BANA Holding Corporation	Charlotte, NC	Delaware
BANA MLMT 2004-MKB1 SB 1 LLC	Charlotte, NC	Delaware
BANA MLMT 2005-MKB2 SB 1 LLC	Charlotte, NC	Delaware
BANA NLFC 1998-2 SB 1 LLC	Charlotte, NC	Delaware
BANA NLFC 1999-1 SB 1 LLC	Charlotte, NC	Delaware
BANA NLFC 1999-2 SB 1 LLC	Charlotte, NC	Delaware
BANA Preservation Corporation	Salt Lake City UT	Delaware
BANA Residuals, LLC	Charlotte NC	Delaware
BANA TENTH VENTURE SB 1 LLC	Charlotte NC	Delaware
Banc of America Advisory Services LLC	Charlotte, NC	Delaware
Banc of America Arena Community Development LLC	Charlotte NC	Delaware
Banc of America Bridge LLC	Charlotte NC	Delaware
Banc of America California Community Venture Fund LLC	Chicago IL	Delaware
Banc of America Capital Access Funds Management A, L.P	Chicago, IL	Delaware
Banc of America Capital Access Funds Management B L P	Chicago, IL	Delaware
Banc of America Capital Access Funds Management LLC	Chicago, IL	Delaware
Banc of America Capital Holdings LP	Charlotte, NC	Delaware
Banc of America Capital Holdings V L P	Charlotte NC	Delaware
Banc of America Capital Investors L P	Charlotte NC	Delaware
Banc of America Capital Investors SBIC L P	Charlotte, NC	Delaware
Banc of America Capital Investors V L P	Charlotte, NC	Delaware
Banc of America Capital Management (Ireland) Limited	Dublin Ireland	Ireland
Banc of America CDC Special Holding Company Inc	Charlotte NC	North Carolina
Banc of America CDE I LLC	Baltimore MD	Delaware
Banc of America CDE II LLC	Baltimore, MD	Delaware
Banc of America CDE III LLC	Charlotte, NC	North Carolina
Banc of America CDE IV LLC	Charlotte, NC	North Carolina
Banc of America CDE V LLC	Charlotte, NC	North Carolina
Banc of America CDE, LLC	Baltimore, MD	Maryland
Banc of America Co-Invest Fund 2001 L.P	Chicago, IL	Delaware
Banc of America Co-Invest Fund 2002 L P	Chicago, IL	Delaware
Banc of America Commercial LLC	New York, NY	Georgia
Banc of America Community Development Corporation	Charlotte, NC	North Carolina
Banc of America Community Holdings Inc	Charlotte, NC	Missouri
Banc of America Consumer Card Services, LLC	Charlotte, NC	North Carolina
Banc of America Credit Products Inc	New York, NY	Delaware
Banc of America Development, Inc	Charlotte, NC	Missouri
Banc of America Dutch Auction Preferred Corporation	Charlotte, NC	Delaware
Banc of America E-Commerce Holdings Inc	Charlotte NC	Delaware
Banc of America Energy & Power Facilities Leasing I Inc	San Francisco, CA	Delaware

Name	Location	Jurisdiction
Banc of America PSC Holdings Inc	San Francisco CA	Delaware
Banc of America Funding Corporation	Charlotte NC	Delaware
Banc of America Historic Capital Assets LLC	Charlotte NC	Delaware
Banc of America Historic Investments Partnership	Concord CA	Illinois
Banc of America Historic New Ventures LLC	Baltimore MD	Delaware
Banc of America Historic Ventures, LLC	Charlotte NC	North Carolina
Banc of America HTC Investments LLC	Boston MA	Massachusetts
Banc of America Insurance Services Inc	Baltimore MD	Maryland
Banc of America Investment Advisors Inc	Jersey City NJ	Delaware
Banc of America Investment Leasing Co Ltd	Tokyo Japan	Japan
Banc of America Leasing & Capital LLC	San Francisco CA	Delaware
Banc of America Leasing Ireland Co Limited	Dublin Ireland	Ireland
Banc of America Management LLC I	Chicago IL	Delaware
Banc of America Management LLC III	Chicago IL	Delaware
Banc of America Merchant Services LLC	Atlanta GA	Delaware
Banc of America Merrill Lynch Commercial Mortgage Inc	Charlotte NC	Delaware
Banc of America Merrill Lynch Large Loan, Inc	Dover DE	Delaware
Banc of America Mortgage Capital Corporation	Charlotte, NC	North Carolina
Banc of America Mortgage Securities, Inc	Charlotte NC	Delaware
Banc of America Neighborhood Services Corporation	Charlotte, NC	North Carolina
Banc of America Preferred Funding Corporation	Charlotte NC	Delaware
Banc of America Public and Institutional Financial Funding, LLC	San Francisco CA	Delaware
Banc of America Public Capital Corp	Charlotte NC	Kansas
Banc of America Securities Asia Limited	Hong Kong PRC	Hong Kong, PRC
Banc of America Securities Canada Co	Halifax, Nova Scotia	Canada
Banc of America Securities Canada Holding Corp	Charlotte NC	Delaware
Banc of America Securities (India) Private Limited	Mumbai, India	India
Banc of America Securities Limited	London U K	United Kingdom
Banc of America Securitization Holding Corporation	Charlotte NC	Delaware
Banc of America Specialist, Inc	New York NY	New York
Banc of America Strategic Investments Corporation	Charlotte NC	Delaware
Banc of America Strategic Investments LLC	Charlotte NC	Delaware
Banc of America Strategic Ventures Inc	Charlotte NC	Delaware
Banc of America Structured Notes, Inc.	Charlotte, NC	Delaware
BancAmerica Capital Holdings II, L.P.	Chicago IL	Delaware
BancAmerica Capital Investors II L.P.	Chicago, IL	Delaware
BancAmerica Capital Investors SBIC II L.P.	Chicago, IL	Delaware
BancAmerica Colinvest Fund 2000 L.P.	Chicago IL	Delaware
BancBoston Aircraft Leasing Inc	Boston, MA	Delaware
BancBoston Capital Co-Investment Partners (2000) LP	Boston MA	Delaware
BancBoston Capital Co-Investment Partners (2001) LP	Boston MA	Delaware
BancBoston Capital Holdings Limited	London U K	United Kingdom
BancBoston Capital ICP Partners 2 LP	Boston, MA	Delaware
BancBoston Capital ICP Partners 3 LP	Boston MA	Delaware
BancBoston Capital ICP Partners 3-A L.P.	Boston, MA	Delaware
BancBoston Capital ICP Partners LP	Boston MA	Delaware
BancBoston Capital Money Markets Limited	London, U K.	United Kingdom
BancBoston Capital Private Equity Partners LP	Boston MA	Delaware
BancBoston Capital, Inc	Boston MA	Massachusetts
BancBoston Insurance Agency of Rhode Island Inc	Pascoag, RI	Rhode Island
BancBoston Investments Inc	Boston MA	Massachusetts
BancBoston Leasing Services Inc	Boston, MA	Massachusetts
BancBoston Ventures Inc	Boston, MA	Massachusetts
Bank of America Auto Receivables Securitization, LLC	Charlotte NC	Delaware
Bank of America Brasil Ltda	Sao Paulo Brazil	Brazil
Bank of America California, National Association	San Francisco CA	United States of America
Bank of America Canada	Toronto Ontario Canada	Canada
Bank of America Capital Advisors LLC	Boston MA	Delaware
Bank of America Capital Corporation	Charlotte, NC	Delaware
Bank of America Charitable Foundation Inc The	Charlotte NC	Delaware
Bank of America Corporation	Charlotte NC	Delaware
Bank of America Custodial Services (Ireland) Limited	Dublin Ireland	Ireland
Bank of America (GSB) Limited	London, U K.	United Kingdom
Bank of America GSB Nominees Limited	London, U K.	England & Wales
Bank of America (Hawaii) Insurance Agency Inc	Honolulu, HI	Hawaii
Bank of America Healthcare Limited	London, U K.	United Kingdom
Bank of America Malaysia Berhad	Kuala Lumpur Malaysia	Malaysia
Bank of America Merrill Lynch Banco Multiple S A	Sao Paulo, Brazil	Brazil
Bank of America Mexico S A Institucion de Banca Multiple	Mexico City Mexico	Mexico
Bank of America Mortgage Securities Inc	Charlotte NC	Delaware

Name	Location	Jurisdiction
Bank of America National Association	Charlotte NC	United States of America
Bank of America National Trust Delaware	Wilmington DE	United States of America
Bank of America Negocios e Participacoes Ltda	Sao Paulo Brazil	Brazil
Bank of America Oregon National Association	Portland OR	United States of America
Bank of America Overseas Corporation	Charlotte NC	United States of America
Bank of America Reinsurance Corporation	Burlington VT	Vermont
Bank of America Rhode Island National Association	Providence RI	United States of America
Bank of America Securitization Investment Trust LLC	Wilmington DE	Delaware
Bank of America Singapore Limited	Singapore Singapore	Singapore
Bank of America Student Loan Securitization Corporation	Charlotte NC	Delaware
Bank of America Ventures	Foster City CA	California
BankAmerica Acceptance Corp	Jacksonville FL	Delaware
BankAmerica Capital II	Charlotte, NC	Delaware
BankAmerica Capital III	Charlotte, NC	Delaware
BankAmerica Capital IV	Charlotte, NC	Delaware
BankAmerica Institutional Capital A	San Francisco CA	Delaware
BankAmerica Institutional Capital B	San Francisco CA	Delaware
BankAmerica International Financial Corporation	San Francisco CA	United States of America
BankAmerica International Investment Corporation	Chicago IL	United States of America
BankAmerica Investment Corporation	Charlotte, NC	Delaware
BankAmerica Nominees (1993) Pte Ltd	Singapore, Singapore	Singapore
BankAmerica Nominees (Hong Kong) Ltd	Hong Kong, PRC	Hong Kong, PRC
BankAmerica Nominees (Singapore) Pte Ltd	Singapore, Singapore	Singapore
BankAmerica Nominees Limited (London)	London, U K.	United Kingdom
BankAmerica Realty Finance Inc	Los Angeles CA	Delaware
BankAmerica Realty Services Inc	San Francisco CA	Delaware
BankAmerica Special Assets Corporation	San Francisco CA	Delaware
BankBoston Capital Trust I	Boston, MA	Delaware
BankBoston Capital Trust II	Boston, MA	Delaware
BankBoston Capital Trust III	Boston, MA	Delaware
BankBoston Capital Trust IV	Boston MA	Delaware
BankBoston Co-Investment Partners (1998) L.P.	Boston, MA	Delaware
BankBoston Co-Investment Partners (1999) L.P.	Boston, MA	Delaware
BankBoston International Leasing LLC	Providence, RI	Delaware
BAPOC II LLC	San Francisco CA	Delaware
Berdin Road Ventures Inc	New York NY	Texas
Barnett Capital I	Jacksonville, FL	Delaware
Barnett Capital II	Jacksonville, FL	Delaware
Barnett Capital IV	Jacksonville FL	Delaware
BAS Capital Funding Corporation	Charlotte, NC	Delaware
BAS Oak Management, LLC	San Francisco CA	Delaware
BAS Oak X, LLC	San Francisco CA	Delaware
BAS Securitization LLC	Charlotte, NC	Delaware
BAS/SOFI Management, LLC	New York, NY	Delaware
BAS/SOFI VI LLC	New York, NY	Delaware
BASCPC-Mascom Holdings I LLC	Chicago, IL	Delaware
BAVP LP	Foster City, CA	Delaware
Bay 2 Bay Leasing LLC	San Francisco, CA	Delaware
Bay Area Credit Services LLC	New York, NY	Delaware
BBC Co-Investment Partners (1998) LP	Boston, MA	Delaware
BBI Management Co LLC	Boston, MA	Massachusetts
BBI Switch LP	Boston, MA	Delaware
BBV Management Co LLC	Boston, MA	Massachusetts
BBV Switch LP	Boston, MA	Delaware
BEG Nominees (Parac) Carried Interest Partnership L.P.	Chicago, IL	Delaware
Ben Franklin/Progress Capital Fund LP	Blue Bell, PA	Delaware
Benson Nominees Limited	London, U K.	England
Berndale Securities Limited	Melbourne, Victoria Australia	Australia
Bighorn Investments Limited	George Town, Grand Cayman, Cayman Is	Cayman Islands
Birchwood Funding LLC	Charlotte, NC	Delaware
BIRMSON L.L.C.	Wilton, CT	Alabama
BJCC Inc	Wilton, CT	Delaware
Black Mountain Funding LLC	Charlotte, NC	Delaware
BlackRock Health Sciences Access LLC	New York, NY	Delaware
BlackRock Health Sciences Access LTD	New York, NY	Cayman Islands
Blue Finn Holdings Limited	George Town, Grand Cayman, Cayman Is	Cayman Islands
Blue Ridge Investments, L.L.C.	Charlotte, NC	Delaware
Bluejay LLC	New York, NY	Delaware

Name	Location	Jurisdiction
BOA Investment Fund I LLC	Charlotte NC	North Carolina
BOA Investment Fund III LLC	Charlotte, NC	North Carolina
BOA Investment Fund IV LLC	Charlotte NC	North Carolina
BOA Investment Fund V LLC	Charlotte, NC	North Carolina
BoA Luxembourg S a r l / B V	Luxembourg, Luxembourg	Netherlands
BoA Netherlands Coöperatieve U A	Amsterdam, The Netherlands	Netherlands
BoA Trustee Services Limited	London U K	United Kingdom
BOA/Marmart Joint Venture	San Diego CA	California
Boatmen's Insurance Agency Inc	St Louis MO	Missouri
Bodelm Hill Limited	London U K	United Kingdom
BofA Advisors LLC	Boston MA	Delaware
BofA Commodities Inc	New York NY	Delaware
BofA Distributors Inc	Boston MA	Massachusetts
BofA Global Capital Management Group LLC	Boston MA	Delaware
BofA Pte Ltd	Singapore Singapore	Singapore
BofAML Asia Fund LP LLC	New York NY	Delaware
BofAML Bosphorus Fund CIP Vehicle LP LLC	Wilmington DE	Delaware
BofAML Europe Fund CI Vehicle GP LLC	Wilmington DE	Delaware
BofAML Europe Fund CI Vehicle LP LLC	Wilmington DE	Delaware
BofAML Europe Fund Holdco LLC	Wilmington DE	Delaware
BofAML Europe Fund LCI Vehicle GP LLC	Wilmington DE	Delaware
BofAML Europe Fund ML Vehicle GP LLC	Wilmington DE	Delaware
BofAML Europe Fund ML Vehicle LP LLC	Wilmington DE	Delaware
BofAML Invest Funds PLC	Dublin Ireland	Ireland
BofAML Trustees Limited	London, U K	United Kingdom
Bonifatius Mortgage Investments LLC	Wilmington DE	Delaware
Boston International Holdings Corporation	Boston MA	Massachusetts
Boston Overseas Financial Corporation	New York, NY	United States of America
Boston Overseas Financial Corporation S A	Buenos Aires Argentina	Argentina
Boston Overseas Holding Corporation	Boston MA	Massachusetts
Boston Securities S A Sociedad de Bolsa	Buenos Aires Argentina	Argentina
Boston World Holding Corporation	Boston MA	Massachusetts
BR Depositor LLC	Charlotte, NC	Delaware
Breadbridge Corporation	Wilmington DE	Delaware
Breckenridge Investments Limited	London, U K	England
Brightus Limited	London U K	United Kingdom
Bristol Pines Limited Partnership	Washington DC	District of Columbia
Bristol Pines Manager LLC	Baltimore MD	District of Columbia
BRV Capital II Ltda	Georgia Town Grand Cayman Cayman Is	Brazil
BTAC V L L C	New York, NY	Delaware
Business Lenders, LLC	Hartford CT	Delaware
C&S Premises-BPE Inc	Charlotte, NC	North Carolina
Cabernet I LLC	New York NY	Delaware
Calvemert Holdings Inc	Charlotte NC	Delaware
CalSTRS/Banc of America Capital Access Fund III LLC	Chicago IL	Delaware
CalSTRS/BAML Capital Access Fund IV LLC	Chicago, IL	Delaware
CalSTRS/Banc of America Capital Access Fund LLC	Chicago IL	Delaware
CAP Inc	New York NY	Delaware
Carlson Double Black Diamond Participation Fund LLC	New York NY	Delaware
Carolina Investments Limited	London U K	United Kingdom
Carringgate Limited	London U K	United Kingdom
Carson Asset Management Company	Reno NV	Delaware
Catherine III LLC	New York, NY	Delaware
Central Park Development Group LLC	Tampa FL	Florida
CFC International Capital Markets Limited	London U K	England
CH MLOX Pleiades 3	Tokyo Japan	Japan
Charlotte Gateway Village LLC	Charlotte NC	North Carolina
Charlotte Transit Center Inc	Charlotte NC	North Carolina
Cherry Park LLC	Charlotte NC	Delaware
Chester Property & Services Limited	Chester England	England
Chetwynd Nominees Limited	London, U K	England
Chilton GNR Participation LLC	New York NY	Delaware
Chilton GNR Participation Ltd	New York NY	Cayman Islands
Chilton Pan-Asia Access LLC	New York NY	Delaware
Chilton Pan-Asia Access Ltd	New York NY	Cayman Islands
Chilton Small Cap Access LLC	New York NY	Delaware
Chilton Small Cap Access Ltd	New York NY	Cayman Islands
CHL Transfer Corp	Calabasas CA	Delaware
Church Street Housing Partners I LLC	Orlando FL	Florida
Church Street Retail Partners I LLC	Orlando FL	Florida

Name	Location	Jurisdiction
Calculos DCA S A	Montevideo, Uruguay	Uruguay
Citygate Nominees Limited	London, U K	England
clearXchange, LLC	Charlotte, NC	Delaware
Clough Access LLC	New York NY	Delaware
Clough Access Ltd	New York, NY	Cayman Islands
CM REO S1 LLC	New York, NY	Delaware
Coast Access LLC	New York, NY	Delaware
Coast Access II LLC	New York NY	Delaware
Coast Access III LLC	New York NY	Delaware
Coast Access IV LLC	New York NY	Delaware
Coast Access Ltd	New York NY	Cayman Islands
Coast Access II Ltd	New York, NY	Cayman Islands
Coast Access III Ltd	New York, NY	Cayman Islands
Columbus Bay Limited	George Town, Grand Cayman Cayman Is	Cayman Islands
Columbus Square LLC	Kansas City MO	Missouri
Columbus Square II LLC	St. Louis, MO	Missouri
Concert Funding Number 1 Limited	London U K	England
Concert Mortgages Holdings Limited	London U K	England
Concert Mortgages Limited	London, U K	England
Continental Finance s S P A	Milan, Italy	Italy
Continental Illinois Venture Corporation	Chicago IL	Delaware
Conversus Asset Management, LLC	Chicago IL	Delaware
Coral Hill LLC	Charlotte, NC	Delaware
Core Absolute Return Fund, LLC	New York NY	Delaware
Core Opportunistic Equity Fund LLC	New York, NY	Delaware
Core Private Equity Fund I LLC	New York, NY	Delaware
Core Strategies Investment Fund LLC	New York NY	Delaware
Corfe Hill Limited	London U K	United Kingdom
Corporate Properties Services LLC	Wilmington, DE	Delaware
Cortlandt Realty Associates I L P	New York, NY	Delaware
Countryside SA Holdings LLC	Dallas TX	Texas
Countrywide Alternative Asset Management Inc	Calabasas, CA	Delaware
Countrywide Alternative Investments Inc	Calabasas, CA	Delaware
Countrywide Capital I	Calabasas, CA	Delaware
Countrywide Capital II	Calabasas, CA	Delaware
Countrywide Capital III	Calabasas, CA	Delaware
Countrywide Capital IV	Calabasas, CA	Delaware
Countrywide Capital V	Calabasas, CA	Delaware
Countrywide Capital VI	Calabasas, CA	Delaware
Countrywide Capital VII	Calabasas, CA	Delaware
Countrywide Capital VIII	Calabasas CA	Delaware
Countrywide Capital IX	Calabasas, CA	Delaware
Countrywide Capital Markets Asia (HK) Limited	Hong Kong, PRC	Hong Kong, PRC
Countrywide Capital Markets LLC	Calabasas, CA	California
Countrywide Commercial JPI LLC	Calabasas, CA	Delaware
Countrywide Commercial Mortgage Capital Inc	Calabasas, CA	Delaware
Countrywide Commercial Real Estate Finance, Inc	Calabasas, CA	California
Countrywide Financial Corporation	Calabasas, CA	Delaware
Countrywide Hillcrest I Inc	Calabasas, CA	California
Countrywide Home Loans, Inc	Calabasas, CA	New York
Countrywide International Consulting Services LLC	Calabasas, CA	Delaware
Countrywide International GP Holdings LLC	Calabasas, CA	Delaware
Countrywide International Holdings Inc	Calabasas, CA	Delaware
Countrywide International Technology Holdings Limited	St. Peter Port, Guernsey Channel Islands	Island of Guernsey
Countrywide JV Technology Holdings Limited	St. Peter Port, Guernsey Channel Islands	Island of Guernsey
Countrywide LFT LLC	Calabasas, CA	Delaware
Countrywide Management Corporation	Calabasas, CA	Delaware
Countrywide Mortgage Ventures LLC	Calabasas Hills, CA	Delaware
Countrywide Securities Corporation	Calabasas CA	California
Countrywide Servicing Exchange	Calabasas, CA	California
Countrywide Sunfish Management LLC	Calabasas, CA	Delaware
Countrywide Warehouse Lending	Calabasas CA	California
Coventry Village Apartments Inc	Nashville TN	Tennessee
CP Development Group 3 LLC	Tampa FL	Florida
CP Development Group 4 LLC	Tampa FL	Florida
CPDG7 LLC	Tampa, FL	Florida
Crestove Village Development, LLC	Tampa, FL	Florida
CREDO Trust	Hamilton Bermuda	Bermuda
Crockett Funding LLC	Charlotte, NC	Delaware
CSC Associates L P	Marietta GA	Georgia

Name	Location	Jurisdiction
CSC Futures Inc	Calabasas CA	California
CSF Holdings Inc	Tampa FL	Florida
CTC Real Estate Services	Simi Valley CA	California
CW Insurance Group LLC	Irvine CA	California
CW Re-Insurance Company	Burlington VT	Vermont
CW Securities Holdings Inc	Calabasas CA	Delaware
CW (UK) Services Limited	Dartford United Kingdom	United Kingdom
CW UKTechnology Limited	Dartford United Kingdom	United Kingdom
CWABS II Inc	Calabasas CA	Delaware
CWABS Inc	Calabasas, CA	Delaware
CWALT Inc	Calabasas CA	Delaware
CWB Community Assets Inc	Thousand Oaks CA	Delaware
CWHEQ Inc	Calabasas CA	Delaware
CWIBH Inc	Calabasas CA	Delaware
CWMBS II Inc	Calabasas CA	Delaware
CWMBS Inc	Calabasas CA	Delaware
CWRBS Inc	Calabasas CA	Delaware
CWTechSolutions Limited	Dartford United Kingdom	United Kingdom
Cypress Point Trading LLC	Charlotte NC	Delaware
Cypress Tree CLAIF Funding LLC	Charlotte NC	Delaware
Cyrus Access LLC	New York NY	Delaware
Cyrus Access II LLC	New York NY	Delaware
Cyrus Access Ltd	New York NY	Cayman Islands
Deacon Corp	New York NY	New York
Dartmouth Holdings Limited	Hong Kong, Hong Kong	Hong Kong, PRC
Davidson Partners Limited	Toronto Ontario Canada	Canada
Debt Clear Recoveries & Investigations Limited	Manchester United Kingdom	United Kingdom
DFO Partnership	San Francisco CA	New York
Diamond Springs Trading LLC	Charlotte NC	Delaware
Diversified Alpha Fund L P	New York NY	Delaware
Diversified Alpha Fund (Master) Ltd	George Town, Grand Cayman Cayman Is	Cayman Islands
Diversified Global Futures Fund LLC	New York NY	Delaware
Diversified Global Markets Fund Ltd	New York NY	Cayman Islands
Dolls Hill Limited	London U K	United Kingdom
Dorton B V	Amsterdam The Netherlands	Netherlands
Dover Mortgage Capital 2005-A Corporation	Charlotte NC	Delaware
Dover Mortgage Capital Corporation	Charlotte NC	Delaware
Dover Two Mortgage Capital 2005-A Corporation	Charlotte NC	Delaware
Dover Two Mortgage Capital Corporation	Charlotte NC	Delaware
Dresdner Kleinwort Pfandbriefe Investments Inc	Charlotte NC	Delaware
DSP Merrill Lynch Capital Limited	Mumbai India	India
DSP Merrill Lynch Limited	Mumbai, India	India
DSP Merrill Lynch Trust Services Limited	Mumbai India	India
Eagle Corporation The	Boston, MA	Massachusetts
Eagle Investments S A The	Montevideo Uruguay	Uruguay
Eaglewood Apartments, LLC	Tampa, FL	Florida
Eaglewood Course Development, LLC	Tampa, FL	Florida
Eban Incorporated	Dallas TX	Texas
Eban Village I Ltd	Dallas TX	Texas
Eban Village II Ltd	Dallas TX	Texas
Echo Canyon Park LLC	Charlotte NC	Delaware
Edificaciones Arendonk, S L	Madrid Spain	Spain
Edward IV LLC	New York NY	Delaware
EFP (Cayman) Funding I Limited	George Town, Grand Cayman Cayman Is	Cayman Islands
EFP (Cayman) Funding II Limited	George Town, Grand Cayman Cayman Is	Cayman Islands
EFP (Hong Kong) Funding I Limited	Hong Kong, BAR	Hong Kong, PRC
EFP (Hong Kong) Funding II Partnership	Hong Kong, BAR	Hong Kong, PRC
EFP Netherlands Investment II V O F	Amsterdam, The Netherlands	Netherlands
EFP Netherlands Investment, B V	Amsterdam, The Netherlands	Netherlands
Egan Crest Investments LLC	Charlotte NC	Delaware
EGB Podstawowy Niestandaryzowany Sekurytyzacyjny Fundusz Inwestycyjny Zamknięty	Warsaw Poland	Poland
EGB-SHARSEC Bis Pierwszy Fundusz Inwestycyjny Zamknięty	Warsaw Poland	Poland
EGB-SHARSEC Pierwszy Fundusz Inwestycyjny Zamknięty	Warsaw Poland	Poland
Electra Leasing LLC	Boston MA	Massachusetts
ELHY Inc	New York NY	Delaware
Elizabeth VI LLC	New York NY	Delaware
Elmfield Investments Limited	London, U K	United Kingdom
EM Cobranza S de RL de CV	New York NY	Mexico
EM Structured Investments, LLC	New York NY	Delaware
Emerging Markets Opportunities LLC	Boston MA	Delaware

Name	Location	Jurisdiction
Emerging Markets Opportunities Ltd	Boston, MA	Cayman Islands
Emerging Markets Opportunities Master Ltd	Boston, MA	Cayman Islands
EQCC Asset Backed Corporation	Las Vegas NV	Delaware
EQCC Receivables Corporation	Las Vegas, NV	Delaware
EquiCredit Corporation of America	Jacksonville, FL	Delaware
Equipart Pty Limited	Victoria, Australia	Australia
Equity Analytics LLC	Scottsdale AZ	Delaware
Equity Finance Delaware LLC	New York, NY	Delaware
Equity Long Short HedgeAccess LLC	New York, NY	Delaware
Equity Long Short HedgeAccess II LLC	New York, NY	Delaware
Equity Long Short HedgeAccess Ltd	New York, NY	Cayman Islands
Equity Margins Ltd	Melbourne, Victoria, Australia	Australia
Equity/Protect Reinsurance Company	Jacksonville, FL	Turks & Caicos Islands
Europe Card Services General Partner Limited	Grand Cayman Cayman Islands	Cayman Islands
Europe Card Services Partners (Scotland) LP	Edinburgh Scotland	Scotland
Event Driven & Credit HedgeAccess LLC	New York, NY	Delaware
Event-Driven & Credit HedgeAccess II LLC	New York, NY	Delaware
Event Driven & Credit HedgeAccess Ltd	New York, NY	Cayman Islands
Everest Funding LLC	Charlotte, NC	Delaware
Excelsior Buyout Management, LLC	Stamford CT	Delaware
Excelsior Buyout Partners LLC	Stamford, CT	Delaware
F R Holdings Inc	Charlotte NC	Nevada
Fairfield Nominees Ltd	George Town, Grand Cayman, Cayman Is	Cayman Islands
Fallon Lane LLC	Charlotte NC	Delaware
FBF Insurance Agency Inc	Avon MA	Massachusetts
FDS Financial Data Services Limited	Dublin Ireland	Ireland
Federal Street Investments S A	Montevideo, Uruguay	Uruguay
Federal Street Shipping LLC	Boston, MA	Delaware
Ferrybridge Investments Limited	London U K	England
FFG Property Holding Corp	Providence RI	Rhode Island
FIA Card Services, National Association	Wilmington, DE	United States of America
FIA (Gibraltar) Holdings Limited	Gibraltar Gibraltar	Gibraltar
FIA (Gibraltar) SLP Holdings Limited	Gibraltar Gibraltar	Gibraltar
FIA Holdings S a r l	Luxembourg Luxembourg	Luxembourg
FIA Holdings LP	Edinburgh, Scotland	Scotland
FIA Swiss Funding Limited	Luxembourg, Luxembourg	England & Wales
Fiduciary Services Ltd	George Town, Grand Cayman Cayman Is	Cayman Islands
Fiduciary Services (UK) Limited	London, U K	England
Financial Data Services Inc	Jacksonville FL	Florida
Finsbury Square Limited Partnership	Washington DC	District of Columbia
Finsbury Square Manager LLC	Washington, DC	District of Columbia
First Bank of Pinellas County Land Corporation	Tampa, FL	Florida
First Capital Corporation of Boston	Boston MA	Massachusetts
First Franklin Financial Corporation	San Jose CA	Delaware
First Permanent Financial Services Pty Ltd	Sydney Australia	Australia
First Permanent Securities Limited	Sydney Australia	Australia
First Permanent Securities Mortgage Warehouse Trust 2000-1	Sydney Australia	Australia
First Permanent Super Prime RMBS Trust 2006 1	Sydney Australia	Australia
Fleetnut Properties, Inc	Bethlehem, PA	Pennsylvania
Five Dollars a Day LLC	San Francisco, CA	Delaware
Fleet Capital Trust II	Boston MA	Delaware
Fleet Capital Trust IX	Boston, MA	Delaware
Fleet Capital Trust V	Boston, MA	Delaware
Fleet Capital Trust VII	Boston MA	Delaware
Fleet Capital Trust VIII	Boston MA	Delaware
Fleet Community Development Corporation	Providence RI	Rhode Island
Fleet Credit Card Holdings, Inc	Providence RI	Delaware
Fleet Credit Card Services L P	Providence RI	Rhode Island
Fleet Development Ventures L L C	Boston, MA	Massachusetts
Fleet Equity Partners V L P	Providence RI	Delaware
Fleet Equity Partners VI L P	Providence RI	Delaware
Fleet Equity Partners VII L P	Providence RI	Delaware
Fleet Finance, Inc	Providence RI	Delaware
Fleet Financial Corporation	Providence RI	Rhode Island
Fleet Fund Investors LLC	Providence RI	Delaware
Fleet Growth Resources II Inc	Charlotte NC	Delaware
Fleet Growth Resources III Inc	Charlotte, NC	Rhode Island
Fleet Growth Resources IV Inc	Charlotte, NC	Rhode Island
Fleet Growth Resources, Inc	Charlotte NC	Delaware
Fleet Insurance Agency (NJ) Inc	Clinton NJ	New Jersey

Name	Location	Jurisdiction
Fleet Insurance Agency Corp Connecticut	Chester CT	Connecticut
Fleet Insurance Agency Corp New York	Castleton on Hudson NY	New York
Fleet Insurance Agency Corporation	Boston MA	Massachusetts
Fleet International Advisors S A	Montevideo, Uruguay	Uruguay
Fleet Land Company	Providence RI	Rhode Island
Fleet NJ Community Development Corp	Hartford CT	New Jersey
Fleet Pennsylvania Services Inc	Scranton, PA	Delaware
Fleet Retail Group LLC	Boston, MA	Delaware
Fleet Venture Partners I	Providence RI	Delaware
Fleet Venture Partners III	Providence RI	Delaware
Fleet Venture Resources Inc	Charlotte NC	Rhode Island
FleetBoston Co-Investment Partners (2000) LP	Boston, MA	Delaware
FleetBoston Co-Investment Partners (2001) LP	Boston MA	Delaware
Fondo Espanol de Recuperaciones B V	Amsterdam, The Netherlands	Netherlands
Fondo Espanol de Recuperaciones P B V	Amsterdam, The Netherlands	Netherlands
Framework Inc	Washington DC	Delaware
FPB Aeroplanes LLC	San Francisco CA	Delaware
FSC Corp	Boston MA	Massachusetts
Fugu Credit Limited	London, U K	United Kingdom
Fund Five Financial Inc	San Francisco CA	California
Fundo de Investimento em Direito Creditorio Nao Padronizado Trates Precatorios II	Sao Paulo, Brazil	Brazil
Fundo de Investimento em Direitos Creditorios Nao Padronizados Trates Precatorio III	Sao Paulo Brazil	Brazil
Fundo de Investimento em Direito Creditorio PGS Brasil Multi Cartaro	Sao Paulo Brazil	Brazil
Fundo de Investimento Financeiro Multimercado Agata	Sao Paulo, Brazil	Brazil
Fundo de Investimento Financeiro Multimercado Diamond	Sao Paulo Brazil	Brazil
Fundo de Investimento Financeiro Multimercado Iceberg	Sao Paulo, Brazil	Brazil
Fundo de Investimento Financeiro Multimercado Verona	Sao Paulo Brazil	Brazil
Galway Holdings Trust	Dublin Ireland	Ireland
Garden Property LLC	Pennington NJ	Delaware
Gatrock LLC	Charlotte NC	Delaware
GEP Funding 2007-A Limited	London, U K	Cayman Islands
GEM 21 s r l	Milan Italy	Italy
General Fidelity Life Insurance Company	Columbia SC	South Carolina
Germantown-Seneca Joint Venture	Baltimore, MD	Maryland
Germany Telecommunnicaitons 1 S a r L	Luxembourg, Luxembourg	Luxembourg
GK Ad astra	Tokyo, Japan	Japan
GK Carpe Diem	Tokyo Japan	Japan
GK Registasma	Tokyo, Japan	Japan
GK Per Aspera	Tokyo, Japan	Japan
GK Setsuna	Tokyo, Japan	Japan
Glenaglas Trading LLC	Charlotte NC	Delaware
Glenwood Investments Limited	George Town, Grand Cayman Cayman Is	Cayman Islands
Global Macro HedgeAccess LLC	New York NY	Delaware
Global Macro HedgeAccess Ltd	New York NY	Cayman Islands
Global Macro Opportunities LLC	New York, NY	Delaware
Global Macro Opportunities Ltd	New York, NY	Cayman Islands
Global Principal Finance Company LLC	New York NY	Delaware
Global Structured Finance & Investments LLC	New York NY	Delaware
GlobalLoans International Technology Limited Partnership	Dartford, United Kingdom	England
GlobalLoans JV Limited Partnership	Dartford, United Kingdom	England
GMI Investments, Inc	New York, NY	Delaware
GMI Strategic Investments LLC	New York, NY	Delaware
Gold Magnet (BVI) Limited	Tortola, British Virgin Islands	Virgin Islands
Goldbourne Park Limited	Charlotte NC	Jersey
Golden Peak Investments LLC	Charlotte NC	Delaware
Good Neighbor Labuan Holdings Ltd	Labuan Malaysia	Malaysia
GPC Securities Inc	Atlanta GA	Georgia
GPFC Ireland Limited	Dublin Ireland	Ireland
Green Equity Inc	New York NY	New Jersey
Greenwood Apartments LLC	Tampa FL	Florida
Groom Lake LLC	Charlotte NC	Delaware
GTVBI Inc	Port Louis Mauritius	Mauritius
Hachiko LLC	San Francisco CA	Delaware
Halcyon Access LLC	New York NY	Delaware
Halcyon Access II LLC	New York NY	Delaware
Halcyon Access III LLC	New York NY	Delaware
Halcyon Access LTD	New York NY	Cayman Islands
Hampton Funding LLC	Charlotte NC	Delaware
Hanover Holdings Limited	George Town Grand Cayman Cayman Is	Cayman Islands
Harbour Town Funding LLC	Charlotte NC	Delaware

Name	Location	Jurisdiction
Harper Farm M Corp	Baltimore, MD	Maryland
HCL Acquisition LLC	Boston, MA	Massachusetts
HCL Developer LLC	Boston, MA	Massachusetts
HCL Manager LLC	Boston MA	Massachusetts
Healthcare Royalties Trust	New York, NY	Delaware
HealthLogic Systems Corporation	Norcross, GA	Georgia
Heathrow LLC	Charlotte, NC	Delaware
Henry B LLC	New York NY	Delaware
Hever Hill Limited	London U K	United Kingdom
High Grade Structured Credit CDO 2007 1	George Town, Grand Cayman, Cayman Is	Cayman Islands
Hilltop Energy Investment Core II	Grand Cayman, Cayman Islands	Cayman Islands
HLTV Securitization Corporation	Calabasas CA	Delaware
HMC Realty Company	Hartford CT	Connecticut
Holding Services Ltd	Grand Cayman Cayman Islands	Cayman Islands
Home Equity USA, Inc	Providence, RI	Rhode Island
HomeFocus Tax Services, LLC	Richmond VA	Virginia
Hornby Lane Limited	Dublin, Ireland	Jersey
Hospitality & Leisure Fondo comune di investimento immobiliare speculativo di tip chiuso	Milan, Italy	Italy
HQ North Company Inc	New York, NY	New York
IBK Holdings International Principal Investments Ltd	New York NY	Cayman Islands
IBK Holdings Principal Investments, LLC	New York, NY	Delaware
IBK International Principal Investments Ltd	New York, NY	Cayman Islands
IFA Insurance Services, Inc	Greenville, DE	Delaware
INR LLC	San Francisco CA	Delaware
InCapital Europe Limited	London U K	United Kingdom
Incapital Holdings LLC	Chicago, IL	Illinois
InCapital, LLC	Chicago, IL	Illinois
Indian Head Banks Inc	Charlotte, NC	New Hampshire
Indopark Holdings Limited	Port Louis Mauritius	Mauritius
Industrial Investment Corporation	Baltimore, MD	Rhode Island
Institucion Financiera Escarfe Merrill Lynch Bank Uruguay S A	Montevideo, Uruguay	Uruguay
International Special Situations Holdings C V	George Town, Grand Cayman, Cayman Is	Netherlands
Inversiones Merrill Lynch Chile II Limitada	Santiago, Chile	Chile
Inversiones Merrill Lynch Chile Limitada	Santiago, Chile	Chile
Investment Fund Partners	Providence RI	Delaware
Investments 2234 Chile Fondo de Inversion Privado I	Santiago, Chile	Chile
Investments 2234 Chile Fondo de Inversion Privado II	Santiago, Chile	Chile
Investments 2234 China Fund 1 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 LLC	Charlotte, NC	Delaware
Investments 2234 Overseas Fund 11 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund 12 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund 13 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund 14 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund 16 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund 17 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund 18 B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund I B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund II B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund III B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund IV B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund V B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund VI B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund VII B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund VIII B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund IX B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Fund X B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Overseas Holdings B V	Amsterdam, The Netherlands	Netherlands
Investments 2234 Philippines Fund I (SPV-AMC), Inc	Manila, Philippines	Philippines
Investments Dos Dos Tres Cuatro Chile Holdings S A	Santiago, Chile	Chile
Investor Protection Insurance Company	Burlington, VT	Vermont
IPIC Reinsurance Company	Burlington, VT	Vermont
IQ Absolute Return Diversified Fund, LP	New York, NY	Delaware
IQ Absolute Return Diversified (Offshore) Fund, Ltd	New York, NY	Cayman Islands
IQ Absolute Return Select Fund LP	New York, NY	Delaware
IQ Absolute Return Select (Offshore) Fund Ltd	New York NY	Cayman Islands
IQ Global Long/Short Equity Diversified Fund LP	New York, NY	Delaware
IQ Global Long/Short Equity Diversified (Offshore) Fund, Ltd	New York NY	Cayman Islands
IQ Global Long/Short Equity Select Fund, LP	New York, NY	Delaware
IQ Global Long/Short Equity Select (Offshore) Fund, Ltd	New York NY	Cayman Islands
IQ Global Private Equity Composite Fund LP	New York, NY	Delaware

Name	Location	Jurisdiction
Merrill Lynch MMTC Corp	New York NY	Delaware
Merrill Lynch Nominees (Hong Kong) Limited	Hong Kong, PRC	Hong Kong, PRC
Merrill Lynch Nominees Limited	London, U K.	England
Merrill Lynch OCRE General Ltd	St. Helier Jersey Channel Islands	Jersey
Merrill Lynch OCRE Holdings Ltd	St. Helier Jersey Channel Islands	Jersey
Merrill Lynch OCRE Jersey Ltd	St. Helier Jersey Channel Islands	Jersey
Merrill Lynch Participacoes Finances e Servicos Ltda	Sao Paulo, Brazil	Brazil
Merrill Lynch PCG Inc	New York NY	Delaware
Merrill Lynch, Pierce, Fenner & Smith Belgie S A	Brussels Belgium	Belgium
Merrill Lynch, Pierce, Fenner & Smith (Brokers & Dealers)	London, U K.	England
Merrill Lynch Pierce Fenner & Smith de Argentina Sociedad Anonima Financiera Mobiliaria y de Mandatos	Capital Federal Argentina	Argentina
Merrill Lynch Pierce Fenner & Smith (Hellas) E P E	London U K.	Greece
Merrill Lynch Pierce, Fenner & Smith Incorporated	New York NY	Delaware
Merrill Lynch, Pierce, Fenner & Smith Limited	London, U K.	England
Merrill Lynch, Pierce, Fenner & Smith (Middle East) S A L	Beirut, Lebanon	Lebanon
Merrill Lynch, Pierce, Fenner & Smith SAS	Paris France	France
Merrill Lynch PNG LNG Corp	George Town, Grand Cayman Cayman Is	Cayman Islands
Merrill Lynch Polska Sp z o o	Warsaw Poland	Poland
Merrill Lynch Portfolio Management Inc	New York, NY	Delaware
Merrill Lynch Portfolio Managers (Channel Islands) Limited	St. Helier Jersey Channel Islands	Jersey
Merrill Lynch Portfolio Managers Limited	London, U K.	England
Merrill Lynch Princeton Incorporated	New York NY	Delaware
Merrill Lynch Principal Investments Co Ltd	Tokyo, Japan	Japan
Merrill Lynch Private Capital Inc.	New York, NY	Delaware
Merrill Lynch Private Equity Focus Fund LLC	New York, NY	Delaware
Merrill Lynch Private Equity Focus Fund (Offshore) L P	New York NY	Cayman Islands
Merrill Lynch Private Equity Fund LLC	New York NY	Delaware
Merrill Lynch Private Equity Fund II LLC	New York, NY	Delaware
Merrill Lynch Private Equity Fund III, LLC	New York, NY	Delaware
Merrill Lynch Private Equity Fund III (Offshore), L P	New York, NY	Cayman Islands
Merrill Lynch Private Equity Offshore Fund L P	New York NY	Cayman Islands
Merrill Lynch Private Equity Offshore Fund II L P	New York NY	Cayman Islands
Merrill Lynch Professional Clearing Corp	New York NY	Delaware
Merrill Lynch Properties Korea L L C	Seoul, Korea	Korea
Merrill Lynch Purchase Price Investment LLC	New York, NY	Delaware
Merrill Lynch Real Estate II Incorporated	New York NY	Delaware
Merrill Lynch Reinsurance Solutions LTD	Hamilton Bermuda	Bermuda
Merrill Lynch Representacoes Ltda	Sao Paulo, Brazil	Brazil
Merrill Lynch S A	Luxembourg, Luxembourg	Luxembourg
Merrill Lynch S A Corretora de Titulos e Valores Mobiliarios	Sao Paulo, Brazil	Brazil
Merrill Lynch S A M	Monte Carlo	Monaco
Merrill Lynch Scotland Finance III Limited Partnership	Edinburgh, Scotland	Scotland
Merrill Lynch Securities (Taiwan) Ltd	Taipei Taiwan	Taiwan
Merrill Lynch Securities (Thailand) Limited	Bangkok Thailand	Thailand
Merrill Lynch Settlement Services Inc	Jacksonville, FL	Florida
Merrill Lynch SIG Administradora e Gestora de Recursos Ltda	Sao Paulo, Brazil	Brazil
Merrill Lynch Singapore Commodities Pte Ltd	Singapore, Singapore	Singapore
Merrill Lynch (Singapore) Pte Ltd	Singapore, Singapore	Singapore
Merrill Lynch South Africa (Proprietary) Limited	Gauteng, South Africa	South Africa
Merrill Lynch Srl	Rome Italy	Italy
Merrill Lynch Strategic Investment Advisors Inc	New York NY	Delaware
Merrill Lynch Strategic Investments Holdings LLC-1	New York NY	Delaware
Merrill Lynch Tailored Multi-Manager Fund XVII LP	New York NY	Delaware
Merrill Lynch Tailored Multi-Manager Fund XVIII LP	New York, NY	Delaware
Merrill Lynch Tailored Multi-Manager Fund XVI LP	New York NY	Delaware
Merrill Lynch Trust Services S A	Geneva, Switzerland	Switzerland
Merrill Lynch UK Finance	London U K.	England
Merrill Lynch (UK) Healthcare Trustee Limited	London U K.	England
Merrill Lynch UK Holdings	London U K.	England
Merrill Lynch (UK) Pension Plan Trustees Limited	London U K.	England
Merrill Lynch Valores S A Sociedad de Bolsa	Capital Federal Argentina	Argentina
Merrill Lynch Valuations LLC	New York NY	Delaware
Merrill Lynch Ventures Administrators LLC	New York NY	Delaware
Merrill Lynch Ventures International L P 2001	New York NY	Cayman Islands
Merrill Lynch Ventures LLC	New York, NY	Delaware
Merrill Lynch Ventures L P 2001	New York NY	Delaware
Merrill Lynch Yatirim Bank A S	Istanbul Turkey	Turkey
Merrill Lynch/WFC/L Inc	New York NY	New York
Merrill Lynch Zen Asset Finance Fund, Ltd	New York NY	Cayman Islands

Name	Location	Jurisdiction
MerryPlace Development, LLC	Charlotte, NC	Florida
Mership Nominees Limited	London, U K.	England
MESBIC Ventures Inc	Richardson, TX	Texas
Mesirow Access, LLC	New York, NY	Delaware
Mesirow Access, Ltd	New York, NY	Cayman Islands
Metro Plaza, Inc	Boston, MA	Massachusetts
Mid-Atlantic Gotham Golf Inc.	New York, NY	Delaware
Midland Doherty Realty Inc	Toronto, Ontario Canada	Arizona
Midland Walwyn Capital Corporation	Toronto Ontario Canada	Delaware
Midland Walwyn Inc	Toronto, Ontario Canada	Canada
Midway Road Funding Ltd	George Town, Grand Cayman Cayman Is	Cayman Islands
Midway Trust	Wilmington, DE	Delaware
Midwest Affordable Housing 1997 1, L.L.C	Charlotte, NC	Missouri
Midwest Mezzanine Fund III L P	Chicago IL	Delaware
Milestone (Cayman) Limited	Grand Cayman, Cayman Islands	Cayman Islands
Mitchell Funding LLC	Charlotte, NC	Delaware
Mitsubishi UF) Merrill Lynch PB Securities Co Ltd	Tokyo, Japan	Japan
ML 1833 Broadway LLC	New York, NY	Delaware
ML 2003 Alpha LLC	New York, NY	Delaware
ML 2003 Beta LLC	New York, NY	Delaware
ML 33 LLC	New York NY	Delaware
ML 900 Corporation	Pennington, NJ	Delaware
ML 900 Spear LLC	New York NY	Delaware
ML Aberdare (Cayman)	George Town Grand Cayman, Cayman Is	Cayman Islands
ML-AIG Healthcare Trust	New York, NY	Delaware
ML Altera Health Partners Trust	New York, NY	Delaware
ML Alta FuturesAccess LLC	New York, NY	Delaware
ML Asian R E Fund C I M P L P	New York, NY	Delaware
ML Asian R E Fund C I P L P	New York NY	Delaware
ML Asian R E Fund GP, L L C	New York, NY	Delaware
ML Asian R E. Fund II GP L.L.C	New York, NY	Delaware
ML Asian R E Fund GP L P	New York, NY	Cayman Islands
ML Asian R E Fund ML C I L P	New York, NY	England
ML Asian R E Fund (ML) L P	New York, NY	England
ML Asian R E Fund II (ML) L P	New York, NY	England
ML Asian Real Estate Opportunity (Offshore), L P	New York, NY	Cayman Islands
ML Asian Real Estate Opportunity Trust	New York, NY	Delaware
ML Aspect FuturesAccess LLC	New York, NY	Delaware
ML Aspect FuturesAccess Ltd	New York, NY	Cayman Islands
ML Asset Backed Corporation	New York, NY	Delaware
ML Asset Holdings LLC	Wilmington, DE	Delaware
ML Bancteria Cayman BRL Ise	New York, NY	Cayman Islands
ML-BCP V (Offshore), L.P	New York, NY	Cayman Islands
ML-BCP V Trust	New York NY	Delaware
ML BCV Tre Hotels LLC	New York, NY	Delaware
ML BlueTrend FuturesAccess LLC	New York, NY	Delaware
ML Bosphorus Holdings LLC	Wilmington, DE	Delaware
ML BREP Member LLC	New York NY	Delaware
ML BREP MM LLC	New York, NY	Delaware
ML Bullseye PSP LLC	New York, NY	Delaware
ML CAM Jersey Limited	Pennington NJ	Jersey
ML Canary (Cayman)	George Town Grand Cayman Cayman Is	Cayman Islands
ML CAP III (Offshore) L.P	New York, NY	Cayman Islands
ML CAP III Trust	New York, NY	Delaware
ML Cardiff Holdings Limited	St. Helier Jersey Channel Islands	Jersey
ML Cardiff Jersey Limited	St Helier Jersey Channel Islands	Jersey
ML Cayman 2003 Holding Corp	New York, NY	Cayman Islands
ML Cayman 2003 Investor Corp	New York NY	Cayman Islands
ML Cayman Holdings Inc	New York NY	Delaware
ML Cayman Poseions Ltd	New York NY	Cayman Islands
ML City Center LLC	New York, NY	Delaware
ML-Clayton, Dubilier & Rice Trust	New York, NY	Delaware
ML Compayne (Cayman)	George Town Grand Cayman Cayman Is	Cayman Islands
ML Contandt Realty Corporation	New York NY	Delaware
ML Credit Investments Series 2005 1 Limited	St. Helier Jersey Channel Islands	Jersey
ML Credit Investments Series 2005-2 Limited	St. Helier Jersey Channel Islands	Jersey
ML-Crimson (Offshore) L P	New York, NY	Cayman Islands
ML Chuzaro Cayman BRL Inc	New York, NY	Cayman Islands
ML-CSP II Trust	New York, NY	Delaware
ML-CSP II-A Trust	New York, NY	Delaware

Name	Location	Jurisdiction
ML CSP II (Offshore) L P	New York NY	Cayman Islands
ML-Elevation (Offshore) L P	New York NY	Cayman Islands
ML Elevation Trust	New York NY	Delaware
ML EMEA Holdings II LLC	New York NY	Delaware
ML EMEA Holdings LLC	New York NY	Delaware
ML Employees LBO Managers Inc	New York NY	Delaware
ML Energy Fund Management, LLC	New York NY	Delaware
ML Energy Investment Corp	Grand Cayman Cayman Islands	Cayman Islands
ML Energy Investment Fund Upstream (PNG) Pty Ltd	Sydney NSW Australia	Australia
ML Energy Partners LLC	Houston TX	Delaware
ML Equity Holdings LLC	New York NY	Delaware
ML Equity Solutions Jersey Limited	St Helier Jersey Channel Islands	Jersey
ML European Asian R E Fund U S Investment Advisor LLC	New York NY	Delaware
ML European R E Fund M L C I L P	New York NY	England
ML European R E Fund (M&L) L P	New York NY	England
ML Florida Cayman MX Inc	New York NY	Cayman Islands
ML Fund Administrators Inc	New York NY	Delaware
ML G&P Hold Co LLC	New York NY	Delaware
ML G&P Investments Inc	New York NY	Delaware
ML GCRE GP L.L.C	New York NY	Delaware
ML GCRE LPH LLC	New York NY	Delaware
ML Global Investments Ltd	New York NY	Cayman Islands
ML Global Private Equity Fund L P	New York NY	Cayman Islands
ML Global Private Equity Partners L P	New York NY	Cayman Islands
ML Green LLC	Charlotte NC	Delaware
ML HCA Co-Invest Ltd	George Town, Grand Cayman Cayman Is	Cayman Islands
ML Hedge Fund Ventures	New York NY	Cayman Islands
ML Hedge Fund Ventures II	New York NY	Cayman Islands
ML-Hicks Muse Trust	New York NY	Delaware
ML Hillpar LLC	New York NY	Delaware
ML Houston GP Inc	New York NY	Delaware
ML Houston Ltd	New York NY	Texas
ML Houston Mezz LLC	New York NY	Delaware
ML IBK Poseidon Inc	New York NY	Delaware
ML Infrastructure Holdings II Ltd	New York NY	Cayman Islands
ML Infrastructure Holdings LLC	New York NY	Delaware
ML Infrastructure Holdings Ltd	New York NY	Cayman Islands
ML Infrastructure Holdings S a r l	New York NY	Luxembourg
ML Insurance (IOM) Limited	Douglas Isle of Man	Isle of Man
ML Invest Finance L L C	New York NY	Delaware
ML Invest Holdings	London U K.	England
ML Invest, Inc	New York NY	Delaware
ML Invest Scotland Finance Limited Partnership	Edinburgh Scotland	Scotland
ML John Locke FuturesAccess LLC	New York NY	Delaware
ML Knight 2003 Holding Corp	New York NY	Cayman Islands
ML Knight 2003 Investor Corp	New York NY	Cayman Islands
ML Lerah Asset Manager LLC	New York NY	Delaware
ML Lerah Member LLC	New York NY	Delaware
ML Lerah MM LLC	New York NY	Delaware
ML LCI Asset L P	New York NY	Cayman Islands
ML LCI Europe L P	New York NY	England
ML Leasing Equipment Corp	New York NY	Delaware
ML Leasing Services, Inc	New York NY	Delaware
ML-Lee Internet Trust	New York NY	Delaware
ML-Lehman Crossroads XVIII (Offshore) L P	New York NY	Cayman Islands
ML-Lehman Crossroads XVIII Trust	New York NY	Delaware
ML Life Agency Inc (Texas)	Pennington NJ	Texas
ML Liquidity Portfolio LLC	New York NY	Delaware
ML M&F GP Ltd	New York NY	Cayman Islands
ML M&S Services Limited	London U K.	England
ML Media Management Inc	New York NY	Delaware
ML Newcastle (Gibraltar) Limited	Gibraltar Gibraltar	Gibraltar
ML Newcastle Investments Limited	St Helier Jersey Channel Islands	Jersey
ML Newcastle Issues S a r l	Luxembourg Luxembourg	Luxembourg
ML Newcastle Luxembourg S a r l	Luxembourg Luxembourg	Luxembourg
ML North Cove Fund Ltd	New York NY	Cayman Islands
ML Nuveen Co-Invest, Ltd	New York NY	Cayman Islands
ML Onyx Properties Corp	New York NY	Delaware
ML Petrie Partners Co Inc	New York NY	Delaware
ML Phoenix Inns LLC	New York NY	Delaware

Name	Location	Jurisdiction
ML Phoenix Manager LLC	New York NY	Delaware
ML Plainsboro Limited Partnership	Pennington NJ	New Jersey
ML Pref LLC	New York, NY	Delaware
ML Pref Member LLC	New York NY	Delaware
ML Priory (Cayman)	George Town, Grand Cayman Cayman Is	Cayman Islands
ML Private Equity Offshore Ltd	New York NY	Cayman Islands
ML Ray Co-Investor GP Ltd	New York NY	Cayman Islands
ML Ray Investor GP Ltd	New York NY	Cayman Islands
ML Ray Investor L P	New York NY	Cayman Islands
ML Ray Investor S a r L	New York NY	Luxembourg
ML Rowley (Cayman)	George Town, Grand Cayman Cayman Is	Cayman Islands
ML Salinas Cayman MX Inc	New York NY	Cayman Islands
ML SB Green Plaza LLC	New York NY	Delaware
ML SB Lodge North Investors	New York, NY	Delaware
ML Select Futures I L P	New York NY	Delaware
ML Select Futures Ltd	New York NY	Cayman Islands
ML-Silver Lake III (Offshore), L P	New York, NY	Cayman Islands
ML-Silver Lake III Trust	New York, NY	Delaware
ML-Silver Lake Offshore Partners L.P	New York NY	Cayman Islands
ML-Silver Lake Special Trust	New York NY	Delaware
ML-Silver Lake Trust	New York, NY	Delaware
ML-Silver Lake Trust II	New York, NY	Delaware
ML-Silver Lake Trust II (Offshore) L P	New York NY	Cayman Islands
ML Spider	George Town Grand Cayman Cayman Is	Cayman Islands
ML ST/PCV LLC	New York, NY	Delaware
ML Stonelake Asset Manager LLC	New York NY	Delaware
ML Stonelake GP LLC	New York, NY	Delaware
ML Stonelake LP	New York, NY	Delaware
ML Systematic Momentum FuturesAccess LLC	New York NY	Delaware
ML Systematic Momentum FuturesAccess Ltd	New York NY	Cayman Islands
ML Tata Financing Co	New York, NY	Delaware
ML Taurus Inc	New York, NY	Delaware
ML Terrane, LLC	New York NY	Delaware
ML Thomas H Lee Equity Fund VI (Offshore) L P	New York, NY	Cayman Islands
ML Thomas H Lee Equity Fund VI Trust	New York, NY	Delaware
ML Tonala Cayman MX Inc	New York, NY	Cayman Islands
ML Trailspend DTP Enhanced FuturesAccess LLC	New York, NY	Delaware
ML Trend Following Futures Fund LP	New York, NY	Cayman Islands
ML Trend Following Futures Ltd	New York, NY	Cayman Islands
ML Ulaiee Holdings Co Ltd	Labuan, East Malaysea	Malaysea
ML UK Capital Holdings	London U K.	England
ML UK Funding Limited	London U K.	England
ML UK Services Limited	London, U K.	Cayman Islands
ML Umbrella FCP	Paris France	France
ML Vada Co-Invest Ltd	New York NY	Cayman Islands
ML VI Hotel Co LLC	New York NY	Virgin Islands
ML Viola LLC	New York NY	Delaware
ML Walton Street Trust	New York, NY	Delaware
ML-Warburg Pincus II (Offshore) L.P	New York, NY	Cayman Islands
ML-Warburg Pincus III (Offshore) L.P	New York, NY	Cayman Islands
ML-Warburg Pincus Trust	New York, NY	Delaware
ML-Warburg Pincus Trust II	New York, NY	Delaware
ML Warburg Pincus Trust III	New York, NY	Delaware
ML-Welsh Carson Anderson & Stowe (Offshore) L.P	New York, NY	Cayman Islands
ML-Welsh Carson Anderson & Stowe Trust	New York, NY	Delaware
ML Whitby (Gibraltar) Limited	Gibraltar Gibraltar	Gibraltar
ML Whitby Investments Limited	St. Helier Jersey Channel Islands	Jersey
ML Whitby Issues S a r l	Luxembourg, Luxembourg	Luxembourg
ML Whitby Luxembourg S a r l	Luxembourg, Luxembourg	Luxembourg
ML Windy City Investments Holdings L.L.C	New York NY	Delaware
ML Winton FuturesAccess LLC	New York NY	Delaware
ML Winton FuturesAccess Ltd	New York, NY	Cayman Islands
ML-WP Trust IV	New York, NY	Delaware
ML-WP X Trust	New York, NY	Delaware
MLBC Inc.	Chicago, IL	Delaware
MLBUSA Community Development Corp	New York, NY	Delaware
MLCI Holdings, Inc	Houston, TX	Delaware
MLCP Partners LLC	Charlotte, NC	Delaware
MLDP Holdings, Inc	New York, NY	Delaware
MLEIH Funding	London, U K.	England & Wales

Name	Location	Jurisdiction
MLEQ Nominees Pty Limited	Sydney NSW Australia	Australia
MLFS Hold Co A Limited	George Town Grand Cayman Cayman Is	Cayman Islands
MLFS Hold Co LLC	Wilmington DE	Delaware
MLGPE A-Re L P	New York NY	Cayman Islands
MLGPE Associates III L P	New York NY	Cayman Islands
MLGPE Fund International II L P	New York NY	Cayman Islands
MLGPE Fund US II L P	New York NY	Delaware
MLGPE International Capital Ltd	New York NY	Cayman Islands
MLGPE International Strategies Ltd	New York NY	Cayman Islands
MLGPE Investors L P	New York NY	Cayman Islands
MLGPE Ltd	New York NY	Cayman Islands
MLGPE Partners II L P	New York NY	Cayman Islands
MLGPE US Strategies LLC	New York NY	Delaware
MLH Group Inc	New York NY	Delaware
MLH Merger Corporation	New York NY	New York
MLHC Inc	New York NY	Delaware
MLHM Inc	New York NY	California
MLHQ LLC	New York NY	Delaware
MLHRE Incorporated	New York NY	Delaware
mlib (Restonic)	London, U K	England
MLIM Administration L P	New York NY	Delaware
MLIM Capital Limited	London U K	England
MLIM Investments Limited	George Town, Grand Cayman Cayman Is	Cayman Islands
MLIS Limited	London, U K	England
MLML Subdebt Holding LLC	New York NY	Delaware
MLOC European Real Estate S a r l	Luxembourg Luxembourg	Luxembourg
MLOCG European Real Estate S a r l	Luxembourg Luxembourg	Luxembourg
MLPF&SH Limited	London, U K	United Kingdom
MLRE N Incorporated	New York NY	Delaware
MMoney LLC	San Francisco CA	Delaware
MMoore Star Moore, LLC	San Francisco CA	Delaware
MRS Smartcard Technologies, Inc	Farmington Hills, MI	Michigan
Mohawk River Funding II L.L.C.	Houston TX	Delaware
Monarch Debt Recovery Participation Fund LLC	New York, NY	Delaware
Monarch Debt Recovery Participation Fund LTD	New York, NY	Cayman Islands
Mortgage Equity Conversion Asset Corporation	Wilmington, DE	Delaware
Mortgage Holdings Limited	London U K	England
Mortgages 1 Limited	London U K	England
Mortgages 2 Limited	London, U K	England
Mortgages 3 Limited	London U K	England
Mortgages 4 Limited	London U K	England
Mortgages 5 Limited	London, U K	England
Mortgages 6 Limited	London, U K	England
Mortgages 7 Limited	London, U K	England
Mortgages plc	London U K	England
Muirfield Trading LLC	Charlotte NC	Delaware
Multi-Family Housing Investment Fund I LLC	Charlotte NC	North Carolina
Murry Park, Inc	Charlotte, NC	Delaware
N B (Bahamas) Ltd	Nassau Bahamas	Bahamas
N Y Nominees Limited	London U K	England
NationsBanc Leasing & R E Corporation	Charlotte NC	Delaware
NationsCredit Financial Services Corporation	Jacksonville FL	North Carolina
NationsCredit Insurance Agency Inc	Jacksonville FL	Pennsylvania
NB Capital Trust II	Charlotte, NC	Delaware
NB Capital Trust III	Charlotte NC	Delaware
NB Capital Trust IV	Charlotte NC	Delaware
NB Finance Lease Inc	San Francisco CA	Delaware
NB Funding Company LLC	Charlotte NC	Delaware
NB Holdings Corporation	Charlotte, NC	Delaware
NB International Finance B V	Amsterdam The Netherlands	Netherlands
NBCDC Osborne, Inc	Tampa, FL	Florida
NEBACO INC	Charlotte NC	Nevada
Neptune 1 LLC	New York NY	Delaware
Nevis Investments Limited	George Town Grand Cayman Cayman Is	Cayman Islands
Newfound Bay Limited	Luxembourg Luxembourg	United Kingdom
Newport Insurance Company	Irvine CA	Arizona
Nexstar Financial Corporation	Saint Charles MO	Delaware
NFA Funding LLC	New York NY	Delaware
Nihonbashi Loan Service Corporation	Tokyo, Japan	Japan

Name	Location	Jurisdiction
Nihonbashi Residential Mortgage Corporation	Tokyo Japan	Japan
Nippon Holdings, LLC	New York NY	Delaware
Nippon Loans LLC	New York NY	Delaware
Nippon REO LLC	New York NY	Delaware
NMS Capital L P	Chicago, IL	Delaware
NMS Investment Holdings, LLC	New York, NY	Delaware
NMS Services (Cayman) Inc	George Town Grand Cayman Cayman Is	Cayman Islands
NMS Services, Inc	New York NY	Delaware
NMS/Oak VIII LLC	San Francisco CA	Delaware
Norstar Venture Partners I	Providence RI	Delaware
North East Hillcroft Inc	Providence RI	Texas
NorthEnd Advisor Managing Member LLC	New York NY	Delaware
NorthEnd Holding Company LLC	New York NY	Delaware
NorthEnd Income Property Trust, Inc	New York NY	Maryland
NorthEnd Operating Partnership LP	New York NY	Delaware
NorthEnd Realty Advisors LLC	New York NY	Delaware
NPC Internacional S.A. de C.V.	Juarez, Mexico	Mexico
NYSCRF Pioneer Partnership Fund A, L.P.	Chicago, IL	Delaware
Oak V Distressed Participation Fund (Fund) Offshore L P	New York NY	Cayman Islands
Oak V Distressed Participation Trust	New York, NY	Delaware
Oakridge Pines LLC	Tampa, FL	Florida
O'Connor European Property Partners, L.P.	Wilmington DE	Delaware
One Bryant Park LLC	New York, NY	Delaware
Onslow Finance LLC	Charlotte, NC	Delaware
OOO Merrill Lynch Securities	Moscow Russia	Russia
Orpesa S r l	Rome Italy	Italy
OurMicah/MicheliLux Financial Services Partnership	Dodge Center MN	California
Otter Lake Funding LLC	Charlotte, NC	Delaware
OZDFII Access LLC	New York, NY	Delaware
OZDFII Access Ltd	New York, NY	Cayman Islands
OZDSF PIA Access Ltd	New York, NY	Cayman Islands
Pacesetter SBIC Fund Inc	Richardson, TX	Texas
Pacesetter/MVMC Inc	Richardson, TX	Texas
Parkdale Lane Company Limited	Chester England	England
Paradise Funding, Ltd	George Town, Grand Cayman, Cayman Is	Cayman Islands
Paradise Urban Investments, LLC	Dallas TX	Arizona
Paramount Romanee Limited	London U K	England
Park Sienna LLC	Calabasas CA	Delaware
Paulson Access LLC	New York, NY	Delaware
Paulson Access II LLC	New York, NY	Delaware
Paulson Access LTD	New York, NY	Cayman Islands
Paulson Advantage Access LLC	New York, NY	Delaware
Paulson Advantage Access II LLC	New York, NY	Delaware
Paulson Advantage Access III LLC	New York, NY	Delaware
Paulson Advantage Access IV LLC	New York, NY	Delaware
Paulson Advantage Access Ltd	New York, NY	Cayman Islands
Paulson Gold Participation LLC	New York, NY	Delaware
Paulson Gold Participation Ltd	New York, NY	Cayman Islands
Paulson Recovery Participation Fund, LLC	New York, NY	Delaware
Paulson Recovery Participation Fund II LLC	New York, NY	Delaware
Paulson Recovery Participation Fund Ltd	New York, NY	Cayman Islands
PC/Flowers I Inc	New York, NY	Texas
PC/Flowers Inc	New York, NY	Texas
Peapack Properties Corp	New York, NY	Delaware
Peninsula Capital Corporation	Seoul, Korea	Korea
Penrose LLC	San Francisco, CA	Delaware
Pennat Access LLC	New York, NY	Delaware
Pennat PIH Access, Ltd.	New York, NY	Cayman Islands
Piccadilly Financing LLC	Charlotte, NC	Delaware
Pilot Financial Corp	Blue Bell PA	Pennsylvania
Pine Harbour S a r l	Luxembourg Luxembourg	Luxembourg
Pinehurst Trading, Inc.	Charlotte, NC	Delaware
Pinot N LLC	New York, NY	Delaware
Pinyon Holdings, Inc	Charlotte, NC	Delaware
Pinyon Park LLC	Charlotte, NC	Delaware
PJM Office Building, LLC	Baltimore, MD	Maryland
PJM Retail Center LLC	Baltimore MD	Maryland
Plano Partners	Charlotte, NC	Delaware
Pluto 1, LLC	New York, NY	Delaware

Name	Location	Jurisdiction
Post Access LLC	New York, NY	Delaware
Post Access LTD	New York NY	Cayman Islands
Powergate Associates Limited	Amsterdam The Netherlands	United Kingdom
PPC LLC	New York NY	Colorado
PPM Monarch Bay Funding LLC	Charlotte, NC	Delaware
PPM Shadow Creek Funding LLC	Charlotte, NC	Delaware
Premium Credit Limited	Epsom, United Kingdom	England
Prime Asset Custody Transfers Limited	London U K.	United Kingdom
Princeton Retirement Group Inc The	Atlanta GA	Delaware
Princeton Services Inc	New York NY	Delaware
Private Equity Portfolio Fund LLC	Boston MA	Delaware
Private Equity Portfolio Fund II LLC	Boston MA	Delaware
Private Equity Portfolio Fund III LLC	Boston MA	Delaware
Private Equity Portfolio Technology Fund LLC	Boston, MA	Delaware
PRLAP Inc (Alaska Corporation)	Juneau AK	Alaska
PRLAP Inc (Missouri Corporation)	Clayton MO	Missouri
PRLAP Inc (North Carolina Corporation)	Charlotte NC	North Carolina
PRLAP Inc (Tennessee Corporation)	Knoxville TN	Tennessee
PRLAP Inc (Texas Corporation)	Dallas TX	Texas
PRLAP Inc (Virginia Corporation)	Richmond VA	Virginia
PRLAP Inc (Washington Corporation)	Seattle WA	Washington
Progress Capital Trust I	Blue Bell PA	Delaware
Progress Capital Trust II	Blue Bell PA	Delaware
Progress Capital Trust III	Blue Bell PA	Delaware
Progress Capital Trust IV	Blue Bell PA	Delaware
Progress Capital Inc	Charlotte NC	Delaware
Prontoo Pty Limited	Sydney New South Wales, Australia	Australia
Propco Bridge LLC	New York NY	Delaware
PT Merrill Lynch Indonesia	Jakarta Indonesia	Indonesia
Pydne Corporation	San Francisco CA	Delaware
Quality Properties Asset Management Company	Chicago, IL	Illinois
Raintree Trading LLC	Charlotte, NC	Delaware
ReconTrust Company National Association	Simi Valley CA	United States of America
Red Fox Funding LLC	Charlotte, NC	Delaware
Red River Holdings Limited	Grand Cayman Cayman Islands	Cayman Islands
Red River Park Inc	Charlotte NC	Delaware
Regent Street II, Inc	Charlotte NC	Delaware
Relative Value HedgeAccess Ltd	New York NY	Cayman Islands
Relative Value Opportunities Ltd	New York NY	Cayman Islands
Renaissance Access LLC	New York NY	Delaware
Renaissance Access LTD	New York NY	Cayman Islands
Resort Funding LLC	Syracuse NY	Delaware
Richard III LLC	New York NY	Delaware
Riley Chase Apartments LLC	Tampa FL	Florida
Ritchie Court NI Corporation	Baltimore, MD	Maryland
Riverfalls Urban Investments LLC	Dallas TX	Texas
Rivers Funding LLC	Charlotte NC	Delaware
Robaco-Sage Access LLC	New York NY	Delaware
Robaco-Sage Access, Ltd	New York NY	Cayman Islands
Robertson Stephens Group Inc	San Francisco CA	Delaware
Robertson Stephens International Holdings Inc	San Francisco CA	Delaware
Robertson Stephens International Ltd	London U K.	United Kingdom
Rocket LLC The	San Francisco CA	Delaware
RDP Investments Limited	Grand Cayman Cayman Islands	Cayman Islands
Rosedale General Partner LLC	Baltimore MD	Maryland
Rosedale Terrace Limited Partnership	Baltimore MD	Maryland
S R C Nominees Limited	London U K.	England
SA Mortgage Services LLC	Calabasas Hills CA	Delaware
Salem Lafayette Development LLC	Boston MA	Massachusetts
Saturn 1 LLC	New York NY	Delaware
Sauternes V LLC	New York NY	Delaware
Sawgrass Trading LLC	Charlotte NC	Delaware
SB Holdings Inc	Charlotte NC	Delaware
SCI Holdings Corporation	Baltimore MD	Virginia
SCIC Properties LLC	Baltimore MD	Maryland
SCIC Riverwalk LLC	Baltimore MD	Maryland
SCIC San Antonio II LLC	Baltimore MD	Maryland
Seaton Nominees Limited	London U K.	Delaware
Second Step Asset Management Company	Baltimore MD	Maryland
Secured Asset Finance Company B V	Amsterdam The Netherlands	Netherlands

Name	Location	Jurisdiction
Security Pacific Capital Leasing Corporation	San Francisco, CA	Delaware
Security Pacific Hong Kong Holdings Limited	Hong Kong, PRC	Hong Kong
Security Pacific Housing Services Inc	Jacksonville FL	Delaware
Seminole Funding LLC	Charlotte NC	Delaware
Service-Wright Corporation	Washington, DC	Maryland
Seville Urban Investments LLC	Dallas TX	Texas
Sifton Properties Corp	New York, NY	Delaware
Silver Peak REIT Inc	Charlotte NC	Delaware
Sinca Access LLC	New York, NY	Delaware
Sinca Access Ltd	New York NY	Cayman Islands
Sky Financial Securitization Corp VI	Dover DE	Delaware
Smith Bros Limited	London U K.	England
Smith Bros Nominees Limited	London, U K.	England
Smith Bros Participations Limited	London, U K	England
Smodhef LLC	San Francisco, CA	Delaware
SMC Farringdon International (Holdings) BV	Amsterdam, The Netherlands	Netherlands
SMC International (Holdings) Limited	London U K.	England
SMC Securities Limited	London U K.	England
SNCFE Limited	Hong Kong, PRC	Hong Kong
Sofie II LLC	New York NY	Delaware
Solimar Shipping Limited	London, U K.	England & Wales
SOP M Corp	Baltimore, MD	Maryland
South Charles Investment, Corporation	Baltimore MD	Georgia
South Point Inc	New York NY	Delaware
Southport Investments LLC	Charlotte, NC	North Carolina
Southstar Holding Corp	New York, NY	Delaware
Southstar I, LLC	New York, NY	Delaware
Southstar II LLC	New York, NY	Delaware
Southstar III LLC	New York NY	Delaware
Southstar IV LLC	New York NY	Delaware
Southstar V LLC	New York NY	Delaware
Special Services Asset Management, Company	Chicago IL	Illinois
Specialized Lending, LLC	Dallas, TX	Delaware
Spectrum Mortgage Company Inc	Princeton NJ	New Jersey
Sphinx Access LLC	New York NY	Delaware
Sphinx Access Ltd	New York NY	Cayman Islands
Spring Valley Management LLC	Charlotte NC	Delaware
Spruce Bay Limited	George Town Grand Cayman Cayman Is	Cayman Islands
SPV Colombia I LLC	New York NY	Delaware
SPV Colombia II LLC	New York, NY	Delaware
SPF 2000 Inc	Charlotte NC	Delaware
Standard Federal Bank Community Development Corporation	Chicago IL	Michigan
Stanwich Loan Funding LLC	Charlotte NC	Delaware
Steers Trust Series 2007-A	New York NY	Delaware
Stepmington/Dallas, Inc	Dallas TX	Texas
Sterling Farms Funding, Inc	Las Vegas NV	Delaware
Stonelake ML Holdings LP	New York NY	Delaware
Stonelake ML Infrastructure Partners LP	New York NY	Delaware
Stourbridge Investments Limited	London U K.	England
Strategies Investment Fund, LLC	New York NY	Delaware
Structured Access LLC	New York NY	Delaware
Structured Asset Investment Notes LLC	Charlotte NC	Delaware
Structured Purchaser LLC	Charlotte NC	Delaware
Suhail Sarl	Luxembourg Luxembourg	Luxembourg
Summit Capital Trust I	Wilmington, DE	Delaware
Syndicated Properties Investments LLC	Baltimore, MD	Delaware
Systematic Momentum II Ltd	New York, NY	Cayman Islands
Tabono Partnership II Ltd	Dallas, TX	Texas
Taiwan Hong Fung Asset Management Company Ltd	Taipei, Taiwan	Taiwan
Taurus Finance Inc	Charlotte, NC	Delaware
Teardrop Diamond LLC	San Francisco CA	Delaware
The Tabono Joint Venture	Dallas TX	Texas
Tidewater Points Funding LLC	Charlotte, NC	Delaware
Tinfoil B V	Amsterdam, The Netherlands	Netherlands
Title Guarantee Building Lessee LLC	Los Angeles CA	California
TK Holdings I LLC	New York NY	Delaware
Tonopah, LLC	Charlotte, NC	Delaware
Topenga XI Inc	George Town, Grand Cayman Cayman Is	Cayman Islands
Topenga XV Inc	George Town, Grand Cayman, Cayman Is	Cayman Islands

Name	Location	Jurisdiction
Topanga XI Inc	George Town, Grand Cayman, Cayman Is	Cayman Islands
Tops Capital Private Real Estate Investment Trust No. 2	Seoul, Korea	Korea
Transeptor Holdings, LLC	Las Vegas, NV	Delaware
Transeptor, LLC	Las Vegas, NV	Delaware
Trellus Access, LLC	New York, NY	Delaware
Trellus Access II, LLC	New York, NY	Delaware
Trellus Access, LTD	New York, NY	Cayman Islands
Trenton Park Apartments Limited Partnership	Washington, DC	District of Columbia
Trenton Park Housing, LLC	Washington, DC	District of Columbia
Trifasol, S.L.	Madrid, Spain	Spain
TriSail Funding Corporation	Boston, MA	Delaware
TriSail/MMA GP, LLC	Boston, MA	Delaware
TriSail/MMA Realty Capital Partners I, L.P.	Boston, MA	Delaware
Tryon Assurance Company, Ltd.	Charleston, SC	South Carolina
Tudor Tensor FuturesAccess, LLC	New York, NY	Delaware
Twin Falls, SL	Madrid, Spain	Spain
Two Broadway, Incorporated	New York, NY	Delaware
Two Broadway V, Incorporated	New York, NY	Delaware
Two Piccadilly Holdings, Inc.	Charlotte, NC	Delaware
U.S. Trust Company of Delaware	Wilmington, DE	Delaware
UBOC Guaranteed Tax Credit Fund IX, L.L.C.	Walnut Creek, CA	California
UBOC Guaranteed Tax Credit Fund VIII, L.L.C.	Walnut Creek, CA	California
Ulysses Leasing Limited	St. Helier, Jersey, Channel Islands	Jersey
Union Pond Investors, LLC	Boston, MA	Massachusetts
Union Realty and Securities Company	St. Louis, MO	Missouri
UST Private Fund Solutions, LLC	Boston, MA	Delaware
V Funds Limited	New York, NY	Cayman Islands
Valley Energy Investment Fund International, L.P.	George Town, Grand Cayman, Cayman Is	Cayman Islands
Valley Energy Investment Fund U.S., L.P.	Houston, TX	Delaware
Valley Energy Investment Holdings (Mauritius) Limited	Port Louis, Mauritius	Mauritius
Varsee Holdings S.a.r.l.	Luxembourg, Luxembourg	Luxembourg
Venco, B.V.	George Town, Grand Cayman, Cayman Is	Cayman Islands
Vendorcen Limited	Epsom, United Kingdom	England
Venus 1, LLC	New York, NY	Delaware
Verdict VI, LLC	New York, NY	Delaware
Vernon Park, LLC	Charlotte, NC	Delaware
Victoria V, LLC	New York, NY	Delaware
Villages Urban Investments, LLC	Phoenix, AZ	Arizona
Washington Mill Lofts, LLC	Boston, MA	Massachusetts
Washington Mill Manager, LLC	Boston, MA	Massachusetts
Washoe Asset Management Company	Reno, NV	Delaware
Waterville Funding, LLC	Charlotte, NC	Delaware
Wave Lending, Limited	London, U.K.	England & Wales
Wave Lending Holdings, Limited	London, U.K.	England
Waverly Partners, Inc.	New York, NY	Delaware
Weehaw Park Investments, Inc.	Charlotte, NC	Delaware
WCH Limited Partnership	Dallas, TX	Texas
WD Georgia, LLC	New York, NY	Georgia
WD South Carolina, LLC	New York, NY	South Carolina
Wendover Lane, LLC	Charlotte, NC	Delaware
West Trade, LLC	Charlotte, NC	North Carolina
Westhill Investments Limited	St. Helier, Jersey, Channel Islands	Jersey
Westminster Properties, Inc.	Providence, RI	Delaware
Westquay Investments S.a.r.l.	Luxembourg, Luxembourg	Luxembourg
WH/DFW Land CO	New York, NY	Texas
White Ridge Investments, Limited	London, U.K.	England & Wales
White Rock Lane, LLC	Charlotte, NC	Delaware
White Springs, LLC	Charlotte, NC	Delaware
Wickliffe A Corp	Baltimore, MD	Virginia
William V, LLC	New York, NY	Delaware
Willowbrook Funding, LLC	Charlotte, NC	Delaware
Willows SA Holdings, LP	Dallas, TX	Texas
WM Developer, LLC	Boston, MA	Massachusetts
WM Lofts, LLC	Boston, MA	Massachusetts
WM Master Tenant, LLC	Boston, MA	Massachusetts
WOMI Mortgages & Loans Limited	London, U.K.	England
Y.K. Tokyo Portfolio Investment	Tokyo, Japan	Japan
YK NB Estate	Tokyo, Japan	Japan
YK Poseidon Capital	Tokyo, Japan	Japan
Yong Tai Asset Management Company Limited	Taipei, Taiwan	Taiwan

Name	Location	Jurisdiction
York Access, LLC	New York, NY	Delaware
York Access II, LLC	New York, NY	Delaware
York Access, Ltd.	New York, NY	Cayman Islands
York Total Access, LLC	New York, NY	Delaware
York Total Access II, LLC	New York, NY	Delaware
York Total Access III, LLC	New York, NY	Delaware
York Total Access, LTD	New York, NY	Cayman Islands
York Total Access II, LTD	New York, NY	Cayman Islands
YT West Tower Holdings Limited	Grand Cayman, Cayman Islands	Cayman Islands
Zentaic Productions, Inc.	Baltimore, MD	Delaware
Zeus Recovery Fund SA	Luxembourg, Luxembourg	Luxembourg
Zeus Trading, LLC	Charlotte, NC	Delaware

Exhibit 23 (a)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in

- the Registration Statements on Form S-3 (Nos. 333-175599, 333-158663, and 333-64450),
- the Registration Statements on Form S-8 (Nos. 333-163002, 333-157085, 333-133566, 333-121513, 333-69849, 333-81810, 333-53664, 333-102043, 333-102852, 333-65209, 033-45279, 002-80406, 333-02875, 033-60695, 333-58657, 333-167797, and 333-168441),
- and the Post-Effective Amendments on Form S-8 to Registration Statements on Form S-4 (Nos. 333-153771, 333-149204, 333-127124, 333-110924, 033-43125, 033-55145, 033-63351, 033-62069, 033-62208, 333-16189, 333-60553, and 333-40515)

of Bank of America Corporation of our report dated February 23, 2012 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
February 23, 2012

Exhibit 23 (b)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in

- the Registration Statements on Form S-3 (Nos. 333-175599, 333-158663, and 333-64450),
- the Registration Statements on Form S-8 (Nos. 333-163002, 333-157085, 333-133566, 333-121513, 333-69849, 333-81810, 333-53664, 333-102043, 333-102852, 333-65209, 033-45279, 002-80406, 333-02875, 033-60695, 333-58657, 333-167797, and 333-168441),
- and the Post-Effective Amendments on Form S-8 to Registration Statements on Form S-4 (Nos. 333-153771, 333-149204, 333-127124, 333-110924, 033-43125, 033-55145, 033-63351, 033-62069, 033-62208, 333-16189, 333-60553, and 333-40515)

of Bank of America Corporation of our report dated February 23, 2012 relating to management's assertion of the effectiveness of the disclosure controls and procedures, which appears in this Form 10-K.

PricewaterhouseCoopers LLP

Charlotte, North Carolina
February 23, 2012

Exhibit 24 (a)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of Bank of America Corporation and the several undersigned officers and directors whose signatures appear below, hereby makes, constitutes and appoints Craig T Beazer, Lauren A Mogensen and Edward P O'Keefe, and each of them acting individually, its, his or her true and lawful attorneys with power to act without any other and with full power of substitution, to prepare, execute, deliver and file in its, his or her name and on its, his or her behalf, and in each of the undersigned officer's and director's capacity or capacities as shown below, an Annual Report on Form 10-K for the year ended December 31, 2011, and all exhibits thereto and all documents in support thereof or supplemental thereto, and any and all amendments or supplements to the foregoing, hereby ratifying and confirming all acts and things which said attorneys or attorney might do or cause to be done by virtue hereof

IN WITNESS WHEREOF, Bank of America Corporation has caused this power of attorney to be signed on its behalf, and each of the undersigned officers and directors, in the capacity or capacities noted, has hereunto set his or her hand as of the date indicated below

BANK OF AMERICA CORPORATION

By /s/ Brian T Moynihan
Brian T Moynihan
Chief Executive Officer and President

Dated February 23, 2012

Signature	Title	Date
/s/ Brian T Moynihan Brian T Moynihan	Chief Executive Officer, President and Director (Principal Executive Officer)	February 23, 2012
/s/ Bruce R Thompson Bruce R Thompson	Chief Financial Officer (Principal Financial Officer)	February 23, 2012
/s/ Neil A Cotty Neil A Cotty	Chief Accounting Officer (Principal Accounting Officer)	February 23, 2012
/s/ Mukesh D Ambani Mukesh D Ambani	Director	February 23, 2012
/s/ Susan S Bies Susan S Bies	Director	February 23, 2012
/s/ Frank P Bramble, Sr Frank P Bramble, Sr	Director	February 23, 2012
/s/ Virgis W Colbert Virgis W Colbert	Director	February 23, 2012
/s/ Charles K Gifford Charles K. Gifford	Director	February 23, 2012
/s/ Charles O Holliday, Jr Charles O Holliday, Jr	Director	February 23, 2012
/s/ D Paul Jones, Jr D Paul Jones, Jr	Director	February 23, 2012
/s/ Monica C Lozano Monica C Lozano	Director	February 23, 2012
/s/ Thomas J May Thomas J May	Director	February 23, 2012
/s/ Donald E Powell Donald E Powell	Director	February 23, 2012
/s/ Charles O Rossotti Charles O Rossotti	Director	February 23, 2012
/s/ Robert W Scully Robert W Scully	Director	February 23, 2012

Exhibit 24 (b)

BANK OF AMERICA CORPORATION
BOARD OF DIRECTORS
RESOLUTIONS

February 23, 2012

Annual Report on Form 10-K

WHEREAS, officers of Bank of America Corporation (the "Corporation") have made presentations to the Board of Directors regarding the Corporation's financial results for the year ended December 31, 2011,

WHEREAS, the Board of Directors has had adequate opportunity to review and comment on the presentations regarding such results, and

WHEREAS, members of the Audit Committee have recommended to the Board of Directors that the December 31, 2011 audited financial statements be included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2011 (the "2011 Form 10-K").

NOW, THEREFORE, BE IT:

RESOLVED, that the proper officers of the Corporation be, and they hereby are, authorized and empowered on behalf of the Corporation to prepare, execute, deliver and file the 2011 Form 10-K, including the December 31, 2011 audited financial statements, based upon the information presented to and considered at this meeting, in such form and with such content and adjustments and attachment of exhibits as the officers signing the 2011 Form 10-K shall approve, their approval to be conclusively evidenced by their signature thereof, and be it

FURTHER RESOLVED, that the proper officers of the Corporation be, and they hereby are, authorized and empowered on behalf of the Corporation to execute the 2011 Form 10-K and file it with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, and with such other governmental agencies or instrumentalities as such officers deem necessary or desirable, and to prepare, execute, deliver and file any amendment or amendments to the 2011 Form 10-K, as they may deem necessary or appropriate, and be it

FURTHER RESOLVED, that Craig T Beazer, Lauren A Mogensen and Edward P O'Keefe be, and each of them with full power to act without the other hereby is, authorized and empowered to prepare, execute, deliver and file the 2011 Form 10-K and any amendment or amendments thereto on behalf of and as attorneys for the Corporation and on behalf of and as attorneys for any of the following the principal executive officer, the principal financial officer, the principal accounting officer, and any other officer of the Corporation, and be it

FURTHER RESOLVED, that, for the purposes of these resolutions, the "proper officers" of the Corporation are the Executive Officers, the Secretary, the Treasurer, any Executive Vice President, any Managing Director and any Senior Vice President, and that each of these officers is authorized, empowered and directed, in the name and on behalf of the Corporation to execute and deliver or cause to be executed and delivered any and all agreements, amendments, certificates, applications, notices, letters, or other documents and to do or cause to be done any and all such other acts and things as, in the opinion of any such officer, may be necessary, appropriate or desirable in order to enable the Corporation fully and promptly to carry out the intent of the foregoing resolutions, and any such action taken by such officers shall be conclusive evidence of their authority

BANK OF AMERICA CORPORATION
CERTIFICATE OF ASSISTANT SECRETARY

I, Jennifer E Bennett, Assistant Secretary of Bank of America Corporation, a corporation duly organized and existing under the laws of the State of Delaware (the "Corporation"), do hereby certify that the foregoing is a true and correct copy of the resolutions duly adopted by the Board of Directors of the Corporation at a meeting of the Board of Directors held on February 23, 2012, at which meeting a quorum was present and acting throughout and that said resolutions are in full force and effect and have not been amended or rescinded as of the date hereof

IN WITNESS WHEREOF, I have hereupon set my hand and affixed the seal of the Corporation as of February 23, 2012

(CORPORATE SEAL)

/s/ Jennifer E Bennett
Jennifer E Bennett
Assistant Secretary

Exhibit 31 (a)

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002
for the Chief Executive Officer

I, Brian T Moynihan, certify that

1 I have reviewed this Annual Report on Form 10-K of Bank of America Corporation,

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report,

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report,

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared,

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles,

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation, and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting, and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information, and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date February 23, 2012

/s/ Brian T Moynihan

Brian T Moynihan
Chief Executive Officer
and President

Exhibit 31 (b)

Certification Pursuant to Section 302
of the Sarbanes-Oxley Act of 2002
for the Chief Financial Officer

I, Bruce R Thompson, certify that

1 I have reviewed this Annual Report on Form 10-K of Bank of America Corporation,

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report,

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report,

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared,

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation, and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting, and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant s ability to record, process, summarize and report financial information, and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date February 23, 2012

/s/ Bruce R Thompson
Bruce R Thompson
Chief Financial Officer

Exhibit 32 (a)

CERTIFICATION PURSUANT TO 18 U S C SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Brian T Moynihan, state and attest that

(1) I am the Chief Executive Officer of Bank of America Corporation (the "Registrant")

(2) I hereby certify, pursuant to 18 U S C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that

- the Annual Report on Form 10-K of the Registrant for the year ended December 31, 2011 (the "periodic report") containing financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U S C 78m or 78o(d)), and
- the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the Registrant as of, and for, the periods presented

Date February 23, 2012

/s/ Brian T Moynihan
Brian T Moynihan
[illegible]

and President

Exhibit 32 (b)

CERTIFICATION PURSUANT TO 18 U S C SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Bruce R Thompson, state and attest that

(1) I am the Chief Financial Officer of Bank of America Corporation (the "Registrant")

(2) I hereby certify, pursuant to 18 U S C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that

- the Annual Report on Form 10-K of the Registrant for the year ended December 31, 2011 (the "periodic report") containing financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U S C 78m or 78o(d)), and
- the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the Registrant as of, and for, the periods presented

Date February 23, 2012

/s/ Bruce R Thompson
Bruce R. Thompson
Chief Financial Officer

Exhibit 99 (a)

RESOLUTION Agreement with Respect to
Certain Repurchase AND MAKE-WHOLE Obligations AND CLAIMS

This **RESOLUTION AGREEMENT WITH RESPECT TO CERTAIN REPURCHASE AND MAKE-WHOLE OBLIGATIONS AND CLAIMS** (this "**Agreement** ") is made and effective as of December 31, 2010, by and among **FANNIE MAE**, a corporation organized under the laws of the United States ("**Fannie Mae**"), and **BANK OF AMERICA, N.A.**, a national banking association ("**BANA**"), **BAC HOME LOANS SERVICING LP**, a Texas limited partnership ("**Servicing LP**"), and **COUNTRYWIDE HOME LOANS, INC.**, a California corporation ("**CHL** " and, together with BANA and Servicing LP, each a "**Lender**" and collectively, "**Lenders**")

RECITALS

WHEREAS, CHL and Countrywide Bank, FSB ("**CB**") (collectively, "**Countrywide**") sold numerous mortgage loans to Fannie Mae,

WHEREAS, BANA is the successor by merger to CB and has succeeded by operation of law to all of the obligations of CB to Fannie Mae pursuant to the applicable Contracts (as hereafter defined),

WHEREAS, either BANA or Servicing LP services the Covered Mortgages (as hereafter defined) for Fannie Mae under the terms of its Contracts with Fannie Mae,

WHEREAS, pursuant to the terms of the Contracts, each Lender has made various representations and warranties including certain Selling Representations and Warranties (as hereafter defined) to Fannie Mae with respect to each mortgage loan delivered or serviced by it to Fannie Mae and has Repurchase Obligations (as hereinafter defined) when such Selling Representations and Warranties are breached,

WHEREAS, Fannie Mae has identified, and Lenders have disputed, numerous Repurchase Obligations with respect to the Covered Mortgages,

WHEREAS, each Lender contests and continues to dispute the claims alleged by Fannie Mae and has asserted defenses thereto, and

WHEREAS, Fannie Mae and Lenders have agreed to a resolution pursuant to which Lenders will satisfy the known Repurchase Obligations with respect to the Covered Mortgages through, among other things, the repurchase of certain Covered Mortgages and the payment of make-whole amounts or other amounts with respect to other Covered Mortgages, and will address certain other obligations as referenced herein, subject to the terms and conditions set forth herein

NOW, THEREFORE, in consideration of the mutual covenants and undertakings set forth herein, including Fannie Mae's agreement with respect to the Repurchase Obligations on certain Covered Mortgages, the payment of money to Fannie Mae, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows

AGREEMENT

1 Definitions:

a "**Closing Date Payment Amount**" has the meaning given in Section 2

b "**Closing Date**" means no later than 12 00 p m , Eastern time, on December 31, 2010

c "**Contracts**" means each Lender's Mortgage Selling and Servicing Contracts with Fannie Mae, the Guides, all applicable Master Agreements (including applicable MBS contracts and variances), recourse agreements, loss-sharing agreements, and any other agreements between such Lender and Fannie Mae relating to the Covered Mortgages, all as amended, modified, restated or supplemented from time to time

d. "**Covered Mortgages**" means each of the mortgage loans listed on Schedules 1 - 6 referenced in the attached Appendix

e "**Data and Shipping Error Mortgages**" means each of the mortgage loans listed on Schedule 3 referenced in the attached Appendix as to which Fannie Mae has made certain repurchase or make-whole requests because of certain data and/or shipping errors as reflected in such repurchase request letters or other correspondence between Lenders and Fannie Mae On or before January 14, 2011, Fannie Mae shall deliver to Lenders a revised Schedule 3 which specifies the shipping errors and/or data errors that were specified in Fannie Mae's repurchase request or formed the underlying basis for Fannie Mae's repurchase request

f "**December Repurchased Mortgages**" means each of the approximately 43 Remaining Pipeline Mortgages listed on Schedule 8 referenced in the attached Appendix that a Lender repurchased in December 2010

g "**Documented MD/NC Mortgage**" means each MD/NC Mortgage listed on Schedule 5 referenced in the attached Appendix for which the related missing loan documents have been delivered to Fannie Mae or its designee

h "**Guides**" means collectively, the Selling Guide and the Servicing Guide

i "**IC Fee Reconciliation Mortgages**" means each of the mortgage loans listed on Schedule 6 referenced in the attached Appendix and with respect to which Fannie Mae has identified errors in the data delivered to Fannie Mae in connection with the delivery of such mortgage loans such errors specified on Schedule 6 or, with respect to 225 such mortgage loans, as reflected in the underlying repurchase requests or other correspondence between Lenders and Fannie Mae As a result of the fee reconciliation process, Fannie Mae determined that each IC Fee Reconciliation Mortgage would have been otherwise eligible for delivery based on the correct data, but would have had higher pricing as a result of the corrected data On or before January 14, 2011, Fannie Mae shall deliver to Lenders a revised Schedule 6 which specifies the data errors that formed the underlying basis for the additional fees as reflected in various correspondence between the Lenders and Fannie Mae with respect to approximately 225 loans where this information was not included in the Schedule 6 delivered on the Closing Date

Material omitted has been filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment

j "**MD/NC Mortgages**" means each of the mortgage loans listed on Schedule 5 referenced in the attached Appendix and respect to which Fannie Mae has not received the loan documents required to be delivered pursuant to the Selling Guide in connection with such mortgage loans as reflected in the underlying repurchase requests or other correspondence between Lenders and Fannie Mae On or before January 14, 2011, Fannie Mae shall deliver to Lenders a revised Schedule 5 which specifies the loan documents that are still required to be delivered by the applicable Lender(s) pursuant to the Selling Guide, as referenced in the underlying repurchase request or other correspondence between Lenders and Fannie Mae

k "**MI Credit Mortgages**" means each of the approximately 28 mortgages listed on Schedule 2C and with respect to which the mortgage insurer had rescinded the required mortgage insurance prior to September 20, 2010 but a Lender paid the mortgage insurance coverage amount after September 20, 2010 and prior to December 22, 2010 Because a portion of the Resolution Amount is attributable to the MI Credit Mortgages, Lenders have been provided with a credit for such MI Credit Mortgages in the Credit Amount

l "**MI Paid Mortgages**" means each of the approximately 101 mortgages listed on Schedule 2A and with respect to which the mortgage insurer had rescinded the required mortgage insurance prior to September 20, 2010 but Fannie Mae received the mortgage insurance coverage amount after September 20, 2010 and prior to December 22, 2010 No portion of the Resolution Amount (or Closing Date Payment Amount) is attributable to the MI Paid Mortgages

m "**MI Rescission Mortgages**" means each of the mortgage loans listed on Schedules 2A, Schedule 2B and Schedule 2C, and with respect to which the mortgage insurer has rescinded or attempted to rescind the required mortgage insurance On or before January 14, 2011, Fannie Mae shall deliver to Lenders revised Schedules 2A, 2B and 2C which will specify the mortgage insurance coverage amounts paid as part of the Resolution Amount or otherwise paid with respect to each MI Rescission Mortgage The amount specified on Schedule 2A, 2B or 2C, as applicable,
[* _____ *]

n. "**Other Obligations**" are the

(1) obligations, duties, and liabilities of each Lender under such Lender's Contracts that arise in connection with servicing of Covered Mortgages, including

(a) all of the day-to-day servicing activities pursuant to such Lender's Contracts and reporting, remitting, and loss mitigation activities, and all servicing representations, warranties and covenants, and

(b) the obligation to perform certain administrative and reporting duties with respect to REO properties, and

(c) the obligation to indemnify Fannie Mae in litigation and for any claims made, and for losses and expenses incurred, with respect to servicing the Covered Mortgages, including claims that may be based on acts or omissions that may constitute breaches of any Selling Representations and Warranties, and for losses and expenses (including litigation), in any case incurred due to servicing errors or omissions or from delays in servicing and loss mitigation activities resulting from practices related to legal pleadings and affidavit preparation, review, and notarization and similar activities and practices; and

(2) the obligation duties and liabilities of each Lender under such Lender's contracts in its capacity as a seller to indemnify Fannie Mae for any claims made, and for losses and expenses incurred, including as a result of third-party claims arising out of acts or omissions that constitute breaches of any Selling Representations and Warranties

provided, however, that the Other Obligations shall in no event include the Repurchase Obligations that Fannie Mae has agreed to not to enforce and has waived pursuant to this Agreement These Other Obligations shall continue with respect to a Lender for all Covered Mortgages sold or serviced by such Lender to Fannie Mae and are unaffected by this Agreement

o "**Policy Misalignment Mortgages**" means each of the mortgage loans listed on Schedule 1A and Schedule 1B referenced in the attached Appendix for which Fannie Mae has made repurchase or make-whole requests because of alleged breaches of a Selling Representation and Warranty including misrepresentation of income, occupancy and/or undisclosed liabilities

p "**Policy Misalignment Make-Whole Mortgages**" means the Policy Misalignment Mortgages listed on Schedule 1B

q "**Policy Misalignment Repurchase Mortgages**" means the Policy Misalignment Mortgages listed on Schedule 1A

r "**Remaining Pipeline Mortgages**" means each of the mortgage loans listed on Schedule 4 referenced in the attached Appendix for which Fannie Mae has made repurchase or make-whole requests because of a breach of a Selling Representation and Warranty

s "**Remaining Pipeline Repurchase Mortgages**" means each of the Remaining Pipeline Mortgages that was repurchased by a Lender after September 20, 2010 but prior to December 22, 2010 and are listed in Schedule 7 referenced in the attached Appendix

t "**Remaining Selling Rep & Warrant Obligations**" with respect to a Covered Mortgage (other than a Policy Misalignment Mortgage or a Remaining Pipeline Mortgage) means all Selling Representations and Warranties in each case except to the extent expressly included in a Repurchase Obligation withdrawn by Fannie Mae pursuant to this Agreement or identified on the related Schedule referenced in the attached Appendix (or in the case of Schedule 3, Schedule 5, and Schedule 6, the revised Schedule 3, Schedule 5 and Schedule 6 to be delivered on or before January 14, 2011) or in the underlying repurchase request

u "**Repurchase Obligations**" means the obligation to repurchase mortgage loans, or to make Fannie Mae whole on losses on mortgage loans, in accordance with the Selling Guide and other Contracts

v "**Repurchased MD/NC Mortgage**" means an MD/NC Mortgage that has been repurchased by the Lender that sold or services such MD/NC Mortgage or for which a make-whole payment has been made to Fannie Mae

w "**Resolution Amount**" has the meaning given such term in Section 2(b)

x "**Selling Guide**" means the Fannie Mae Selling Guide, as amended, restated, modified or supplemented from time to time

y "**Selling Representations and Warranties**" means all selling representations, warranties and covenants made or assumed by a Lender, as seller or servicer of a Covered Mortgage, in connection with the sale and/or securitization of Covered Mortgages, including those set forth in Section IV-A of the MSSC, the Contractual Obligations for Fannie Approved Lenders included in Part A, Section A-2 et seq or equivalent section of the Selling Guide in effect at the time of the sale and/or securitization of such Covered Mortgages, and/or in its Master Agreements

z "**Servicing Guide**" means the Fannie Mae Servicing Guide, as amended, restated, modified or supplemented from time to time

Initially capitalized terms used in this Agreement without definition have the respective meanings set forth in the Guides in effect on the Closing Date

Material omitted has been filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment

2 **Reconciliation and Payment of Resolution Amount.**

a The chart below summarizes the payment method and post-closing liability of Lenders with respect to the Covered Mortgages

Category and Section	Loan Count	Payment Method and post-closing liability
Policy Misalignment Mortgages - Schedule 1A (Repurchase) Section 3(a)(1)	361	Repurchase through Fannie Mae system (other than the 17 loans repurchased after September 20, 2010 and prior to December 22, 2010) Post-closing Other Obligations
Policy Misalignment Mortgages - Schedule 1B (Make-whole) Section 3(a)(2)	1,165	Included in Closing Date Payment Amount Post-closing Other Obligations
Other MI Rescission Mortgages [*_____*] - Schedule 2B Section 3(b)	[*___*]	Included in Closing Date Payment Amount Post-closing Other Obligations and Remaining Selling Rep & Warrant Obligations
MI Paid Mortgages - Schedule 2A Section 3(b)	101	Not included in Closing Date Payment Amount Post-closing Other Obligations and Remaining Selling Rep & Warrant Obligations
MI Credit Mortgages - Schedule 2C	28	Credit provided in the Credit Amount Post-closing Other Obligations and Remaining Selling Rep & Warrant Obligations
Data and Shipping Error Mortgages (Add'l LLPAs) - Schedule 3 Section 3(c)	246	Included in Closing Date Payment Amount Post-closing Other Obligations, and Remaining Selling Rep & Warrant Obligations
Remaining Pipeline - Schedule 4 Section 3(d)	10,519	Included in Closing Date Payment Amount Post-closing Other Obligations
MD/NC Mortgages - Schedule 5 Section 3(f)	2,896	Post-closing for Repurchased MD/NC Mortgages Other Obligations Post-closing for Documented MD/NC Mortgages Other Obligations and Remaining Selling Representations and Warranties
Subtotal	[*___*]	
IC Fee Reconciliation Mortgages 3(e) - Schedule 6	[*___*]	Included in Closing Date Payment Amount Post-closing Other Obligations and Remaining Selling Rep & Warrant Obligations
Total	[*___*]	

b The "**Resolution Amount**" to be paid with respect to the Covered Mortgages is **$1,517,852,000**, subject to adjustment as set forth below, and to be paid as set forth in the following subsections

c The Resolution Amount was calculated based on the status of each Covered Mortgage as of September 20, 2010.

(1) Prior to December 22, 2010, Lenders have made repurchase and make-whole payments on certain Covered Mortgages, and Fannie Mae has received other amounts with respect to other Covered Mortgages, which payments are described Schedule 7 referenced in the attached Appendix, and in consideration of these payments as well as other activity that has occurred since September 20, 2010 and other adjustments made, Lenders shall be entitled to a credit in an aggregate amount equal to **$86,952,984** (the "**Credit Amount**"), which amount shall be credited against the Resolution Amount

(2) Fannie Mae has continued to process rescissions, waivers, and other actions with respect to Covered Mortgages Any rescission, waiver or election to take no further action by Fannie Mae on any Covered Mortgage after September 20, 2010, but prior to the Closing Date shall in no way affect the Resolution Amount or any payments required to be made under this Agreement

d The Policy Misalignment Repurchase Mortgages shall be repurchased through the normal Fannie Mae reporting and remittance system, as set forth in Section 3(a)(1)

e On or before the Closing Date, Lenders shall pay Fannie Mae the aggregate sum of **$1,340,000,000** (the "**Closing Date Payment Amount**"), which reflects the adjustments and credits to the Resolution Amount contemplated by Lenders and Fannie Mae

f The Closing Date Payment Amount shall be wire transferred to the following account

For the account of FNMA NYC
ABA Routing Number 021039500
Account Number 021039500
Required Reference GR420 REO (Closing Date Payment Amount)

g Fannie Mae shall determine, in its sole discretion, how and when to apply the Resolution Amount toward losses incurred and/or anticipated on the Covered Mortgages, and Lenders shall cooperate as reasonably requested in the application and reporting of funds as directed by Fannie Mae

3 **Resolution with Respect to Covered Mortgages.**

a Policy Misalignment Mortgages

(1) On or before the first reporting date after the Closing Date, the Lender that sold a Policy Misalignment Repurchase Mortgage to Fannie Mae shall repurchase such Policy Misalignment Repurchase Mortgage at the repurchase price calculated pursuant to the Selling Guide Such repurchases shall be completed by such Lender's reporting of the applicable repurchase codes through Fannie Mae's reporting system on the first reporting date after the Closing Date Upon receipt of the repurchase proceeds for each Policy Misalignment Repurchase Mortgage through the standard remittance process, all right, title and interest that Fannie Mae has in such Policy Misalignment Repurchase Mortgage shall be transferred to the applicable Lender as set forth in the Servicing Guide

(2) Upon Fannie Mae's receipt of the Closing Date Payment Amount on or before the Closing Date, Fannie Mae hereby withdraws its outstanding repurchase request with respect to each Policy Misalignment Make-Whole Mortgage, and agrees that in satisfaction of such repurchase requests, Fannie Mae hereby irrevocably and unconditionally waives its right to enforce against any Lender, at any time, a Repurchase Obligation with respect to any Policy Misalignment Make-Whole Mortgage

(3) Fannie Mae shall retain all real property acquired with respect to the Policy Misalignment Make-Whole Mortgages The Lender currently servicing a Policy Misalignment Make-Whole Mortgage shall continue to act as servicer with respect to such Policy Misalignment Make-Whole Mortgage pursuant to the Servicing Guide

b MI Rescission Mortgages

(1) Upon Fannie Mae's receipt of the Closing Date Payment Amount on or before the Closing Date, Fannie Mae hereby withdraws any pending repurchase request related solely to the rescission of the mortgage insurance with respect to a MI Rescission Mortgage and agrees that in satisfaction of such repurchase requests, Fannie Mae hereby irrevocably and unconditionally waives its right to enforce against any Lender, at any time, a Repurchase Obligation with respect to any MI Rescission Mortgage that results solely from the rescission of the mortgage insurance

(2) Except as set forth in subsection 3(b)(1), the Lender that sold the MI Rescission Mortgage and the Lender that services the MI Rescission Mortgage shall remain liable for all Remaining Selling Rep & Warrant Obligations related to such MI Rescission Mortgage Fannie Mae may perform a file review and to the extent that Fannie Mae determines that any MI Rescission Mortgage has a breach of a Remaining Selling Rep & Warrant Obligation, Fannie Mae reserves its rights and remedies with respect to such breach, including the right to require require the applicable Lender to pay the applicable make-whole amount as set forth in Fannie Mae's loss reimbursement statement (which make-whole amount shall not include any mortgage insurance coverage amount set forth on the revised Schedules 2A, 2B and 2C to be delivered on or before January 14, 2011)

(3) With respect to each MI Rescission Mortgage, the Lender that is the servicer shall provide to Fannie Mae, within 30 calendar days after the Closing Date, copies of the loan file (to the extent not previously provided) and all documentation regarding the mortgage insurance rescission, including, to the extent available, the rescission letter, supporting documentation, correspondence, and rebuttal information provided to the mortgage insurer by Lender

(4) Fannie Mae acknowledges and agrees that with respect to each MI Rescission Mortgage, the selling Lender or servicing Lender, as the case may be, has the right to and is entitled to any payments made by the related mortgage insurer to the extent such mortgage insurance is subsequently reinstated In furtherance of the foregoing, Fannie Mae hereby assigns to such Lender any and all of Fannie Mae's rights to any payments to be made by the mortgage insurer to the extent such mortgage insurance is subsequently reinstated Fannie Mae agrees to execute any documents reasonably requested by the applicable Lender to evidence to the related mortgage insurer such entitlement and assignment

c Data and Shipping Error Mortgages

(1) Upon Fannie Mae's receipt of the Closing Date Payment Amount on or before the Closing Date, Fannie Mae hereby withdraws its outstanding repurchase request with respect to each Data and Shipping Error Mortgage, and agrees that in satisfaction of such repurchase requests, Fannie Mae hereby irrevocably and unconditionally waives its right to enforce against any Lender, at any time, a Repurchase Obligation with respect to any Data and Shipping Error Mortgage that results solely from the shipping errors and/or data errors specifically identified in the repurchase request or other correspondence between Lenders and Fannie Mae and to be reflected on the revised Schedule 2 to be delivered by Fannie Mae to Lenders on or before January 14, 2011

Material omitted has been filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment

(2) Except as set forth in subsection 3(c)(1), the Lender that sold to Fannie Mae, and the Lender that services, a Data and Shipping Error Mortgage shall remain liable for all Remaining Selling Rep & Warrant Obligations related to such Data and Shipping Error Mortgage To the extent that Fannie Mae later determines that any Data and Shipping Error Mortgage has a breach of a Remaining Selling Rep & Warrant Obligation, Fannie Mae reserves its rights and remedies with respect to such breach, including the right to require repurchase

d. Remaining Pipeline Mortgages.

(1) Upon receipt by Fannie Mae of the Closing Date Payment Amount on or before the Closing Date, Fannie Mae hereby withdraws its outstanding repurchase request with respect to each Remaining Pipeline Mortgage, and agrees that in satisfaction of such repurchase requests, Fannie Mae hereby irrevocably and unconditionally waives its right to enforce against any Lender, at any time, a Repurchase Obligation with respect to any Remaining Pipeline Mortgages

(2) Fannie Mae shall retain all real property acquired with respect to the Remaining Pipeline Mortgages The Lender currently servicing a Remaining Pipeline Mortgage shall continue to act as servicer with respect to such Remaining Pipeline Mortgages

e IC Fee Reconciliation Mortgages

(1) The portion of the Resolution Amount attributable to the IC Fee Reconciliation Mortgages is $[*_____*], which reflects the additional guaranty fees and loan-level price adjustments that Fannie Mae asserts should have been paid by a Lender had such Lender delivered the IC Fee Reconciliation Mortgages with the correct data

(2) Upon Fannie Mae's receipt of the Closing Date Payment Amount on or before the Closing Date, Fannie Mae agrees that in satisfaction of any repurchase request related to the shipping and/or data errors related thereto, Fannie Mae hereby irrevocably and unconditionally waives its right to enforce against any Lender, at any time, a Repurchase Obligation with respect to any IC Fee Reconciliation Mortgage that results solely from the shipping errors and/or data errors specifically identified on the revised Schedule 6 to be delivered by Fannie Mae to Lender on or before January 14, 2011

(3) Except as set forth in subsection 3(e)(2), the Lender that sold to Fannie Mae, and the Lender that services, an IC Fee Reconciliation Mortgage shall remain liable for all Remaining Selling Rep & Warrant Obligations related to such IC Fee Reconciliation Mortgage To the extent that Fannie Mae later determines that any IC Fee Reconciliation Mortgage has a breach of a Remaining Selling Rep & Warrant Obligation, Fannie Mae reserves its rights and remedies with respect to such breach, including the right to require repurchase

f MD/NC Mortgages

(1) No portion of the Resolution Amount is attributable to the MD/NC Mortgages and Fannie Mae does not waive or release any rights and remedies it may have with respect to such mortgages

(2) On or before the date that is 45 calendar days after the Closing Date, the Lender who sold the MD/NC Mortgage or is currently servicing the MD/NC Mortgage shall provide all missing documents requested by Fannie Mae and listed on the revised Schedule 5 to be delivered on or before January 14, 2011

(a) To the extent that such documents are not provided for any such MD/NC Mortgage by such date, the applicable Lender shall immediately repurchase or, if the underlying mortgage has been foreclosed and the underlying REO property has been sold (or is under contract to be sold), pay the make-whole amount with respect to such MD/NC Mortgage (and in no event later than 60 calendar days after the Closing Date) Any such repurchase shall be completed by the repurchasing Lender's reporting of the applicable repurchase codes through Fannie Mae's reporting system on the first reporting date after February 1, 2011 Upon receipt of the repurchase proceeds for each MD/NC Mortgage through the standard remittance process, all right, title and interest that Fannie Mae has in such MD/NC Mortgage shall be transferred to the repurchasing Lender as set forth in the Servicing Guide and such MD/NC Mortgage shall be deemed a Repurchased MD/NC Mortgage All make-whole payments shall be wire transferred to Fannie Mae's account set forth in Section 2(f)

(3) The Lender that sold to Fannie Mae, and the Lender that services, a Documented MD/NC Mortgage shall remain liable for all Remaining Selling Rep & Warrant Obligation related to such Documented MD/NC Mortgage To the extent that Fannie Mae later determines that any Documented MD/NC Mortgage has a breach of a Remaining Selling Rep & Warrant Obligation, Fannie Mae reserves its rights and remedies with respect to such breach, including the right to require repurchase

4 Continuing Obligations of Lenders

a Other Obligations. The Lender that sold to Fannie Mae, and the Lender that services, a Covered Mortgage shall continue to be responsible for all Other Obligations with respect to such Covered Mortgages

b Remaining Selling Rep & Warrant Obligations

(1) MI Rescission Mortgages. To the extent that Fannie Mae determines that any MI Rescission Mortgage has a breach of a Remaining Selling Rep & Warrant Obligation, the Lender that sold to Fannie Mae, and the Lender that services, such mortgage shall remain liable for the breach of such Remaining Selling Rep & Warrant Obligation in accordance with the Contract, including for all Repurchase Obligations arising with respect to such Remaining Selling Rep & Warrant Obligations The applicable make-whole loss amount set forth in the loss reimbursement statement shall not include (and to the extent inadvertently included, Lender shall be entitled to a credit for) the actual mortgage insurance coverage amount with respect to such MI Rescission Mortgage set forth on the revised Schedules 2A, 2B and 2C to be delived on or before January 14 2011, it being the intent of Lenders and Fannie Mae that Fannie Mae has been paid the applicable mortgage insurance coverage amount and will not collect it again in connection with a Lender's satisfaction of its Repurchase Obligations

(2) Certain other Covered Mortgages. To the extent that Fannie Mae determines that any Data and Shipping Error Mortgage, IC Fee Reconciliation Mortgage or a Documented MD/NC Mortgage has a breach of a Remaining Selling Rep & Warrant Obligation (including the rescission of any required mortgage insurance), the Lender that sold to Fannie Mae, and the Lender that services, such mortgage shall remain liable for the breach of such Remaining Selling Rep & Warrant Obligation in accordance with the Contract, including for all Repurchase Obligations arising with respect to such Remaining Selling Rep & Warrant Obligations

c Servicing Advances All servicing advances made by a Lender pursuant to the Servicing Guide with respect to Covered Mortgages (and with respect to Remaining Pipeline Mortgages, irrespective of how characterized on Fannie Mae's internal systems) shall be addressed and reimbursed in accordance with Fannie Mae's standard processes and procedures as set forth in the Guides, including all applicable curtailments

d Contest of MI Rescissions

(1) In connection with all MI Rescission Mortgages and any other Covered Mortgages for which mortgage insurance is subsequently rescinded, the Lender who is the seller or servicer of such Covered Mortgage shall use all reasonable efforts, as determined in their discretion, to contest such rescission Lender shall notify Fannie Mae in writing when it has determined that it is unlikely that the mortgage insurer will reinstate the mortgage insurance, despite such Lender's reasonable efforts

(2) In no event shall any Lender be required to pay any additional amounts with respect to any MI Rescission Mortgages, Policy Misalignment Makewhole Mortgages, and Remaining Pipeline Mortgages on account of such mortgage insurance being rescinded or the inability to reinstate such insurance Nothing contained in this Section 4(d) shall be deemed to be "Other Obligations" as defined herein nor shall the breach thereof give rise to any remedy available to Fannie Mae against any Lender in its capacity as seller or servicer under the Contracts The sole and exclusive remedy for the alleged breach of any covenant in this Section 4(d) shall be a claim under this Agreement against the Lender committing the breach, and the maximum damage for any such claim will be the amount that Fannie Mae would have received from a private mortgage insurer had the breach not occurred, less any funds Fannie Mae receives from the private mortgage insurer with respect to the applicable Covered Mortgage

e Rebuttals and Repurchase Process

(1) If Fannie Mae requires a repurchase for any MI Rescission Mortgage, Data and Shipping Error Mortgages, IC Fee Reconciliation Mortgage, or a Documented MD/NC Mortgage pursuant to Section 4(b), the Lender who sold such mortgage or the Lender servicing such mortgage shall repurchase or pay the make-whole amount within 30 calendar days after receipt of Fannie Mae's written repurchase request or if such Lender disputes the repurchase request, such Lender shall provide its rebuttal letter and all supporting information within 30 calendar days after receipt of Fannie Mae's written repurchase request If Fannie Mae determines the original repurchase request should not be rescinded or waived based on its review of such Lender's rebuttal information, such Lender shall repurchase or pay the make-whole amount within 30 calendar days after Fannie Mae's written notification to Lender of its decision regarding the rebuttal

(2) Any Repurchase Obligations required to be performed by a Lender pursuant to this Section 4 shall be completed by such Lender's reporting of the applicable repurchase codes through Fannie Mae's reporting system All make-whole payments made in satisfaction of a Lender's Repurchase Obligations shall be wire transferred to Fannie Mae's account set forth in Section 2(f)

f December Repurchase Mortgages. The December Repurchase Mortgages were taken into account in determining the Credit Amount, even though the loan level accounting data reflecting these repurchases is not yet available to Fannie Mae To the extent that actual amounts remitted with respect to the December Repurchase Mortgages are less than the amounts that are required to be remitted pursuant to the Selling Guide with respect to such December Repurchase Mortgages, Lender shall immediately pay the difference by wire transfer to Fannie Mae's account set forth in Section 2(f)

g Correction in Investor Reporting Data For 18 of the Covered Mortgages listed on Schedule 8, the applicable Lender submitted the incorrect investor reporting code On or before January 4, 2011, Lender shall submit the correct investor reporting code required pursuant to the Servicing Guide to Fannie Mae

h Reservation of Rights Except to the extent expressly set forth in this Agreement with respect to Covered Mortgages each Lender and Fannie Mae acknowledge and agree that this Agreement does not change the respective contractual rights, obligations, or remedies of such Lender or Fannie Mae Fannie Mae reserves all of its rights and remedies with respect to all mortgages other than the Covered Mortgages

i No Compromise against Third Parties. By each Lender's execution hereof, this Agreement does not compromise or release any claim of such Lender against any third party, including but not limited to any insurer, or any correspondent, for any cost or expense hereunder, including attorneys' fees and costs

j Cooperation Upon a Lender's request, Fannie Mae will reasonably cooperate with and provide reasonable assistance to Lender in exercising any of its rights or remedies available to it against any applicable third party or correspondent from which it may have purchased any of the Covered Mortgage, including providing a confirmation letter stating that there has been a now-resolved claim with respect to a Covered Mortgage, to affirm that a claim for repurchase with respect to a Covered Mortgage has been addressed by this Agreement and/or confirming the liquidation status for any Covered Mortgage, and if liquidated, providing the applicable loss supporting documentation (i e loss statement, HUD-1 settlement statement, etc)

k Private Agreement. This Agreement is a private and final Agreement between the parties hereto

5 **Publicity.**

a If any Lender or Fannie Mae deems it reasonably necessary to make any comments (excluding non-public comments to correspondent lenders or Fannie Mae's customers) or public statements or issue a press release about this Agreement or the resolution described in this Agreement after 2 p m , Eastern time, on January 2, 2011, each Lender and Fannie Mae agree that

(1) Any such comments or statements made by such party regarding this Agreement and the claims being resolved hereby shall not contain any negative or adverse characterization of the other party, this Agreement or the resolution contemplated in this Agreement or the other party's practices or the Covered Mortgages,

(2) Such party will take reasonable and good faith efforts to ensure, to the extent reasonably possible under the time frame, that the timing and general content of any initial written press release, public announcement, or talking point/Q&A document is mutually satisfactory, including providing the non-disclosing party advance notice (including notice of at least twenty-four hours where feasible) and an opportunity to review the same, and

(3) If, subsequent to the initial sharing of information described in (2) above, either party anticipates including in a subsequent press release, public announcement, or talking point/Q&A document information that is substantively new and materially different from what was included in those documents exchanged pursuant to (b) above, such party will take reasonable and good faith efforts to ensure, to the extent reasonably possible under the time frame to provide such substantively new and materially different information to the other party in advance of releasing such information

b Section 5(a) shall not apply to any filings required by applicable law or regulation, including Federal securities law, or as any party may determine in its sole discretion is necessary or advisable as part of its filings with the Securities and Exchange Commission of Forms 8-K, 10-Q or 10-K

6 **Confidentiality.**

a This Agreement itself (including the terms and conditions hereof and all Schedules described in the Appendix attached hereto) as well as all documents, communications, drafts and other materials of any kind relating to the negotiation of this Agreement the circumstances leading thereto, or the implementation of this Agreement by the parties (collectively, the "**Confidential Information**"), shall be and remain confidential, provided however, that the parties agree that any party may discuss and disclose the terms and conditions of this Agreement as provided in Section 5 above

b The parties covenant and agree to each other that they will not discuss or divulge any Confidential Information, with or to any person, firm, corporation or other entity, except with or to

(1) such party's subsidiaries, affiliates, directors, officers, external or internal agents, representatives professional advisers, attorneys, accountants, auditors, insurers, and employees, who have a need to know, are under a duty of non-disclosure with respect to such information, and are under a duty to implement appropriate measures to maintain the confidentiality, security and integrity of such information,

(2) in an action by a Lender or Fannie Mae to enforce the terms of this Agreement, to the extent reasonably necessary for purposes of enforcement,

(3) in response to a court order, subpoena, or other demand or request made by a governmental or quasi- governmental body having jurisdiction over such party or the matters described in this Agreement (including the Federal Housing Finance Agency the SEC and the Internal Revenue Service), and subject to the party's formal request that such information be treated in confidence,

(4) as required by applicable law or regulation, including Federal securities law, or as that party may determine in its sole discretion is necessary or advisable as part of its filings with the Securities and Exchange Commission of Forms 8-K, 10-Q or 10-K and related disclosures to investors,

(5) in an action by a Lender pursuant to its covenants under Section 4(d) regarding the contest of rescissions of mortgage insurance to the extent reasonably necessary to fulfill such covenants so long as Lender notifies Fannie Mae of the Confidential Information that it intends to disclose at least five (5) business days prior to making such disclosure, and/or

(6) As expressly provided in Section 5 and Section 6(a)

c Each party shall use its reasonable efforts under the circumstances to provide the other party with reasonable notice that it has been requested to disclose Confidential Information as described in Subsection 6(a)(3) no later than five (5) business days after the receipt of the court order, subpoena, or other demand or request papers seeking the disclosure of Confidential Information (and to the extent reasonably practicable, at least one business day prior to disclosure of Confidential Information)

d Upon Fannie Mae's prior written consent, which consent shall not be unreasonably withheld, Lender may discuss or divulge Confidential Information to the extent expressly permitted by Fannie Mae to a qualified bidder or investor in connection with the sale of such Lender or its assets who have a need to know the Confidential Information, so long as such qualified bidder or investor executes a non-disclosure and confidentiality agreement reasonably satisfactory to Fannie Mae Each Lender acknowledges that such qualified bidder or investor may directly or indirectly have existing or future business relationships with Fannie Mae and that as a result, Fannie Mae may withhold or condition its consent to the disclosure of any Confidential Information in its reasonable discretion

e Material protected by this Section 6 shall be deemed to fall within the protection afforded to compromises and offers to compromise by Rule 408 of the Federal Rules of Evidence and similar provisions of state law or state rules of court

7 Representations and Warranties

a Lender Representations and Warranties. Each Lender represents and warrants that

(1) Corporate Existence and Authority. Such Lender (i) is duly organized, validly existing and in good standing under the laws of its chartering authority and has full power and authority to own and operate its properties and to conduct its business as now conducted by it, and (ii) has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Such Lender has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement and the performance of the transactions contemplated hereby.

(2) Third Party Consents. No governmental authority or other third party consents (including but not limited to approvals, licenses, registrations or declarations) are required in connection with the execution, delivery or performance by such Lender of this Agreement, other than such consents as have been duly obtained and are in full force and effect.

(3) Execution and Enforceability. This Agreement has been duly executed and delivered by such Lender and when this Agreement has been duly authorized, executed and delivered by Fannie Mae, this Agreement will constitute the legal, valid and binding obligation of such Lender, enforceable in accordance with its terms except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

(4) Conflict with Law. Neither the execution and delivery nor the performance by such Lender of this Agreement will result in any violation by such Lender of, or be in conflict with, any provision of any applicable law or regulation, or any order, writ or decree of any court or governmental authority.

(5) Official Record. For each Lender that is a federally-insured institution that is subject to the Federal Deposit Insurance Act, such Lender's execution and delivery of this Agreement has been approved by an officer of such Lender who was duly authorized by the board of directors of such Lender to enter into such types of transaction. In addition, such Lender represents and warrants that it (or any successor thereto) shall, and hereby covenants to, continuously maintain all components of such agreement or undertaking as an official record of Lender.

b Fannie Mae Representations and Warranties. Fannie Mae hereby represents and warrants that

(1) Authority. Fannie Mae has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Fannie Mae has taken all necessary corporate action to authorize the execution and delivery of this Agreement and the performance of the transactions contemplated hereby.

(2) Third Party Consents. No governmental authority or other third party consents (including but not limited to approvals, licenses, registrations or declarations) are required in connection with the execution, delivery or performance by Fannie Mae of this Agreement, other than such consents as have been duly obtained and are in full force and effect, including the Federal Housing Finance Agency. Fannie Mae has not assigned any of its interest in the claims and rights it is waiving by executing this Agreement to any other person or entity.

(3) Enforceability. This Agreement, assuming due authorization, execution and delivery hereof by the Lenders, constitutes the valid, binding and legal obligation of Fannie Mae, enforceable against it in accordance with the terms hereof, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law).

c All Parties. Each of the parties to this Agreement hereby represents and warrants, as of the Closing Date:

(1) it is not entering into the transactions contemplated hereby with the intent of hindering, delaying or defrauding any of its respective current or future creditor or creditors;

(2) it has entered into this Agreement voluntarily and not as a result of coercion or duress;

(3) it fully understands its risks and liabilities in entering into this Agreement, and represents that the other party has not made any statement or representation to it regarding any facts relied upon in entering into this Agreement, and each of them specifically does not rely upon any statement, representation, or promise of the other party hereto or any other person in entering into this Agreement, or in making the resolution provided for herein, except as expressly stated in this Agreement; and

(4) it has relied upon its own investigation and analysis of the facts and not on any statement or representation (other than the representations and warranties expressly set forth in this Section 7) made by any other party in choosing to enter into this Agreement.

8 No Admission. The resolution of this matter is voluntary. The parties hereto acknowledge that they expressly understand that this Agreement and the resolution it represents are entered into solely for the purpose of avoiding any future dispute with respect to the Covered Mortgages as they relate to the repurchase requests that are expressly withdrawn by Fannie Mae pursuant to this Agreement. This Agreement and any negotiations leading thereto do not constitute an admission of any fact or claim by any Lender with respect to the Covered Mortgages. This Agreement shall not be used as an admission against any party in this or any other past, present or future claim or matter. Neither this Agreement nor any provision herein shall be considered or treated as a precedent, either for purposes of the parties' or their affiliates' future dealings or otherwise.

9 Notices. All notices or demands relating to this Agreement shall be in writing and either personally served or sent by a nationally recognized overnight delivery service, or by facsimile transmission, and shall be deemed to be given for purposes of this Agreement on the earlier of the date of actual receipt or three days after the deposit thereof in the mail. Unless otherwise specified in a notice sent or delivered in accordance with the provisions of this section, such writing shall be sent, as follows:

To: Fannie Mae
Attention: Senior Vice President & Chief Acquisition Officer
835 Market Street
Suite 2300
Philadelphia, Pennsylvania 19103
Telephone: 215-575-1440
Facsimile: 215-575-1778

With a copy to	Fannie Mae Attention Deputy General Counsel & SVP - Single-Family 3900 Wisconsin Avenue NW Washington, DC 20016 Telephone (202) 752-8014 Facsimile Number (202) 752-4439
To	Bank of America, N A BAC Home Loans Servicing, LP Countrywide Home Loans, Inc c/o Bank of America Corporation 100 N Tryon Street Charlotte, NC 28255-0001 Attention Edward P (Ed) O'Keefe Legal Department - General Counsel Phone (704) 386-4650 Fax (704) 409 - 0968
With a copy to	Bank of America Corporation Home Loans & Insurance Division 4500 Park Granada Calabasas, CA 91302 Attention Michael S Malloy, Deputy General Counsel Legal Dept - Home Loans / Insurance Phone (213) 345-8912 Fax (213) 345-9301

10 **GOVERNING LAW.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK (including Section 5-1401 and 5-1402 of the General Obligations Law of the State of New York), without giving effect to New York's principles of conflicts of law Each Lender hereby agrees that all actions or proceedings arising in connection with this Agreement shall be tried and determined only in the United States District Court for the Southern District of New York Each Lender hereby expressly waives any right it may have to assert the doctrine of Forum Non Conveniens or to object to venue to the extent any proceeding is brought in accordance with this section Nothing in this Agreement shall require any unlawful action or inaction by any party hereto EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY

11 **Successors.** All terms and conditions of this Agreement shall be binding on the successors and assigns of each Lender and Fannie Mae Except as otherwise specifically provided in this Agreement, nothing expressed or referred to in this Agreement is intended or shall be construed to give any person other than Fannie Mae and each Lender any legal or equitable right remedy or claim under or with respect to this Agreement or any provisions contained herein, it being the intention of the parties hereto that this Agreement, the obligations and statements of responsibilities hereunder, and all other conditions and provisions hereof are for the sole and exclusive benefit of Fannie Mae and each Lender, and for the benefit of no other person

12 **Waiver.** Each Lender and Fannie Mae may waive its respective rights, powers or privileges under this Agreement, provided, that such waiver shall be in writing, and further provided, that no failure or delay on the part of Fannie Mae or any Lender to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege by the party under this Agreement, nor will any such waiver operate or be construed as a future waiver of such right, power or privilege under this Agreement

13 **Severability.** Excepting the provisions regarding the Resolution Amount and the repurchase requests that are being expressly being withdrawn by Fannie Mae pursuant to this Agreement, if any provision of this Agreement is declared invalid or unenforceable, then, to the extent possible, all of the remaining provisions of this Agreement shall remain in full force and effect and shall be binding upon the parties hereto

14 **Miscellaneous:**

a **Headings** The headings and subheadings contained in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof

b **Counterparts.** This Agreement may be executed in any number of counterparts each of which is fully effective as an original and all of which together constitute one and the same instrument Executed documents may be delivered and exchanged by facsimile or other electronic means

c **Interpretation.** This Agreement shall be construed and interpreted fairly as to all parties and not in favor or against any party, regardless of which party prepared this Agreement The use of any gender in this Agreement shall be deemed to be or include the other genders, including neuter, and the use of the singular shall be deemed to be or include the plural (and vice versa) wherever applicable The use of the word "include" or "including", when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not any no limitation language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter

d **Time.** Time is of the essence in the performance of the obligations stated in this Agreement

e **Survival of Covenants.** The covenants, representations, and warranties in this Agreement shall survive the execution of the Agreement

f **Entire Agreement** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof superseding all other discussions, promises, representations, warranties, agreements and understandings, whether written or oral, relating to the Agreement

g **Amendment and Waiver** No change or amendment shall be valid unless it is made in writing and executed by the parties to this Agreement No specific waiver of any of the terms of this Agreement shall be considered as a general waiver

[Signature pages to follow]

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written

FANNIE MAE,
a corporation organized under the laws of the United States

By /s/ Zach Oppenheimer
Type Name Zach Oppenheimer
Title Senior Vice President and Chief Acquisition Officer

BANK OF AMERICA, N.A.,
a national banking association

By /s/ Neil A. Cotty
Type Name Neil A Cotty
Title Chief Accounting Officer

BAC HOME LOANS SERVICING, LP.
a Texas limited partnership

By BAC GP, LLC
a Nevada limited liability company

By Bank of America, N A.,
its manager

By /s/ Neil A. Cotty
Type Name Neil A Cotty
Title Chief Accounting Officer

COUNTRYWIDE HOME LOANS, INC.
a California corporation

By /s/ Michael W. Schloesman
Type Name Michael W Schloesman
Title President

Material omitted has been filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment

APPENDIX

The following Schedules referenced in that certain Resolution Agreement With Respect to Certain Repurchase and Make-Whole Obligations and Claims dated as of December 31, 2010, by and among Fannie Mae, Bank of America N A , BAC Home Loans Servicing LP, and Countrywide Home Loans, Inc , were provided to Lenders by Fannie Mae pursuant to an email from Patrick Kidd of Fannie Mae to Pavel Maryska of Bank of America on December 30, 2010 and confirmed by Pavel Maryska to Patrick Kidd on December 30, 2010 as described on the email attached hereto and will be included on a CD-ROM to be provided to Lenders by Fannie Mae on or before January 14, 2011

All loan lists are based on Fannie Mae loan numbers

Schedule 1A Policy Misalignment Repurchase Mortgages (list of 361 loans, 17 of which were repurchased after September 20, 2010 and prior to December 22, 2010)

Schedule 1B Policy Misalignment Make-Whole Mortgages (list of 1,165 loans)

Schedule 2A MI Paid Mortgages (list of approx 101 loans) Revised Schedule 2A specifying the MI coverage amount to be delivered to Lenders on or before January 14, 2011

Schedule 2B Other MI Rescission Mortgages (Schedule 2B lists approx [*____*] loans) Revised Schedule 2B specifying the [*____*] to be delivered to Lenders on or before January 14, 2011 MI Paid Mortgages listed on Schedule 2A are considered MI Rescission Mortgages for purposes of this Agreement but are not separately listed in Schedule 2B (total number of MI Rescission Mortgages is approximately [*____*] (Schedule 2A plus Schedule 2B plus Schedule 2C))

Schedule 2C MI Credit Mortgages (list of approx 28 loans) Revised Schedule 2C specifying the MI coverage amount to be delivered to Lenders on or before January 14, 2011

Schedule 3 Data and Shipping Error Mortgages (list of approx 246 loans and specific data error) Revised Schedule 3 to be delivered to Lenders on or before January 14, 2011

Schedule 4 Remaining Pipeline Mortgages (list of approx 10,519 loans)

Schedule 5 MD/NC Mortgages (list of approx 2,896 loans) Revised Schedule 5 to be delivered to Lenders on or before January 14 2011

Schedule 6 IC Fee Reconciliation Mortgages (list of [*____*] loans and specific data error) Revised Schedule 6 to be delivered to Lenders on or before January 14, 2011

Schedule 7 List of Policy Misalignment Mortgages, Remaining Pipeline Mortgages and MI Rescissions for which Lenders have made payments prior to December 22, 2010

Schedule 8 List of Remaining Pipeline Mortgages that Lenders repurchased in December 2010 (list of approx 43 loans)

Exhibit 99 (b)

SETTLEMENT AGREEMENT

This Settlement Agreement (the "Agreement") is dated as of December 31, 2010 (the "Closing Date"), by and between (i) Federal Home Loan Mortgage Corporation ("Freddie Mac"), (ii) Bank of America, National Association ("BANA"), (iii) BAC Home Loans Servicing, L P ("Servicing LP"), and (iv) Countrywide Home Loans, Inc , ("Countrywide") (the foregoing are hereinafter referred to individually as a "Party", and collectively as the "Parties")

RECITALS

WHEREAS, Countrywide and its affiliate Countrywide Bank, FSB ("CWB") were approved Freddie Mac Single-Family Seller/Servicers that sold Mortgages (as defined herein) to Freddie Mac pursuant to certain Master Agreements and Master Commitments entered into with Freddie Mac,

WHEREAS Countrywide Home Loan Servicing LP ("CHLS, LP"), formerly an Affiliate of CWB, was the servicer or servicing agent for some or all of the Mortgages,

WHEREAS, pursuant to an Agreement and Plan of Merger, dated as of January 11, 2008, between Countrywide Financial Corporation (the ultimate parent of Countrywide and CWB), Bank of America Corporation ("BAC") (the ultimate parent of BANA), and Red Oak Merger Corporation (a wholly-owned subsidiary of BAC),

Countrywide Financial Corporation was merged into Red Oak Merger Corporation. Subsequent changes were made in organizational structure, such that CWB was merged into BANA, and CHLS, LP became an indirect subsidiary of BANA and was renamed BAC Home Loan Servicing, L P .

WHEREAS, BANA, Servicing LP and Countrywide (individually, a "BofA Seller/Servicer and collectively the "BofA Seller/Servicers") are each servicing certain of the Mortgages for Freddie Mac as identified in the electronic file that was attached to the emails attached as Exhibits A-1 and A-2 hereto (the "Electronic File")

WHEREAS, the BofA Seller/Servicers are subject to Freddie Mac's Single-Family Seller/Servicer Guide (the "Guide"), and certain other agreements setting forth mortgage purchase and servicing obligations between Freddie Mac and one of more of the BofA Seller/Servicers (as applicable), including, but not limited to, Master Agreements and any Master Commitments thereunder, and other Purchase Documents (as defined in the Guide), which modify the Guide in certain stated respects.

WHEREAS, differences have arisen between the BofA Seller/Servicers and Freddie Mac with respect to the obligations of the BofA Seller/Servicers and Freddie Mac has raised certain claims concerning the origination, sale, delivery or eligibility of Mortgages (as defined below) to Freddie Mac.

WHEREAS, the BofA Seller/Servicers seek to settle and finally resolve the subject differences with Freddie Mac and have therefore offered to pay or cause to be paid to Freddie Mac the Settlement Amount as described in Section 2 below, in consideration for the agreement by Freddie Mac to release the Released Parties (as defined below) from the Released Obligations and Claims (as defined below) and the additional stated obligations of Freddie Mac pursuant to the terms of this Agreement,

notwithstanding that the BofA Seller/Servicers regard the Settlement Amount as reflecting a premium over and above any existing and future obligations they each may have to Freddie Mac (but recognizing that the BofA Seller/Servicers are each receiving fair and adequate consideration hereunder when other factors are taken into account, including, but not limited to (i) potential litigation risks and costs, and (ii) the administrative costs and resources that would be involved in addressing certain repurchase issues with Freddie Mac on a loan-by-loan basis), and

WHEREAS, Freddie Mac is willing to accept the Settlement Amount in satisfaction of such Released Obligations and Claims, pursuant to the terms and conditions set forth in this Agreement

NOW, THEREFORE, in consideration of the agreements and undertakings set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to the conditions set forth herein, the Parties hereto agree as follows

1 **Incorporation of Recitals; Definitions** All of the foregoing Recitals are hereby incorporated herein As used in this Agreement, the following terms shall have the following meanings

"Affiliate" means, with respect to any of the BofA Seller/Servicers, another person or entity that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with such BofA Seller/Servicer, including without limitation BAC, Servicing LP, BANA and Countrywide

"BofA Seller/Servicers" has the meaning set forth in the fourth WHEREAS clause above, except that (1) to the extent that any BofA Seller/Servicer's obligations or covenants under this Agreement arise out of or relate to its role as a servicer of Mortgages subject to this Agreement, it is signing this Agreement solely in its capacity as servicer for those Mortgages designated to that entity in the Electronic File, and (2) nothing in the Agreement shall be construed as creating any guaranty or other obligation between or among the BofA Seller/Servicers

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person or other entity, whether through the ability to exercise voting power, by contract or otherwise "Controlling" and "Controlled" have meanings correlative thereto

"Covered Mortgage" has the meaning set forth in Section 3(e) below

"Guide" has the meaning set forth in the fifth "Whereas" clause in the Recitals

"Mortgage" means each single-family mortgage loan identified in the Electronic File that was e-mailed from Das Debabrata at Freddie Mac to Pavel Maryska at CHL on December 29, 2010 (a copy of that e-mail is attached as Exhibit A-1), a copy of the responding e-mail from Pavel Maryska at CHL to Das Debebrata at Freddie Mac on December 29, 2010 confirming the Mortgages listed in the Electronic File represent the entire population of Mortgages is attached as Exhibit A-2 The specific Mortgages that each BofA Seller/Servicer is responsible for servicing are separately identified in the Electronic File The Electronic File contains four columns, which are (i) the Freddie Mac Midas loan number, (ii) the applicable BAC Seller/Servicer loan number, (iii) the Servicer number and (iv) the Servicer number of the Party that

is responsible for the representations and warranties with respect to the Mortgage The Freddie Mac Midas loan number listed in the Electronic File will be the determinative identifier in the event there is any conflict between the four columns for a particular Mortgage The responsible servicers are identified by the following numbers 125949 & 154972 for BAC Home Loans Servicing, LP, 150847 for Bank of America, NA, 204305 for Countrywide Home Loans, Inc , 137105 for JP Morgan Chase Bank, NA, and 589505 for Bank United, FSB

"Purchase Documents" has the meaning set forth in the Guide, provided that this Agreement shall not constitute a Purchase Document

"Released Obligations and Claims" has the meaning set forth in Section 3(a) below

"Releasing Party" and "Releasing Parties" have the meanings set forth in Section 3(b) below

"Servicing Obligations" has the meaning set forth in Section 5(b) below

"Settlement Amount" has the meaning set forth in Section 2(b) below

All other capitalized terms used in this Agreement and not otherwise defined elsewhere in the Agreement shall have the respective meanings set forth in the Guide

2. Settlement Amount

(a) Simultaneously with the execution of this Agreement by all Parties, and in no event later than 3 00 p m (Eastern standard time) on December 31, 2010, Servicing LP shall complete a wire transfer to Freddie Mac of the Settlement Amount, pursuant to the wire transfer instructions attached hereto as Exhibit B and incorporated by reference herein.

(b) The "Settlement Amount" means One Billion, Two Hundred Eighty Million Dollars ($1,280,000,000)

(c) Freddie Mac's obligations and duties under this Agreement and the release of obligations in Section 3 are expressly contingent upon the timely receipt of the Settlement Amount pursuant to Section 2(a) above

3 Release and Related Covenants

(a) Released Obligations and Claims Notwithstanding anything to the contrary in the applicable Purchase Documents or any other agreement, and notwithstanding any breach of any section of this Agreement (subject to Section 2(c) hereof) or any other agreement, the Releasing Parties hereby irrevocably and unconditionally expressly release, waive and forever discharge any and all claims, counterclaims, defenses, rights of setoff, debt, liens, Losses, demands, damages, costs and expenses (including attorneys' fees and costs actually incurred) and causes of action of any kind or nature whatsoever, as to or against the Released Parties and each of them, arising out of, or in connection with, the origination, sale, delivery or eligibility of Covered Mortgages for sale to Freddie Mac for sale, securitization or guaranty to, by or through Freddie Mac, and/or the delivery of Covered Mortgages or related data to Freddie Mac or the related Document Custodian in

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connection with any sale of the Covered Mortgage, whether asserted, unasserted, known or unknown, suspected or unsuspected, fixed or contingent, in contract or tort, unsecured, secured, priority, administrative or otherwise, that the Releasing Parties or their successors or assigns may now or may hereafter have against any Released Party, under any provision of the Guide (as it existed at the applicable point in time, and as it exists at the Closing Date) or any Purchase Documents or the laws, regulations or administrative or executive directives of the United States or any other jurisdiction, including but not limited to, any repurchase or indemnification obligation or other remedy contained in any of the Purchase Documents with respect to a breach of the terms thereof or any representation, warranty, covenant, condition or requirement made or contained therein (irrespective of how characterized), or from any [*_____*], prior to or anytime after the Closing Date (the foregoing collectively referred to as the "Released Obligations and Claims")

(b) "Releasing Parties" means Freddie Mac, and any and each of its divisions, subsidiaries, affiliates, predecessors, successors and assigns and each of their respective officers, directors, employees, agents, representatives, attorneys and administrators, and each is individually referred to as a "Releasing Party."

(c) "Released Parties" means, Servicing LP, BANA, Countrywide, and any and all of their current, former or future direct or indirect parents, subsidiaries, Affiliates, partners, predecessors, successors and assigns, including any transferee of servicing rights for the Mortgages, and each of their respective past, present and future officers, directors, employees, agents, independent contractors, representatives, accountants, attorneys, boards, and their predecessors, successors and assigns, or any of them, and each is individually referred to as a "Released Party," provided, however, that Released Parties do not include any Document Custodian (including but not limited to Recon Trust), that currently holds, or previously held, any of the Mortgage notes pursuant to a Custodial Agreement (Freddie Mac Form 1035), and any amendments thereto executed by and among Freddie Mac, the Document Custodian and one or more of the BofA Seller/Servicers

(d) "Losses" shall mean any and all claims, suits, liabilities (including, but not limited to, strict liabilities), actions, proceedings, obligations, debts, damages, losses, costs, expenses, fines, penalties, assessments, demands, charges, fees, judgments, awards, disbursements and amounts paid in settlement, punitive damages, foreseeable and unforeseeable damages, incidental or consequential damages, of whatever kind or nature (including reasonable attorneys' fees and other costs of defense and disbursements) Notwithstanding the inclusion of "punitive damages" in the immediately preceding sentence, punitive damages will not be considered part of "Losses" under the following circumstances (i) if any officer or employee of one or more of the BofA Seller/Servicers (or of any Affiliate thereof) commits fraud (irrespective of whether such fraud meets the definition under this Agreement of a "Collusive Scheme"), and (ii) such fraud gives rise to or results in a judgment or award (issued by a court of competent jurisdiction beyond all possibility of appeal) in an action brought by a third party against Freddie Mac, which judgment or award identifies such fraud and assesses punitive damages against Freddie Mac in connection therewith.

(e) A "Covered Mortgage" means any Mortgage, except to the extent that such Mortgage is reasonably determined by Freddie Mac in accordance with Section 3(f) below to be any of the following

(i) a Mortgage secured by a residential property that is not located within any of the 50 States, the District of Columbia, Guam, Puerto Rico or the Virgin Islands at the time of Freddie Mac's purchase, as set forth in Guide Section 22 18 and the definition of a State in the Glossary to the Guide,

(ii) a Mortgage, the original unpaid principal balance of which at the time of Freddie Mac's purchase exceeded the maximum original loan amounts set forth in Guide Section 23 3

(iii) a Mortgage secured by vacant land or property primarily used for agriculture, farming or commercial enterprise at the time of Freddie Mac's purchase,

(iv) a Mortgage secured by residential properties consisting of five or more dwelling units at the time of Freddie Mac's purchase,

(v) a Mortgage with an LTV Ratio in excess of 80 percent at the time of Freddie Mac's purchase that (i) did not have mortgage insurance on the portion of the Mortgage in excess of 80 percent of the property's value (determined in accordance with the Guide), as set forth in Guide Section 27 1, (ii) was not sold with recourse, within the meaning of Section 11 10(a) of the Guide, and (iii) was not sold on a participation basis as described in Guide Section 11 4 1 (provided, however, that Freddie Mac may not require repurchase of a Mortgage under this sub-Section 3(e)(v) based solely on a determination by Freddie Mac that correction of an allegedly incorrect appraisal of the Mortgaged Premises (y) causes the Mortgage to have an LTV Ratio over 80 percent or (z) enlarges any existing excess of the Mortgage's LTV Ratio over 80 percent),

(vi) a Mortgage that was not a valid First Lien on the Mortgaged Premises at the time of Freddie Mac's purchase,

(vii) a Mortgage secured by a manufactured home that did not meet the property eligibility requirements set forth in Guide Section H33 2(a) at the time of Freddie Mac's purchase,

(viii) a Mortgage secured by Mortgaged Premises in one of the states listed in Guide Section 22 18 that at the time of origination was designated as a "high-cost," "high-risk" or a similar designation under the applicable state law as referenced in Guide Section 22 18 as ineligible for purchase,

(ix) any purchase transaction Mortgage secured by a Primary Residence and any Refinance Mortgage that, as described in Guide Section 22 33, had an annual percentage rate or total points and fees that exceed the thresholds under the Home Ownership and Equity Protection Act of 1994 (HOEPA) and its implementing regulations (the "HOEPA Thresholds") and as a result would have rendered the Mortgage ineligible for purchase by Freddie Mac, in the event that Freddie Mac, in the exercise of its discretion,

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has a reasonable basis to determine that a Mortgage has an annual percentage rate or total points and fees that exceed the HOEPA Thresholds, but is unable to confirm such noncompliance because necessary information (such as the settlement sheet) is missing from the applicable loan file, then the related Mortgage will be presumed to have an annual percentage rate or total points and fees that exceed the HOEPA Thresholds unless the applicable BofA Seller/Servicer presents credible evidence to the contrary, as determined by Freddie Mac in its reasonable discretion

(x) Loan Affected By a Collusive Scheme A Mortgage as to which fraud was committed by a borrower or other party to the mortgage transaction in conjunction with such transaction, and as to which all of the following criteria are satisfied (a) the Mortgage was originated as part of a scheme that involved collaboration of at least two perpetrators who need not be employed by the same entity and who participated in the origination process of each of the Mortgages that are part of the scheme or, in the case of a purchase money Mortgage, participated in either the origination process or in the purchase and sale of the Mortgaged Premises, (b) such scheme involved [*__*] or more Mortgages, and (c) the materially false representation or warranty made by the borrower or other party had an adverse and material impact on (A) the value of the Mortgage, (B) its saleability in the secondary mortgage market, (C) the borrower's ability to perform under the Mortgage, or (D) the collectibility of regular payments under the Mortgage

For purposes of this sub-Section 3(e)(x), participation in the origination process or in the purchase and sale of the Mortgaged Premises includes, but is not limited to, participation as borrower, mortgage broker, real estate broker, appraiser, settlement agent, escrow holder or title insurer

(xi) Recourse Loan A Mortgage listed on Exhibit C

(f) Freddie Mac shall provide the relevant BofA Seller/Servicer with thirty (30) days notice of its determination that any Mortgage falls within any of the Covered Mortgage exceptions above and shall accompany such notice with sufficient documentation to enable that BofA Seller/Servicer to determine the validity of Freddie Mac's assertion. The BofA Seller/Servicers retain the right to appeal in good faith and in a timely manner Freddie Mac's determination that any Mortgage falls within these exceptions, any such appeal shall include a written explanation of why such determination is incorrect, plus reasonable evidence in writing supporting such explanation Each BofA Seller/Servicer must comply with Guide Section 72 6 when making any such appeals

(g) Notwithstanding sub-Sections 3(a) - (f) above, the Released Obligations and Claims do not include any obligations of any BofA Seller/Servicer under the Guide provisions set forth in Exhibit D, to the extent set forth in Exhibit D However, it shall not be a breach of Guide Section 27 2 (Item 7 in Exhibit D) for a BofA Seller/Servicer to receive consideration for or otherwise benefit from the placement or renewal of any mortgage insurance with a mortgage insurance company or mortgage reinsurance company that is an Affiliate of the BofA Seller/Servicer under an arrangement previously

approved by Freddie Mac In the event of a breach of any of the Guide provisions set forth in Exhibit D by a BofA Seller/Servicer, Freddie Mac shall retain all of the remedies to which it is entitled under the Guide and the other Purchase Documents (including but not limited to the right to terminate the eligibility of the BofA Seller/Servicer to sell and/or service mortgages to or for Freddie Mac) except that such a breach shall not entitle Freddie Mac to require repurchase of or indemnification with respect to any Mortgage or entitle Freddie Mac to exercise any other remedy with respect to specific Mortgages

(h) Freddie Mac represents and warrants that it will act in good faith in executing any rights and obligations Freddie Mac has pursuant to this Agreement, including in its determinations regarding whether any Mortgage is subject to the above exceptions

(i) Freddie Mac acknowledges that the representations and warranties relating to the eligibility of Mortgages for sale to Freddie Mac, including but not limited to representations and warranties in volume 1 of the Guide relating to the underwriting, origination, sale, and delivery of Mortgages to Freddie Mac and/or in any other applicable Purchase Documents, are those in effect on the date each Mortgage was purchased by Freddie Mac Any changes made by Freddie Mac to these representations and warranties (in the Guide or otherwise) subsequent to the date of sale of a particular Mortgage to Freddie Mac do not apply to such Mortgage

4. Contesting Rescissions of Mortgage Insurance

(a) Each of the BofA Seller/Servicers, but solely to the extent that the BofA Seller/Servicer has an obligation to service a Covered Mortgage, covenants that

(i) it will service each Covered Mortgage in accordance with the terms of the Guide,

(ii) it will in good faith contest on Freddie Mac's behalf any action by a private mortgage insurer which action would result in the rescission, denial or unavailability of mortgage insurance with respect to a Covered Mortgage (irrespective of whether there has been a breach by a BofA Seller/Servicer or any of its predecessors or Affiliates of any representation, warranty, covenant or agreement related to such Mortgage),

(iii) the level of effort undertaken by the responsible BofA Seller/Servicer in connection with the above will be no less than the efforts generally taken in the ordinary course by the BofA Seller/Servicer in contesting the rescission, denial or unavailability of mortgage insurance in connection with mortgage loans held or serviced for its own account or for any of its Affiliates,

(iv) upon the request of either Freddie Mac or a private mortgage insurer, it will provide copies of the specified Mortgage files or documents to the applicable private mortgage insurer in connection with the rescission or denial of a mortgage insurance policy, and

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(v) it will notify Freddie Mac periodically in writing when it is unable to successfully contest the rescission, denial or unavailability of mortgage insurance in connection with one or more Covered Mortgages, and unless as may subsequently be agreed to by Freddie Mac and the responsible BofA Seller/Servicer, will not accept rescission or otherwise settle the dispute without Freddie Mac's prior written consent, which Freddie Mac will not unreasonably delay or withhold.

(b) In no event shall any of the covenants set forth in this Section 4 be deemed a [*_____*] of any BofA Seller/Servicer or any of its Affiliates, nor shall the [*_____*] under any Purchase Document [*_____*]

(c) Upon the rescission of any mortgage insurance policy covering any Covered Mortgage, if any mortgage insurance premiums are refunded by the private mortgage insurer directly to a BofA Seller/Servicer upon the rescission of such policy, that BofA Seller/Servicer will promptly direct or remit such funds to Freddie Mac Freddie Mac shall assume any and all risk that its rights, or the right of any BofA Seller/Servicer, have been prejudiced or compromised in any way by virtue of Freddie Mac's acceptance of such funds or its treatment of the remittance

5 Servicing of Mortgages

(a) Each BofA Seller/Servicer shall continue to service the Mortgages for which it is the Servicer in accordance with the applicable Purchase Documents following the Closing Date In the event of an alleged breach by a BofA Seller/Servicer of its respective Servicing Obligations (as defined herein) with respect to any Mortgage, Freddie Mac retains such rights as it may have to pursue that BofA Seller/Servicer for such breach under the Purchase Documents

(b) This Agreement does not release any BofA Seller/Servicer or any of its Affiliates from any representations, warranties, covenants or other agreements relating to the performance of Servicing Obligations. "Servicing Obligations" means obligations and duties that arise under Volume 2 of the Guide and related provisions of the Purchase Documents, including but not limited to requirements relating to day-to-day loan administration activities, reporting and remitting, and foreclosure and loss mitigation activities Servicing Obligations as defined herein relate to activities required to be performed in connection with the servicing of the Mortgage after the date of Freddie Mac's purchase It is possible for a Servicing Obligation to relate to the same general subject matter as a Released Obligation and Claim, if a failure to comply with a selling obligation occurred on or before the purchase date, followed later by a failure after the purchase date to perform a required Servicing Obligation relating to the same general subject matter A BofA Seller/Servicer may be deemed to have violated a Servicing Obligation only if the action or lack of action that Freddie Mac asserts constitutes the violation occurred after the purchase date

Any rescission of a mortgage insurance policy shall be deemed to be an event taking place on the date that the applicable BofA Servicer receives notice of such rescission, and shall not be treated as an absence of mortgage insurance as of the date of Freddie Mac's purchase of the affected Mortgage

Material omitted has been filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment

Example One If a Mortgage failed to satisfy Guide requirements for hazard insurance as of the date of purchase of such Mortgage by Freddie Mac, the action would be treated as a failure to comply with a selling obligation and the applicable BofA Seller/Servicer would be released under this Agreement from liability for representations and warranties regarding such failure If, however, such Mortgage was subsequently serviced by a BofA Seller/Servicer, and the BofA Seller/Servicer failed to cause insurance to be obtained in accordance with Guide servicing requirements, the failure of such Mortgage to have hazard insurance in compliance with Guide requirements would be a breach of a Servicing Obligation, from which the BofA Seller/Servicer would not be released under this Agreement

Example Two If a Mortgage with an LTV ratio exceeding 80 percent lacked the required credit enhancement (mortgage insurance, recourse or as a participation) on the date the Mortgage was sold to Freddie Mac, the Mortgage would not be a Covered Mortgage

Example Three A Mortgage with an LTV ratio exceeding 80 percent was sold to Freddie Mac with the mortgage insurance required by the Guide The private mortgage insurer rescinds the mortgage insurance policy three years after date of sale to Freddie Mac, because it determines the Mortgage is secured by a commercial property This Mortgage would not be a Covered Mortgage

Example Four A Mortgage with an LTV ratio exceeding 80 percent was sold to Freddie Mac with the mortgage insurance required by the Guide The private mortgage insurer rescinds the mortgage insurance policy because the credit characteristics of the Mortgage do not comply with the standards set by the mortgage insurer [*_____*]

(c) Although this Agreement provides for the Released Parties to be released from liability for the Released Obligations and Claims, each relevant BofA Seller/Servicer must continue to service the Mortgages for which it is the Servicer in accordance with the Purchase Documents and make all efforts as required under the Purchase Documents to mitigate losses relating to such Mortgages If any BofA Seller/Servicer does not service the Mortgages for which it is the Servicer in accordance with the Purchase Documents, Freddie Mac may, in its sole discretion, exercise any and all of its available remedies under the Purchase Documents relative to the entity that is the servicer for such Mortgages

(d) (i) Notwithstanding the provisions of the Guide regarding the unitary and indivisible nature of the servicing contract, Freddie Mac may exercise its right under Guide Chapter 71 to terminate or transfer servicing of any portion of the Mortgages as to each of which a BofA Seller/Servicer has materially failed to comply with any of the servicing requirements contained in the Purchase Documents, provided that such Mortgages are 30 days or more delinquent at the time of the written notice contemplated under (B) below and are at least 60 days delinquent at the date of termination or transfer, if

(A) Such failure would entitle Freddie Mac to terminate the entire servicing contract as to the BofA Seller/Servicer

(B) Freddie Mac gives the BofA Seller/Servicer written notice identifying the Affected Mortgages (as defined below) and the failure to comply with servicing requirements,

(C) the BofA Seller/Servicer fails to cure such non-compliance within 60 days after the notice in (B) above, and

(D) On the effective date of the transfer or termination, Freddie Mac executes and delivers to the affected BofA Seller/Servicer a release of all claims, counterclaims, defenses, rights of setoff, debt, liens, Losses, demands, damages, costs and expenses (including attorneys' fees and costs actually incurred) and causes of action of any kind or nature whatsoever, as to or against the affected BofA Seller/Servicer, arising out of, or in connection with, the servicing of the Mortgages as to which servicing has been transferred or terminated (the "Affected Mortgages"), whether asserted, unasserted, known or unknown, suspected or unsuspected, fixed or contingent, in contract or tort, unsecured, secured, priority, administrative or otherwise, that Freddie Mac may then or may thereafter have against the affected BofA Seller/Servicer, under any provision of the Guide or any Purchase Documents or the laws, regulations or administrative or executive directives of the United States or any other jurisdiction, including but not limited to, any repurchase or indemnification obligation or other remedy contained in any of the Purchase Documents with respect to a breach of the terms thereof or any representation, warranty, covenant, condition or requirement made or contained therein (irrespective of how characterized) except that the foregoing release shall not release, apply to or affect any of the following

(I) the continuing obligation of the affected BofA Seller/Servicer as set forth in the Purchase Documents to remit to Freddie Mac (or to a successor servicer, if Freddie Mac so directs) all funds received under or with respect to the Affected Mortgages (before or after the effective date of the transfer or termination), including but not limited to payments of principal and/or interest, deposits to escrows for taxes, insurance premiums, mortgage insurance premiums or other expenses, refunds of taxes or insurance premiums, foreclosure sale proceeds, and any other funds related to the Affected Mortgage that are held or received by the affected BofA Seller/Servicer in its capacity as servicer or former servicer of the Affected Mortgages,

(II) the obligation of the affected BofA Seller/Servicer to pay such amounts in penalties or other liquidated damages under the Guide that are agreed upon between Freddie Mac and the affected BofA Seller/Servicer prior to any transfer or termination pursuant to Section 5(d)(i)(B), and

(III) the obligation of the affected BofA Seller/Servicer to provide documents and records concerning the Affected Mortgages under Guide section 71 3

(ii) After the effective date of any transfer or termination, the affected BofA Seller/Servicer shall notify Freddie Mac of the amount of all advances made by the affected BofA Seller/Servicer in connection with the Affected Mortgages, and Freddie Mac shall reimburse such Servicer for all advances made by such Servicer in accordance with the Guide

Material omitted has been filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment

(iii) Freddie Mac may terminate or transfer servicing with respect to any such portion of the Mortgages without also terminating or transferring the servicing of

(A) other Mortgages, or

(B) other mortgage loans not listed in Exhibit A that are serviced by any of the BofA Seller/Servicers or any of their Affiliates

(iv) Sub-Sections 5(d)(i)-(iv) shall not apply to a Freddie Mac termination or transfer of servicing of all (rather than a portion) of the Mortgages serviced by any BofA Seller/Servicer

(v) This Section 5 shall not affect Freddie Mac's rights and remedies with respect to any BofA Seller/Servicer's servicing of mortgage loans not listed in Exhibit A, and servicing contracts with respect to such other mortgage loans shall continue to be unitary and indivisible as provided in the Guide

(e) Each BofA Seller/Servicer shall be responsive to Freddie's identification of servicing performance concerns, including but not limited to development of specific remediation plans, approval of any necessary remediation plans by executive management responsible for servicing matters ("Servicing Management"), and regular written reporting to Servicing Management about progress in implementation of the remediation plans. This Section 5(e) shall not affect Freddie Mac's remedies for any failure by a BofA Seller/Servicer to comply with servicing requirements contained in the Purchase Documents, but the sole and exclusive remedy for any alleged breach of the obligation in this Section 5(e) shall be a claim under this Agreement

(f) Each BofA Seller/Servicer is responsible under this Agreement only with respect to the specific Mortgages for which it is the Servicer

6. Assistance with Fraud Inquiries, [*_____*]

(a) If fraud is alleged to have been committed in connection with the origination of a Covered Mortgage, the applicable BofA Seller/Servicer(s) will reasonably cooperate with and provide reasonable and prompt assistance to Freddie Mac in exercising any rights or remedies available to Freddie Mac against any applicable third party that may have aided, abetted or participated in the fraudulent activity (including, for example but not by way of limitation, any applicable broker, appraiser, title company, realtor, or other applicable person or entity) in accordance with the requirements of the Purchase Documents

(b) Upon the written request of any BofA Seller/Servicer, Freddie Mac will cooperate with and provide reasonable and prompt assistance to the BofA Seller/Servicers or any of their Affiliates in[*_____*] including, if requested by a BofA Seller/Servicer, issuing a [*_____*]

7. **Advice of Counsel** Each Party to this Agreement has reviewed the Agreement independently and with counsel, is fully informed of the terms and effect of this Agreement, and has not relied in any way on any inducement, representation, or advice of any other Party hereto in deciding to enter into the Agreement, except as herein contained

8 Representations and Warranties of Parties.

(a) The BofA Seller/Servicers hereby represent and warrant that they have obtained approvals and authorizations required by law or by bylaw or resolution for the execution and enforceability of this Agreement

(b) Freddie Mac hereby represents and warrants that

(i) It has obtained all approvals and authorization required by law or by bylaw or resolution for the execution and enforceability of this Agreement, including without limitation the final approval and authority of the Federal Housing Finance Agency (FHFA) and

(ii) It has not assigned any of its interest in the Released Obligations and Claims it is relinquishing by executing this Agreement to any other person or entity. The BofA Seller/Servicers acknowledge that, except as provided above in Section 8(b)(i), Freddie Mac has provided no representations or warranty about the effect, if any, that the authority of FHFA might have on this Agreement.

(c) Each of the Parties hereby represents and warrants, as of the Closing Date

(i) it is not entering into the transactions contemplated hereby with the intent of hindering, delaying or defrauding any of its respective current or future creditor or creditors,

(ii) it has entered into this Agreement voluntarily and not as a result of coercion or duress,

(iii) it has examined the Mortgages and fully understands its risks and liabilities in entering into this Agreement, and represents that no other Party has made any statement or representation to it regarding any facts relied upon in entering into this Agreement, and each of them specifically does not rely upon any statement, representation, or promise of the other Party hereto or any other person in entering into this Agreement, or in making the settlement provided for herein, except as expressly stated in this Agreement. Each Party represents that it has relied upon its own investigation and analysis of the facts and not on any statement or representation made by any other Party in choosing to enter into this Agreement, and

(iv) this Agreement, assuming due authorization, execution and delivery hereof by the other Parties hereto, constitutes the valid, binding and legal obligation of such Party, enforceable against it in accordance with the terms hereof, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights in general and by general equity principles (regardless of whether such enforcement is considered in a proceeding in equity or at law)

9. **Unknown Claims** Each Party acknowledges that it has been advised by its attorneys concerning, and is familiar with, California Civil Code Section 1542 and expressly waives any rights thereunder with respect to the subject matter of this Agreement California Code Section 1542 provides "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR." Each Party expressly waives any and all rights under any other federal or state statute or law of similar effect with respect to the subject matter of this Agreement

10. **Governing Law** This Agreement is executed and delivered in the State of New York, and it is the desire and intention of the Parties that it be in all respects interpreted according to the laws of the State of New York as applied to contracts entered into and completely performed in New York Federal statutes may specifically apply, including but not limited to, 12 USC sections 1101-1393 and 1451-1459 Each of the Parties hereto specifically and irrevocably consents to the exclusive jurisdiction of the United States District Court for the Southern District of New York, with respect to all matters concerning this Agreement and its enforcement Each of the Parties agrees that the execution and performance of the Agreement shall have a New York situs, and accordingly consents to personal jurisdiction within the State of New York for purposes arising out of this Agreement **EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY, WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY**

11 **Construction of Agreement.** In the event of a dispute regarding the meaning of any language contained in this Agreement, the Parties agree that the same should be accorded a reasonable construction and should not be construed more strongly against one Party than against any other Party by any reason, including but not limited to by reason of such Party's or its counsel's role in the drafting of this Agreement In the event of a conflict between this Agreement and the Purchase Documents or Guide, this Agreement controls

12. **Modification.** The Parties shall, from time to time, execute, acknowledge and deliver such supplements to this Agreement and such further instruments as may reasonably be required for carrying out the intention of or facilitating the performance of this Agreement, including but not limited to any amendments to agreements between any BofA Seller/Servicer and Freddie Mac, which amendments any Party may deem necessary to conform those agreements to the terms of this Agreement This Agreement may not be amended, supplemented or modified except by a written instrument duly executed by the Parties

13 **No Admissions, No Precedent** The resolution of this matter is voluntary The parties hereto acknowledge that they expressly understand that this Agreement and the settlement it represents are entered into solely for the purpose of avoiding any possible future expenses, burdens or distractions of dispute and in no way constitute an admission by any party hereto of any fact or claim The BofA Seller/Servicers and all of their Affiliates specifically deny liability in connection with any claims that have been made or could have been made, or which arise from, or are connected directly or indirectly with the subject matter of this Agreement This Agreement and any negotiations leading thereto do not constitute an admission of any fact or claim, including but not limited to any claim of negligence, breach of contract, or any other basis for liability by any of the Parties, nor the existence of any facts upon which alleged liability could be based. This Agreement shall not be used as an admission against any Party in this or any other past, present or future claim or matter Neither this Agreement nor any provision herein shall be considered or treated as a precedent, either for purposes of the Parties' future dealings or otherwise

14 **Publicity** The Parties agree that any press release, public announcement, disclosure or other comment regarding this settlement and the claims being settled that is initiated, encouraged or facilitated by a Party shall not contain any negative or adverse characterization of the other Party, its practices or of the Mortgages, or this Agreement of the resolution The Parties will take reasonable and good faith efforts to ensure, to the extent reasonably possible under the time frame, that the timing and general content of the initial written press release, public announcement, or talking point/Q&A document (excluding securities and regulatory filings) is mutually satisfactory, including providing the non-disclosing party advance notice (including notice of at least one twenty-four hour period where feasible) and an opportunity to review the same For purposes of this Section 14, Parties shall be deemed to include the BofA Seller/Servicers Affiliates

15 **Confidentiality**

(a) The Parties shall have discretion to disclose terms contained in this Agreement, subject to Section 14 above addressing certain written materials The Agreement itself, all Exhibits, as well as all documents, communications, drafts and other materials of any kind relating to the negotiation of this Agreement, the circumstances leading thereto, or the implementation of this Agreement by the parties, shall be and remain confidential, subject to the additional terms below

(b) Disclosure of any material that is confidential under this Agreement shall be permitted only in the following limited circumstances

(i) in an action by any Party to enforce the terms of the Agreement, to the extent reasonably required for purposes of enforcement,

(ii) in response to a court order, subpoena, or other demand or request made in accordance with applicable law by a governmental or quasi- governmental body having jurisdiction over such Party (including, but not limited to, the Federal Housing Finance Agency, the Internal Revenue Service, and a formal or informal Congressional demand or request),

(iii) as required by applicable law or regulation, including, but not limited to, Federal securities law, or as that Party may elect in its sole discretion as part of its filings with the Securities and Exchange Commission of Forms 8-K, 10-Q or 10-K and related disclosures to investors

(iv) to such Party's subsidiaries, affiliates, directors, officers, external or internal agents, representatives, professional advisers, attorneys, accountants, auditors, insurers, successors, assigns and employees, who have a need to know, are under a duty of non-disclosure with respect to such information, and are under a duty to implement appropriate measures to maintain the confidentiality, security and integrity of such information, and to qualified bidders or investors in connection with the sale of such Party or its assets, who have a need to know and agree to be bound by the terms of this provision, or

(v) in an action by a BofA Seller/Servicer or any of its Affiliates pursuant to its covenants under Section 4 regarding the contest of rescissions of mortgage insurance, to the extent reasonably necessary to fulfill such covenants

(c) In the event that any claimant or litigant, by way of a document request, interrogatory, subpoena, or questioning at deposition or trial, requests and attempts to compel disclosure of anything protected from disclosure by this Section 15 by seeking an order from any court or governmental body to compel such disclosure, or in the event that a court, governmental official or government body requests or requires disclosure of anything protected by this Agreement, the Party from whom disclosure is sought shall give written notice to the other Parties in accordance with Section 18 as soon as reasonably practical and in no event more than five (5) days from the receipt of the papers seeking the order, and shall immediately provide copies of all notice papers, orders, requests or other documents in order to allow each party to take such protective steps as may be appropriate

(d) Material protected by this Section 15 shall be deemed to fall within the protection afforded to compromises and offers to compromise by Rule 408 of the Federal Rules of Evidence and similar provisions of state law or state rules of court

(e) For purposes of this Section 15, Parties shall be deemed to include the BofA Seller/Servicer's Affiliates

16 **No Waiver** The failure of a Party to enforce, in any one or more instances, any term or condition of this Agreement shall not be construed as a waiver of the future performance of any such or other term or condition

17 **Entire Agreement** This Agreement and the other documents referenced herein constitute the entire agreement between the Parties hereto (including the BofA Seller/Servicer's Affiliates) with respect to the subject matter contained herein. This Agreement may not be amended or modified orally

18 **Notices.** All notices that are required or are permitted hereunder shall be in writing and shall be (a) hand- delivered, (b) mailed by certified or registered U S Mail, return receipt requested, first class postage prepaid, or (c) telecopied to the Parties as follows

if to Freddie Mac
551 Park Run Drive
McLean, VA 22102
Attention Executive Vice President and Chief Credit Officer
Telecopier 571-382-3723

with a copy to
Legal Division
Freddie Mac
8200 Jones Branch Drive
McLean, VA 22102
Attention Vice President and Deputy General Counsel, Mortgage Law
Telecopier 703-903-2559

With a copy to

Freddie Mac
8200 Jones Branch Drive
McLean, VA 22102
Attention Executive Vice President and General Counsel
Telecopier 703-903-2623

if the BofA Seller/ Servicers
c/o Bank of America Corporation
100 N Tryon Street
Charlotte, NC 28255-0001

Attention General Counsel

Telecopier 704-409-0968

With a copy to
Bank of America Corporation
Home Loans & Insurance Division
4500 Park Granada
Calabasas, CA 91302

Attention General Counsel
Telecopier 213-345-9301

or to such other address or telecopier number as any Party shall designate by written notice to the other Parties in the manner provided herein

19 **Counterparts; Effective Date.** This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall be deemed signed and effective on the date that all of the Parties exchange facsimile copies of the executed signature pages, which shall be supplemented by original signatures within seven (7) calendar days after such date

20 **Other Lawsuits and Claims.** By execution hereof, this Agreement does not compromise or release any claim of the BofA Seller/Servicers or any of the Released Parties against any third party, including but not limited to any insurer, or any Correspondent, for any cost or expense hereunder, including attorneys' fees and costs

21 **Successors; No Third Party Beneficiaries.**

(a) All terms and conditions of this Agreement shall be binding upon and inure to the benefit of successors and assigns of the Parties

(b) With respect to Freddie Mac, "successors and assigns" shall include any governmental, quasi-governmental or private entity that may be created and that assumes any or all of the rights and obligations under this Agreement or under the Purchase Documents with respect to the Mortgages

(c) Except as specifically provided within the Agreement, nothing expressed or referred to in this Agreement is intended or shall be construed to give any person or entity other than the Parties and the Released Parties, their respective successors and assigns, any legal or equitable right, remedy or claim under or with respect to this Agreement, or any provisions contained herein, it being the intention of the Parties hereto that this Agreement, the obligations and statements of responsibilities hereunder, and all other conditions and provisions hereof are for the sole and exclusive benefit of the Parties and the Released Parties, their respective successors and assigns, and for the benefit of no other person or entity including without limitation mortgage insurers, title insurers or Correspondents

(d)

22 **Captions.** The captions assigned to provisions of this Agreement are for convenience only and shall be disregarded in construing this Agreement

23 **Severability** Excepting the provisions regarding Settlement Amount and the Released Obligations and Claims at Sections 2 and 3(a) of this Agreement, if any other provision of this Agreement, or any portion of any provision of this Agreement, shall be declared illegal, invalid, null and void or unenforceable by any court or tribunal having jurisdiction thereof, such portion or provision hereof shall be deemed separate and apart from the remainder of this Agreement, which shall remain in full force and effect.

IN WITNESS WHEREOF, intending to be legally bound hereby, the Parties have executed this Agreement as of the day and year first above written.

FEDERAL HOME LOAN MORTGAGE CORPORATION

By /s/ Raymond G. Romano
Name Raymond G Romano
Title Executive Vice President and Chief Credit Officer

BANK OF AMERICA, NATIONAL ASSOCIATION

By /s/ Neil A. Cotty
Name Neil A Cotty
Title Chief Accounting Officer

BAC HOME LOANS SERVICING, LP, a Texas limited partnership

By BAC GP, LLC, its general partner

By Bank of America, National Association,
its manager

By /s/ Neil A. Cotty
Name Neil A Cotty
Title Chief Accounting Officer

COUNTRYWIDE HOME LOANS, INC

By /s/ Michael W. Schlossmann
Name Michael W Schlossmann
Title President

EXHIBIT A-1

EXHIBIT A-2

EXHIBIT B

Freddie Mac's wire transfer instructions are as follows

ABA # 021033205
Beneficiary Name FHLMC Wash

EXHIBIT C

RECOURSE LOANS

EXHIBIT D

Non Loan Level Selling Warranties

1 Consent to Electronic Transactions Section 1 3

The Seller/Servicer represents and warrants that the Seller/Servicer has confirmed that the Seller/Servicer's computer hardware, software and ISP (or other method of connectivity to the Internet), if applicable, is compatible with Freddie Mac's computer hardware, software and ISP (or other method of connectivity to the Internet) and that the Seller/Servicer is able to readily print, store and retrieve any Record or Electronic Record transmitted by Freddie Mac to the Seller/Servicer and the Seller/Servicer is capable of transmitting or submitting any Record or Electronic Records to Freddie Mac in connection with any electronic transaction between the Seller/Servicer and Freddie Mac

2 Eligibility Criteria Section 4 2

An institution must be approved by Freddie Mac as a Seller/Servicer before it can sell Mortgages to or service Mortgages for Freddie Mac

The Seller/Servicer warrants that at all times it shall

- Be a viable organization and,as applicable, able effectively to

  Originate or otherwise acquire Mortgages acceptable for sale to Freddie Mac and/of

  Service Mortgages in a manner acceptable to Freddie Mac

3 Fidelity Insurance Coverage Section 4 7 (a)

Fidelity insurance coverage may be documented on a bond form acceptable to Freddie Mac or on the standard bond form currently mandated by or acceptable to the government agency that has regulatory or supervisory authority over the Seller/Servicer If the Seller/Servicer is not regulated or supervised, Freddie Mac will accept coverage documented on the bond form commonly issued to institutions similar to the Seller/Servicer The coverage may be provided in policy forms with names that include, but are not limited to, Fidelity Bond, Mortgage Bankers Bond, Financial Institution Bond, Financial Institution Crime Policy or Bankers Blanket Bond. Whichever policy form is relied upon to document the coverage required by Freddie Mac, the Seller/Servicer warrants that the terms of such coverage meet all of the requirements in Section 4 7(b)

4 Mortgagee's E&O Insurance Coverage Section 4 8

Mortgagee's E&O insurance coverage must be documented on policy forms commonly issued to institutions similar to the Seller/Servicer The coverage may be provided in policy forms with names that include, but are not limited to, Mortgage Bankers Bond, Mortgage Errors & Omissions, Mortgage Impairment, Mortgage Holders Liability, Professional Liability or Mortgage Protection. Whichever policy form is relied upon to document the coverage required by Freddie Mac, the Seller/Servicer warrants that the terms of such coverage meet all of the requirements in Section 4 8(b)

5 Certificate of Incumbency requirements Section 16 10 1 (second paragraph)

By executing Form 988SF or Form 989SF, the Seller/Servicer represents and warrants that Freddie Mac may rely conclusively on the accuracy, genuineness and good faith of any (i) Record submitted to Freddie Mac bearing an original signature of any one of the "Authorized Persons" on Form 988SF or Form 989SF, as applicable, or (ii) when permitted, facsimile transmission of a Record submitted to Freddie Mac bearing a copy of an original signature of any one of the "Authorized Persons" on Form 988SF or Form 989SF, as applicable, that contains or communicates instructions (or modifies previous instructions) to transfer funds or securities by wire transfer, ACH or other payment system approved by Freddie Mac The Seller/Servicer is responsible for any and all penalties, losses, liabilities and claims that result from Freddie Mac's reliance on any instruction provided to Freddie Mac by the Seller/Servicer's authorized representatives or any other person who has (or obtains) access to information or documents that compromise the security of Freddie Mac's wire transfer operations

6 Seller authorized to sell Mortgage, Purchase Documents authorized Section 22 27

Each Seller that is an "insured depository institution," as that term is defined in Section 1813(c)(2) of Title 12 of the United States Code, as amended, acknowledges, agrees, covenants, represents and warrants to Freddie Mac that the Seller's Master Agreements and other applicable Purchase Documents entered into by and between the Seller and Freddie Mac

- Are in writing or are "records" or "electronic records" as those terms are defined in Section 1 3(a) of the Guide),
- Were executed or authenticated by the Seller and Freddie Mac contemporaneously with the agreement reached by the Seller and Freddie Mac for sale of Mortgages by the Seller to Freddie Mac in return for cash and/or PCs received by the Seller,
- Were approved by the Seller's board of directors or the Seller's officers or employees who were duly authorized by the board of directors to enter into such agreements and board approvals, resolutions and/or delegations of authority are reflected in the minutes of the board, and
- Have been, continuously, from the time of their execution or authentication, official records of the Seller

7 Commissions, fees or other compensation on insurance Section 27 2

The Seller warrants that in connection with the placement or renewal of any mortgage insurance, including insurance on any other Mortgages it owns, to the Seller's knowledge, the insurer (including its parent company or any affiliate thereof) has not caused or permitted any consideration or thing of value (other than the protection provided by its mortgage insurance) to be paid to or received by any of the following

- The Mortgage lender
- Any officer, director or employee of the lender or any member of their immediate families

- Any insurance agency, corporation (other than the insurer), partnership, trust or other business entity (including any service corporation, whether organized for profit or otherwise) in which the lender or any of its officers, directors, employees or their immediate family members have financial interest, or
- Any designee, trustee, nominee or other agent or representative of any of the foregoing

This requirement applies to any commission, fee or other compensation on all mortgage insurance presently in force or to be placed in the future

8 Loan Prospector User Agreement, Exhibit 15, Section 6 2 (d)

User represents and warrants that (d) User has the legal right to obtain credit reports with respect to Borrowers whose mortgage loans or Loan Applications are assessed by the System

9 Flood insurance Section 58 3 (sixth paragraph)

The Seller/Servicer warrants that any FZD made on or after June 1, 1995 by a party other than the Seller/Servicer is guaranteed by the FZD maker to be accurate, in accordance with federal law The Seller/Servicer, however, remains responsible to Freddie Mac for the accuracy of any FZD made by the Seller/Servicer or any party other than the Seller/Servicer

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Estrada Hinojosa & Company, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 161 North Clark Street, Suite 4700, Chicago, IL 60601

C. Telephone: 312-523-2087 / 214-658-1670 Fax: 312-277-7499 / 214-658-1670 Email: fegrillo@ehmuni.com / nhinojosa@ehmuni.com

D. Name of contact person: Fernando Grillo & Noe Hinojosa, Jr.

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[x] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Texas

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Noe Hinojosa, Jr.	President/CEO
Robert A. Estrada	Senior Managing Director

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Noe Hinojosa, Jr.	1717 Main St., Suite 4700, Dallas, Texas 75201	50.32%
Robert A. Estrada	1717 Main St., Suite 4700, Dallas, Texas 75201	26.72%
Donald J. Gonzales	100 W. Houston St., Suite 1400, San Antonio, Texas 78205	10%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe Street, Chicago, IL 60603	Attorney	Est. $131,250
McGaugh Law Group, LLC	233 South Wacker Drive, Suite 5450, Chicago, IL 60606	Attorney	Est. $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

x 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement:

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Estrada Hinojosa & Company, Inc.
(Print or type name of Disclosing Party)

By: R A Estrada
(Sign here)

Robert A. Estrada
(Print or type name of person signing)

Senior Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at Dallas County, Texas (state).

Belinda A Garza Notary Public.

BELINDA ANN GARZA
Notary Public, State of Texas
My Commission Expires
November 10, 2015

Commission expires: 11-10-2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Raymond James & Associates, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 550 W. Washington Blvd., Suite 1650
Chicago, IL 60661

C. Telephone: 404.279.5724 Fax: 404.240.6891 Email: euriah.bennett@morgankeegan.com

D. Name of contact person: Euriah Bennett

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Florida

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached list.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Raymond James Financial, Inc.		100% interest
	880 Carillon Pkwy., St. Petersburg, Florida 33716	

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV – DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 E. Monroe St., Chicago, IL 60603	Attorney	est. $131,250
McGaugh Law Group, LLC	233 South Wacker Dr., Ste. 5450, Chicago, IL 60606	Attorney	est. $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See attached.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Raymond James & Associates, Inc.
(Print or type name of Disclosing Party)

By: Euriah J Bennett Jr.
(Sign here)

Euriah Bennett
(Print or type name of person signing)

Senior Vice President, Public Finance
(Print or type title of person signing)

Signed and sworn to before me on (date) 01/17/2013,
at Cobb County, Georgia (state).

Jeannette M. Fernandez Notary Public.

Commission expires: 11/16/2014.

JEANNE M. FERNANDEZ NOTARY PUBLIC GEORGIA EXPIRES November 16, 2014 COBB COUNTY

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

RE: Section II, B, 1
Raymond James & Associates, Inc.
Officers and Directors

Name	Title	Title Role
James, Thomas A.	Chairman	Director
Helck, Chester B.	Director	Director
Julien, Jeffrey P.	Director	Director
Tremaine, Thomas R.	Director	Director
Zank, Dennis W.	Director	Director
Zank, Dennis W.	Chief Executive Officer	Officer
Elwyn, Tash S.	President, Private Client Group	Officer
Allaire, Bella Loykhter	Executive Vice President, Technology and Operations	Officer
Anastasi, Robert P.	Senior Managing Director, ECM Research	Officer
Bixby, Trudy	SVP	Officer
Bond, Bradley J.	Assistant Secretary	Officer
Campagnoli, Vincent J.	Senior Vice President, PCG Strategy and Development	Officer
Dowdle, Jeffrey A.	Director, Asset Management Services	Officer
Eitel, John Timothy	Chief Information Officer	Officer
Eriksen, Elizabeth	Assistant Vice President	Officer
Franz, Richard B. II	SVP/Treasurer/CFO	Officer
Gregory, Donald F.	SVP	Officer
Hawke, Deborah A.	Assistant Secretary	Officer
Hill, Betty K.	Assistant Vice President	Officer
Hudson, M. Thomas	SVP, Private Client Group	Officer
Kailing, Anita M.	Assistant Secretary	Officer
LaCour, Raymond Jr.	SVP	Officer
Matecki, Paul L.	General Counsel, Secretary	Officer
McDaniel, James A.	Co-Head, Investment Banking	Officer
Mosby, J. Davenport III	Co-Head, Investment Banking	Officer
Pack, Lisa M.	Assistant Secretary	Officer
Samson, Denise	SVP	Officer
Shuck, Robert F.	EVP	Officer
Steinhauser, Paul	Senior Managing Director, Institutional Equity Sales	Officer
Tremaine, Thomas R.	EVP	Officer
Trocin, Jeffrey E.	EVP, Equity Capital Markets	Officer
Whaley, Fred	Managing Director, Alternative Investment Group	Officer
Whitaker, Ronald D.	VP/Assistant Treasurer	Officer

RE: Response to Section V, B, 7 explaining exception for Section V, B, 2, e

Raymond James & Associates, Inc.

On April 2, 2012, Raymond James Financial, Inc. ("RJF"), the parent company of Raymond James & Associates, Inc. ("Raymond James"), acquired all of the stock of Morgan Keegan & Company, Inc. ("Morgan Keegan") from Regions Financial Corporation. Morgan Keegan and Raymond James are each registered broker-dealers. Both Morgan Keegan and Raymond James are wholly-owned subsidiaries of RJF and, as such, are affiliated broker-dealer companies under the common control of RJF, utilizing the trade name "Raymond James | Morgan Keegan". It is anticipated that the operating activities of both Raymond James and Morgan Keegan will eventually be combined, but on an interim basis will operate as two distinct broker-dealers. Disclosures for both broker-dealers are detailed below.

Morgan Keegan & Company Inc.

In the normal course of business, Morgan Keegan and Raymond James are subject to routine regulatory investigations. Morgan Keegan and Raymond James both co-operate fully with all regulatory requests.

Regions and certain of its affiliates have been named in class-action lawsuits filed in federal and state courts on behalf of investors who purchased shares of certain Regions Morgan Keegan Select Funds (the Funds) and shareholders of Regions. The Funds were formerly managed by Morgan Asset Management, Inc. The complaints contain various allegations, including claims that the Funds and the defendants misrepresented or failed to disclose material facts relating to the activities of the Funds. No class has been certified, and at this state of the lawsuits Regions cannot determine the probability of a material adverse result or reasonably estimate a range of potential exposures, if any. However, it is possible that an adverse resolution of these matters may be material to the Company's consolidated financial position or results of operations. Certain of the shareholders in these Funds and other interested parties have entered into arbitration proceedings and individual civil claims, in lieu of participating in the class actions. Although it is not possible to predict the ultimate resolution or financial liability with respect to these contingencies, management is currently of the opinion that the outcome of these proceedings would not have a material effect on Company's consolidated financial position or results of operations.

In March 2009, Morgan Keegan received a Wells notice from the SEC's Atlanta Regional Office related to auction rate securities (ARS) indicating that the SEC staff intended to recommend that the Commission take civil action against the Company. On July 21, 2009, the SEC filed a complaint in United States District Court for the Northern District of Georgia against the Company alleging violations of the federal securities laws in connection with ARS that Morgan Keegan underwrote, marketed and sold. The SEC is seeking an injunction against the Company for violations for the antifraud provisions of the federal securities laws, as well as disgorgement, financial penalties and other equitable relief for customers, including repurchase by Morgan

Keegan of all ARS that it sold prior to March 20, 2008. Beginning in February 2009, the Company commenced a voluntary program to repurchase ARS that it underwrote and sold to the firm's customers, and extended that repurchase program on October 1, 2009 to include certain ARS that were sold by Morgan Keegan to its customers but were underwritten by other firms. Through this program and refunding efforts, Morgan Keegan has successfully reduced our clients' ARS holdings by 97% and bought back virtually all issues from individual holders, the majority of which were underwritten by other firms. On June 29, 2011, Morgan Keegan announced the final phase to repurchase ARS held by retail holders who purchased from Morgan Keegan. On June 28, 2011, the United States District Court for the Northern District of Georgia dismissed the lawsuit brought by the SEC, and in August 2011 the SEC appealed this dismissal. On May 2, 2012, the United States Court of Appeals in Atlanta, Georgia vacated the trial court's decision, and remanded the case back to the district court for further proceedings.

On July 21, 2009, the Alabama Securities Commission issued a "Show Cause" order to the Company arising out of the ARS matter that is the subject of the SEC complaint described above. The order requires Morgan Keegan to show cause why its registration as a broker-dealer should not be suspended or revoked in the State of Alabama and also why it should not be subject to disgorgement, repurchasing all ARS sold to Alabama residents and payment of costs and penalties. Although it is not possible to predict the ultimate resolution or financial liability with respect to the ARS matter, management is currently of the opinion that the outcome of this matter may not have a material effect on the Company's business, consolidated financial position or results of operations.

In 2005, Morgan Keegan and a research analyst were named as defendants in the lawsuit brought by an issuer of equity securities alleging that the Firm and the analyst were part of a conspiracy to drive down the value of the issuer's equity securities. The claim seeks damages totaling $5 billion. The matter is in the early stages of discovery. At this point the Firm cannot determine the probability of a material adverse result or reasonably estimate a range of potential exposures, if any.

The SEC, the Missouri State Securities Division, and the Missouri State Attorney General's Office have inquired into Morgan Keegan's role in the Industrial Development Authority of the City of Moberly, Missouri's bond issuance whereby appropriation credit bonds were issued by the City to fund a manufacturing facility. The company constructing the facility has filed for bankruptcy and the City has failed to make appropriation credit payments. Morgan Keegan is fully complying with any requests from regulatory and other governmental bodies. In addition, two investors have filed suit, which Morgan Keegan intends to defend vigorously.

Raymond James & Associates, Inc.

Raymond James & Associates, Inc. ("Raymond James" or "the Firm") is not aware of any pending litigation or regulatory matters which would have a material adverse effect upon the ability of Raymond James to conduct its public finance business. As requested, this response is limited to matters within the last five years relating to the Firm and its associates.

Although unrelated to Raymond James' public finance activities, in September, 2012, Raymond James executed a Letter of Acceptance, Waiver and Consent with FINRA and was fined $250,000 as a result of two instances of accidental data security breaches.

Although unrelated to Raymond James' public finance professional activities, in September 2011, Raymond James agreed to pay restitution of $1.69 million to primarily retail clients for equity securities commissions outside of FINRA's guidelines. In most instances, the trades involved transactions in low-priced securities generated by Raymond James' automated commission schedule. Additionally, FINRA fined Raymond James $225,000.

In June 2011, Raymond James reached an agreement to settle administrative proceedings with the U.S. Securities and Exchange Commission ("SEC") and with state securities regulators led by Florida and Texas to repurchase at par auction rate securities sold to clients. The Firm also agreed to pay a fine of $1.75 million to the state regulators, but was not fined by the SEC.

Although unrelated to the Firm's public finance professional activities, in February 2009, Raymond James signed a Letter of Acceptance, Waiver, and Consent and agreed to be censured and to pay a fine of $15,000.00 in order to resolve a FINRA disciplinary matter relating to the Firm's reporting of certain corporate and municipal bond transactions from September 2004 through May 2006.

In addition to the regulatory settlements discussed above, Raymond James has been named in two putative class action lawsuits related to auction rate securities. One of the class action lawsuits has been dismissed with prejudice. Raymond James cannot predict the outcome of the remaining matter at this time.

Raymond James engages in a full range of securities-related business. As a result of its size and in line with other full-service firms in its industry, Raymond James and certain Firm associates have been involved in a modest number of lawsuits, regulatory actions, and investigation during the last five years, in addition to the aforementioned matters. Except for certain retail arbitrations and routine regulatory inquiries, to the best of the Firm's knowledge, these additional matters did not directly relate to Raymond James' public finance professional activities. However, some of these matters may have touched upon the Firm's activities as they relate to municipal securities. Raymond James engages in a full range of securities-related business and employs over 1,400 brokers who handle customer accounts. As a result of its size and in line with other full-service firms in its industry, Raymond James and certain Firm associates have been involved in a modest number of lawsuits, regulatory actions, and investigation during the last two years, in addition to the aforementioned matters. Except for certain retail arbitrations and routine regulatory inquiries, to the best of the Firm's knowledge, these additional matters did not directly relate to Raymond James' public finance professional activities. However, some of these matters may have touched upon the Firm's activities as they relate to municipal securities.

Please refer from time to time to each firm's various regulatory filings available on the SEC's and FINRA's websites for additional information.

To the best of our knowledge, there are no regulatory matters or litigation pending that would jeopardize either firm's ability to perform the requested services contemplated.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Raymond James Financial, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 880 Carillon Pkwy
St. Petersburg, FL 33716

C. Telephone: 404.279.5724 Fax: 404.240.6891 Email: euriah.bennett@morgankeegan.com

D. Name of contact person: Euriah Bennett

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Florida

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached list.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Thomas A. James		11.60% interest
880 Carillon Pkwy., St. Petersburg, Florida 33716		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See attached.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Raymond James Financial, Inc.
(Print or type name of Disclosing Party)

By: Euriah Y Bennett J.
(Sign here)

Euriah Bennett
(Print or type name of person signing)

Senior Vice President, Public Finance, Raymond James & Associates, Inc.
(Print or type title of person signing)

Signed and sworn to before me on (date) 01/17/13,
at Cobb County, Georgia (state).

Jeanne M. Fernandez Notary Public.

Commission expires: 11/16/2014.

JEANNE M. FERNANDEZ NOTARY PUBLIC EXPIRES GEORGIA November 16, 2014 COBB COUNTY

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

RE: Section II, B, 1
Raymond James Financial, Inc.
Officers and Directors

Name	Title	Title Role
Broader, Shelley G.	Director	Director
Godbold, Francis S.	Director	Director
Habermeyer, H. William Jr.	Director	Director
Helck, Chester B.	Director	Director
Johnson, Gordon L.	Director	Director
Reilly, Paul C.	Director	Director
Saltzman, Robert P.	Director	Director
Simmons, Hardwick	Director	Director
Story, Susan N.	Director	Director
James, Thomas A.	Executive Chairman	Director
Ackart, Jennifer C.	Executive Officer	Executive Officer
Allaire, Bella Loykhter	Executive Officer	Executive Officer
Allison, Paul D.	Executive Officer	Executive Officer
Armstrong, Kenneth E.	Executive Officer	Executive Officer
Carson, John C. Jr.	Executive Officer	Executive Officer
Catanese, George	Executive Officer	Executive Officer
Dowdle, Jeffrey A.	Executive Officer	Executive Officer
Godbold, Francis S.	Executive Officer	Executive Officer
Helck, Chester B.	Executive Officer	Executive Officer
James, Thomas A.	Executive Officer	Executive Officer
Julien, Jeffrey P.	Executive Officer	Executive Officer
Matecki, Paul L.	Executive Officer	Executive Officer
Raney, Steven M.	Executive Officer	Executive Officer
Reilly, Paul C	Executive Officer	Executive Officer
Trocin, Jeffrey E.	Executive Officer	Executive Officer
Zank, Dennis W.	Executive Officer	Executive Officer
Reilly, Paul C.	CEO	Officer
Carson, John C. Jr.	President	Officer
Franke, Thomas S.	Vice Chairman	Officer
Godbold, Francis S.	Vice Chairman	Officer
Krueger, Douglas	Vice President	Officer
Oorlog, Jonathan W.	Vice President	Officer
Ackart, Jennifer C.	SVP, Controller	Officer
Alford, Michael R.	SVP, Deputy General Counsel	Officer
Armstrong, Kenneth E.	Associate General Counsel, Assistant Secretary	Officer
Barracca, Mark	VP, Associate Corporate Counsel	Officer
Biever, Angela	Chief Administrative Officer	Officer
Bond, Bradley J.	Assistant Secretary	Officer
Bostic, Terrance	VP, Associate Corporate Counsel	Officer
Budd, William K.	VP, Associate Corporate Counsel	Officer
Carevic, Kip M.	Chief Compliance Officer	Officer
Catanese, George	SVP, Chief Risk Officer	Officer
Critchlow, John N.	SVP, Associate Corporate Counsel	Officer
Ferraro, Barbara	Vice President - Corporate Insurance	Officer
Genco, Frank N.	VP, Associate Corporate Counsel	Officer
Hawke, Deborah A.	Assistant Secretary	Officer
Helck, Chester B	EVP and CEO Global Private Client Group	Officer
Hensler, Ann	VP, Assistant Corporate Counsel	Officer
Julien, Jeffrey P.	EVP - Finance, CFO and Treasurer	Officer
Kailing, Anita M.	Assistant Secretary	Officer
Linehan, Erin K.	VP, Associate Corporate Counsel	Officer
Lu, Chih-Pin	VP, Associate Corporate Counsel	Officer
Matecki, Paul L.	General Counsel, Secretary	Officer
Rudnicki, Robert	VP, Associate Corporate Counsel	Officer
Stein, Jonathan	VP, Associate Corporate Counsel	Officer
Tuntasit, Tony J.	VP, Associate Corporate Counsel	Officer
Zank, Dennis W.	Chief Operating Officer	Officer

RE: Response to Section V, B, 7 explaining exception for Section V, B, 2, e

Raymond James Financial, Inc.

On April 2, 2012, Raymond James Financial, Inc. ("RJF"), the parent company of Raymond James & Associates, Inc. ("Raymond James"), acquired all of the stock of Morgan Keegan & Company, Inc. ("Morgan Keegan") from Regions Financial Corporation. Morgan Keegan and Raymond James are each registered broker-dealers. Both Morgan Keegan and Raymond James are wholly-owned subsidiaries of RJF and, as such, are affiliated broker-dealer companies under the common control of RJF, utilizing the trade name "Raymond James | Morgan Keegan". It is anticipated that the operating activities of both Raymond James and Morgan Keegan will eventually be combined, but on an interim basis will operate as two distinct broker-dealers. Disclosures for both broker-dealers are detailed below. Can I sign? RJA ★

Morgan Keegan & Company Inc.

In the normal course of business, Morgan Keegan and Raymond James are subject to routine regulatory investigations. Morgan Keegan and Raymond James both co-operate fully with all regulatory requests.

Regions and certain of its affiliates have been named in class-action lawsuits filed in federal and state courts on behalf of investors who purchased shares of certain Regions Morgan Keegan Select Funds (the Funds) and shareholders of Regions. The Funds were formerly managed by Morgan Asset Management, Inc. The complaints contain various allegations, including claims that the Funds and the defendants misrepresented or failed to disclose material facts relating to the activities of the Funds. No class has been certified, and at this state of the lawsuits Regions cannot determine the probability of a material adverse result or reasonably estimate a range of potential exposures, if any. However, it is possible that an adverse resolution of these matters may be material to the Company's consolidated financial position or results of operations. Certain of the shareholders in these Funds and other interested parties have entered into arbitration proceedings and individual civil claims, in lieu of participating in the class actions. Although it is not possible to predict the ultimate resolution or financial liability with respect to these contingencies, management is currently of the opinion that the outcome of these proceedings would not have a material effect on Company's consolidated financial position or results of operations.

In March 2009, Morgan Keegan received a Wells notice from the SEC's Atlanta Regional Office related to auction rate securities (ARS) indicating that the SEC staff intended to recommend that the Commission take civil action against the Company. On July 21, 2009, the SEC filed a complaint in United States District Court for the Northern District of Georgia against the Company alleging violations of the federal securities laws in connection with ARS that Morgan Keegan underwrote, marketed and sold. The SEC is seeking an injunction against the Company for violations for the antifraud provisions of the federal securities laws, as well as disgorgement, financial penalties and other equitable relief for customers, including repurchase by Morgan

Keegan of all ARS that it sold prior to March 20, 2008. Beginning in February 2009, the Company commenced a voluntary program to repurchase ARS that it underwrote and sold to the firm's customers, and extended that repurchase program on October 1, 2009 to include certain ARS that were sold by Morgan Keegan to its customers but were underwritten by other firms. Through this program and refunding efforts, Morgan Keegan has successfully reduced our clients' ARS holdings by 97% and bought back virtually all issues from individual holders, the majority of which were underwritten by other firms. On June 29, 2011, Morgan Keegan announced the final phase to repurchase ARS held by retail holders who purchased from Morgan Keegan. On June 28, 2011, the United States District Court for the Northern District of Georgia dismissed the lawsuit brought by the SEC, and in August 2011 the SEC appealed this dismissal. On May 2, 2012, the United States Court of Appeals in Atlanta, Georgia vacated the trial court's decision, and remanded the case back to the district court for further proceedings.

On July 21, 2009, the Alabama Securities Commission issued a "Show Cause" order to the Company arising out of the ARS matter that is the subject of the SEC complaint described above. The order requires Morgan Keegan to show cause why its registration as a broker-dealer should not be suspended or revoked in the State of Alabama and also why it should not be subject to disgorgement, repurchasing all ARS sold to Alabama residents and payment of costs and penalties. Although it is not possible to predict the ultimate resolution or financial liability with respect to the ARS matter, management is currently of the opinion that the outcome of this matter may not have a material effect on the Company's business, consolidated financial position or results of operations.

In 2005, Morgan Keegan and a research analyst were named as defendants in the lawsuit brought by an issuer of equity securities alleging that the Firm and the analyst were part of a conspiracy to drive down the value of the issuer's equity securities. The claim seeks damages totaling $5 billion. The matter is in the early stages of discovery. At this point the Firm cannot determine the probability of a material adverse result or reasonably estimate a range of potential exposures, if any.

The SEC, the Missouri State Securities Division, and the Missouri State Attorney General's Office have inquired into Morgan Keegan's role in the Industrial Development Authority of the City of Moberly, Missouri's bond issuance whereby appropriation credit bonds were issued by the City to fund a manufacturing facility. The company constructing the facility has filed for bankruptcy and the City has failed to make appropriation credit payments. Morgan Keegan is fully complying with any requests from regulatory and other governmental bodies. In addition, two investors have filed suit, which Morgan Keegan intends to defend vigorously.

Raymond James & Associates, Inc.

Raymond James & Associates, Inc. ("Raymond James" or "the Firm") is not aware of any pending litigation or regulatory matters which would have a material adverse effect upon the ability of Raymond James to conduct its public finance business. As requested, this response is limited to matters within the last five years relating to the Firm and its associates.

Although unrelated to Raymond James' public finance activities, in September, 2012, Raymond James executed a Letter of Acceptance, Waiver and Consent with FINRA and was fined $250,000 as a result of two instances of accidental data security breaches.

Although unrelated to Raymond James' public finance professional activities, in September 2011, Raymond James agreed to pay restitution of $1.69 million to primarily retail clients for equity securities commissions outside of FINRA's guidelines. In most instances, the trades involved transactions in low-priced securities generated by Raymond James' automated commission schedule. Additionally, FINRA fined Raymond James $225,000.

In June 2011, Raymond James reached an agreement to settle administrative proceedings with the U.S. Securities and Exchange Commission ("SEC") and with state securities regulators led by Florida and Texas to repurchase at par auction rate securities sold to clients. The Firm also agreed to pay a fine of $1.75 million to the state regulators, but was not fined by the SEC.

Although unrelated to the Firm's public finance professional activities, in February 2009, Raymond James signed a Letter of Acceptance, Waiver, and Consent and agreed to be censured and to pay a fine of $15,000.00 in order to resolve a FINRA disciplinary matter relating to the Firm's reporting of certain corporate and municipal bond transactions from September 2004 through May 2006.

In addition to the regulatory settlements discussed above, Raymond James has been named in two putative class action lawsuits related to auction rate securities. One of the class action lawsuits has been dismissed with prejudice. Raymond James cannot predict the outcome of the remaining matter at this time.

Raymond James engages in a full range of securities-related business. As a result of its size and in line with other full-service firms in its industry, Raymond James and certain Firm associates have been involved in a modest number of lawsuits, regulatory actions, and investigation during the last five years, in addition to the aforementioned matters. Except for certain retail arbitrations and routine regulatory inquiries, to the best of the Firm's knowledge, these additional matters did not directly relate to Raymond James' public finance professional activities. However, some of these matters may have touched upon the Firm's activities as they relate to municipal securities. Raymond James engages in a full range of securities-related business and employs over 1,400 brokers who handle customer accounts. As a result of its size and in line with other full-service firms in its industry, Raymond James and certain Firm associates have been involved in a modest number of lawsuits, regulatory actions, and investigation during the last two years, in addition to the aforementioned matters. Except for certain retail arbitrations and routine regulatory inquiries, to the best of the Firm's knowledge, these additional matters did not directly relate to Raymond James' public finance professional activities. However, some of these matters may have touched upon the Firm's activities as they relate to municipal securities.

Please refer from time to time to each firm's various regulatory filings available on the SEC's and FINRA's websites for additional information.

To the best of our knowledge, there are no regulatory matters or litigation pending that would jeopardize either firm's ability to perform the requested services contemplated.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Academy Securities Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 190 S. LaSalle Street, Suite 1220
Chicago IL 60603

C. Telephone: 312-635-0868 Fax: 858-408-4280 Email: fpaul@academysecurities.com

D. Name of contact person: Frank Paul

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II – DISCLOSURE OF O WNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] N o [ ] N /A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Chance Mims	CEO
Philip McConkey	President
John Van Schaack	Shareholder
James Hal McMath	Shareholder

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

NAME	BUSINESS ADDRESS	% INTEREST IN DISCLOSING PARTY
Chance Mims	190 S. LaSalle Street, Suite 1220, Chicago IL 60603	50%
John Van Schaack	190 S. LaSalle Street, Suite 1220, Chicago IL 60603	10%
James Hal McMath	190 S. LaSalle Street, Suite 1220, Chicago IL 60603	10%

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

_____

_____

SECTION IV – DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing P arty must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe Street, Chicago, IL 60603		est. $131,250
McGaugh Law Group, LLC	233 South Wacker Drive, Suite 5450, Chicago, IL 60606		est. $56,250

(Add sheets if necessary)

[ ] Check here if the Dis closing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V – CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing P arty.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing P arty submitting this ED S is the Applicant and is doing business with the City, then the Disclosing P arty certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V ;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing P arty;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing P arty in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;

• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any A gents have, during the five years before the date this ED S is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U .S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "N A," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NO TE: If you checked "Yes" to Item D.1., proceed to Items D .2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI – CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing P arty must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [X] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [X] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [X] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

Academy Securities Inc. employs under 100 employees, and therefore is not required to file with the EEOC Commission; however we have a provided a breakdown. See attached.

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at w ww.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

		Job Categories	Officials and Managers	[redacted]	Technicians	Sales Workers	Office and Clerical	Craft Workers (Skilled)	Operatives (Semi-Skilled)	Laborers	Service Workers	Total
		Overall Totals	**5**	**18**	0	0	1	0	0	0	0	[redacted]
21	**Male**	**White (Not Hispanic)**	2	15								17
		Black (Not Hispanic)										0
		Hispanic	3	1								4
		Asian										0
		Native American										0
3	**Female**	**White (Not Hispanic)**		2								2
		Black (Not Hispanic)										0
		Hispanic					1					1
		Asian										0
		Native American										0

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NO TE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EP LS ") maintained by the U . S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the M atter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

ACADEMY SECURITIES, INC.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Michael Boyd
(Print or type name of person signing)

Chief Compliance Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 07 Jan 2013,
at NY County NY (state).

_____ Notary Public.

Commission expires: Aug 1 2015.

Raymond Goodwin
Notary Public, State of New York
No. 01GO6245678
Qualified in New York County
Commission Expires Aug. 1, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Backstrom McCarley Berry & Co., LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 115 Sansome St., Mezz A.
San Francisco, CA 94104

C. Telephone: (415) 392-5505 Fax: (415) 392-5276 Email: vmccarley@bmcbco.com

D. Name of contact person: Vincent McCarley, CEO

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Dept. of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

California

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Vincent McCarley	Chief Executive Officer
Don Backstrom	Managing Director & Principal
Leonard Berry	Managing Director & Principal

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Vincent McCarley	115 Sansome St., Mezz A San Francisco, CA 94104	65%
Don Backstrom	115 Sansome St., Mezz A San Francisco, CA 94104	20%
Leonard Berry	115 Sansome St., Mezz A San Francisco, CA 94104	15%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe St Chicago, IL 60603	Counsel (Anticipated)	Estimated fees: $131,250
McGaugh Law Group	233 South Wacker Drive, Ste. 5450 Chicago, IL 60606	Counsel (Anticipated)	Estimated fees: $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[✓] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Backstrom McCarley Berry & Co. LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Vincent McCarley
(Print or type name of person signing)

CEO
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at San Francisco County, California (state).

_____ Notary Public

Commission expires: 11-13-13.

APRIL M. JOHNSON
COMM. #1868368
NOTARY PUBLIC-CALIFORNIA
SAN FRANCISCO COUNTY
My Comm. Expires Nov. 13, 2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

BMO Capital Markets GKST Inc. (d/b/a BMO Capital Markets)

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 115 South LaSalle Street
Chicago, Illinois 60603

C. Telephone: 312-845-2005 Fax: 312-658-4678 Email: marylee.corrigan@bmo.com

D. Name of contact person: Mary Lee Corrigan

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
BMO Financial Corp.	111 W. Monroe Street Chicago, Illinois 60603	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe Street, Chicago, IL 60603	Attorney	est. $131,250
McGaugh Law Group, LLC	233 South Wacker Drive, Suite 5450, Chicago, IL 60606	Attorney	est. $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

BMO Capital Markets GKST Inc.
(Print or type name of Disclosing Party)

By: Mary Lee Corrigan
(Sign here)

Mary Lee Corrigan
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 24, 2013
at Cook County, Illinois (state).

Sharlene R. Chaney Notary Public

Commission expires: Sharlene R. Chaney

OFFICIAL SEAL
SHARLENE R. CHANEY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-13-2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

BMO Capital Markets GKST Inc.
(Wholly-owned Subsidiary of BMO Financial Corp.)

Board of Directors

Colleen Campbell	James Fitzgerald
David Casper	Perry Hoffmeister
Mary Lee Corrigan	Lyle McCoy
Patrick Cronin	Lucas Seabrook

Executive Officers

James Fitzgerald	Chief Executive Officer and President
Lyle McCoy	Executive Vice President
Mary Lee Corrigan	Chief Financial Officer, Chief Administrative Officer and Treasurer

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

BMO Financial Corp.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: BMO Capital Markets GKST Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 111 W. Monroe Street
Chicago, Illinois 60603

C. Telephone: 312-461-5643 Fax: 312-765-8281 Email: craig.ingram@harrisbank.com

D. Name of contact person: Craig Ingram

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Bank of Montreal	First Canadian Place	100%
	21st Floor, 100 King Street West	
	Toronto, Ontario M5X 1A1	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

BMO Financial Corp.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Craig T. Ingram
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 24, 2013
at Cook County, Illinois (state).

Sharlene R. Chaney Notary Public.

OFFICIAL SEAL
SHARLENE R. CHANEY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-13-2013

Commission expires:

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

BMO Financial Corp.

Directors

Adela Cepeda
Frank M. Clark
Susan T. Congalton
Ellen Costello
John W. Daniels
Arnold Donald
William A. Downe
Mark F. Furlong
David A. Galloway
David J. Lubar
Jerome A. Peribere
J. Robert Prichard
John Rau
John S. Shiely
Michael Van Handel

Executive Officers

Ann Benschoter	Executive Vice-President, Headquarters, U.S. Personal and Commercial Banking
Terry Bulger	Executive Vice-President, U.S. Risk Management and Chief Risk Officer
David R. Casper	Executive Vice-President, Commercial Banking Division
Ellen Costello	President and Chief Executive Officer, BMO Financial Corp.
Dante DeWitt	Senior Vice-President and Chief Information Officer, Technology and Operations U.S.
Justine Fedak	Senior Vice-President, Head of Marketing and Customer Strategies
Mark Furlong	President and Chief Executive Officer, BMO Harris Bank N.A.
Craig T. Ingram	Senior Vice-President, Business Continuity Planning
Terry A. Jenkins	Executive Vice-President, Head, U.S. Private Banking
Andrew Karp	Senior Vice-President, Chief Regulatory Officer and Deputy General Counsel

Christopher J. McComish	Executive Vice-President of Personal Banking – Illinois, Indiana, Wisconsin and Kansas and Co-Head of North American Specialized Sales
Barry McInerney	Co-CEO Global Asset Management
Cecily Mistarz	Executive Vice-President, Strategy and Implementation, Global Private Banking/ Executive Vice-President, Chief Operating Officer U.S. Private Bank
Eric Moss	Senior Vice-President and Chief Compliance Officer
Gail S. Palac	Senior Vice-President and Chief Auditor, U.S. Operations
Pamela C. Piarowski	Senior Vice-President Finance
Paul Renard	Senior Vice-President, Human Resources
Judith Rice	Senior Vice-President, Community Affairs and Economic Development and Community Reinvestment Act Officer
Russel C. Robertson	Executive Vice-President Business Integration, BMO Financial Group and Vice-Chair of BMO Financial Corp.
Stephen Taylor	Senior Vice-President and Chief Financial Officer

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Bank of Montreal

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: BMO Capital Markets GKST Inc. through BMO Financial Corp.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: First Canadian Place
21st Floor, 100 King Street West
Toronto, Ontario M5X 1A1

C. Telephone: 312-461-5643 Fax: 312-765-8281 Email: craig.ingram@harrisbank.com

D. Name of contact person: Craig Ingram

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Canada

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
CIBC Mellon GSS	320 Bay St., PO Box 1, Toronto, ON M5H 4A6	13.58%
BMO Nesbitt Burns	First Canadian Place, Toronto, ON M5X 1H3	8.78%

Note: The entities listed are registered investment advisors holding an ownership interest beneficially for its third party investors and registered according to the laws of multiple provinces in Canada, including Ontario.

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Bank of Montreal
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Ellen Costello
(Print or type name of person signing)

President & CEO, BMO Financial Corp. & U.S. Country Head
(Print or type title of person signing)

Signed and sworn to before me on (date) January 25, 2013
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: _____

OFFICIAL SEAL
ENE R. CHANEY
STATE OF ILLINOIS

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Bank of Montreal
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Craig T. Ingram
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 24, 2013
at Cook County, Illinois (state).

Sharlene R. Chaney Notary Public.

Commission expires:

OFFICIAL SEAL
SHARLENE R. CHANEY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-13-2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Bank of Montreal

Board of Directors

Robert M. Astley
Jan Babiak
Sophie Brochu
George A. Cope
William A. Downe
Christine A. Edwards
Ronald H. Farmer
Eric R. La Flèche
Bruce H. Mitchell
Philip S. Orsino, O.C., F.C.A.
Dr. Martha C. Piper, O.C., O.B.C.
J. Robert S. Prichard, O.C., O.Ont.
Guylaine Saucier, C.M., F.C.A.
Don M. Wilson III

Executive Officers

William A. Downe	Chief Executive Officer
Jean-Michael Ares	Group Head, Technology and Operations
Simon Fish	Executive Vice President and General Counsel
Thomas Flynn	Executive Vice President and Chief Financial Officer
Mark Furlong	President and Chief Executive Officer, BMO Harris Bank N.A.
Thomas Milroy	Chief Executive Officer – BMO Capital Markets
Gilles Ouellette	President and Chief Executive Officer – Private Client Group
Surjit Rajpal	Executive Vice President and Chief Risk Officer
Richard Rudderham	Executive Vice President and Head of Human Resources
Franklin J. Techar	President and Chief Executive Officer – Personal and Commercial Banking Canada
Douglas Stotz	Executive Vice President and Chief Marketing Officer

BANK OF MONTREAL

Certificate of Incumbency

Name	Office
Ellen Costello	President & CEO, BMO Financial Corp & U.S. Country Head
Craig Ingram	Senior Vice-President, Business Continuity Planning, U.S. & Branch Manager, Chicago, BMO CM

I, Katharine M. Anderson, Assistant Corporate Secretary of BANK OF MONTREAL, do hereby certify that Ellen Costello and Craig Ingram are appointed to the office set opposite their respective names above, are acting in such capacity and are authorized to act for the BANK OF MONTREAL.

DATED the 25th Day of January, 2013.

Katharine M. Anderson
Assistant Corporate Secretary
Bank of Montreal

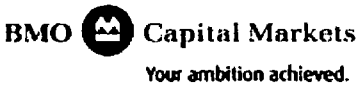
Sandercock, Patrick

From: Sandercock, Patrick
Sent: Friday, January 25, 2013 2:51 PM
To: 'Tracey.Payne@cityofchicago.org'
Cc: Yi, Chae U.
Subject: RE: City of Chicago Economic Disclosure Statement - O'Hare Customer Facility Charge Revenue Bonds Series 2013
Attachments: FW: EDSs - underwriters counsel information

Tracey,
Saundra Fried identified a potential issue with our Bank of Montreal EDS regarding greater than 7.5% ownership by Canadian registered investment advisors. Immediately below is our brief explanation and attached is the referenced email string from our EDS submission in September 2011. I'm sending this to preempt a question you might have as well.

Please let me know if any questions and enjoy your weekend,
Pat

Patrick Sandercock
Vice President | Public Finance & Infrastructure Banking
115 S. LaSalle Street | 18th Floor | Chicago, IL 60603
T: 312.845.4079 | F: 312.658.4677 | C: 312.420.3916
patrick.sandercock@bmo.com



From: Sandercock, Patrick
Sent: Friday, January 25, 2013 2:39 PM
To: 'Fried, Saundra'
Cc: Yi, Chae U.
Subject: RE: Motor Fuel EDS Submission....

Saundra,
These entities fall under the exemption provided in 2(c) of the Rules. We researched this previously and I will forward you separately an email that provides our conclusions which address the regulatory framework for Canadian investment firms.

Thanks!
Pat

From: Fried, Saundra [mailto:Saundra.Fried@cityofchicago.org]
Sent: Friday, January 25, 2013 2:17 PM
To: Sandercock, Patrick
Cc: Yi, Chae U.
Subject: RE: Motor Fuel EDS Submission....

Pat,

For the Bank of Montreal EDS, on page 3 it lists two investment advisory firms and their ownership percentages. Per the EDS rules, no EDS would need to be filed for these two entities, but a Form ADV and its most recent amendment thereto. Since these are both Canadian firms, is there anything equivalent to a Form ADV for filing with a Canadian regulator? If so, we should include that with the EDS submission.....Other than that, I have no comments on these drafts and will be on the lookout for originals from you.

Thanks for the info,
Saundra

Saundra N. Fried, Esq.
City of Chicago
Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Telephone: (312) 744-3407
Facsimile: (312) 744-4618
E-Mail: saundra.fried@cityofchicago.org

-----Original Message-----
From: Sandercock, Patrick [mailto:Patrick.Sandercock@bmo.com]
Sent: Friday, January 25, 2013 11:50 AM
To: Fried, Saundra
Cc: Yi, Chae U.
Subject: RE: Motor Fuel EDS Submission....

Saundra,
Attached are BMO's revised EDS submissions. As you suggested, upon your review/approval, we'll deliver hard copies. I've also included a copy of our Corporate Secretary's Certificate authorizing Ellen Costello and Craig Ingram to sign on behalf of the Bank of Montreal. I can follow up with a "wet signature" version of this Certificate early next week, if necessary.

Thanks!
Pat

Patrick Sandercock
Vice President | Public Finance & Infrastructure Banking
115 S. LaSalle Street | 18th Floor | Chicago, IL 60603
T: 312.845.4079 | F: 312.658.4677 | C: 312.420.3916
patrick.sandercock@bmo.com

BMO Capital Markets
Your ambition achieved.

From: Fried, Saundra [mailto:Saundra.Fried@cityofchicago.org]
Sent: Thursday, January 24, 2013 4:55 PM
To: Sandercock, Patrick
Subject: RE: Motor Fuel EDS Submission....

Terrific!

Saundra N. Fried, Esq.
City of Chicago
Department of Law

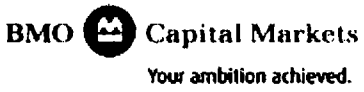
Sandercock, Patrick

From: Sandercock, Patrick
Sent: Friday, January 25, 2013 2:45 PM
To: 'saundra.fried@cityofchicago.org'
Cc: Yi, Chae U.
Subject: FW: EDSs - underwriters counsel information

Saundra,
As promised. Below is an email string addressing the issue of Canadian registered investment advisory firms.

Regards,
Pat

Patrick Sandercock
Vice President | Public Finance & Infrastructure Banking
115 S. LaSalle Street | 18th Floor | Chicago, IL 60603
T: 312.845.4079 | F: 312.658.4677 | C: 312.420.3916
patrick.sandercock@bmo.com



From: Shah, Sweta <sweta.shah@cityofchicago.org>
To: Sandercock, Patrick
Sent: Thu Sep 01 21:22:42 2011
Subject: RE: EDSs - underwriters counsel information

Thanks Pat. This is fine and your EDSs are complete. Thanks for all of your help!

Sweta

-----Original Message-----
From: Sandercock, Patrick [mailto:Patrick.Sandercock@bmo.com]
Sent: Thursday, September 01, 2011 6:05 PM
To: Shah, Sweta
Subject: RE: EDSs - underwriters counsel information

Sweta,
Attached is the updated EDS as discussed. Canadian investment advisory firms are required to register and are regulated by each province's securities regulatory body and by the Investment Industry Regulatory Organization of Canada (IIROC), which performs a role similar to FINRA in the U.S. There is no Canadian regulatory equivalent agency to the U.S. SEC and information, such as provided in the SEC's Form ADV, is not published for Canadian investment advisory firms. Below are the web sites for IIROC and for the Ontario Securities Commission (OSC), the home province for both entities noted in the Bank of Montreal's EDS as having at least 7.5% ownership.

http://www.iiroc.ca/English/About/OurRole/Pages/DealersWeRegulate.aspx

http://www.osc.gov.on.ca/documents/en/Investors/reg_registrants.pdf

The third entity previously referenced in a Bank of Montreal EDS ("CIBC Mellon GSS...#157;) was removed from this list based on further research indicating the firm is listed solely due to the nature of its operations as a custodian and related security servicing firm rather than actual ownership.

Patrick Sandercock
BMO Capital Markets GKST Inc.
312-845-4079
patrick.sandercock@bmo.com

From: Shah, Sweta [mailto:sweta.shah@cityofchicago.org]
Sent: Thursday, September 01, 2011 2:54 PM
To: Sandercock, Patrick
Subject: RE: EDSs - underwriters counsel information

Hi Pat,
Per our conversation, please provide an explanation in the Bank of Montreal EDS or as an attachment to that EDS which makes it clear that the 3 entities listed at the top of page 3 are "registered investment advisors holding an ownership interest beneficially for its third party investors and registered according to the laws of multiple provinces in Canada, including Ontario....#157;

I will need the short explanation we spoke of and links substantiating the companies' status as registered investment advisors via e-mail to satisfy my due diligence requirements.

Thanks,
Sweta

-----Original Message-----
From: Sandercock, Patrick [mailto:Patrick.Sandercock@bmo.com]
Sent: Thursday, September 01, 2011 12:00 PM
To: Shah, Sweta
Subject: RE: EDSs - underwriters counsel information

Sweta,
Can you give me a call at your earliest availability at 312.845.4079 regarding the follow-up disclosure required?

Patrick Sandercock
BMO Capital Markets GKST Inc.
312-845-4079
patrick.sandercock@bmo.com

From: Shah, Sweta [mailto:sweta.shah@cityofchicago.org]
Sent: Thursday, September 01, 2011 11:00 AM
To: Sandercock, Patrick
Cc: Flannery, Kelly
Subject: RE: EDSs - underwriters counsel information
Importance: High

Hi Pat,
Thanks for the update and I also just received your hardcopies. I appreciate the quick turnaround. Upon my review of the Bank of Montreal's ownership on page 4 of its EDS, because there are entities with an interest in it in excess of 7.5%, we need EDSs from those entities and any entities in their chains of ownership with an interest in excess of 7.5%, unless the any of the exceptions in the attached apply.

If none of the exceptions apply, I'll expect to see an EDS from each of those entities, and any relevant entities in their chain of ownership. If you have questions, please call me. My deadline to introduce this ordinance at next week's City Council meeting is still today, so of course time is of the essence. I appreciate all of your efforts in helping me meet this goal.

Thanks,
Sweta

-----Original Message-----
From: Sandercock, Patrick [mailto:Patrick.Sandercock@bmo.com]
Sent: Thursday, September 01, 2011 10:04 AM
To: Shah, Sweta
Subject: RE: EDSs - underwriters counsel information

Sweta,

EDSs for BMO Capital Markets GKST Inc., BMO Financial Corp, and Bank of Montreal relating to the City's 'General Obligation, Series 2011' will be delivered to your office this morning with the updates discussed. Note that the signature pages are NOT original for BMO Capital Markets GKST Inc. and BMO Financial Corp. I believe you have these original signature pages already. Original signatures are provided for the Bank of Montreal EDS. I'll also have enclosed a copy of the Certificate of Incumbency addressing authorization to sign on behalf of Bank of Montreal. The original will be available tomorrow (Friday 9/2/11).

Thanks!
Pat

Patrick Sandercock
BMO Capital Markets GKST Inc.
312-845-4079
patrick.sandercock@bmo.com

From: Shah, Sweta [mailto:sweta.shah@cityofchicago.org]
Sent: Wednesday, August 31, 2011 4:57 PM
To: Shah, Sweta; Sandercock, Patrick
Subject: RE: EDSs - underwriters counsel information

Pat,
Also, in addition to sending me the PDFs, given the short time-frame, please deliver the hardcopy of the EDSs to me and not Kelly. By tomorrow is ideal, if you can.

Thanks,
Sweta

-----Original Message-----
From: Shah, Sweta
Sent: Wednesday, August 31, 2011 4:55 PM
To: 'Patrick.sandercock@bmo.com'
Subject: EDSs - underwriters counsel information

Pat,
Here is underwriter's counsel's information:

1. (All EDSs) Page 1, F: add the matter description as "General Obligation Bonds, Series 2011...#157;

2. (Underwriter's EDS) Page 4, Retained parties: Revise the top of page 4 to indicate that underwriters counsel has been retained. When you fill out the top of page 4, please ensure that you include the name, business address, relationship, and fees (indicating estimated) for each of the two underwriters counsel firms. Underwriters counsel for this transaction is

Duane Morris LLP, located at 190 S. LaSalle Street, Suite 3700, Chicago, IL 60603 with estimated fees of $52,500 and Hardwick Law Firm, located 500 N. Michigan Ave., Chicago, IL 60611 with estimated fees of $22,500.

3. (Underwriter's parent companies' EDSs), Page 4, Retained Parties: check the box to indicate that no parties have been retained. Underwriters counsel is typically only retained by the party in the deal, and not the parent companies.

I know you've already got #3 covered, but just included it to be complete.

Thanks again for all of your help and let me know if you have any questions.

Sweta

Ms. Sweta Shah
Assistant Corporation Counsel
121 N. LaSalle, Room 600
Chicago, IL 60602
Tel: 312-744-0441
E-mail: sweta.shah@ex.cityofchicago.org

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This e-mail and any attachments may contain confidential and privileged information. If you are not the intended recipient, please notify the sender immediately by return e-mail, delete this e-mail and destroy any copies. Any dissemination or use of this information by a person other than the intended recipient is unauthorized and may be illegal. Unless otherwise stated, opinions expressed in this e-mail are those of the author and are not endorsed by the author's employer.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

North South Capital LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 200 W. Adams Suite 2230, Chicago IL 60606

C. Telephone: 312-445-5401 Fax: 312-445-5420 Email: jott@northsouthcap.com

D. Name of contact person: Jane Ott

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[x] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [x] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Jane Ott	President/Manager
Chris O'Donnell	Executive Vice President/Manager

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Jane Ott	200 W. Adams Suite 2230, Chicago, IL 60606	51%
Chris O'Donnell	200 W. Adams Suite 2230, Chicago, IL 60606	49%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe Street, Chicago IL 60603		est. $131,250
McGaugh Law Group, LLC	233 S. Wacker Drive, Suite 5450, Chicago, IL 60606		est $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Not Applicable

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

Not Applicable

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

Not Applicable

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__x__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

North South Capital LLC
(Print or type name of Disclosing Party)

By: Jane Ott
(Sign here)

Jane Ott
(Print or type name of person signing)

President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 29, 2013
at Cook County, IL (state).

Lisa Lee Watson Notary Public.

Commission expires: 10/19/15.

OFFICIAL SEAL
LISA LEE WATSON
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:10/19/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANCORP INVESTMENTS, INC.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 60 Livingston Avenue

St. Paul, Minnesota 55107

C. Telephone: (312) 325-2302 Fax: (855) 246-0025 Email: paul.chatalas@usbank.com

D. Name of contact person: Paul Chatalas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list of Executive Officers and Directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
U.S. Bancorp	800 Nicollet Mall	100%
	Minneapolis, MN 55402	

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis; or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
See Attachment C			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
Please see Attachment A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANCORP INVESTMENTS, INC. February 6, 2013
(Print or type name of Disclosing Party)

By: _____
(Sign here)

GAIL M. VAN HORN
(Print or type name of person signing)

SECRETARY AND VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Hennepin County, Minnesota (state).

_____ Notary Public.

Commission expires: 1-31-2016.

CARA L. SEELEY-JOHNSON
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

U.S. Bancorp Investments, Inc
Board of Director's List of Directors
12/1/2012

Last Name	First Name and Middle Initial	Title
Benjamin III	William J.	Board Director
Odegaard	Kathleen R.	Board Director
Walter	Jeffrey	Board Director
McCormack	Daniel J.	Board Director
O'Leary	Angela A.	Board Director
Buckley	Trudi	Board Director
Kelligrew	James B.	Board Director
Stuart	William J.	Board Director

U.S. Bancorp Investments, Inc
Board of Director's List of Officers
12/1/2012

Last Name	First Name and Middle Initial	Officer Title
Afsharipour	Ila	Vice President
Allison	Scott M.	Vice President
Anderson	Craig	Senior Vice President
Anderson	Peter	Assistant Vice President
Andreev	Elizabeth W.	Vice President
Arias	Carlos	Assistant Vice President
Arnold	Chris	Assistant Vice President
Arnold	Linda	Officer
Balagot	Marissa	Assistant Vice President
Bartlett	Craig	Vice President
Benjamin III	William J.	President, Chief Executive Officer
Bennett	Phillip	Senior Vice President
Betcher	Julia F.	Assistant Vice President
Bethea	Lawrence	Assistant Vice President
Bilancione	Len	Senior Vice President
Bingham	William T.	Senior Vice President
Bonner	Sean	Senior Vice President
Blair	Kent G.	Vice President
Bowen	Chris	Senior Vice President
Boyce Jr.	Bedford W.	Vice President
Brown	Kevin	Assistant Vice President
Buckley	Trudi	Senior Vice President and Chief Financial Officer
Burden	Dawn	Assistant Vice President
Calkins	Sarah A.	Assistant Vice President
Carda	Natalie A.	Assistant Vice President

Carey	Helen C.	Vice President
Carpenter	Charles	Senior Vice President
Castellanos	Rafael	Senior Vice President
Castrogiovanni	Ronald R.	Vice President
Cavanaugh, Sr.	William	Vice President
Chaudhry	Imran	Officer
Cicoletti	Chris	Senior Vice President
Clarkson	Ann	Assistant Vice President
Cochran	Christopher B.	Vice President
Coldwell	Charles E.	Assistant Vice President
Connor	Doug	Senior Vice President
Corbin	Jennifer (Dawn)	Assistant Vice President
Corrigan	Ellen	Vice President
Curcio	James J.	Senior Vice President
Dallas	Michele	Officer
Davidson	Chris	Senior Vice President
Davison	Stephanie	Officer
Della Vedova	Richard	Vice President
Dillon	James	Assistant Vice President
Donnelly	Shannon	Vice President
Donohue	James	Senior Vice President
Ebel	Edward	Assistant Vice President
English	LaTasha	Officer
Ekman	John R.	Senior Vice President
Falk	John	Vice President
Ferguson	Kimberly Nicole	Vice President
Fink	Douglas J.	Senior Vice President
Fleming	Bob S.	Assistant Vice President
Floum	Joel I.	Vice President
Fosness	Rachel A.	Officer
Fox	Denika	Assistant Vice President
Gage	Shawn.	Vice President
Gallo	Thomas F.	Senior Vice President
Gauger	Ramona	Vice President
Gerard	Constance	Vice President
Glood	Joshua	Assistant Vice President
Gohman	Chad	Assistant Vice President
Goldstein	Matthew A.	Vice President
Griffin	John J.	Officer
Grinnell	Christopher C.	Vice President
Harper	Jeffrey R.	Vice President
Hartman	Ron	Assistant Vice President
Hay	Andrew	Senior Vice President

Heidl	Michael R.	Vice President
Heyroth	Michael L.	Vice President
Hopkins	Ann M.	Assistant Vice President
Hoyme	Lawrence J.	Vice President
Hirtz	Evonne M.	Vice President
Huberty	Stephen R.	Assistant Vice President
Ingram	Clifford A.	Vice President
Jaberg	Allan	Assistant Vice President
Jasper	Victoria	Assistant Vice President
Jacobsmeyer	Rick A.	Vice President
Johnson	Marty	Officer
Johnson	Michael R.	Senior Vice President
Kane	Jeff	Senior Vice President
Kasak	Brett	Vice President
Kastens	Mary C.	Vice President
Keel	Garryl W.	Vice President
Keisling	Craig Everett	Vice President
Kelligrew	James B.	Executive Vice President
Kleven	Stacy L.	Assistant Vice President
Kocoras	Paul	Vice President
Kolman	Richard E.	Senior Vice President
Kreissl	Brent S.	Vice President
Lee	I Jin	Vice President
Levy	David B.	Vice President
Lewis	Gregory J.	Vice President
Loberg	Christine	Vice President
Lovell	Joni	Vice President
Long	Christopher R.	Senior Vice President
Lund	Gregory R.	Assistant Vice President
Lyon	Julie	Assistant Vice President
Madson	Sarah J.	Vice President
Mahajan	Amit V.	Vice President
Marisi	Jo	Assistant Vice President
Martin	Michael R.	Vice President
McCormack	Daniel J.	Senior Vice President
McGough	Brian E.	Senior Vice President
McIntosh	Jessica S.	Vice President and Controller
Meier	Paula	Assistant Vice President
Miller	Joseph	Vice President
Mitchel	Dorothy	Senior Vice President

Monaghan	Thomas A.	Vice President
Morse	Tyler S.	Assistant Vice President
Nagelson	Paul Scott	Senior Vice President
Newman	Terrance A.	Vice President
Odegaard	Kathleen R.	Senior Vice President and Chief Operating Officer
Oh	Shung	Senior Vice President
O'Leary	Angela	Senior Vice President
Parkhurst	William H.	Vice President
Patrick	Tim	Senior Vice President
Paulsen	Erik W.	Vice President
Philipson	Stephen	Senior Vice President
Poell	Michael F.	Vice President
Proctor	Kelly V.	Officer
Rankin	David	Vice President
Rash	Thomas	Senior Vice President
Reynolds	Paul	Vice President
Reynolds	Wayne	Senior Vice President
Richardson	Neal T.	Vice President
Roberts	Zoe C.	Vice President and Assistant Secretary
Rushin	Thomas	Vice President
Schmidt	Gregory E.	Vice President
Schmidt	Solomon	Assistant Vice President
Schofield	Marvin	Vice President
Schultz	Frank	Senior Vice President
Schuster	James	Vice President
Shafer	Maureen A.	Senior Vice President
Springmeyer	Paul S.	Assistant Vice President
Stafford	Bill	Senior Vice President
Stalzer	Gina	Vice President
Stegemeyer	Stephen Kyle	Senior Vice President
Stowe	Kevin V.	Vice President
Stuart	William J.	Senior Vice President
Sund	Teressa M	Vice President
Terrell	David	Vice President
Townsend	Mark	Senior Vice President
Truso	Stephen W.	Vice President
Tuchi	Matthew P.	Vice President
Uebelein	Keith R.	Vice President
Van Horn	Gail M.	Secretary and Vice President
Verch	Scott B.	Vice President

Vierzba	Jennifer	Assistant Vice President
Wadlow	Carolyn	Vice President
Wallace	Steven A.	Senior Vice President
Walter	Jeffrey	Chief Compliance Officer and Vice President
Weidinger	Matt	Vice President
Whalen	Richard	Officer
Winters-Jenkins	Twyla M.	Officer
Whang	Jimmy	Senior Vice President
Whitmore	Don	Senior Vice President
Wick	Jeffrey G.	Vice President
Wood	David	Senior Vice President

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-three predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (founded in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association (an affiliate of the Disclosing Party, U.S. Bancorp Investments, Inc.) is one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitizations trusts. Each trust holds multiple real property mortgages. From time-to-time, mortgage borrowers in Chicago default on mortgages or otherwise fail to comply with City of Chicago requirements with respect to certain of their properties. With respect to some of the troubled properties, U.S. Bank National Association may be a lender. However with respect to the majority of the trouble properties in Chicago for which U.S. Bank National Association is involved, U.S. Bank National Association is not the beneficial owner of the property and has no individual or corporate interest in the property. These properties are trust properties which are maintained by a wide variety of servicers. As of January 4, 2013, U.S. Bank National Association was aware of outstanding claims against it in its individual capacity of approximately $3,583.38. Moreover, with respect to properties held in trust (excluding Illinois Land Trust properties) for which U.S. Bank National Association acts as trustee, as of January 4, 2013, we were aware of outstanding claims against trust properties in the amount of approximately $132,599.23. As of January 14, 2013, U.S. Bank National Association has worked with the trust servicers to reduce that amount to $68,293.01.

U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee, meets with various city officials twice a month to address these claims. U.S. Bank National Association, both individually and as trustee, has continually strived to work with the City to resolve and reconcile amounts potentially owed to the City. U.S. Bank National Association, both individually and as trustee, intends to continue to work with the City in good faith to address property concerns including amounts owed.

ATTACHMENT C

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

Thompson Coburn LLP
55 East Monroe Street
Chicago, IL 60603
est. $131,250

McGaugh Law Group, LLC
233 South Wacker Drive
Suite 5450
Chicago, IL 60606
est. $56,250

Both of the above-firms will be retained as counsel.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANK NATIONAL ASSOCIATION

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: U.S. Bancorp Investments, Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 425 Walnut Street

Cincinnati, Ohio 45202

C. Telephone: (312) 325-2302 Fax: (855) 246-0025 Email: paul.chatalas@usbank.com

D. Name of contact person: Paul Chatalas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
National Bank

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

United States - federally granted national bank charter

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

U.S. Bank operates branches in the State of Illinois under the authority of its national bank charter and is therefore not required to register as a foreign corporation with the State.

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list of Executive Officers and Directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
U.S. Bancorp	800 Nicollet Mall	100%
	Minneapolis, MN 55402	

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No *To the best of our knowledge after due inquiry

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis; or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
See Attachment C			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

X 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
Please see Attachment A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANK NATIONAL ASSOCIATION — February 6, 2013
(Print or type name of Disclosing Party)

By: Scott A. Fenske
(Sign here)

SCOTT A. FENSKE
(Print or type name of person signing)

VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Hennepin County, Minnesota (state).

Marilyn K. Hiscock Notary Public.

Commission expires: 1/31/15

MARILYN K. HISCOCK
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____
_____
_____

Corporate and Executive Officers and Directors

Legal Name:	U.S. Bancorp	U.S. Bank, National Association
Business Address:	800 Nicollet Mall Minneapolis, MN 55402	425 Walnut Street Cincinnati, OH 45202
FEIN:	41-0255900	31-0841368
	Executive Officers:	**Corporate Officers:**
	Richard K. Davis Chairman, President and Chief Executive Officer **Jennie P. Carlson** Executive Vice President Human Resources **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman Wealth Management & Securities Services **Richard C. Hartnack** Vice Chairman Consumer Banking **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Joseph C. Hoesley** Vice Chairman Commercial Real Estate **Pamela A. Joseph** Vice Chairman Payment Services **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer **Richard B. Payne, Jr.** Vice Chairman Corporate Banking **Jeffry H. von Gillern** Vice Chairman Technology and Operations Services	**Richard K. Davis** Chairman, President and Chief Executive Officer **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman **Richard C. Hartnack** Vice Chairman **Joseph C. Hoesley** Vice Chairman **Pamela A. Joseph** Vice Chairman **Richard B. Payne, Jr.** Vice Chairman **Jeffry H. von Gillern** Vice Chairman **Jennie P. Carlson** Executive Vice President Human Resources **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer
Corporate Directors:		
	Richard K. Davis Chairman, President and Chief	**Andrew Cecere** **Richard K. Davis**

	Executive Officer U.S. Bancorp Minneapolis, Minnesota **Douglas M. Baker, Jr.** Chairman, President and Chief Executive Officer Ecolab Inc. St. Paul, Minnesota **Y. Marc Belton** Executive Vice President, Global Strategy Growth and Marketing General Mills, Inc. Minneapolis, Minnesota **Victoria Buyniski Gluckman** Retired President and Chief Executive Officer United Medical Resources, Inc., Cincinnati, Ohio **Arthur D. Collins, Jr.** Retired Chairman and Chief Executive Officer Medtronic, Inc. **Joel W. Johnson** Retired Chairman and Chief Executive Officer Hormel Foods Corporation Austin, Minnesota **Olivia F. Kirtley** Business Consultant Louisville, Kentucky **Jerry W. Levin** Chairman and Chief Executive Officer JW Levin Partners LLC; and Chairman and Chief Executive Officer of Wilton Brands Inc. New York, New York **David B. O'Maley** Executive Chairman and Retired President and Chief Executive Officer Ohio National Mutual Holdings, Inc. and it's subsidiary Ohio National Financial Services, Inc. Cincinnati, Ohio **O'dell M. Owens, M.D., M.P.H.** President, Cincinnati State Technical and Community CollegeCincinnati, Ohio **Richard G. Reiten** Retired Chairman and Chief Executive Officer Northwest National Gas Company Portland, Oregon **Craig D. Schnuck** Former Chairman and Chief	**Terrance R. Dolan** **Richard C. Hartnack** **Joseph C. Hoesley** **Pamela A. Joseph** **Richard B. Payne, Jr.** **Jeffry H. von Gillern**

	Executive Officer Schnuck Markets, Inc. St. Louis, Missouri **Patrick T. Stokes** Former Chairman and Former Chief Executive Officer Anheuser-Busch Companies, Inc. St. Louis, Missouri	

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-three predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (founded in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association is one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitizations trusts. Each trust holds multiple real property mortgages. From time-to-time, mortgage borrowers in Chicago default on mortgages or otherwise fail to comply with City of Chicago requirements with respect to certain of their properties. With respect to some of the troubled properties, U.S. Bank National Association may be a lender. However with respect to the majority of the trouble properties in Chicago for which U.S. Bank National Association is involved, U.S. Bank National Association is not the beneficial owner of the property and has no individual or corporate interest in the property. These properties are trust properties which are maintained by a wide variety of servicers. As of January 4, 2013, U.S. Bank National Association was aware of outstanding claims against it in its individual capacity of approximately $3,583.38. Moreover, with respect to properties held in trust (excluding Illinois Land Trust properties) for which U.S. Bank National Association acts as trustee, as of January 4, 2013, we were aware of outstanding claims against trust properties in the amount of approximately $132,599.23. As of January 14, 2013, U.S. Bank National Association has worked with the trust servicers to reduce that amount to $68,293.01.

U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee, meets with various city officials twice a month to address these claims. U.S. Bank National Association, both individually and as trustee, has continually strived to work with the City to resolve and reconcile amounts potentially owed to the City. U.S. Bank National Association, both individually and as trustee, intends to continue to work with the City in good faith to address property concerns including amounts owed.

ATTACHMENT C

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

Thompson Coburn LLP
55 East Monroe Street
Chicago, IL 60603
est. $131,250

McGaugh Law Group, LLC
233 South Wacker Drive
Suite 5450
Chicago, IL 60606
est. $56,250

Both of the above-firms will be retained as counsel.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANCORP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: U.S. Bank National Association
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 800 Nicollet Mall

Minneapolis, Minnesota 55402

C. Telephone: (312) 325-2302 Fax: (855) 246-0025 Email: paul.chatalas@usbank.com

D. Name of contact person: Paul Chatalas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[x] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list of Executive Officers and Directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No *To the best of our knowledge after due inquiry

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

X 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
Please see Attachment A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANCORP — February 6, 2013
(Print or type name of Disclosing Party)

By: Scott A. Fenske
(Sign here)

SCOTT A. FENSKE
(Print or type name of person signing)

VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Hennepin County, Minnesota (state).

Marilyn K. Hiscock Notary Public.

Commission expires: 1/31/15

MARILYN K. HISCOCK
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Corporate and Executive Officers and Directors

Legal Name:	U.S. Bancorp	U.S. Bank, National Association
Business Address:	800 Nicollet Mall Minneapolis, MN 55402	425 Walnut Street Cincinnati, OH 45202
FEIN:	41-0255900	31-0841368
	Executive Officers:	**Corporate Officers:**
	Richard K. Davis Chairman, President and Chief Executive Officer **Jennie P. Carlson** Executive Vice President Human Resources **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman Wealth Management & Securities Services **Richard C. Hartnack** Vice Chairman Consumer Banking **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Joseph C. Hoesley** Vice Chairman Commercial Real Estate **Pamela A. Joseph** Vice Chairman Payment Services **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer **Richard B. Payne, Jr.** Vice Chairman Corporate Banking **Jeffry H. von Gillern** Vice Chairman Technology and Operations Services	**Richard K. Davis** Chairman, President and Chief Executive Officer **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman **Richard C. Hartnack** Vice Chairman **Joseph C. Hoesley** Vice Chairman **Pamela A. Joseph** Vice Chairman **Richard B. Payne, Jr.** Vice Chairman **Jeffry H. von Gillern** Vice Chairman **Jennie P. Carlson** Executive Vice President Human Resources **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer
Corporate Directors:		
	Richard K. Davis Chairman, President and Chief	**Andrew Cecere** **Richard K. Davis**

	Executive Officer U.S. Bancorp Minneapolis, Minnesota **Douglas M. Baker, Jr.** Chairman, President and Chief Executive Officer Ecolab Inc. St. Paul, Minnesota **Y. Marc Belton** Executive Vice President, Global Strategy Growth and Marketing General Mills, Inc. Minneapolis, Minnesota **Victoria Buyniski Gluckman** Retired President and Chief Executive Officer United Medical Resources, Inc., Cincinnati, Ohio **Arthur D. Collins, Jr.** Retired Chairman and Chief Executive Officer Medtronic, Inc. **Joel W. Johnson** Retired Chairman and Chief Executive Officer Hormel Foods Corporation Austin, Minnesota **Olivia F. Kirtley** Business Consultant Louisville, Kentucky **Jerry W. Levin** Chairman and Chief Executive Officer JW Levin Partners LLC; and Chairman and Chief Executive Officer of Wilton Brands Inc. New York, New York **David B. O'Maley** Executive Chairman and Retired President and Chief Executive Officer Ohio National Mutual Holdings, Inc. and it's subsidiary Ohio National Financial Services, Inc. Cincinnati, Ohio **O'dell M. Owens, M.D., M.P.H.** President, Cincinnati State Technical and Community CollegeCincinnati, Ohio **Richard G. Reiten** Retired Chairman and Chief Executive Officer Northwest National Gas Company Portland, Oregon **Craig D. Schnuck** Former Chairman and Chief	**Terrance R. Dolan** **Richard C. Hartnack** **Joseph C. Hoesley** **Pamela A. Joseph** **Richard B. Payne, Jr.** **Jeffry H. von Gillern**

	Executive Officer Schnuck Markets, Inc. St. Louis, Missouri **Patrick T. Stokes** Former Chairman and Former Chief Executive Officer Anheuser-Busch Companies, Inc. St. Louis, Missouri	

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-three predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (founded in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association is one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitizations trusts. Each trust holds multiple real property mortgages. From time-to-time, mortgage borrowers in Chicago default on mortgages or otherwise fail to comply with City of Chicago requirements with respect to certain of their properties. With respect to some of the troubled properties, U.S. Bank National Association may be a lender. However with respect to the majority of the trouble properties in Chicago for which U.S. Bank National Association is involved, U.S. Bank National Association is not the beneficial owner of the property and has no individual or corporate interest in the property. These properties are trust properties which are maintained by a wide variety of servicers. As of January 4, 2013, U.S. Bank National Association was aware of outstanding claims against it in its individual capacity of approximately $3,583.38. Moreover, with respect to properties held in trust (excluding Illinois Land Trust properties) for which U.S. Bank National Association acts as trustee, as of January 4, 2013, we were aware of outstanding claims against trust properties in the amount of approximately $132,599.23. As of January 14, 2013, U.S. Bank National Association has worked with the trust servicers to reduce that amount to $68,293.01.

U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee, meets with various city officials twice a month to address these claims. U.S. Bank National Association, both individually and as trustee, has continually strived to work with the City to resolve and reconcile amounts potentially owed to the City. U.S. Bank National Association, both individually and as trustee, intends to continue to work with the City in good faith to address property concerns including amounts owed.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

The Williams Capital Group, L.P.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 650 Fifth Ave., Floor 11
New York, NY 10019

C. Telephone: 212-373-4206 Fax: 212-830-4561 Email: rowe@willcap.com

D. Name of contact person: Melissa Rowe

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[X] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Christopher Williams	Chairman & CEO
DiAnne Calabrisotto	COO
Patrick Wo	CFO
Matthew Rochlin	Vice Chairman & Senior Executive VP

Please see Appendix II.B.1 for a complete list of executive officers, directors, general partners, and limited partners.

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
The Williams Capital Group, Inc.	650 Fifth Ave., Floor 11 New York, NY 10019	13.1908%
Christopher J. Williams	650 Fifth Ave., Floor 11 New York, NY 10019	48.4639%
Finopco Holding Co.	257 Riverside Ave. Westport, CT 06880	27.7276%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe Street, Chicago, IL 60603		est. $131,250
McGaugh Law Group, LLC	233 South Wacker Drive, Suite 5450, Chicago, IL 60606		est. $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Williams Capital Group, L.P.
(Print or type name of Disclosing Party)

By: Jacqueline B. Knights
(Sign here)

Jacqueline Knights
(Print or type name of person signing)

Assistant Vice President of The Williams Capital Group, Inc.,
the general partner of The Williams Capital Group, L.P.
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/14/2013,
at New York County, New York (state).

Notary Public.

Commission expires: 1/2/2015.

Melissa Rowe
Notary Public, State of New York
No. 01R06158427
Qualified in New York County
Commission Expires on January 2, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Appendix II.B.1

Executive Officers & Directors.

Name	Title
Christopher Williams	CEO
DiAnne Calabrisotto	COO
Patrick Wo	CFO
Matthew Rochlin	Senior Executive VP / Director of Equities
David Coard	Director of Fixed Income Sales & Trading
Jacqueline Knights	Director of Public Finance
Jonathan Levin	Director of Corporate Finance

Ownership Structure.

WCG Ownership Structure	
General Partner	Percentage Interest
The Williams Capital Group, Inc.*	13.1908%
*100% owned by Christopher J. Williams	
Limited Partners	
Christopher J. Williams (M)	48.4639%
Finopco Holding Co.	27.7276%
Bruce Usher	5.9713%
Jonathan Levin	3.4257%
DiAnne Calabrisotto (F)	0.4641%
David Coard (M)	0.4641%
David Finkelstein	0.4641%
*M = Minority Ownership F=Female Ownership	

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Finopco Holding Co.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: The Williams Capital Group, L.P.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 135 Redding Road
Easton, CT 06612

C. Telephone: 203-763-9326 Fax: 203-256-1437 Email: rochlin@willcap.com

D. Name of contact person: Matthew Rochlin

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Connecticut

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Matthew K. Rochlin	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Matthew Rochlin	135 Redding Road Easton, CT 06612	75%
Jennifer Ernst Marchese	13113 Chambord Way San Diego, CA 92130	11%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe Street, Chicago, IL 60603		est. $131,250
McGaugh Law Group, LLC	233 South Wacker Drive, Suite 5450, Chicago, IL 60606		est. $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Finopco Holding Company
(Print or type name of Disclosing Party)

By: _____
(Sign here)

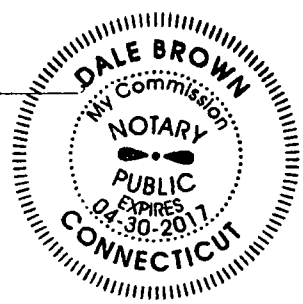
Matthew Rochlin
(Print or type name of person signing)

Owner
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/15/13
at Fairfield County, CT (state).

_____ Notary Public.

Commission expires: 4/30/17.



CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

The Williams Capital Group, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: The Williams Capital Group, L.P.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 650 Fifth Ave., Floor 11
New York, NY 10019

C. Telephone: 212-373-4206 Fax: 212-830-4561 Email: rowe@willcap.com

D. Name of contact person: Melissa Rowe

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see Appendix II.B.1 for a complete list of officers for The Williams Capital Group, Inc.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Christopher J. Williams	650 Fifth Ave., Floor 11 New York, NY 10019	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe Street, Chicago, IL 60603		est. $131,250
McGaugh Law Group, LLC	233 South Wacker Drive, Suite 5450, Chicago, IL 60606		est. $56,250

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Williams Capital Group, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Jacqueline Knights
(Print or type name of person signing)

Assistant Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/14/2013,
at New York County, New York (state).

_____ Notary Public.

Commission expires: 1/2/2015.

Melissa Rowe
Notary Public, State of New York
No. 01R06158427
Qualified in New York County
Commission Expires on January 2, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

SCHEDULE A TO THE WILLIAMS CAPITAL GROUP, INC. AND THE WILLIAMS CAPITAL GROUP, L.P. CORPORATE AUTHORIZATIONS WITH RESPECT TO OFFICERSHIPS

The below named-persons have been duly elected, have been duly qualified and on this day are, officers, holding the respective offices set forth opposite their names:

NAME	INC. OFFICERSHIP	L.P. OFFICERSHIP & TITLE
Christopher J. Williams	Chairman & Secretary, Chief Executive Officer	Chairman & Chief Executive Officer
Matthew K. Rochlin	Vice President	Vice Chairman & Senior Executive Vice President
DiAnne Calabrisotto	Vice President & Assistant Secretary	Chief Operating Officer & Chief Compliance Officer
Patrick Wo	Treasurer	Chief Financial Officer
Janice Savin Williams	Vice-Chairman	Principal
Jonathan Levin	Assistant Vice President	Principal & Director of Corporate Finance
David Coard	Assistant Vice President	Principal & Director, Fixed Income Sales and Trading
David Finkelstein	Assistant Vice President	Principal
Jacqueline Knights	Assistant Vice President	Principal & Director, Public Finance
Stephen J. Carl	Assistant Vice President	Principal & Head Trader, Equities
Suling Lew	Assistant Vice President	Principal & Equity Sales Manager
Jean Adamovsky (aka Adams)	Assistant Vice President	Principal, Fixed Income Trading
Alexis Thomas	Assistant Vice President	Principal & Debt Syndicate Manager
Jeffery Burdeshaw	Assistant Vice President	Vice President Equity Trading

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Peck, Shaffer & Williams LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 135 S. LaSalle St., Suite 3025
Chicago, IL 60603

C. Telephone: 312-372-6060 Fax: 312-372-6085 Email: gbuzard@peckshaffer.com

D. Name of contact person: George D. Buzard

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[x] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Ohio

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Addendum A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__x__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

_____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Peckl, Shaffer & Williams LLP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

George D. Buzard
(Print or type name of person signing)

Partner
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/22/2013
at Cook County, Illinois (state).

_____ Notary Public.

OFFICIAL SEAL
GRACIELA C. MARTINEZ
Notary Public - State of Illinois
My Commission Expires Jul 3, 2016

Commission expires: _____.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Addendum A
Section II B.l.

Name	Title
Dirk M. Bedarff	Chairperson, Management Committee
Thomas D. Freeman	Chief Financial Officer
Mary L. Groves	Member, Management Committee
Glendon B. Pratt	Member, Management Committee
Brenda A. Wehmer	Member, Management Committee
Thomas A. Wilson	Member, Management Committee

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Eduardo M. Cotillas dba Cotillas and Associates

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 20 N. Clark St. #1150
Chicago, IL 60602

C. Telephone: 312-217-1593 Fax: 312-849-9001 Email: ecotillas@cotillaslaw.com

D. Name of contact person: Eduardo M. Cotillas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[X] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

N/A

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Eduardo M. Cotillas	Owner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Eduardo M. Cotillas	20 N. Clark St, #1150 Chicago, IL 60602	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Purse; Orchestra Hall Tickets Mary Susan Lopez

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Eduardo M. Cotillas dba Cotillas and Associates
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Eduardo M. Cotillas
(Print or type name of person signing)

Owner
(Print or type title of person signing)

Signed and sworn to before me on (date) January 15th, 2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 01/24/2015.

OFFICIAL SEAL
TIMOTHY K. HINCHMAN
Notary Public - State of Illinois
My Commission Expires Jan 24, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Thompson Coburn LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 55 E. Monroe St. 37th Floor
Chicago. IL 60603

C. Telephone: 312-346-7500 Fax: 312-580-2201 Email: smitchell@thompsoncoburn.com

D. Name of contact person: Steven B. Mitchell

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following: N/A

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[X] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Missouri

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Thomas J. Minogue	Firm Chairman

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
NONE		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
NONE			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
N/A		

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

NONE

SECTION VI – CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding. N/A

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Thompson Coburn LLP
(Print or type name of Disclosing Party)

By: Thomas J Minogue
(Sign here)

Thomas J. Minogue
(Print or type name of person signing)

Firm Chairman
(Print or type title of person signing)

VICTORIA J QUALLS
Notary Public - Notary Seal
STATE OF MISSOURI
St. Louis City
My Commission Expires: Mar. 1, 2013
Commission # 09756814

Signed and sworn to before me on (date) 1-15-2013,
at St. Louis ~~County~~ City, MO (state).

Victoria J Qualls Notary Public.

VICTORIA J QUALLS
Notary Public - Notary Seal
STATE OF MISSOURI
St. Louis City
Commission Expires: Mar. 1, 2013
Commission # 09756814

Commission expires: _____.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

McGaugh Law Group LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 311 S. Wacker Dr., Ste 925
Chicago, IL 60606

C. Telephone: 312-465-1889 Fax: 312-277-6837 Email: raymond.mcgaugh@mcgaugh.com

D. Name of contact person: Raymond S. McGaugh

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name Raymond S McGaugh Title Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Raymond S. McGaugh	311 S. Wacker Dr., Ste 925, Chgo, IL 60606	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

_____

_____

_____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

_____

_____

_____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__✓__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

McGaugh Law Group LLC
(Print or type name of Disclosing Party)

By: _____, Managing Member
(Sign here)

Raymond S McGaugh
(Print or type name of person signing)

Managing Member
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/15/13,
at Cook County, Illinois (state).

Amanda Rubin Notary Public.

AMANDA RUBIN
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
May 01, 2013

Commission expires: 5/1/13.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Frasca + Associates, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 521 Madison Avenue, 7th Floor
New York, NY 10022

C. Telephone: 212 355-4050 Fax: 212 355-3756 Email: kcushine@frascallc.com

D. Name of contact person: Ken Cushine

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Chicago O'Hare Customer Facility Charge Revenue Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privatcly held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Doreen M. Frasca	President + Principal
Kenneth J. Cushine	Vice President + Principal

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Doreen M. Rosa	521 Madison Ave, NY, NY	51%
Kenneth J. Cushine	521 Madison Ave, NY, NY	49%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
N/A			

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

[ ] Yes [X] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Frasca + Associates, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Kenneth J. Cushine
(Print or type name of person signing)

Principal
(Print or type title of person signing)

Signed and sworn to before me on (date) 31 January 2013
at Newyork County, Newyork (state).

Anne Rodgers Notary Public.

Commission expires: _____.

ANNE RODGERS
Notary Public, State of New York
No. 01R6205070511
Qualified in New York County
Commission Expires Dec 23, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

D+G CONSULTING GROUP LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 750 12th STREET
WILMETTE IL 60091

C. Telephone: 847 251 3791 Fax: 847 251 3537 Email: RKD@DG-CG.COM

D. Name of contact person: RHONA DiCAMILLO

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'HARE CUSTOMER FACILITY CHARGE REVENUE BONDS SERIES 2013

G. Which City agency or department is requesting this EDS? DEPT. OF FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

DELAWARE

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
RHONA DiCAMILLO	PRINCIPAL
LYNN GOLDSCHMIDT	PRINCIPAL

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
RHONA DiCAMILLO	750 12th Street Wilmette IL 60091	50%
LYNN GOLDSCHMIDT	333 Dundee Glencoe IL 60022	50%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
NONE			

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [✓] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [✓] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_✓_1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[✓] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[✓] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[✓] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[✓] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

D+G CONSULTING GROUP LLC
(Print or type name of Disclosing Party)

By: Rhona K. DiCamillo
(Sign here)

RHONA DICAMILLO
(Print or type name of person signing)

PRINCIPAL
(Print or type title of person signing)

Signed and sworn to before me on (date) 01/17/2013,
at Wilmette/Cook County, ILL (state).

Sophia Meloudis Notary Public.

Commission expires: 08/02/2014.

"OFFICIAL SEAL"
Sophia Meloudis
Notary Public, State of Illinois
Cook County
My Commission Expires 8/02/2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

The Bank of New York Mellon Trust Company, N.A.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant

OR

2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest:
The Bank of New York Mellon Corporation

OR

3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 2 North LaSalle Street, Suite 1020

Chicago, Illinois 60602

C. Telephone: 312-827-8650 Fax: 312-827-8542 Email: Robert.Demos@bnymellon.com

D. Name of contact person: Robert Demos

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II – DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

National Banking Association

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

SEE ATTACHMENT A

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
The Bank of New York	One Wall Street	100%

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV – DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

SEE ATTACHMENT A-1

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less t`an $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Bank of New York Mellon Trust Company, N.A.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Robert T. Demos
(Print or type name of person signing)

Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: _____.

OFFICIAL SEAL
DIANE MARY WUERTZ
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:02/03/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

AFFIDAVIT

Robert Demos, a_Vice President with The Bank of New York Mellon Trust Company, N.A. (the "Affiant"), hereby certifies and declares as follows:

1. Neither the Affiant nor any Controlling Person (as defined below) of the Affiant has ever been convicted or in custody, under parole or under any other non-custodial supervision resulting from a conviction in a court of any jurisdiction for the commission of a felony of any kind, or of a criminal offense of whatever degree, involving;

(a) bribery or attempted bribery, or its equivalent under any local, state or federal law, of any public officer or employee of the City of Chicago (the "City") or of any Sister Agency (as defined below); or

(b) theft, fraud, forgery, perjury, dishonesty or deceit, or attempted theft, fraud, forgery, perjury, dishonesty or deceit, or its equivalent under any local, state or federal law, against the City or any Sister Agency; or

(c) conspiring to engage in any of the acts set forth in items (a) or (b) of this Section 1.

2. Neither the Affiant nor any Controlling Person of the Affiant has made in any civil or criminal proceeding an admission of guilt of any of the conduct set forth in items (a) through (c), inclusive, of Section 1 above, under circumstances where such admission of guilt is a matter of record but has not resulted in criminal prosecution for such conduct.

3. Neither the Affiant nor any Controlling Person of the Affiant is charged with or indicted for any felony or criminal offense set forth in items (a) through (c), inclusive, of Section 1 above. Such ineligibility shall remain in effect until final adjudication is made with respect to such felony or criminal offense.

As used herein, "Controlling Person" shall mean any person who (1) is an officer, director, limited liability company manager, managing member, partner, general partner or limited partner of any business entity; or (2) owns, directly or indirectly through one or more intermediate ownership entities, more than 7.5% of the ownership interest in any business entity; or (3) controls, directly or indirectly through one or more intermediate ownership entities, the day-to-day management of any business entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity under this section, using substantially the same management, ownership or principals as the ineligible entity.

As used herein, "Sister Agency" shall mean (1) the Board of Education of the City of Chicago; (2) Chicago Park District; (3) Chicago Transit Authority; (4) Community College District No. 508, Cook County, Illinois; (5) Chicago Housing Authority; or (6) the Public Building Commission of Chicago.

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this Affidavit on behalf of the Affiant, and (2) warrants that all certifications and statements contained in this Affidavit are true, accurate and complete as of the date hereof.

The Bank of New York Mellon Trust Company, N.A.
(Print or type name of Affiant)

By: _____
(Sign here)

Robert T Demos
(Print or type name of person signing)

Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/18/13, at

Cook County, Illinois (State).

_____ Notary Public.

Commission expires: _____.

OFFICIAL SEAL
DIANE MARY WUERTZ
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:02/03/14

Attachment A

DIRECTORS OF THE BANK OF NEW YORK MELLON CORPORATION

Ruth E. Bruch
Nicholas M. Donofrio
Gerald L. Hassell
Edmund F. Kelly
Richard J. Kogan
Michael J. Kowalski
John A. Luke, Jr.
Mark A. Nordenberg
Catherine A. Rein
William C. Richardson
Samuel C. Scott III
Wesley W. von Schack

EXECUTIVE OFFICERS OF THE BANK OF NEW YORK MELLON CORPORATION

Gerald L. Hassell - Chairman and Chief Executive Officer
Karen B. Peetz – President
Curtis Y. Arledge- Vice Chairman
Thomas P. Gibbons Vice Chairman, Chief Financial Officer
Thomas F. Keaney - Vice Chairman
James P. Palermo – Vice Chairman
Brian G. Rogan- Vice Chairman, Chief Risk Officer
James Vallone - Chief Auditor

Senior Executive Vice Presidents

Richard Brueckner
Arthur Certosimo
Mitchell E. Harris
Lisa B. Peters
Brian T. Shea
Jane Sherburne
Kurt D. Woetzel

Attachment A-1

The Bank of New York Mellon Corporation (the "Corporation"), acting through its subsidiaries, The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A., is trustee on thousands of bond transactions which are secured by mortgages on real property that are held in trust and registered in the name of The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A., as trustee. The mortgages are serviced by third-party service providers who are required to provide the necessary administrative services related to the mortgages, such as paying property taxes and complying with local real estate ordinances. From time to time, the third-party service providers may fail to fulfill their obligations, resulting in fines and judgments. Such fines and judgments may be assessed and entered against The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A. because, as trustee, it is the lien-holder or owner of record. The third-party service provider is obligated to pay such fines and remedy or pay such judgments.

In addition, like all major institutions, the Corporation and/or its subsidiaries are subject to various litigations and proceedings pursuant to which judgments, injunctions or liens may be issued. There have been no judgments, injunctions or liens arising out of such litigations or proceedings in the last five years that would materially impair the Corporation's or its subsidiaries ability to perform the services relating to the Matter. For a description of certain legal proceedings, please see the "Legal Proceedings" section in the Corporation's Form 10-Ks and 10-Qs, which are available on our website, http://www.bnymellon.com.

ATTACHMENT A

The Bank of New York Mellon Trust Company, N.A.

Directors as of 01 01 2013

Debra A. Baker
Alphonse J. Briand, Jr.
Lisa Y. Brown
Robert L. Griffin
Troy L. Kilpatrick
William D. Lindelof
Michael T. Long
Loretta A. Lundberg
Gary N. Nazare
Antonio I. Portuondo
Richard P. Stanley
Frank P. Sulzberger
Alex P. Tsarnas
Timothy J. Vara
Patrick Vatel

Senior Operating Officers as of 01 01 2013

Troy L. Kilpatrick	President
John A. Park	Executive Vice President & Comptroller
Cherisse Waligura	Chief Financial Officer
Fran Carlucci	Auditor

ATTACHMENT A

The Bank of New York Mellon Trust Company, N.A.

Directors as of 01 01 2013

Debra A. Baker
Alphonse J. Briand, Jr.
Lisa Y. Brown
Robert L. Griffin
Troy L. Kilpatrick
William D. Lindelof
Michael T. Long
Loretta A. Lundberg
Gary N. Nazare
Antonio I. Portuondo
Richard P. Stanley
Frank P. Sulzberger
Alex P. Tsarnas
Timothy J. Vara
Patrick Vatel

Senior Operating Officers as of 01 01 2013

Troy L. Kilpatrick	President
John A. Park	Executive Vice President & Comptroller
Cherisse Waligura	Chief Financial Officer
Fran Carlucci	Auditor

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Bank of New York Mellon Corporation
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Timothy F. Keaney
(Print or type name of person signing)

Vice Chairman, CEO Investment Services
(Print or type title of person signing)

Signed and sworn to before me on (date) January 18, 2013,
at New York County, New York (state).

_____ Notary Public.

Commission expires: July 7, 2015.

ELLEN I. BANNEY
Notary Public, State of New York
No. 01BA5081630 Qual. in Richmond Co.
Certificate Filed in New York County
Commission Expires July 7, 2015

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Bank of New York Mellon Corporation
(Print or type name of Disclosing Party)

By: _____ (Sign here)

Timothy F. Keaney
(Print or type name of person signing)

Vice Chairman, CEO Investment Services
(Print or type title of person signing)

Signed and sworn to before me on (date) January 18, 2013,
at New York County, New York (state).

_____ Notary Public.

Commission expires: July 7, 2015.

ELLEN I. BANNEY
Notary Public, State of New York
No. 01BA5081630 Qual. in Richmond Co.
Certificate Filed in New York County
Commission Expires July 7, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

The Bank of New York Mellon Corporation

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant

   OR

2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest:
   The Bank of New York Mellon Trust Company, N.A.

   OR

3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: One Wall Street

New York, New York 10286

C. Telephone: 312-827-8650 Fax: 312-827-8542 Email: Robert.Demos@bnymellon.com

D. Name of contact person: Robert Demos

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare Customer Facility Charge Revenue Bonds Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

SEE ATTACHMENT A

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
N/A		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:
SEE ATTACHMENT A-1

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

_X_2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

____See Attachment B_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Bank of New York Mellon Corporation
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Timothy F. Keaney
(Print or type name of person signing)

Vice Chairman, CEO Investment Services
(Print or type title of person signing)

Signed and sworn to before me on (date) January 18, 2013,
at New York County, New York (state).

_____ Notary Public.

Commission expires: July 7, 2015.

ELLEN I. BANNEY
Notary Public, State of New York
No. 01BA5081630 Qual. in Richmond Co.
Certificate Filed in New York County
Commission Expires July 7, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment A

DIRECTORS OF THE BANK OF NEW YORK MELLON CORPORATION

Ruth E. Bruch
Nicholas M. Donofrio
Gerald L. Hassell
Edmund F. Kelly
Richard J. Kogan
Michael J. Kowalski
John A. Luke, Jr.
Mark A. Nordenberg
Catherine A. Rein
William C. Richardson
Samuel C. Scott III
Wesley W. von Schack

EXECUTIVE OFFICERS OF THE BANK OF NEW YORK MELLON CORPORATION

Gerald L. Hassell - Chairman and Chief Executive Officer
Karen B. Peetz – President
Curtis Y. Arledge- Vice Chairman
Thomas P. Gibbons Vice Chairman, Chief Financial Officer
Thomas F. Keaney - Vice Chairman
James P. Palermo – Vice Chairman
Brian G. Rogan- Vice Chairman, Chief Risk Officer
James Vallone - Chief Auditor

Senior Executive Vice Presidents

Richard Brueckner
Arthur Certosimo
Mitchell E. Harris
Lisa B. Peters
Brian T. Shea
Jane Sherburne
Kurt D. Woetzel

ATTACHMENT B
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
FILED BY
THE BANK OF NEW YORK MELLON CORPORATION
(as an Entity Holding an Interest in the Applicant)

The Disclosing Party was established in 2007. The Disclosing Party has identified 60 predecessor institutions established before 1866. Among these predecessor entities is the Disclosing Party's wholly-owned subsidiary, The Bank of New York Mellon (formerly known as The Bank of New York), which was established in 1784.

There are scattered references in the records of the Disclosing Party's pre-1866 predecessors to clients located in the southern states where slavery was practiced during the slavery era. The Disclosing Party's predecessors provided business services to these southern clients which included: issuing loans to individuals, banks and other institutions; maintaining individual and correspondent banking accounts; providing reciprocal banking services for other banks; and providing bond and stock administration and depositary services on behalf of other banks and municipalities. Some of these predecessors may have also invested in bonds and stocks of southern institutions or bonds issued by southern states. The southern states, municipalities, banks, companies and individuals referenced in the records are: Bank of Baltimore; City Bank of Baltimore; Stephen Duncan; DuPlanty, McCall & Co.; Bank of Kentucky; Bank of Maryland; State of Maryland; Bank of Montgomery; Bank of North Carolina; Bank of South Carolina; New Orleans Canal and Banking Company; City of New Orleans; Commercial Bank of New Orleans; Planters Bank of Mississippi; Simsville Cotton Factory; Southern Life Insurance and Trust Company; Planters Bank of Tennessee; State of Tennessee. The Bank of New York also held one or more bank accounts on behalf of Charles P. Leverich and/or his New York company Charles P. Leverich & Co. ("Leverich & Co."). Leverich was a director of The Bank of New York from 1840 to 1876, and also was a Vice President (1853-1863) and President (1863-1876) of the Bank. Leverich & Co. was a New York cotton broker which had extensive dealings with southern clients from the 1830s through 1879, when the firm was dissolved. Leverich & Co. also acted as a factor for southern planters. It also appears that that Leverich & Co. may have helped manage a plantation -- James Porter's Oak Lawn in Bayou Teche, Louisiana -- for one of its southern clients.

Based on the Disclosing Party's research, there are indications in United States census records for the period 1790 to 1860 that some directors of The Bank of New York and some officers and directors of the Farmer's Bank of the State of Delaware may have owned slaves before, during and/or after their association with such institutions.

A predecessor of the Disclosing Party, the New York Life Insurance and Trust Company ("NYLITC") (which bears no relation to the present New York Life Insurance Company), was founded in 1830 and merged with The Bank of New York in 1922. NYLITC issued life insurance policies to some of its clients, including a few individuals who resided in the southern

states where slavery was practiced during the slavery era. There are no indications in the records that NYLITC issued any slaveholder insurance policies.

The records of NYLITC reflect that in 1842, NYLITC loaned a sum of money to the Southern Life Insurance and Trust Company ("Southern Life"). This loan was secured by an assignment to NYLITC of several mortgages originated and held by Southern Life, including a mortgage dated April 1, 1837, on "Hanson's Plantation," located in St. John's County, near St. Augustine, Florida, and owned by John Hanson and Margaret Cook. This Southern Life mortgage included a pledge of 21 named slaves. The names and ages of these slaves are recorded in the NYLITC ledger entry for the loan and are listed in Appendix A to this statement. There are no indications in the records that Southern Life ever defaulted on this loan, or that NYLITC ever foreclosed on any of the assigned mortgages.

APPENDIX A

Slaves Named in 1837 "Hanson's Plantation" Mortgage Originated and Held by Southern Life Insurance and Trust Company and Assigned in 1842 to New York Life Insurance and Trust Company

(italics indicate names that are difficult to decipher from the ledger entry)

Name	Age
Sylvester	32
Peggy	32
Maria	16
Chloe	14
Pomfrey	12
Diana	10
Betty	8
Eve	3
Kathy	30
Sally	14
Abram	12
William	5
Fanny	30
Phoebe	12
Ned	8
Coffy	6
Lewis	30
James	40
Anselmo	17
Antericka	14
George	25

Attachment A

DIRECTORS OF THE BANK OF NEW YORK MELLON CORPORATION

Ruth E. Bruch
Nicholas M. Donofrio
Gerald L. Hassell
Edmund F. Kelly
Richard J. Kogan
Michael J. Kowalski
John A. Luke, Jr.
Mark A. Nordenberg
Catherine A. Rein
William C. Richardson
Samuel C. Scott III
Wesley W. von Schack

EXECUTIVE OFFICERS OF THE BANK OF NEW YORK MELLON CORPORATION

Gerald L. Hassell - Chairman and Chief Executive Officer
Karen B. Peetz – President
Curtis Y. Arledge- Vice Chairman
Thomas P. Gibbons Vice Chairman, Chief Financial Officer
Thomas F. Keaney - Vice Chairman
James P. Palermo – Vice Chairman
Brian G. Rogan- Vice Chairman, Chief Risk Officer
James Vallone - Chief Auditor

Senior Executive Vice Presidents

Richard Brueckner
Arthur Certosimo
Mitchell E. Harris
Lisa B. Peters
Brian T. Shea
Jane Sherburne
Kurt D. Woetzel

Attachment A-1

The Bank of New York Mellon Corporation (the "Corporation"), acting through its subsidiaries, The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A., is trustee on thousands of bond transactions which are secured by mortgages on real property that are held in trust and registered in the name of The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A., as trustee. The mortgages are serviced by third-party service providers who are required to provide the necessary administrative services related to the mortgages, such as paying property taxes and complying with local real estate ordinances. From time to time, the third-party service providers may fail to fulfill their obligations, resulting in fines and judgments. Such fines and judgments may be assessed and entered against The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A. because, as trustee, it is the lien-holder or owner of record. The third-party service provider is obligated to pay such fines and remedy or pay such judgments.

In addition, like all major institutions, the Corporation and/or its subsidiaries are subject to various litigations and proceedings pursuant to which judgments, injunctions or liens may be issued. There have been no judgments, injunctions or liens arising out of such litigations or proceedings in the last five years that would materially impair the Corporation's or its subsidiaries ability to perform the services relating to the Matter. For a description of certain legal proceedings, please see the "Legal Proceedings" section in the Corporation's Form 10-Ks and 10-Qs, which are available on our website, http://www.bnymellon.com.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

J.P. Morgan Securities LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 383 Madison Avenue
New York, New York 10179

C. Telephone: (312)385-8444 Fax: (866)594-6488 Email: eric.r.rockhold@jpmorgan.com

D. Name of contact person: Eric Rockhold

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Serving as senior managing underwriter for the O'Hare Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
SEE ATTACHMENT A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
J.P. Morgan Broker-Dealer Holdings, Inc.	270 Park Avenue New York, New York 10017	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[X] Yes [ ] No SEE ATTACHMENT B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):
SEE ATTACHMENT B

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn	55 E Monroe St, Floor 37 Chicago, IL 60603	Attorney	Estimated: $100,000
McGaugh Law Group	233 S Wacker Dr, Ste. 5450 Chicago, IL 60606	Attorney	Estimated: $45,000

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

SEE ATTACHMENT B

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS: SEE ATTACHMENT B

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

SEE ATTACHMENT B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

SEE ATTACHMENT B

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

SEE ATTACHMENT B

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No SEE ATTACHMENT B

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee. SEE ATTACHMENT B

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

SEE ATTACHMENT B

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

SEE ATTACHMENT B

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

J.P. Morgan Securities LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Eric Rockhold
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-2013,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 4/22/15.

ORIGINAL SEAL
MARTHA A. CAMARILLO
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 06/22/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No To the best of the Disclosing Party's knowledge and belief

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

ATTACHMENT B
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
J.P. MORGAN SECURITIES LLC
(as an Applicant)

The following responses are true, accurate and complete to the best of the undersigned's (herein referred to as the Authorized Representative) knowledge and belief based on reasonable inquiry relying on information provided by other employees of the Disclosing Party or its affiliates or subsidiaries. The information in § V B.1-3(a) was verified between August and November 2012 and is in the process of being updated, with an update to be provided as soon as the information is available.

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

The Authorized Representative certifies on behalf of the Disclosing Party knowledge of an existing "business relationship" during the 12 months prior to the date of execution of the foregoing Economic Disclosure Statement and Affidavit between JPMorgan Chase Bank, National Association (the "Bank"), an affiliate of the Disclosing Party, and the law firm of Klafter and Burke. Klafter and Burke has provided real estate tax protest legal services on behalf of the Bank. Alderman Edward M. Burke is a partner of the firm of Klafter and Burke.

SECTION V: CERTIFICATIONS

B. FURTHER CERTIFICATIONS

B.1 The Authorized Representative certifies on behalf of the Disclosing Party the accuracy of the statement contained in Section V. paragraph B.1. only as to the Disclosing Party. The Authorized Representative certifies on behalf of the Disclosing Party that to the best of the Authorized Representative's knowledge and belief after reasonable inquiry such statements in paragraph B.1. are accurate with respect to a Controlling person of the Disclosing Party.

B.2 (a-e) With respect to Section V, paragraph B.2 (a-e), the Authorized Representative certifies to the best of the Authorized Representative's knowledge and belief based on reasonable inquiry that such statements are accurate with respect to the executive officers and directors of the Disclosing Party. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, J.P. Morgan Securities LLC and/or its parent, subsidiaries and affiliates are named from time to time as a defendant in various legal actions and administrative proceedings arising in connection with their respective businesses, and have also been involved in investigations and other proceedings by governmental agencies. In view of the inherent difficulty of predicting the outcome of such matters, the Disclosing Party cannot state the eventual outcome of pending or future matters. After consultation with counsel and based on current knowledge, the Disclosing Party believes that the defendant has asserted meritorious defenses in

each such matter and that the aggregate liability or loss, if any, resulting therefrom will not have a material adverse effect on such defendant's financial condition, but may be material to such defendant's operating results for any particular period, depending on the level of income for such period. The Disclosing Party does not believe that any pending action would have any material effect on the Matter.

Following a July 7, 2011 settlement between JPMorgan Chase & Co. and various State Attorneys General, because of the alleged conduct that was the subject of such settlement, the Bay Area Toll Authority, Oakland, California, ("BATA") suspended J.P. Morgan Securities LLC from serving as a senior managing underwriter of BATA bonds for a period of one (1) year from August 14, 2012. Please note, however, that J.P. Morgan Securities LLC is not precluded from serving as a co-senior managing underwriter of BATA bonds during this period. Since August 2012 J.P. Morgan has participated as a co-manager for nearly $1.7 billion of BATA long-term and short-term offerings.

The most current comprehensive summaries of legal proceedings involving J.P. Morgan Securities LLC are referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filing, all as filed with the Securities and Exchange Commission ("SEC") and all available through JPMorgan's internet site http://investor.shareholder.com/jpmorganchase/sec.cfm or through the SEC's internet site (www.sec.gov). See applicable current summaries listed on Attachment C hereto.

B.3 (a & d) The Authorized Representative certifies on behalf of the Disclosing Party the accuracy of the statements contained in Section V, paragraph B.3 (a & d) only as to the Disclosing Party. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, J.P. Morgan Securities LLC and/or its parent, subsidiaries and affiliates are named from time to time as a defendant in various legal actions and administrative proceedings arising in connection with their respective businesses, and have also been involved in investigations and other proceedings by governmental agencies. In view of the inherent difficulty of predicting the outcome of such matters, the Disclosing Party cannot state the eventual outcome of pending or future matters. After consultation with counsel and based on current knowledge, the Disclosing Party believes that the defendant has asserted meritorious defenses in each such matter and that the aggregate liability or loss, if any, resulting therefrom will not have a material adverse effect on such defendant's financial condition, but may be material to such defendant's operating results for any particular period, depending on the level of income for such period. The Disclosing Party does not believe that any pending action would have any material effect on the Matter. The most current comprehensive summaries of legal proceedings involving J.P. Morgan Securities LLC are referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filing, all as filed with the SEC and all available through JPMorgan's internet site http://investor.shareholder.com/jpmorganchase/sec.cfm or through the SEC's internet site (www.sec.gov). See applicable current summaries listed on Attachment C hereto.

B.3 (b-c) and B.4 The Disclosing Party has not agreed or colluded with other bidders or prospective bidders as to this Matter, or been a party to any such agreement. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, the Disclosing

Party has not been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, the Disclosing Party has not made an admission of such conduct described in a. or b. above that is a matter of record, and has not been prosecuted for such conduct, except to the extent set forth in the certain letter agreement dated July 6, 2011 between the Antitrust Division of the United States Department of Justice and JPMorgan Chase & Co., in connection with an investigation of bid rigging and other conduct constituting violations of Section 1 of the Sherman Act, 15 U.S.C. § 1, and certain sections of Title 18 of the United States Code, in connection with the bidding on or provision of certain contracts by JPMorgan's municipal derivatives desk in the United States. The Authorized Representative certifies to the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, that the foregoing matter would not have a material adverse effect on the Matter.

As noted above, following a July 7, 2011 settlement between JPMorgan Chase & Co. and various State Attorneys General, because of the alleged conduct that was the subject of such settlement, BATA suspended J.P. Morgan Securities LLC from serving as a senior managing underwriter of BATA bonds for a period of one (1) year from August 14, 2012. Please note, however, that J.P. Morgan Securities LLC is not precluded from serving as a co-senior managing underwriter of BATA bonds during this period. Since August 2012 J.P. Morgan has participated as a co-manager for nearly $1.7 billion of BATA long-term and short-term offerings.

Except as otherwise set forth in Attachment B, the Authorized Representative on behalf of the Disclosing Party does not make any certification whatsoever with respect to any Applicable Party other than the Disclosing Party.

The Authorized Representative certifies as to the statement in Section V, paragraph B.8. that, to the best of the Authorized Representative's knowledge and belief after reasonable inquiry, the following Bank employees were previous City of Chicago employees during the 12-month period preceding the execution date of this EDS:

- Robin Broman
- Nicole Simon
- Davida Stephens
- Jennifer Bloom

The Authorized Representative certifies as to the statement in Section V, paragraph B.9 that, to the best of the Authorized Representative's knowledge and belief after reasonable inquiry, the following gifts were provided by employees of the Bank to the following:

- Stephanie Neely – Meal $30.00
- Tarrah Cooper – Meal $30.00; Meal $30.00
- Leslie Darling – Meal $30.00
- Jamie Rhee – Meal $30.00

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best of the Authorized Representative's knowledge and belief after reasonable inquiry no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Authorized Representative on behalf of the Disclosing Party, to the extent the Disclosing Party has any control related to acquisitions of interests, certifies Disclosing Party will not approve the acquisition of any prohibited financial interest in the Matter by any City official or employee.

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

F.1. The Authorized Representative certifies on behalf of the Disclosing Party statements contained in Section VII, paragraph F.1. to the best of the Authorized Representative's knowledge and belief after reasonable inquiry that neither the Disclosing Party nor its affiliates are delinquent in paying any fine, fee, tax or other charge owed to the State of Illinois or the City of Chicago except for taxes that are being contested in good faith by appropriate legal proceeding and possible delinquencies in paying a fine, fee, tax or other charge related to (i) property mortgaged to the Disclosing Party or its affiliates, (ii) property owned by the Disclosing Party or its affiliates and leased to others, (iii) foreclosed property now owned by the Disclosing Party or its affiliates, (iv) property owned or held by the Disclosing Party or its affiliates as a fiduciary or nominee, and (v) fines, fees, taxes or other charges that are being contested in good faith by the Disclosing Party or its affiliates by appropriate legal proceeding. If there are any outstanding claims that the Disclosing Party is notified of that Disclosing Party was not aware of previously, Disclosing Party will immediately address them.

F.2. The Authorized Representative certifies on behalf of the Disclosing Party the accuracy of the statements contained in Section VII, paragraph F.2 only as to the Disclosing Party. To the best of the Authorized Representative's knowledge and belief, Disclosing Party's Affiliated Entities do not knowingly use any facility listed on the federal Excluded Parties List System ("EPLS").

ATTACHMENT C
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
J.P. MORGAN SECURITIES LLC
(as an Applicant)

Attached are relevant sections of legal proceedings referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filings.

ATTACHMENT A
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
J.P. MORGAN SECURITIES LLC
(as an Applicant)

SECTION II B.1

Directors

Phil Di Lorio
Carlos Hernandez
Patrick Kirby
Michael Minikes
Douglas Petno
Gregory Quental
Barry Sommers
Jeffrey Urwin

Executive Officers

Barry Sommers	Co-Chief Executive Officer, Co-Chairman
Carlos Hernandez	Co-Chief Executive Officer, Co-Chairman
Diane Genova	Chief Legal Officer
Joseph Noto	Treasurer
Patrick Kirby	Chief Operations Officer
James Collins	Chief Financial Officer
Jeffrey Lipman	Secretary
David Miller	Chief Compliance Officer
Stephen Eichenberger	Chief Risk Officer

Loans sold with recourse

The Firm provides servicing for mortgages and certain commercial lending products on both a recourse and nonrecourse basis. In nonrecourse servicing, the principal credit risk to the Firm is the cost of temporary servicing advances of funds (i.e., normal servicing advances). In recourse servicing, the servicer agrees to share credit risk with the owner of the mortgage loans, such as Fannie Mae or Freddie Mac or a private investor, insurer or guarantor. Losses on recourse servicing predominantly occur when foreclosure sales proceeds of the property underlying a defaulted loan are less than the sum of the outstanding principal balance, plus accrued interest on the loan and the cost of holding and disposing of the underlying property. The Firm's securitizations are predominantly nonrecourse, thereby effectively transferring the risk of future credit losses to the purchaser of the mortgage-backed securities issued by the trust. At September 30, 2012, and December 31, 2011 , the unpaid principal balance of loans sold with recourse totaled $9.7 billion and $10.4 billion , respectively. The carrying value of the related liability that the Firm has recorded, which is representative of the Firm's view of the likelihood it will have to perform under its recourse obligations, was $142 million and $148 million at September 30, 2012, and December 31, 2011 , respectively.

Note 22 – Pledged assets and collateral

For a discussion of the Firm's pledged assets and collateral, see Note 30 on page 289 of JPMorgan Chase's 2011 Annual Report.

Pledged assets

At September 30, 2012, assets were pledged to collateralize repurchase agreements, other securities financing agreements, derivative transactions and for other purposes, including to secure borrowings and public deposits. Certain of these pledged assets may be sold or repledged by the secured parties and are identified as financial instruments owned (pledged to various parties) on the Consolidated Balance Sheets. In addition, at September 30, 2012, and December 31, 2011, the Firm had pledged $282.3 billion and $270.3 billion , respectively, of financial instruments it owns that may not be sold or repledged by the secured parties. Total assets pledged do not include assets of consolidated VIEs; these assets are used to settle the liabilities of those entities. See Note 15 on pages 177–184 of this Form 10-Q, and Note 16 on pages 256–267 of JPMorgan Chase's 2011 Annual Report, for additional information on assets and liabilities of consolidated VIEs.

Collateral

At September 30, 2012, and December 31, 2011, the Firm had accepted assets as collateral that it could sell or repledge, deliver or otherwise use with a fair value of approximately $815.6 billion and $742.1 billion , respectively. This collateral was generally obtained under resale agreements, securities borrowing agreements, customer margin loans and derivative agreements. Of the collateral received, approximately $543.0 billion and $515.8 billion , respectively, were sold or repledged, generally as collateral under repurchase agreements, securities lending agreements or to cover short sales and to collateralize deposits and derivative agreements.

Note 23 – Litigation

Contingencies

As of September 30, 2012, the Firm and its subsidiaries are defendants or putative defendants in numerous legal proceedings, including private, civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of the Firm's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories.

The Firm believes the estimate of the aggregate range of reasonably possible losses, in excess of reserves established, for its legal proceedings is from $0 to approximately $6.0 billion at September 30, 2012. This estimated aggregate range of reasonably possible losses is based upon currently available information for those proceedings in which the Firm is involved, taking into account the Firm's best estimate of such losses for those cases for which such estimate can be made. For certain cases, the Firm does not believe that an estimate can currently be made. The Firm's estimate involves significant judgment, given the varying stages of the proceedings (including the fact that many are currently in preliminary stages), the existence in many such proceedings of multiple defendants (including the Firm) whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings (including issues regarding class certification and the scope of many of the claims) and the attendant uncertainty of the various potential outcomes of such proceedings. Accordingly, the Firm's estimate will change from time to time, and actual losses may be more or less than the current estimate.

Set forth below are descriptions of the Firm's material legal proceedings.

Auction-Rate Securities Investigations and Litigation. Beginning in March 2008, several regulatory authorities initiated investigations of a number of industry participants, including the Firm, concerning possible state and federal securities law violations in connection with the sale of auction-rate securities ("ARS"). The market for many such securities had frozen and a significant number of auctions for those securities began to fail in February 2008.

The Firm, on behalf of itself and affiliates, agreed to a

settlement in principle with the New York Attorney General's Office which provided, among other things, that the Firm would offer to purchase at par certain ARS purchased from J.P. Morgan Securities LLC, Chase Investment Services Corp. and Bear, Stearns & Co. Inc. by individual investors, charities and small- to medium-sized businesses. The Firm also agreed to a substantively similar settlement in principle with the Office of Financial Regulation for the State of Florida and the North American Securities Administrators Association ("NASAA") Task Force, which agreed to recommend approval of the settlement to all remaining states, Puerto Rico and the U.S. Virgin Islands. The Firm has finalized the settlement agreements with the New York Attorney General's Office and the Office of Financial Regulation for the State of Florida. The settlement agreements provide for the payment of penalties totaling $25 million to all states. The Firm is currently in the process of finalizing consent agreements with NASAA's member states; more than 45 of these consent agreements have been finalized to date.

The Firm also faces a number of civil actions before courts and arbitration panels relating to the Firm's sale and underwriting of ARS. The actions generally allege that the Firm and other firms manipulated the market for ARS by placing bids at auctions that affected these securities' clearing rates or otherwise supported the auctions without properly disclosing these activities. The Firm's motion to dismiss a putative class action that had been filed in the United States District Court for the Southern District of New York on behalf of purchasers of ARS was granted in March 2012. Plaintiffs did not file an appeal of the decision.

Additionally, the Firm was named in two putative antitrust class actions. The actions allege that the Firm, along with numerous other financial institution defendants, colluded to maintain and stabilize the ARS market and then to withdraw their support for the ARS market. In January 2010, the District Court dismissed both actions. An appeal is pending in the United States Court of Appeals for the Second Circuit.

Bear Stearns Hedge Fund Matters. The Bear Stearns Companies LLC (formerly The Bear Stearns Companies Inc.) ("Bear Stearns"), certain current or former subsidiaries of Bear Stearns, including Bear Stearns Asset Management, Inc. ("BSAM") and Bear, Stearns & Co. Inc., and certain individuals formerly employed by Bear Stearns are named defendants (collectively the "Bear Stearns defendants") in multiple civil actions and arbitrations relating to alleged losses resulting from the failure of the Bear Stearns High Grade Structured Credit Strategies Master Fund, Ltd. (the "High Grade Fund") and the Bear Stearns High Grade Structured Credit Strategies Enhanced Leverage Master Fund, Ltd. (the "Enhanced Leverage Fund") (collectively the "Funds"). BSAM served as investment manager for both of the Funds, which were organized such that there were U.S. and Cayman Islands "feeder funds" that invested substantially all their assets, directly or indirectly, in the Funds. The Funds are in liquidation.

There are currently three civil actions pending in the United States District Court for the Southern District of New York relating to the Funds. One of these actions involves a derivative lawsuit brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the Enhanced Leverage Fund, alleging that the Bear Stearns defendants mismanaged the Funds. This action seeks, among other things, unspecified compensatory damages based on alleged investor losses. The parties have reached an agreement to settle this derivative action, pursuant to which BSAM would pay a maximum of approximately $18 million . In April 2012, the District Court granted final approval of this settlement. In May 2012, objectors representing certain interests in the U.S. feeder fund filed a notice of appeal to the United States Court of Appeals for the Second Circuit from the District Court's final approval of the settlement. That appeal is currently pending. (A separate derivative action, also alleging that the Bear Stearns defendants mismanaged the Funds, was brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the High Grade Fund, and was dismissed following a Court-approved settlement with similar terms, pursuant to which BSAM paid approximately $19 million .)

The second pending action, brought by the Joint Voluntary Liquidators of the Cayman Islands feeder funds, makes allegations similar to those asserted in the derivative lawsuits related to the U.S. feeder funds, alleges net losses of approximately $700 million and seeks compensatory and punitive damages. The parties presently are engaged in expert discovery.

The third action was brought by Bank of America and Banc of America Securities LLC (together "BofA") alleging breach of contract and fraud in connection with a $4 billion securitization in May 2007 known as a "CDO-squared," for which BSAM served as collateral manager. This securitization was composed of certain collateralized debt obligation holdings that were purchased by BofA from the Funds. BofA currently seeks damages up to approximately $540 million . The Court recently granted BofA's motion to amend its complaint to reinstate a previously dismissed claim for breach of fiduciary duty. Briefing of motions for summary judgment is scheduled to occur in late 2012 and into early 2013.

Bear Stearns Shareholder Litigation and Related Matters. Various shareholders of Bear Stearns have commenced purported class actions against Bear Stearns and certain of its former officers and/or directors on behalf of all persons who purchased or otherwise acquired common stock of Bear Stearns between December 14, 2006, and March 14, 2008 (the "Class Period"). During the Class Period, Bear Stearns had between 115 million and 120 million common shares outstanding, and the price per share of those securities declined from a high of $172.61 to a low of $30 at the end of the period. The actions, originally commenced in several federal courts and thereafter consolidated before the United States District Court for the Southern District of New York, allege that the defendants issued materially false and misleading statements regarding Bear Stearns' business and financial results and that, as a result of those

false statements, Bear Stearns' common stock traded at artificially inflated prices during the Class Period. An agreement has been reached to settle the claims asserted in the consolidated class action complaint for $275 million . The settlement was preliminarily approved by the District Court in June 2012. A hearing was held in September 2012 to consider the final approval of the settlement, and the settlement remains subject to final approval by the District Court. In addition, several individual shareholders of Bear Stearns have also commenced or threatened to commence their own lawsuits or arbitration proceedings against Bear Stearns asserting claims similar to those in the consolidated class action complaint. Certain of these matters have been dismissed or settled.

Separately, an agreement has been reached to resolve a class action brought under the Employee Retirement Income Security Act ("ERISA") against Bear Stearns and certain of its former officers and/or directors on behalf of participants in the Bear Stearns Employee Stock Ownership Plan for alleged breaches of fiduciary duties in connection with the management of that Plan. Under the settlement, the class will receive $10 million . In September 2012, the United States District Court for the Southern District of New York Court granted final approval of this settlement.

Bear Stearns, former members of Bear Stearns' Board of Directors and certain of Bear Stearns' former executive officers have also been named as defendants in a shareholder derivative and class action suit which is pending in the United States District Court for the Southern District of New York. Plaintiffs assert claims for breach of fiduciary duty, violations of federal securities laws, waste of corporate assets and gross mismanagement, unjust enrichment, abuse of control, and indemnification and contribution in connection with the losses sustained by Bear Stearns as a result of its purchases of subprime loans and certain repurchases of its own common stock. Certain individual defendants are also alleged to have sold their holdings of Bear Stearns common stock while in possession of material nonpublic information. Plaintiffs seek compensatory damages in an unspecified amount. The District Court dismissed the action in January 2011, and plaintiffs have appealed.

CIO Investigations and Litigations . The Firm is responding to a series of class actions, shareholder derivative actions, shareholder demands and government investigations relating to trading losses in the synthetic credit portfolio managed by the Firm's Chief Investment Office ("CIO"). The Firm has received requests for documents and information in connection with governmental inquiries and investigations by Congress, the OCC, Federal Reserve, DOJ, U.S. Securities & Exchange Commission ("SEC"), Commodity Futures Trading Commission ("CFTC"), UK Financial Services Authority, the State of Massachusetts and other government agencies. The Firm is cooperating with these investigations.

In addition, the Firm and certain of its affiliates and current and former directors and officers have been named as defendants in a number of lawsuits arising out of CIO's trading losses.

Four putative class actions alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder were filed on behalf of alleged classes of purchasers of the Firm's common stock during varying periods ranging from less than one month to more than two years . These actions generally allege that the Firm and certain current and former officers made false or misleading statements concerning CIO's trading practices and financial performance. These cases have been consolidated, and lead plaintiffs were appointed pursuant to the Private Securities Litigation Reform Act. A consolidated amended complaint is scheduled to be filed in November 2012.

Separately, two putative class actions have been filed on behalf of participants who held the Firm's common stock in the Firm's retirement and other plans during periods ranging from one to six months. These actions assert claims under ERISA for alleged breaches of fiduciary duties by the Firm, certain affiliates and certain current and former directors and officers in connection with the management of those plans. The complaints generally allege that defendants breached the duty of prudence by allowing investment in the Firm's common stock when they knew or should have known that such stock was unsuitable for the plans and that the Firm and certain current and former officers made false or misleading statements concerning the soundness of the Firm's stock and the prudence of investing in that stock. These actions have been consolidated, and plaintiffs are scheduled to file a consolidated amended complaint in November 2012.

Four shareholder derivative actions have also been filed purportedly on behalf of the Firm against certain of the Firm's current and former directors and officers for alleged breaches of their fiduciary duties. These actions generally allege that defendants failed to exercise adequate oversight over CIO and to manage the risk of CIO's trading activities, which allegedly led to CIO's losses.

The consolidated securities action, consolidated ERISA action and two of the four shareholder derivative actions are pending in the United States District Court for the Southern District of New York, and the two other derivative actions are pending in New York State Supreme Court. On October 19, 2012, defendants moved to dismiss one of the shareholder derivative actions pending in New York State Supreme Court on the ground that plaintiff failed to make a demand on the Firm's Board of Directors or adequately allege demand futility, as required by applicable Delaware law. Defendants have not yet responded to the complaints in any of the other actions.

City of Milan Litigation and Criminal Investigation. In January 2009, the City of Milan, Italy (the "City") issued civil proceedings against (among others) JPMorgan Chase Bank, N.A. and J.P. Morgan Securities plc (formerly J.P. Morgan Securities Ltd.) (together, "JPMorgan Chase") in the District Court of Milan. The proceedings relate to (a) a bond issue

by the City in June 2005 (the "Bond"), and (b) an associated swap transaction, which was subsequently restructured on a number of occasions between 2005 and 2007 (the "Swap"). The City seeks damages and/or other remedies against JPMorgan Chase (among others) on the grounds of alleged "fraudulent and deceitful acts" and alleged breach of advisory obligations in connection with the Swap and the Bond, together with related swap transactions with other counterparties. The Firm has entered into a settlement agreement with the City to resolve the City's civil proceedings.

In March 2010, a criminal judge directed four current and former JPMorgan Chase personnel and JPMorgan Chase Bank, N.A. (as well as other individuals and three other banks) to go forward to a full trial that started in May 2010. Although the Firm is not charged with any crime and does not face criminal liability, if one or more of its employees were found guilty, the Firm could be subject to administrative sanctions, including restrictions on its ability to conduct business in Italy and monetary penalties. Hearings have continued on a weekly basis since May 2010.

The Prosecutor has made recommendations to the judge about proposed sanctions. These include that each of the four banks involved be fined €1.5 million and banned from contracting with the Italian public administration for one year, the banks together repay the alleged profit made (calculated at €18 million per bank), as well as recommended dispositions as to each individual defendants. If the judge accepts any of these recommendations or imposes any other sanctions, they would not take effect until all appeals were exhausted. A decision is expected mid-December 2012.

Enron Litigation. JPMorgan Chase and certain of its officers and directors are involved in several lawsuits seeking damages arising out of the Firm's banking relationships with Enron Corp. and its subsidiaries ("Enron"). A number of actions and other proceedings against the Firm previously were resolved, including a class action lawsuit captioned Newby v. Enron Corp. and adversary proceedings brought by Enron's bankruptcy estate. A purported class action filed on behalf of JPMorgan Chase employees who participated in the Firm's 401(k) plan asserting claims under ERISA for alleged breaches of fiduciary duties by JPMorgan Chase, its directors and named officers was dismissed, and the dismissal was affirmed by the United States Court of Appeals for the Second Circuit. A petition for a writ of certiorari to the U.S. Supreme Court has been filed, which the Firm has opposed. Motions to dismiss are pending in an individual action by an Enron investor and an action by an Enron counterparty.

FERC Matters. JPMorgan Chase's commodities business owns or has the right to output from several electricity generating facilities. The Firm is responding to requests for information in connection with an investigation by the Federal Energy Regulatory Commission (the "FERC") regarding bidding practices by this business in certain organized power markets. Additionally, in September 2012, the FERC issued an Order to Show Cause as to whether a JPMorgan Chase energy subsidiary's statements concerning discovery obligations made in submissions related to the FERC investigation violated FERC rules regarding misleading information and whether the subsidiary's market-based rates authority should be suspended. The matter is pending before the FERC.

Interchange Litigation. A group of merchants and retail associations filed a series of putative class action complaints relating to interchange in several federal courts. The complaints allege, among other claims, that Visa and MasterCard, as well as certain other banks, conspired to set the price of credit and debit card interchange fees, enacted respective rules in violation of antitrust laws, and engaged in tying/bundling and exclusive dealing. All cases were consolidated in the United States District Court for the Eastern District of New York for pretrial proceedings.

In July 2012, Visa, Inc., its wholly-owned subsidiaries Visa U.S.A. Inc. and Visa International Service Association, MasterCard Incorporated, MasterCard International Incorporated and various United States financial institution defendants, including JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., Chase Bank USA, N.A., Chase Paymentech Solutions, LLC and certain predecessor institutions, signed a memorandum of understanding (the "MOU") to enter into a settlement agreement (the "Settlement Agreement") to resolve the claims of the U.S. merchant and retail association plaintiffs (the "Class Plaintiffs") in the multi-district litigation ("MDL 1720"). The MOU outlines certain conditions precedent to a settlement including: (i) requisite corporate approvals, (ii) reaching agreement on certain appendices to the Settlement Agreement, and (iii) reaching negotiated settlements with the individual plaintiffs whose claims were consolidated with MDL 1720.

The Settlement Agreement provides, among other things, that a cash payment of $6.05 billion will be made to the Class Plaintiffs, of which the Firm's share is approximately 20% . The Class Plaintiffs will also receive an amount equal to ten basis points of interchange for a period of eight months as provided in the Settlement Agreement. The eight month period will begin after the Court preliminarily approves the Settlement Agreement. The Settlement Agreement also provides for modifications to the credit card networks' rules, including those that prohibit surcharging credit transactions. The Settlement Agreement is subject to final documentation and approval by the Court.

Investment Management Litigation. Four cases have been filed claiming that investment portfolios managed by J.P. Morgan Investment Management Inc. ("JPMorgan Investment Management") were inappropriately invested in securities backed by subprime residential real estate collateral. Plaintiffs claim that JPMorgan Investment Management and related defendants are liable for losses of more than $1 billion in market value of these securities. The first case, filed by NM Homes One, Inc. in the United States District Court for the Southern District of New York, has been settled. In the second and third cases, filed by

Assured Guaranty (U.K.) and Ambac Assurance UK Limited in New York state court, discovery is proceeding on plaintiff's claims for breach of contract, breach of fiduciary duty and gross negligence. The fourth case, filed by CMMF LLP in New York state court, asserts claims under New York law for breach of fiduciary duty, gross negligence, breach of contract and negligent misrepresentation. Trial is scheduled to begin in January 2013.

Lehman Brothers Bankruptcy Proceedings. In May 2010, Lehman Brothers Holdings Inc. ("LBHI") and its Official Committee of Unsecured Creditors (the "Committee") filed a complaint (and later an amended complaint) against JPMorgan Chase Bank, N.A. in the United States Bankruptcy Court for the Southern District of New York that asserts both federal bankruptcy law and state common law claims, and seeks, among other relief, to recover $8.6 billion in collateral that was transferred to JPMorgan Chase Bank, N.A. in the weeks preceding LBHI's bankruptcy. The amended complaint also seeks unspecified damages on the grounds that JPMorgan Chase Bank, N.A.'s collateral requests hastened LBHI's demise. In February 2012, JPMorgan Asset Management and Highbridge Capital Management reached a settlement with LBHI and the Committee, which resulted in the return to LBHI of $700 million of the $8.6 billion of collateral sought by the amended complaint. The Firm moved to dismiss plaintiffs' amended complaint in its entirety, and also moved to transfer the litigation from the Bankruptcy Court to the United States District Court for the Southern District of New York. The District Court directed the Bankruptcy Court to decide the motion to dismiss while the District Court is considering the transfer motion. In April 2012, the Bankruptcy Court issued a decision granting in part and denying in part the Firm's motion to dismiss. The Court dismissed the counts of the amended complaint seeking avoidance of the allegedly constructively fraudulent and preferential transfers made to the Firm during the months of August and September 2008. The Court denied the Firm's motion to dismiss as to the other claims, including claims that allege intentional misconduct. In September 2012, the District Court denied the transfer motion without prejudice to its renewal in the future, but stated that any trial would likely have to be conducted before the District Court.

The Firm also filed counterclaims against LBHI alleging that LBHI fraudulently induced the Firm to make large clearing advances to Lehman against inappropriate collateral, which left the Firm with more than $25 billion in claims (the "Clearing Claims") against the estate of Lehman Brothers Inc. ("LBI"), LBHI's broker-dealer subsidiary. These claims have been paid in full, subject to the outcome of the litigation. Discovery is underway, with any trial unlikely to begin before 2013. In August 2011, LBHI and the Committee filed an objection to the deficiency claims asserted by JPMorgan Chase Bank, N.A. against LBHI with respect to the Clearing Claims, principally on the grounds that the Firm had not conducted the sale of the securities collateral held for such claims in a commercially reasonable manner. In September 2012, LBHI and several of its subsidiaries that had been Chapter 11 debtors filed an objection to derivatives claims asserted by the Firm alleging that the amount of the derivatives claims had been overstated and challenging certain set-offs taken by the JPMorgan entities to recover on the claims.

LIBOR Investigations and Litigation. JPMorgan Chase has received subpoenas and requests for documents and, in some cases, interviews, from federal and state agencies and entities, including the DOJ, CFTC, SEC, and various state attorneys general, as well as the European Commission, UK Financial Services Authority, Canadian Competition Bureau, Swiss Competition Commission and other regulatory authorities and banking associations around the world. The documents and information sought relate primarily to the process by which interest rates were submitted to the British Bankers Association ("BBA") in connection with the setting of the BBA's London Interbank Offered Rate ("LIBOR") for various currencies, principally in 2007 and 2008. Some of the inquiries also relate to similar processes by which information on rates is submitted to European Banking Federation ("EBF") in connection with the setting of the EBF's Euro Interbank Offered Rates ("EURIBOR") and to the Japanese Bankers' Association for the setting of Tokyo Interbank Offered Rates ("TIBOR") as well as to other processes for the setting of other reference rates in various parts of the world during similar time periods. The Firm is cooperating with these inquiries.

In addition, the Firm has been named as a defendant along with other banks in a series of individual and class actions filed in various United States District Courts in which plaintiffs make varying allegations that in various periods, starting in 2000 or later, defendants either individually or collectively suppressed or otherwise manipulated the U.S. dollar LIBOR and Euroyen TIBOR rates by submitting rates that were artificially low or high. Plaintiffs allege that they transacted in loans, derivatives or other financial instruments whose values are impacted by changes in U.S. dollar LIBOR, Yen LIBOR, or Euroyen TIBOR and assert a variety of claims including antitrust claims seeking treble damages.

The U.S. dollar LIBOR actions have been consolidated for pre-trial purposes in the United States District Court for the Southern District of New York. In November 2011, the Court entered an Order appointing interim lead counsel for two proposed classes: (i) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments directly from the defendants in the over-the-counter market, and (ii) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments on an exchange. In March 2012, the Court also accepted the transfer of a related action which seeks to bring claims on behalf of a third proposed class of purchasers of debt securities that pay an interest rate linked to U.S. dollar LIBOR. In June 2012, the defendants moved to dismiss all claims in these three U.S. dollar LIBOR purported class actions and the three related individual actions pending before the Court. In September 2012, the parties completed briefing on the

defendants' motions to dismiss. The Court has not yet ruled on the defendants' motions to dismiss.

The Court also has pending before it six additional U.S. dollar LIBOR putative class actions. Two of these actions seek to bring claims on behalf of purchasers of over-the-counter transactions in U.S. dollar-based derivatives from certain non-party commercial banking and insurance institutions in the United States. The other four actions seek to bring claims on behalf of: (i) U.S. community banks that issued loans with interest rates tied to U.S. dollar LIBOR; (ii) all lending institutions which are either headquartered or have a majority of their operations in the State of New York and which originated or purchased loans paying interest rates tied to U.S. dollar LIBOR; (iii) all persons and entities who owned a preferred equity security on which dividends are payable at a rate tied to U.S. dollar LIBOR; and (iv) all persons or entities within the U.S. who entered into an adjustable mortgage rate loan agreement that had an interest rate indexed to U.S. dollar LIBOR and that was securitized into a security that was issued by or owned by the defendants. The Court has stayed these purported class actions until it rules on the defendants' pending motions to dismiss.

The Firm also has been named as a defendant in a purported class action filed in the United States District Court for the Southern District of New York which seeks to bring claims on behalf of plaintiffs who allegedly purchased or sold exchange-traded Euroyen futures and options contracts. In October 2012, the Court ordered plaintiff to file any amended complaint by November 30, 2012, after which the defendants will have 60 days to file responsive pleadings or motions to dismiss.

In addition, the Firm was previously named as a defendant in a purported class action filed in the United States District Court for the Southern District of New York which sought to bring claims on behalf of plaintiffs in the United States who allegedly purchased or sold EURIBOR-related financial instruments, either on an exchange or in over-the-counter transactions. In August 2012, the plaintiff voluntarily dismissed this action without prejudice.

Madoff Litigation. JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC, and J.P. Morgan Securities plc have been named as defendants in a lawsuit brought by the trustee (the "Trustee") for the liquidation of Bernard L. Madoff Investment Securities LLC ("Madoff"). The Trustee has served an amended complaint in which he has asserted 28 causes of action against JPMorgan Chase, 20 of which seek to avoid certain transfers (direct or indirect) made to JPMorgan Chase that are alleged to have been preferential or fraudulent under the federal Bankruptcy Code and the New York Debtor and Creditor Law. The remaining causes of action involve claims for, among other things, aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion, contribution and unjust enrichment. The complaint generally alleges that JPMorgan Chase, as Madoff's long-time bank, facilitated the maintenance of Madoff's Ponzi scheme and overlooked signs of wrongdoing in order to obtain profits and fees. The complaint asserts common law claims that purport to seek approximately $19 billion in damages, together with bankruptcy law claims to recover approximately $425 million in transfers that JPMorgan Chase allegedly received directly or indirectly from Bernard Madoff's brokerage firm. In October 2011, the United States District Court for the Southern District of New York granted JPMorgan Chase's motion to dismiss the common law claims asserted by the Trustee, and returned the remaining claims to the Bankruptcy Court for further proceedings. The Trustee has appealed this decision.

Separately, J.P. Morgan Trust Company (Cayman) Limited, JPMorgan (Suisse) SA, J.P. Morgan Securities plc, Bear Stearns Alternative Assets International Ltd., J.P. Morgan Clearing Corp., J.P. Morgan Bank Luxembourg SA, and J.P. Morgan Markets Limited (formerly Bear Stearns International Limited) have been named as defendants in lawsuits presently pending in Bankruptcy Court in New York arising out of the liquidation proceedings of Fairfield Sentry Limited and Fairfield Sigma Limited (together, "Fairfield"), so-called Madoff feeder funds. These actions are based on theories of mistake and restitution, among other theories, and seek to recover payments made to defendants by the funds totaling approximately $155 million . Pursuant to an agreement with the Trustee, the liquidators of Fairfield have voluntarily dismissed their action against J.P. Morgan Securities plc without prejudice to refiling. The other actions remain outstanding. In addition, a purported class action was brought by investors in certain feeder funds against JPMorgan Chase in the United States District Court for the Southern District of New York, as was a motion by separate potential class plaintiffs to add claims against JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and J.P. Morgan Securities plc to an already-pending purported class action in the same court. The allegations in these complaints largely track those raised by the Trustee. The Court dismissed these complaints and plaintiffs have appealed.

The Firm is a defendant in five other Madoff-related actions pending in New York state court and one purported class action in federal District Court in New York. The allegations in all of these actions are essentially identical, and involve claims against the Firm for, among other things, aiding and abetting breach of fiduciary duty, conversion and unjust enrichment. The Firm has moved to dismiss both the state and federal actions.

The Firm is also responding to various governmental inquiries concerning the Madoff matter.

MF Global. As previously disclosed, JPMorgan Chase & Co. was named as one of several defendants in a number of putative class action lawsuits brought by former customers of MF Global in federal District Courts in New York, Illinois and Montana. The lawsuits have been consolidated before the United States District Court for the Southern District of New York. The actions alleged, among other things, that the Firm aided and abetted MF Global's alleged misuse of

customer money and breaches of fiduciary duty and was unjustly enriched by the transfer of certain customer segregated funds by MF Global. The Firm has entered into a tolling agreement with counsel for the class plaintiffs and an individual plaintiff, pursuant to which the plaintiffs have agreed not to pursue any such claims against the Firm in these actions for so long as the tolling agreement remains in effect.

J.P. Morgan Securities LLC has been named as one of several defendants in a number of purported class actions filed by purchasers of MF Global's publicly traded securities, including the securities issued pursuant to MF Global's June 2010 secondary offering of common stock and February 2011 and August 2011 convertible note offerings. The actions have been consolidated before the United States District Court for the Southern District of New York. In August 2012, the lead plaintiffs filed an amended complaint which asserts violations of the Securities Act of 1933 against the underwriter defendants and alleges that the offering documents contained materially false and misleading statements and omissions regarding MF Global's financial position, internal controls and risk management, as such topics relate to the company's exposure to European sovereign debt.

In June 2012, the Securities Investor Protection Act ("SIPA") Trustee issued a Report of the Trustee's Investigation and Recommendations, and stated that he is considering potential claims against the Firm with respect to certain transfers identified in the Report. Discussions with the SIPA Trustee regarding possible resolution of potential claims against the Firm are ongoing.

The Firm has responded to and continues to respond to inquiries from the CFTC, SEC, SIPA Trustee and Bankruptcy Trustee concerning MF Global.

Mortgage-Backed Securities and Repurchase Litigation and Regulatory Investigations. JPMorgan Chase and affiliates, Bear Stearns and affiliates and Washington Mutual affiliates have been named as defendants in a number of cases in their various roles as issuer, originator or underwriter in MBS offerings. These cases include purported class action suits, actions by individual purchasers of securities or by trustees for the benefit of purchasers of securities, an action by the New York State Attorney General and actions by monoline insurance companies that guaranteed payments of principal and interest for particular tranches of securities offerings. Although the allegations vary by lawsuit, these cases generally allege that the offering documents for securities issued by dozens of securitization trusts contained material misrepresentations and omissions, including with regard to the underwriting standards pursuant to which the underlying mortgage loans were issued, or assert that various representations or warranties relating to the loans were breached at the time of origination. There are currently pending and tolled investor claims involving approximately $140 billion of such securities. In addition, and as described below, there are pending and threatened claims by monoline insurers and by and on behalf of trustees that involve some of these and other securitizations.

In the actions against the Firm as an MBS issuer (and, in some cases, also as an underwriter of its own MBS offerings), three purported class actions are pending against JPMorgan Chase and Bear Stearns, and/or certain of their affiliates and current and former employees, in the United States District Courts for the Eastern and Southern Districts of New York. Motions to dismiss have been largely denied in these cases, although in certain cases defendants have sought to appeal aspects of the decision, and they are in various stages of litigation. A settlement of a fourth purported class action that is pending in the United States District Court for the Western District of Washington against Washington Mutual affiliates, WaMu Asset Acceptance Corp. and WaMu Capital Corp. and certain former officers or directors of WaMu Asset Acceptance Corp., has been preliminarily approved by the court.

In addition to class actions, the Firm is also a defendant in individual actions brought against certain affiliates of JPMorgan Chase, Bear Stearns and Washington Mutual as issuers (and, in some cases, as underwriters) of MBS. These actions involve claims by or to benefit various institutional investors and governmental agencies. These actions are pending in federal and state courts across the United States and are in various stages of litigation.

In actions against the Firm solely as an underwriter of other issuers' MBS offerings, the Firm has contractual rights to indemnification from the issuers. However, those indemnity rights may prove effectively unenforceable where the issuers are now defunct, such as in pending cases where the Firm has been named involving affiliates of IndyMac Bancorp and Thornburg Mortgage. The Firm may also be contractually obligated to indemnify underwriters in certain deals it issued.

EMC Mortgage LLC (formerly EMC Mortgage Corporation) ("EMC"), an indirect subsidiary of JPMorgan Chase & Co., and certain other JPMorgan Chase entities currently are defendants in nine pending actions commenced by bond insurers that guaranteed payments of principal and interest on certain classes of 19 different MBS offerings. These actions are pending in federal and state courts in New York and are in various stages of litigation. Certain JPMorgan Chase entities, in their capacities as alleged successors in interest to Bear Stearns and EMC, have been named as defendants in a civil suit filed by the New York Attorney General in New York state court in connection with Bear Stearns' due diligence and quality control practices relating to MBS.

The Firm or its affiliates are defendants in actions brought by trustees of various MBS trusts and others on behalf of the purchasers of securities issued by those trusts. The first action was commenced by Deutsche Bank National Trust Company, acting as trustee for various MBS trusts, against the Firm and the FDIC based on MBS issued by Washington Mutual Bank and its affiliates; that case is described in the Washington Mutual Litigations section below. The other

actions are at various initial stages of litigation in the New York and Delaware state courts, including actions brought by MBS trustees, each specific to a single MBS transaction, against EMC and/or JPMorgan Chase. These cases generally allege breaches of various representations and warranties regarding securitized loans and seek repurchase of those loans, as well as indemnification of attorneys' fees and costs and other remedies.

There is no assurance that the Firm will not be named as a defendant in additional MBS-related litigation, and the Firm has entered into agreements with a number of entities that purchased such securities that toll applicable limitations periods with respect to their claims. In addition, the Firm has received several demands by securitization trustees that threaten litigation, as well as demands by investors directing or threatening to direct trustees to investigate claims or bring litigation, based on purported obligations to repurchase loans out of securitization trusts and alleged servicing deficiencies. These include but are not limited to a demand from a law firm, as counsel to a group of purchasers of MBS that purport to have 25% or more of the voting rights in as many as 191 different trusts sponsored by the Firm or its affiliates with an original principal balance of more than $174 billion (excluding 52 trusts sponsored by Washington Mutual, with an original principal balance of more than $58 billion), made to various trustees to investigate potential repurchase and servicing claims. Further, there have been repurchase and servicing claims made in litigation against trustees not affiliated with the Firm, but involving trusts the Firm sponsored.

In April 2012, the Court granted the Firm's motion to dismiss a shareholder complaint filed in New York Supreme Court against the Firm and two affiliates, members of the boards of directors thereof and certain employees, asserting claims based on alleged wrongful actions and inactions relating to residential mortgage originations and securitizations. The plaintiff has appealed the order. A second shareholder complaint has been filed in New York Supreme Court against current and former members of the Firm's Board of Directors and the Firm, as nominal defendant, alleging that the Board allowed the Firm to engage in wrongful conduct regarding the sale of residential MBS and failed to implement adequate internal controls to prevent such wrongdoing.

In addition to the above-described litigation, the Firm has also received, and responded to, a number of subpoenas and informal requests for information from federal and state authorities concerning mortgage-related matters, including inquiries concerning a number of transactions involving the Firm and its affiliates' origination and purchase of whole loans, underwriting and issuance of MBS, treatment of early payment defaults and potential breaches of securitization representations and warranties, reserves and due diligence in connection with securitizations. In January 2012, the Firm was advised by SEC staff that they are considering recommending to the Commission that civil or administrative actions be pursued arising out of two separate investigations they have been conducting. The first now involves potential claims against J.P. Morgan Securities LLC and J.P. Morgan Acceptance Corporation I relating to delinquency disclosures in connection with a single mortgage-backed securitization. The second involves potential claims against Bear Stearns entities and J.P. Morgan Securities LLC relating to disclosures concerning settlements of claims against originators involving loans included in a number of Bear Stearns securitizations. The Firm has reached an agreement in principle with the staff of the SEC to resolve these matters. The agreement in principle is subject to approval by the SEC, as well as court approval. There can be no assurance that the agreement in principle will be approved.

Mortgage Foreclosure Investigations and Litigation. JPMorgan Chase and four other firms agreed to a settlement (the "global settlement") with a number of federal and state government agencies, including the DOJ, the Department of Housing and Urban Development, the Consumer Financial Protection Bureau and the State Attorneys General, relating to the servicing and origination of mortgages. The global settlement was approved by the federal District Court for the District of Columbia effective April 5, 2012. Pursuant to the global settlement, the Firm is required to make certain payments, provide various forms of relief to certain borrowers and adhere to certain enhanced mortgage servicing standards. The global settlement releases the Firm from various state and federal claims, but these releases do not include claims arising out of securitization activities, including representations made to investors concerning MBS, criminal claims and repurchase demands from the GSEs, among other items. The New York Department of Financial Services was not a party to the settlement and did not release any claims.

The Attorneys General of Massachusetts and New York have separately filed lawsuits against the Firm, other servicers and a mortgage recording company asserting claims for various alleged wrongdoings relating to mortgage assignments and use of the industry's electronic mortgage registry. The Firm has moved to dismiss these actions.

Six purported class action lawsuits were filed against the Firm relating to its mortgage foreclosure procedures. Two of the class actions have been dismissed with prejudice and one settled on an individual basis. Of the remaining active actions, one is in the discovery phase and the other two have motions to dismiss pending. Additionally, the purported class action brought against Bank of America involving an EMC loan has been dismissed.

Two shareholder derivative actions have been filed in New York Supreme Court against the Firm's Board of Directors alleging that the Board failed to exercise adequate oversight as to wrongful conduct by the Firm regarding mortgage servicing. These actions seek declaratory relief and damages. In July 2012, the Court granted defendants' motion to dismiss the complaint in the first-filed action and gave plaintiff 45 days in which to file an amended complaint. In October 2012, the Court entered a stipulated order consolidating the actions and staying all proceedings

pending the plaintiffs' decision whether to file a consolidated complaint after the Firm completes its response to a demand submitted by one of the plaintiffs under Section 220 of the Delaware General Corporation Law.

The Firm has received subpoenas from the United States Attorney's Office for the Southern District of New York in connection with the participation by JPMorgan Chase and Washington Mutual in the Federal Housing Administration's Direct Endorsement Program. The Firm continues to provide documents and information pursuant to the subpoenas.

Municipal Derivatives Investigations and Litigation. Purported class action lawsuits and individual actions have been filed against JPMorgan Chase and Bear Stearns, as well as numerous other providers and brokers, alleging antitrust violations in the market for financial instruments related to municipal bond offerings referred to collectively as "municipal derivatives." In July 2011, the Firm settled with federal and state governmental agencies to resolve their investigations into similar alleged conduct. The municipal derivatives actions have been consolidated and/or coordinated in the United States District Court for the Southern District of New York. In April 2012, JPMorgan and Bear Stearns reached an agreement to settle the municipal derivatives actions for $45 million . The settlement is subject to court approval.

In addition, civil actions have been commenced against the Firm relating to certain Jefferson County, Alabama (the "County") warrant underwritings and swap transactions. In November 2009, J.P. Morgan Securities LLC settled with the SEC to resolve its investigation into those transactions. Following that settlement, the County filed an action against the Firm and several other defendants in Alabama state court. An action on behalf of a purported class of sewer rate payers has also been filed in Alabama state court. The suits allege that the Firm made payments to certain third parties in exchange for being chosen to underwrite more than $3 billion in warrants issued by the County and to act as the counterparty for certain swaps executed by the County. The complaints also allege that the Firm concealed these third-party payments and that, but for this concealment, the County would not have entered into the transactions. The Court denied the Firm's motions to dismiss the complaints in both proceedings. The Firm filed mandamus petitions with the Alabama Supreme Court, seeking immediate appellate review of these decisions. The mandamus petition in the County's lawsuit was denied in April 2011. In November and December, 2011, the County filed notices of bankruptcy with the trial court in each of the cases and with the Alabama Supreme Court stating that it was a Chapter 9 Debtor in the U.S. Bankruptcy Court for the Northern District of Alabama. Subsequently, the portion of the sewer rate payer action involving claims against the Firm was removed by certain defendants to the United States District Court for the Northern District of Alabama . In its order finding that removal of this action was proper, the District Court referred the action to the District's Bankruptcy Court, where the action remains pending. Discovery in the County's action is ongoing.

In September 2012, a group of purported creditors of the County initiated an adversary proceeding and filed a purported class action complaint alleging that certain warrants were issued unlawfully and were thus null and void and seeking $1.6 billion in damages from the Firm and other defendants involved in the Jefferson County financing transactions. The Firm's response to that complaint is currently due in November 2012.

Two insurance companies that guaranteed the payment of principal and interest on warrants issued by the County have filed separate actions against the Firm in New York state court. Their complaints assert that the Firm fraudulently misled them into issuing insurance based upon substantially the same alleged conduct described above and other alleged non-disclosures. One insurer claims that it insured an aggregate principal amount of nearly $1.2 billion and seeks unspecified damages in excess of $400 million as well as unspecified punitive damages. The other insurer claims that it insured an aggregate principal amount of more than $378 million and seeks recovery of $4 million allegedly paid under the policies to date as well as any future payments and unspecified punitive damages. In December 2010, the court denied the Firm's motions to dismiss each of the complaints. The Firm has filed a cross-claim and a third party claim against the County for indemnity and contribution. The County moved to dismiss, which the court denied in August 2011. In consequence of its November 2011 bankruptcy filing, the County has asserted that these actions are stayed. In February 2012, one of the insurers filed a motion for a declaration that its action is not stayed as against the Firm or, in the alternative, for an order lifting the stay as against the Firm. The Firm and the County opposed the motion, which remains pending.

Option Adjustable Rate Mortgage Litigation. The Firm is defending four purported and three certified class actions all pending in federal courts in California asserting that several JPMorgan Chase entities violated the federal Truth in Lending Act and state unfair business practice statutes in failing to provide adequate disclosures in Option Adjustable Rate Mortgage ("ARM") loans regarding the resetting of introductory interest rates and that negative amortization was certain to occur if a borrower made the minimum monthly payment. With respect to the former Washington Mutual and Bear Stearns defendants who purchased Option ARM loans from third-party originators, plaintiffs allege that those entities aided and abetted the original lenders' alleged violations. Classes have been certified in three of the actions. In one of the certified class actions, the Firm has moved for decertification of the class and for summary judgment. The Firm has sought permission to immediately appeal the remaining class certification decisions.

Overdraft Fee/Debit Posting Order Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in several purported class actions relating to its practices in posting

debit card transactions to customers' deposit accounts. Plaintiffs allege that the Firm improperly re-ordered debit card transactions from the highest amount to the lowest amount before processing these transactions in order to generate unwarranted overdraft fees. Plaintiffs contend that the Firm should have processed such transactions in the chronological order they were authorized. Plaintiffs seek the disgorgement of all overdraft fees paid to the Firm by plaintiffs since approximately 2003 as a result of the re-ordering of debit card transactions. The claims against the Firm have been consolidated with numerous complaints against other national banks in multi-District litigation pending in the United States District Court for the Southern District of Florida. The Firm has reached an agreement to settle this matter in exchange for the Firm paying $110 million and agreeing to change certain overdraft fee practices. On May 24, 2012, the Court granted preliminary approval of the settlement and scheduled a final approval hearing in December 2012.

Petters Bankruptcy and Related Matters. JPMorgan Chase and certain of its affiliates, including One Equity Partners ("OEP"), have been named as defendants in several actions filed in connection with the receivership and bankruptcy proceedings pertaining to Thomas J. Petters and certain affiliated entities (collectively, "Petters") and the Polaroid Corporation. The principal actions against JPMorgan Chase and its affiliates have been brought by a court-appointed receiver for Petters and the trustees in bankruptcy proceedings for three Petters entities. These actions generally seek to avoid, on fraudulent transfer and preference grounds, certain purported transfers in connection with (i) the 2005 acquisition by Petters of Polaroid, which at the time was majority-owned by OEP; (ii) two credit facilities that JPMorgan Chase and other financial institutions entered into with Polaroid; and (iii) a credit line and investment accounts held by Petters. The actions collectively seek recovery of approximately $450 million . Defendants have moved to dismiss the complaints in the actions filed by the Petters bankruptcy trustees and the parties have agreed to stay the action brought by the Receiver until after the Bankruptcy Court rules on the pending motions.

Securities Lending Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in four putative class actions asserting ERISA and other claims pending in the United States District Court for the Southern District of New York brought by participants in the Firm's securities lending business. A fifth lawsuit was filed in New York state court by an individual participant in the program. Three of the purported class actions, which have been consolidated, relate to investments of approximately $500 million in medium-term notes of Sigma Finance Inc. ("Sigma"). In August 2010, the Court certified a plaintiff class consisting of all securities lending participants that held Sigma medium-term notes on September 30, 2008, including those that held the notes by virtue of participation in the investment of cash collateral through a collective fund, as well as those that held the notes by virtue of the investment of cash collateral through individual accounts. The Court granted JPMorgan Chase's motion for partial summary judgment as to plaintiffs' duty of loyalty claim, finding that the Firm did not have a conflict of interest when it provided repurchase financing to Sigma while also holding Sigma medium-term notes in securities lending accounts. The parties reached an agreement to settle this action for $150 million . The Court granted final approval to the settlement in June 2012.

The fourth putative class action concerns investments of approximately $500 million in Lehman Brothers medium-term notes. The Court granted the Firm's motion to dismiss all claims in April 2012. The plaintiff filed a third amended complaint, and the Firm's motion to dismiss this complaint is pending. The New York state court action, which is not a class action, concerns the plaintiff's alleged loss of money in both Sigma and Lehman Brothers medium-term notes. The Firm has answered the complaint. Discovery is complete and motions for summary judgment are due in November 2012.

Washington Mutual Litigations. Proceedings related to Washington Mutual's failure are pending before the United States District Court for the District of Columbia and include a lawsuit brought by Deutsche Bank National Trust Company, initially against the FDIC, asserting an estimated $6 billion to $10 billion in damages based upon alleged breach of various mortgage securitization agreements and alleged violation of certain representations and warranties given by certain Washington Mutual, Inc. ("WMI") subsidiaries in connection with those securitization agreements. The case includes assertions that JPMorgan Chase may have assumed liabilities for alleged breaches of representations and warranties in the mortgage securitization agreements. The District Court denied as premature motions by the Firm and the FDIC that sought a ruling on whether the FDIC retained liability for Deutsche Bank's claims. Discovery is underway.

In addition, JPMorgan Chase was sued in an action originally filed in state court in Texas (the "Texas Action") by certain holders of WMI common stock and debt of WMI and Washington Mutual Bank who seek unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at a price that was allegedly too low. The Texas Action was transferred to the United States District Court for the District of Columbia, which ultimately granted JPMorgan Chase's and the FDIC's motions to dismiss the complaint, but the United States Court of Appeals for the District of Columbia Circuit reversed the District Court's dismissal and remanded the case for further proceedings. Plaintiffs, who sue now only as holders of Washington Mutual Bank debt following their voluntary dismissal of claims brought as holders of WMI common stock and debt, have filed an amended complaint alleging that JPMorgan Chase caused the closure of Washington Mutual Bank and damaged them by causing their bonds issued by Washington Mutual Bank, which had a total face value of $38 million , to lose substantially all of their value. JPMorgan Chase and the

FDIC moved to dismiss this action and the District Court dismissed the case except as to the plaintiffs' claim that the Firm tortiously interfered with the plaintiffs' bond contracts with Washington Mutual Bank prior to its closure.

* * *

In addition to the various legal proceedings discussed above, JPMorgan Chase and its subsidiaries are named as defendants or are otherwise involved in a substantial number of other legal proceedings. The Firm believes it has meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings and it intends to defend itself vigorously in all such matters. Additional legal proceedings may be initiated from time to time in the future.

The Firm has established reserves for several hundred of its currently outstanding legal proceedings. The Firm accrues for potential liability arising from such proceedings when it is probable that such liability has been incurred and the amount of the loss can be reasonably estimated. The Firm evaluates its outstanding legal proceedings each quarter to assess its litigation reserves, and makes adjustments in such reserves, upwards or downwards, as appropriate, based on management's best judgment after consultation with counsel. The Firm incurred litigation expense of $790 million and $1.3 billion , respectively, during the three months ended September 30, 2012 and 2011, and $3.8 billion and $4.3 billion , respectively, during the nine months ended September 30, 2012 and 2011. There is no assurance that the Firm's litigation reserves will not need to be adjusted in the future.

In view of the inherent difficulty of predicting the outcome of legal proceedings, particularly where the claimants seek very large or indeterminate damages, or where the matters present novel legal theories, involve a large number of parties or are in early stages of discovery, the Firm cannot state with confidence what will be the eventual outcomes of the currently pending matters, the timing of their ultimate resolution or the eventual losses, fines, penalties or impact related to those matters. JPMorgan Chase believes, based upon its current knowledge, after consultation with counsel and after taking into account its current litigation reserves, that the legal proceedings currently pending against it should not have a material adverse effect on the Firm's consolidated financial condition. The Firm notes, however, that in light of the uncertainties involved in such proceedings, there is no assurance the ultimate resolution of these matters will not significantly exceed the reserves it has currently accrued; as a result, the outcome of a particular matter may be material to JPMorgan Chase's operating results for a particular period, depending on, among other factors, the size of the loss or liability imposed and the level of JPMorgan Chase's income for that period.

EDGAR Online

JPMORGAN CHASE & CO

FORM 8-K
(Current report filing)

Filed 01/09/13 for the Period Ending 01/07/13

Address	270 PARK AVE
	38TH FL
	NEW YORK, NY 10017
Telephone	2122706000
CIK	0000019617
Symbol	JPM
Fiscal Year	12/31

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): January 7, 2013

JPMorgan Chase & Co.

(Exact name of registrant as specified in its charter)

Delaware	1-5805	13-2624428
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. employer identification no.)
270 Park Avenue, New York, New York		10017
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (212) 270-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) JPMorgan Chase & Co., a Delaware corporation ("JPMorgan Chase" or the "Firm"), has announced that James E. Staley, the Chairman of the Firm's Corporate & Investment Bank, will be leaving the Firm to join BlueMountain Capital Management as a Managing Partner and Member of its Management Committee.

Item 8.01 Other Events.

The Firm and a number of other financial institutions have entered into a settlement agreement with the Office of the Comptroller of the Currency and the Board of Governors of the Federal Reserve System providing for the termination of the Independent Foreclosure Review programs that had been required under the Consent Orders with such banking regulators relating to each bank's residential mortgage servicing, foreclosure and loss-mitigation activities. Under this settlement, the Firm will make a cash payment of $753 million into a settlement fund for distribution to qualified borrowers . The Firm has also committed an additional $1.2 billion to foreclosure prevention actions under the settlement, which will be fulfilled through credits given to the Firm under the framework established by the global settlement previously entered into with certain federal and state government agencies. The Firm expects to incur a charge of approximately $700 million (pretax) in the fourth quarter of 2012 related to the Independent Foreclosure Review settlement. The Firm will report its fourth quarter 2012 results on January 16, 2013.

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. JPMorgan Chase does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JPMorgan Chase & Co.
(Registrant)

By: /s/ Anthony J. Horan
Anthony J. Horan

Corporate Secretary

Dated: January 9, 2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

J.P. Morgan Broker-Dealer Holdings Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: J.P. Morgan Securities LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 270 Park Avenue
New York, New York 10179

C. Telephone: (312)385-8444 Fax: (866)594-6488 Email: eric.r.rockhold@jpmorgan.com

D. Name of contact person: Eric Rockhold

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Serving as senior managing underwriter for the O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
SEE ATTACHMENT A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
JPMorgan Chase & Co.	270 Park Avenue	100%
	New York, New York 10017	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[X] Yes [ ] No SEE ATTACHMENT B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):
SEE ATTACHMENT B

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS: SEE ATTACHMENT B

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

SEE ATTACHMENT B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

SEE ATTACHMENT B

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

SEE ATTACHMENT B

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No SEE ATTACHMENT B

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee. SEE ATTACHMENT B

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

SEE ATTACHMENT B

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

SEE ATTACHMENT B

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

J.P. Morgan Broker-Dealer Holdings Inc.
(Print or type name of Disclosing Party)

By: Eric R Rockhold
(Sign here)

Eric Rockhold
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-2013,
at Cook County, IL (state).

Martha A Camarillo, Notary Public.

ORIGINAL SEAL
MARTHA A. CAMARILLO
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 06/22/15

Commission expires: 6/22/15.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No To the best of the Disclosing Party's knowledge and belief

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

ATTACHMENT A
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
J.P. MORGAN BROKER-DEALER HOLDINGS INC.
(as an Entity Holding an Interest in an Applicant)

SECTION II B.1

Directors

Carlos M. Hernandez
Tushar Morzaria

Executive Officers

Lisa J. Fitzgerald	Managing Director, Terasurer
Carlos M. Hernandez	President
Anthony J. Horan	Managing Director, Secretary, Assistant Treasurer

ATTACHMENT B
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
J.P. MORGAN BROKER-DEALER HOLDINGS INC.
(as an Entity Holding an Interest in an Applicant)

The following responses are true, accurate and complete to the best of the undersigned's (herein referred to as the Authorized Representative) knowledge and belief based on reasonable inquiry relying on information provided by other employees of the Disclosing Party or its affiliates or subsidiaries. The information in § V B.1-3(a) was verified between August and November 2012 and is in the process of being updated, with an update to be provided as soon as the information is available.

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

The Authorized Representative certifies on behalf of the Disclosing Party knowledge of an existing "business relationship" during the 12 months prior to the date of execution of the foregoing Economic Disclosure Statement and Affidavit between JPMorgan Chase Bank, National Association (the "Bank"), an affiliate of the Disclosing Party, and the law firm of Klafter and Burke. Klafter and Burke has provided real estate tax protest legal services on behalf of the Bank. Alderman Edward M. Burke is a partner of the firm of Klafter and Burke.

SECTION V: CERTIFICATIONS

B. FURTHER CERTIFICATIONS

B.2 (a-e) With respect to Section V, paragraph B.2 (a-e), the Authorized Representative certifies to the best of the Authorized Representative's knowledge and belief based on reasonable inquiry that such statements are accurate with respect to the executive officers and directors of the Disclosing Party. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, J.P. Morgan Broker-Dealer Holdings Inc. and/or its parent, subsidiaries and affiliates are named from time to time as a defendant in various legal actions and administrative proceedings arising in connection with their respective businesses, and have also been involved in investigations and other proceedings by governmental agencies. In view of the inherent difficulty of predicting the outcome of such matters, the Disclosing Party cannot state the eventual outcome of pending or future matters. After consultation with counsel and based on current knowledge, the Disclosing Party believes that the defendant has asserted meritorious defenses in each such matter and that the aggregate liability or loss, if any, resulting therefrom will not have a material adverse effect on such defendant's financial condition, but may be material to such defendant's operating results for any particular period, depending on the level of income for such period. The Disclosing Party does not believe that any pending action would have any material effect on the Matter. The most current comprehensive summaries of legal proceedings involving J.P. Morgan Broker-Dealer Holdings Inc. are referenced in JPMorgan

with the Securities and Exchange Commission ("SEC") and all available through JPMorgan's internet site http://investor.shareholder.com/jpmorganchase/sec.cfm or through the SEC's internet site (www.sec.gov). See applicable current summaries listed on Attachment C hereto.

B.3 (a & d) The Authorized Representative certifies on behalf of the Disclosing Party the accuracy of the statements contained in Section V, paragraph B.3 (a & d) only as to the Disclosing Party. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, J.P. Morgan Broker-Dealer Holdings Inc. and/or its parent, subsidiaries and affiliates are named from time to time as a defendant in various legal actions and administrative proceedings arising in connection with their respective businesses, and have also been involved in investigations and other proceedings by governmental agencies. In view of the inherent difficulty of predicting the outcome of such matters, the Disclosing Party cannot state the eventual outcome of pending or future matters. After consultation with counsel and based on current knowledge, the Disclosing Party believes that the defendant has asserted meritorious defenses in each such matter and that the aggregate liability or loss, if any, resulting therefrom will not have a material adverse effect on such defendant's financial condition, but may be material to such defendant's operating results for any particular period, depending on the level of income for such period. The Disclosing Party does not believe that any pending action would have any material effect on the Matter. The most current comprehensive summaries of legal proceedings involving J.P. Morgan Broker-Dealer Holdings Inc. are referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filing, all as filed with the SEC and all available through JPMorgan's internet site http://investor.shareholder.com/jpmorganchase/sec.cfm or through the SEC's internet site (www.sec.gov). See applicable current summaries listed on Attachment C hereto.

B.3 (b-c) and B.4 The Disclosing Party has not agreed or colluded with other bidders or prospective bidders as to this Matter, or been a party to any such agreement. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, the Disclosing Party has not been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, the Disclosing Party has not made an admission of such conduct described in a. or b. above that is a matter of record, and has not been prosecuted for such conduct, except to the extent set forth in the certain letter agreement dated July 6, 2011 between the Antitrust Division of the United States Department of Justice and JPMorgan Chase & Co., in connection with an investigation of bid rigging and other conduct constituting violations of Section 1 of the Sherman Act, 15 U.S.C. § 1, and certain sections of Title 18 of the United States Code, in connection with the bidding on or provision of certain contracts by JPMorgan's municipal derivatives desk in the United States. The Authorized Representative certifies to the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, that the foregoing matter would not have a material adverse effect on the Matter.

Except as otherwise set forth in Attachment B, the Authorized Representative on behalf of the Disclosing Party does not make any certification whatsoever with respect to any Applicable Party other than the Disclosing Party. The Authorized Representative on behalf of the

Disclosing Party also certifies that it has not engaged any sub-contractor with respect to the Matter.
The Authorized Representative certifies as to the statement in Section V, paragraph B.8. that, to the best of the Authorized Representative's knowledge and belief after reasonable inquiry, the following Bank employees were previous City of Chicago employees during the 12-month period preceding the execution date of this EDS:

- Robin Broman
- Nicole Simon
- Davida Stephens
- Jennifer Bloom

The Authorized Representative certifies as to the statement in Section V, paragraph B.9 that, to the best of the Authorized Representative's knowledge and belief after reasonable inquiry, the following gifts were provided by employees of the Bank to the following:

- Stephanie Neely – Meal $30.00
- Tarrah Cooper – Meal $30.00; Meal $30.00
- Leslie Darling – Meal $30.00
- Jamie Rhee – Meal $30.00

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best of the Authorized Representative's knowledge and belief after reasonable inquiry no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Authorized Representative on behalf of the Disclosing Party, to the extent the Disclosing Party has any control related to acquisitions of interests, certifies Disclosing Party will not approve the acquisition of any prohibited financial interest in the Matter by any City official or employee.

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

F.1. The Authorized Representative certifies on behalf of the Disclosing Party statements contained in Section VII, paragraph F.1. to the best of the Authorized Representative's knowledge and belief after reasonable inquiry that neither the Disclosing Party nor its affiliates are delinquent in paying any fine, fee, tax or other charge owed to the State of Illinois or the City of Chicago except for taxes that are being contested in good faith by appropriate legal proceeding and possible delinquencies in paying a fine, fee, tax or other charge related to (i) property mortgaged to the Disclosing Party or its affiliates, (ii) property owned by the Disclosing Party or its affiliates and leased to others, (iii) foreclosed property now owned by the Disclosing Party or its affiliates, (iv) property owned or held by the Disclosing Party or its affiliates as a fiduciary or nominee, and (v)

fines, fees, taxes or other charges that are being contested in good faith by the Disclosing Party or its affiliates by appropriate legal proceeding. If there are any outstanding claims that the Disclosing Party is notified of that Disclosing Party was not aware of previously, Disclosing Party will immediately address them.

ATTACHMENT C
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
J.P. MORGAN BROKER-DEALER HOLDINGS INC.
(as an Entity Holding an Interest in an Applicant)

Attached are relevant sections of legal proceedings referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filings.

Note 31 - Litigation

Contingencies

As of December 31, 2011, the Firm and its subsidiaries are defendants or putative defendants in numerous legal proceedings, including private, civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of the Firm's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories.

The Firm believes the estimate of the aggregate range of reasonably possible losses, in excess of reserves established, for its legal proceedings is from $0 to approximately $5.1 billion at December 31, 2011. This estimated aggregate range of reasonably possible losses is based upon currently available information for those proceedings in which the Firm is involved, taking into account the Firm's best estimate of such losses for those cases for which such estimate can be made. For certain cases, the Firm does not believe that an estimate can currently be made. The Firm's estimate involves significant judgment, given the varying stages of the proceedings (including the fact that many are currently in preliminary stages), the existence in many such proceedings of multiple defendants (including the Firm) whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings (including issues regarding class certification and the scope of many of the claims) and the attendant uncertainty of the various potential outcomes of such proceedings. Accordingly, the Firm's estimate will change from time to time, and actual losses may be more than the current estimate.

Set forth below are descriptions of the Firm's material legal proceedings.

Auction-Rate Securities Investigations and Litigation. Beginning in March 2008, several regulatory authorities initiated investigations of a number of industry participants, including the Firm, concerning possible state and federal securities law violations in connection with the sale of auction-rate securities. The market for many such securities had frozen and a significant number of auctions for those securities began to fail in February 2008.

The Firm, on behalf of itself and affiliates, agreed to a settlement in principle with the New York Attorney General's Office which provided, among other things, that the Firm would offer to purchase at par certain auction-rate securities purchased from J.P. Morgan Securities LLC, Chase Investment Services Corp. and Bear, Stearns & Co. Inc. by individual investors, charities and small- to medium-sized businesses. The Firm also agreed to a substantively similar settlement in principle with the Office of Financial Regulation for the State of Florida and the North American Securities Administrators Association ("NASAA") Task Force, which agreed to recommend approval of the settlement to all remaining states, Puerto Rico and the U.S. Virgin Islands. The Firm has finalized the settlement agreements with the New York Attorney General's Office and the Office of Financial Regulation for the State of Florida. The settlement agreements provide for the payment of penalties totaling $25 million to all states. The Firm is currently in the process of finalizing consent agreements with NASAA's member states; more than 45 of these consent agreements have been finalized to date.

The Firm also faces a number of civil actions relating to the Firm's sales of auction-rate securities, including a putative securities class action in the United States District Court for the Southern District of New York that seeks unspecified damages, and individual arbitrations and lawsuits in various forums brought by institutional and individual investors that, together, seek damages totaling approximately $50 million. The actions generally allege that the Firm and other firms manipulated the market for auction-rate securities by placing bids at auctions that affected these securities' clearing rates or otherwise supported the auctions without properly disclosing these activities. Some actions also allege that the Firm misrepresented that auction-rate securities were short-term instruments. The lawsuits are being coordinated before the federal District Court in New York.

Additionally, the Firm was named in two putative antitrust class actions. The actions allege that the Firm, along with numerous other financial institution defendants, colluded to maintain and stabilize the auction-rate securities market and then to withdraw their support for the auction-rate securities market. In January 2010, the District Court dismissed both actions. An appeal is pending in the United States Court of Appeals for the Second Circuit.

Bear Stearns Hedge Fund Matters. The Bear Stearns Companies LLC (formerly The Bear Stearns Companies Inc.) ("Bear Stearns"), certain current or former subsidiaries of Bear Stearns, including Bear Stearns Asset Management, Inc. ("BSAM") and Bear, Stearns & Co. Inc., and certain individuals formerly employed by Bear Stearns are named defendants (collectively the "Bear Stearns defendants") in multiple civil actions and arbitrations relating to alleged losses resulting from the failure of the Bear Stearns High Grade Structured Credit Strategies Master Fund, Ltd. (the "High Grade Fund") and the Bear Stearns High Grade Structured Credit Strategies Enhanced Leverage Master Fund, Ltd. (the "Enhanced Leverage Fund") (collectively, the "Funds"). BSAM served as investment manager for both of the Funds, which were organized such that there were U.S. and Cayman Islands "feeder funds" that invested substantially all their assets, directly or indirectly, in the Funds. The Funds are in liquidation.

There are currently three civil actions pending in the United States District Court for the Southern District of New York

relating to the Funds. One of these actions involves a derivative lawsuit brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the Enhanced Leverage Fund, alleging that the Bear Stearns defendants mismanaged the Funds. This action seeks, among other things, unspecified compensatory damages based on alleged investor losses. The parties have reached an agreement to settle this derivative action, pursuant to which BSAM would pay a maximum of approximately $18 million. BSAM has reserved the right not to proceed with this settlement if plaintiff is unable to secure the participation of investors whose net contributions meet a prescribed percentage of the aggregate net contributions to this feeder fund. The court has preliminarily approved the settlement, which remains subject to final court approval. (A separate derivative action, also alleging that the Bear Stearns defendants mismanaged the Funds, was brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the High Grade Fund, and was dismissed following a Court-approved settlement with similar terms, pursuant to which BSAM paid approximately $19 million). The second pending action, brought by the Joint Voluntary Liquidators of the Cayman Islands feeder funds, makes allegations similar to those asserted in the derivative lawsuits related to the U.S. feeder funds, alleges net losses of approximately $700 million and seeks compensatory and punitive damages. The parties presently are engaged in discovery.

The third action was brought by Bank of America and Banc of America Securities LLC (together "BofA") alleging breach of contract and fraud in connection with a $4 billion securitization in May 2007 known as a "CDO-squared," for which BSAM served as collateral manager. This securitization was composed of certain collateralized debt obligation holdings that were purchased by BofA from the Funds. BofA alleges that it incurred losses in excess of $3 billion and seeks damages in an amount to be determined, although the amount of damages that BofA seeks may be substantially less than its alleged losses. Discovery is ongoing.

Bear Stearns Shareholder Litigation and Related Matters. Various shareholders of Bear Stearns have commenced purported class actions against Bear Stearns and certain of its former officers and/or directors on behalf of all persons who purchased or otherwise acquired common stock of Bear Stearns between December 14, 2006, and March 14, 2008 (the "Class Period"). During the Class Period, Bear Stearns had between 115 million and 120 million common shares outstanding, and the price per share of those securities declined from a high of $172.61 to a low of $30 at the end of the period. The actions, originally commenced in several federal courts, allege that the defendants issued materially false and misleading statements regarding Bear Stearns' business and financial results and that, as a result of those false statements, Bear Stearns' common stock traded at artificially inflated prices during the Class Period. In addition, several individual shareholders of Bear Stearns have also commenced or threatened to commence their own arbitration proceedings and lawsuits asserting claims similar to those in the putative class actions. Certain of these matters have been dismissed or settled.

Separately, an agreement in principle has been reached to resolve a class action brought under the Employee Retirement Income Security Act ("ERISA") against Bear Stearns and certain of its former officers and/or directors on behalf of participants in the Bear Stearns Employee Stock Ownership Plan for alleged breaches of fiduciary duties in connection with the management of that Plan. Under the settlement, which remains subject to final documentation and court approval, the class will receive $10 million.

Bear Stearns, former members of Bear Stearns' Board of Directors and certain of Bear Stearns' former executive officers have also been named as defendants in a shareholder derivative and class action suit which is pending in the United States District Court for the Southern District of New York. Plaintiffs assert claims for breach of fiduciary duty, violations of federal securities laws, waste of corporate assets and gross mismanagement, unjust enrichment, abuse of control and indemnification and contribution in connection with the losses sustained by Bear Stearns as a result of its purchases of subprime loans and certain repurchases of its own common stock. Certain individual defendants are also alleged to have sold their holdings of Bear Stearns common stock while in possession of material nonpublic information. Plaintiffs seek compensatory damages in an unspecified amount. The District Court dismissed the action, and plaintiffs have appealed.

City of Milan Litigation and Criminal Investigation. In January 2009, the City of Milan, Italy (the "City") issued civil proceedings against (among others) JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Ltd. (together, "JPMorgan Chase") in the District Court of Milan. The proceedings relate to (a) a bond issue by the City in June 2005 (the "Bond"), and (b) an associated swap transaction, which was subsequently restructured on a number of occasions between 2005 and 2007 (the "Swap"). The City seeks damages and/or other remedies against JPMorgan Chase (among others) on the grounds of alleged "fraudulent and deceitful acts" and alleged breach of advisory obligations in connection with the Swap and the Bond, together with related swap transactions with other counterparties. The civil proceedings have been stayed pending the determination of an application by JPMorgan Chase to the Supreme Court in Rome challenging jurisdiction, which was heard in November 2011.

In March 2010, a criminal judge directed four current and former JPMorgan Chase personnel and JPMorgan Chase Bank, N.A. (as well as other individuals and three other banks) to go forward to a full trial that started in May 2010. Although the Firm is not charged with any crime and does not face criminal liability, if one or more of its employees were found guilty, the Firm could be subject to administrative sanctions, including restrictions on its ability

to conduct business in Italy and monetary penalties. Hearings have continued on a weekly basis since May 2010.

Enron Litigation. JPMorgan Chase and certain of its officers and directors are involved in several lawsuits seeking damages arising out of the Firm's banking relationships with Enron Corp. and its subsidiaries ("Enron"). A number of actions and other proceedings against the Firm previously were resolved, including a class action lawsuit captioned Newby v. Enron Corp. and adversary proceedings brought by Enron's bankruptcy estate. The remaining Enron-related actions include an individual action by an Enron investor, an action by an Enron counterparty and a purported class action filed on behalf of JPMorgan Chase employees who participated in the Firm's 401(k) plan asserting claims under ERISA for alleged breaches of fiduciary duties by JPMorgan Chase, its directors and named officers. The class action has been dismissed, and is on appeal to the United States Court of Appeals for the Second Circuit. Motions to dismiss are pending in the other two actions.

Interchange Litigation. A group of merchants has filed a series of putative class action complaints in several federal courts. The complaints allege that Visa and MasterCard, as well as certain other banks and their respective bank holding companies, conspired to set the price of credit and debit card interchange fees, enacted respective association rules in violation of antitrust laws, and engaged in tying/bundling and exclusive dealing. The complaint seeks unspecified damages and injunctive relief based on the theory that interchange fees would be lower or eliminated but for the challenged conduct. Based on publicly available estimates, Visa and MasterCard branded payment cards generated approximately $40 billion of interchange fees industry-wide in 2010. All cases have been consolidated in the United States District Court for the Eastern District of New York for pretrial proceedings. The Court has dismissed all claims relating to periods prior to January 2004. The Court has not yet ruled on motions relating to the remainder of the case or plaintiffs' class certification motion. Fact and expert discovery have closed.

In addition to the consolidated class action complaint, plaintiffs filed supplemental complaints challenging the initial public offerings ("IPOs") of MasterCard and Visa (the "IPO Complaints"). With respect to the MasterCard IPO, plaintiffs allege that the offering violated Section 7 of the Clayton Act and Section 1 of the Sherman Act and that the offering was a fraudulent conveyance. With respect to the Visa IPO, plaintiffs are challenging the Visa IPO on antitrust theories parallel to those articulated in the MasterCard IPO pleading. Defendants have filed motions to dismiss the IPO Complaints. The Court has not yet ruled on those motions.

The parties also have filed motions seeking summary judgment as to various claims in the complaints. Oral argument on these summary judgment motions was heard in November 2011.

Investment Management Litigation. Four cases have been filed claiming that investment portfolios managed by J.P. Morgan Investment Management Inc. ("JPMorgan Investment Management") were inappropriately invested in securities backed by subprime residential real estate collateral. Plaintiffs claim that JPMorgan Investment Management and related defendants are liable for losses of more than $1 billion in market value of these securities. The first case was filed by NM Homes One, Inc. in federal District Court in New York. Following rulings on motions addressed to the pleadings, plaintiff's claims for breach of contract, breach of fiduciary duty, negligence and gross negligence survive, and discovery is proceeding. In the second case, filed by Assured Guaranty (U.K.) in New York state court, discovery is proceeding on plaintiff's claims for breach of contract, breach of fiduciary duty and gross negligence. In the third case, filed by Ambac Assurance UK Limited in New York state court, the lower court granted JPMorgan Investment Management's motion to dismiss. The New York State Appellate Division reversed the lower court's decision and discovery is proceeding. The fourth case, filed by CMMF LLP in New York state court, asserts claims under New York law for breach of fiduciary duty, gross negligence, breach of contract and negligent misrepresentation. The lower court denied in part defendants' motion to dismiss and discovery is proceeding.

Lehman Brothers Bankruptcy Proceedings. In May 2010, Lehman Brothers Holdings Inc. ("LBHI") and its Official Committee of Unsecured Creditors (the "Committee") filed a complaint (and later an amended complaint) against JPMorgan Chase Bank, N.A. in the United States Bankruptcy Court for the Southern District of New York that asserts both federal bankruptcy law and state common law claims, and seeks, among other relief, to recover $8.6 billion in collateral that was transferred to JPMorgan Chase Bank, N.A. in the weeks preceding LBHI's bankruptcy. The amended complaint also seeks unspecified damages on the grounds that JPMorgan Chase Bank, N.A.'s collateral requests hastened LBHI's demise. The Firm has moved to dismiss plaintiffs' amended complaint in its entirety, and has also moved to transfer the litigation from the Bankruptcy Court to the United States District Court for the Southern District of New York. Neither motion has yet been decided, but following argument on the motion to transfer the litigation, the District Court directed the Bankruptcy Court to decide the motion to dismiss while the District Court is considering the transfer motion. The Firm also filed counterclaims against LBHI alleging that LBHI fraudulently induced the Firm to make large clearing advances to Lehman against inappropriate collateral, which left the Firm with more than $25 billion in claims (the "Clearing Claims") against the estate of Lehman Brothers Inc. ("LBI"), LBHI's broker-dealer subsidiary. These claims have been paid in full, subject to the outcome of the litigation. Discovery is underway with a trial scheduled for 2012. In August 2011, LBHI and the Committee filed an objection to the deficiency claims asserted by JPMorgan Chase Bank, N.A. against LBHI with respect to the Clearing Claims, principally on the grounds that the Firm had not conducted the sale of the securities collateral held for such claims in a commercially reasonable manner. The Firm has received and is in various

stages of responding to regulatory investigations regarding Lehman.

LIBOR Investigations and Litigation. JPMorgan Chase has received various subpoenas and requests for documents and, in some cases, interviews, from the United States Department of Justice, United States Commodity Futures Trading Commission, United States Securities and Exchange Commission, European Commission, United Kingdom Financial Services Authority, Canadian Competition Bureau and Swiss Competition Commission. The documents and information sought all relate to the process by which rates were submitted to the British Bankers Association ("BBA") in connection with the setting of the BBA's London Interbank Offered Rate ("LIBOR"), principally in 2007 and 2008. The inquiries from some of the regulators also relate to similar processes by which EURIBOR rates are submitted to the European Banking Federation and TIBOR rates are submitted to the Japanese Bankers' Association during similar time periods. The Firm is cooperating with these inquiries.

In addition, the Firm has been named as a defendant along with other banks in a series of individual and class actions filed in various U.S. federal courts alleging that since 2006 the defendants either individually suppressed the LIBOR rate artificially or colluded in submitting rates for LIBOR that were artificially low. Plaintiffs allege that they transacted in U.S. dollar LIBOR-based derivatives or other financial instruments whose values are impacted by changes in U.S. dollar LIBOR, and assert a variety of claims including antitrust claims seeking treble damages. All cases have been consolidated for pre-trial purposes in the United States District Court for the Southern District of New York. In November 2011, the District Court entered an Order appointing interim lead counsel for the two proposed classes: (i) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments directly from the defendants in the over-the-counter market, and (ii) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments on an exchange.

Madoff Litigation. JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC, and J.P. Morgan Securities Ltd. have been named as defendants in a lawsuit brought by the trustee (the "Trustee") for the liquidation of Bernard L. Madoff Investment Securities LLC ("Madoff"). The Trustee has served an amended complaint in which he has asserted 28 causes of action against JPMorgan Chase, 20 of which seek to avoid certain transfers (direct or indirect) made to JPMorgan Chase that are alleged to have been preferential or fraudulent under the federal Bankruptcy Code and the New York Debtor and Creditor Law. The remaining causes of action involve claims for, among other things, aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion, contribution and unjust enrichment. The complaint generally alleges that JPMorgan Chase, as Madoff's long-time bank, facilitated the maintenance of Madoff's Ponzi scheme and overlooked signs of wrongdoing in order to obtain profits and fees. The complaint asserts common law claims that purport to seek approximately $19 billion in damages, together with bankruptcy law claims to recover approximately $425 million in transfers that JPMorgan Chase allegedly received directly or indirectly from Bernard Madoff's brokerage firm. By order dated October 31, 2011, the United States District Court for the Southern District of New York granted JPMorgan Chase's motion to dismiss the common law claims asserted by the Trustee, and returned the remaining claims to the Bankruptcy Court for further proceedings. The Trustee has appealed this decision.

Separately, J.P. Morgan Trust Company (Cayman) Limited, JPMorgan (Suisse) SA, J.P. Morgan Securities Ltd., Bear Stearns Alternative Assets International Ltd. and J.P. Morgan Clearing Corp. have been named as defendants in lawsuits presently pending in Bankruptcy Court in New York arising out of the liquidation proceedings of Fairfield Sentry Limited and Fairfield Sigma Limited (together, "Fairfield"), so-called Madoff feeder funds. These actions are based on theories of mistake and restitution and seek to recover payments made to defendants by the funds totaling approximately $150 million. Pursuant to an agreement with the Trustee, the liquidators of Fairfield have voluntarily dismissed their action against J.P. Morgan Securities Ltd. without prejudice to refiling. The other actions remain outstanding. The Bankruptcy Court has stayed these actions. In addition, a purported class action was brought against JPMorgan Chase in the United States District Court for the Southern District of New York, as is a motion by separate potential class plaintiffs to add claims against JPMorgan Chase, JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and J.P. Morgan Securities Ltd. to an already-pending purported class action in the same court. The allegations in these complaints largely track those raised by the Trustee. The Court dismissed these complaints and plaintiffs have appealed.

Finally, JPMorgan Chase is a defendant in five actions pending in New York state court and two purported class actions in federal court in New York. The allegations in all of these actions are essentially identical, and involve claims against the Firm for aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion and unjust enrichment. In the state court actions, the Firm's motion to dismiss is pending. The Firm has moved to dismiss the state court actions and intends to move to dismiss the federal actions.

The Firm is also responding to various governmental inquiries concerning the Madoff matter.

MF Global. JPMorgan Chase & Co. has been named as one of several defendants in six putative class action lawsuits brought by customers of MF Global in federal district courts in Montana and New York. The actions allege, among other things, that the Firm aided and abetted MF Global's alleged misuse of customer money and breaches of fiduciary duty and was unjustly enriched by the transfer of $200 million in customer segregated funds by MF Global.

In addition, J.P. Morgan Securities LLC has been named as one of several defendants in a putative class action filed in

federal district court in New York on behalf of purchasers of MF Global's publicly traded securities including the securities issued pursuant to MF Global's February 2011 and August 2011 convertible note offerings. The complaint, which asserts violations of the Securities Act of 1933 against the underwriter defendants, alleges that the offering documents contained materially false and misleading statements and omissions regarding MF Global's financial position, including its exposure to European sovereign debt. The Firm is also responding to various governmental inquiries concerning MF Global.

Mortgage-Backed Securities and Repurchase Litigation and Regulatory Investigations. JPMorgan Chase and affiliates, Bear Stearns and affiliates and Washington Mutual affiliates have been named as defendants in a number of cases in their various roles as issuer or underwriter in MBS offerings. These cases include purported class action suits, actions by individual purchasers of securities or by trustees for the benefit of purchasers of securities, and actions by monoline insurance companies that guaranteed payments of principal and interest for particular tranches of securities offerings. Although the allegations vary by lawsuit, these cases generally allege that the offering documents for securities issued by dozens of securitization trusts contained material misrepresentations and omissions, including with regard to the underwriting standards pursuant to which the underlying mortgage loans were issued, or assert that various representations or warranties relating to the loans were breached at the time of origination. There are currently pending and tolled investor and monoline claims involving approximately $120 billion of such securities, a number that decreased significantly in the fourth quarter of 2011 largely due to favorable rulings on standing in the class actions discussed below.

In the actions against the Firm as an MBS issuer (and, in some cases, also as an underwriter of its own MBS offerings), three purported class actions are pending against JPMorgan Chase and Bear Stearns, and/or certain of their affiliates and current and former employees, in the United States District Courts for the Eastern and Southern Districts of New York. Defendants moved to dismiss these actions. In the first of these three actions, the court dismissed claims relating to all but one of the offerings. In the second action, the court dismissed claims as to certain offerings and tranches for lack of standing, but allowed claims to proceed relating to some offerings and certificates including ones raised by newly intervening plaintiffs; both parties have sought leave to appeal these rulings. In the third action, the Firm's motion to dismiss remains pending. In a fourth purported class action pending in the United States District Court for the Western District of Washington, Washington Mutual affiliates, WaMu Asset Acceptance Corp. and WaMu Capital Corp., along with certain former officers or directors of WaMu Asset Acceptance Corp., have been named as defendants. The court there denied plaintiffs' motion for leave to amend their complaint to add JPMorgan Chase Bank, N.A., as a defendant on the theory that it is a successor to Washington Mutual Bank. In October 2011, the court certified a class of plaintiff investors to pursue the claims asserted, but limited those claims to the 13 tranches of MBS in which a named plaintiff purchased. Discovery is proceeding.

In addition to class actions, the Firm is also a defendant in individual actions brought against certain affiliates of JPMorgan Chase, Bear Stearns and Washington Mutual as issuers (and, in some cases, as underwriters). These actions involve claims by governmental agencies, including the Federal Housing Finance Administration, the National Credit Union Administration and the Federal Home Loan Banks of Pittsburgh, Seattle, San Francisco, Chicago, Indianapolis, Atlanta and Boston, as well as by or to benefit various institutional investors, including Cambridge Place Investment Management, various affiliates of the Allstate Corporation, the Charles Schwab Corporation, Massachusetts Mutual Life Insurance Company, Western & Southern Life Insurance Company, HSH Nordbank, IKB International, S.A., Sealink Funding, Ltd., Landesbank Baden-Wurttemberg, Stichting Pensioenfonds ABP, Bayerische Landesbank, Union Central Life Insurance Company, Capital Ventures International, John Hancock Life Insurance Company and certain affiliates, Dexia SA/NV and certain affiliates, Deutsche Zentral-Genossenschaftsbank and Asset Management Fund and certain affiliates. These actions are pending in federal and state courts across the country and are at various stages of litigation.

EMC Mortgage LLC (formerly EMC Mortgage Corporation) ("EMC"), an indirect subsidiary of JPMorgan Chase & Co., and certain other JPMorgan Chase entities currently are defendants in four pending actions commenced by bond insurers that guaranteed payments of principal and interest on approximately $3.5 billion of certain classes of six different MBS offerings sponsored by EMC. One of those actions, commenced by Syncora Guarantee, Inc., is pending in the United States District Court for the Southern District of New York against EMC only. Syncora has also filed two actions in New York state court: the first, against J.P. Morgan Securities LLC, asserts tort claims arising out of the same transaction as its federal complaint; the second asserts various tort and contract claims relating to a separate transaction against J.P. Morgan Securities LLC, JPMorgan Chase Bank, N.A. and Bear Stearns Asset-Backed Securities I LLC. Ambac has filed a similar complaint in New York state court relating to four MBS offerings, which alleges various contract and tort claims against EMC, J.P. Morgan Securities LLC and JPMorgan Chase Bank, N.A. These Ambac and Syncora actions seek unspecified damages and specific performance. In December 2011, Assured Guaranty Corp. dismissed its case filed against EMC with respect to one MBS offering that was pending in the United States District Court for the Southern District of New York.

In actions against the Firm solely as an underwriter of other issuers' MBS offerings, the Firm has contractual rights to indemnification from the issuers, but those indemnity rights may prove effectively unenforceable where the issuers are now defunct, such as affiliates of IndyMac Bancorp

("IndyMac Trusts") and Thornburg Mortgage ("Thornburg"). The Firm may also be contractually obligated to indemnify underwriters in certain deals it issued. With respect to the IndyMac Trusts, J.P. Morgan Securities LLC, along with numerous other underwriters and individuals, is named as a defendant, both in its own capacity and as successor to Bear Stearns, in a purported class action pending in the United States District Court for the Southern District of New York brought on behalf of purchasers of securities in various IndyMac Trust MBS offerings. The court in that action has dismissed claims as to certain such securitizations, including all offerings in which no named plaintiff purchased securities, and allowed claims as to other offerings to proceed. Plaintiffs' motion to certify a class of investors in certain offerings is pending, and discovery is ongoing. In addition, J.P. Morgan Securities LLC and JPMorgan Chase are named as defendants in an individual action filed by the Federal Home Loan Bank of Pittsburgh in connection with a single offering by an affiliate of IndyMac Bancorp. Discovery in that action is ongoing and defendants moved for partial summary judgment in November 2011. Separately, J.P. Morgan Securities LLC, as successor to Bear, Stearns & Co. Inc., along with other underwriters and certain individuals, are defendants in an action pending in state court in California brought by MBIA Insurance Corp. ("MBIA"). The action relates to certain securities issued by IndyMac trusts in offerings in which Bear Stearns was an underwriter, and as to which MBIA provided guaranty insurance policies. MBIA purports to be subrogated to the rights of the MBS holders, and seeks recovery of sums it has paid and will pay pursuant to those policies. Discovery is ongoing. With respect to Thornburg, a Bear Stearns subsidiary is also a named defendant in a purported class action pending in the United States District Court for the District of New Mexico along with a number of other financial institutions that served as depositors and/or underwriters for three Thornburg MBS offerings. The Court granted in part defendants' motion to dismiss but indicated that plaintiffs could replead. Plaintiffs filed another amended complaint in December 2011, while defendants have asked the court to reconsider its ruling denying in part the defendants' motion to dismiss.

The Firm or its affiliates are defendants in three actions brought by trustees of MBS on behalf of the purchasers of securities. In the first, Wells Fargo, as trustee for a single MBS trust, has filed an action against EMC Mortgage in Delaware state court alleging that EMC breached various representations and warranties and seeking the repurchase of more than 800 mortgage loans by EMC and indemnification for the trustee attorneys' fees and costs. In the second, a trustee for a single MBS trust filed a summons with notice in New York state court against EMC, Bear Stearns & Co. Inc. and JPMorgan Chase & Co., seeking damages for breach of contract. The Firm has not yet been served with the complaint. In the third, the Firm is a defendant in an action commenced by Deutsche Bank National Trust Co., acting as trustee for various MBS trusts. That case is described in more detail below with respect to the Washington Mutual Litigations.

There is no assurance that the Firm will not be named as a defendant in additional MBS-related litigation, and the Firm has entered into agreements with a number of entities that purchased such securities which toll the statutes of limitations and repose with respect to their claims. In addition, the Firm has received several demands by securitization trustees that threaten litigation, as well as demands by investors directing or threatening to direct trustees to investigate claims or bring litigation, based on purported obligations to repurchase loans out of securitization trusts and alleged servicing deficiencies. These include but are not limited to a demand from a law firm, as counsel to a group of certificateholders who purport to have 25% or more of the voting rights in as many as 191 different trusts sponsored by the Firm with an original principal balance of more than $174 billion (excluding 52 trusts sponsored by Washington Mutual, with an original principal balance of more than $58 billion), made to various trustees to investigate potential repurchase and servicing claims.

A shareholder complaint has been filed in New York state court against the Firm and two affiliates, members of the boards of directors thereof and certain employees, asserting claims based on alleged wrongful actions and inactions relating to residential mortgage originations and securitizations. The action seeks an accounting and damages. The defendants have moved to dismiss the action.

In addition to the above-described litigation, the Firm has also received, and responded to, a number of subpoenas and informal requests for information from federal and state authorities concerning mortgage-related matters, including inquiries concerning a number of transactions involving the Firm's origination and purchase of whole loans, underwriting and issuance of MBS, treatment of early payment defaults and potential breaches of securitization representations and warranties, and due diligence in connection with securitizations. In January 2012, the Firm was advised by SEC staff that they are considering recommending to the Commission that civil or administrative actions be pursued arising out of two separate investigations they have been conducting. The first involves potential claims against J.P. Morgan Securities LLC relating to due diligence conducted for two mortgage-backed securitizations and corresponding disclosures. The second involves potential claims against Bear Stearns entities, JPMorgan Chase & Co. and J.P. Morgan Securities LLC relating to settlements of claims against originators involving loans included in a number of Bear Stearns securitizations. In both investigations, the SEC staff has invited the Firm to submit responses to the proposed actions.

Mortgage Foreclosure Investigations and Litigation. JPMorgan Chase and four other firms have agreed to a settlement in principle (the "global settlement") with a number of federal and state government agencies, including the U.S. Department of Justice, the U.S.

Department of Housing and Urban Development, the Consumer Financial Protection Bureau and the State Attorneys General, relating to the servicing and origination of mortgages. The global settlement, which is subject to the execution of a definitive agreement and court approval, calls for the Firm to, among other things: (i) make cash payments of approximately $1.1 billion (a portion of which will be set aside for payments to borrowers); (ii) provide approximately $500 million of refinancing relief to certain "underwater" borrowers whose loans are owned by the Firm; and (iii) provide approximately $3.7 billion of additional relief for certain borrowers, including reductions of principal on first and second liens, payments to assist with short sales, deficiency balance waivers on past foreclosures and short sales, and forbearance assistance for unemployed homeowners. (If the Firm does not meet certain targets for provision of the refinancing or other borrower relief within certain prescribed time periods, the Firm will instead make cash payments.) In addition, under the global settlement the Firm will be required to adhere to certain enhanced mortgage servicing standards.

The global settlement releases the Firm from further claims related to servicing activities, including foreclosures and loss mitigation activities; certain origination activities; and certain bankruptcy-related activities. Not included in the global settlement are any claims arising out of securitization activities, including representations made to investors respecting mortgage-backed securities; criminal claims; and repurchase demands from the GSEs, among other items.

The Firm also entered into agreements in principle with the Federal Reserve and the OCC for the payment of civil money penalties related to conduct that was the subject of consent orders entered into with the banking regulators in April 2011. The Firm's payment obligations under those agreements will be deemed satisfied by the Firm's payments and provisions of relief under the global settlement.

The Attorneys General of Massachusetts and New York have separately filed lawsuits against the Firm, other servicers and a mortgage recording company asserting claims for various alleged wrongdoings relating to mortgage assignments and use of the industry's electronic mortgage registry. The Firm has moved to dismiss the Massachusetts action, and has yet to respond to the New York action.

Five purported class action lawsuits were filed against the Firm relating to its mortgage foreclosure procedures. Two of those suits were dismissed with prejudice. A third suit has been resolved, and its dismissal will be obtained shortly. Additionally, the Firm is defending a purported class action brought against Bank of America involving an EMC loan.

A shareholder derivative action has been filed in New York state court against the Firm's board of directors alleging that the board failed to exercise adequate oversight as to wrongful conduct by the Firm regarding mortgage servicing. The action seeks a declaratory judgment and damages.

Municipal Derivatives Investigations and Litigation. Purported class action lawsuits and individual actions (the "Municipal Derivatives Actions") have been filed against JPMorgan Chase and Bear Stearns, as well as numerous other providers and brokers, alleging antitrust violations in the reportedly $100 billion to $300 billion annual market for financial instruments related to municipal bond offerings referred to collectively as "municipal derivatives." In July 2011, the Firm settled with federal and state governmental agencies to resolve their investigations into similar alleged conduct. The Municipal Derivatives Actions have been consolidated and/or coordinated in the United States District Court for the Southern District of New York. The court denied in part and granted in part defendants' motions to dismiss the purported class and individual actions, permitting certain claims to proceed against the Firm and others under federal and California state antitrust laws and under the California false claims act. Subsequently, a number of additional individual actions asserting substantially similar claims, including claims under New York and West Virginia state antitrust statutes, were filed against JPMorgan Chase, Bear Stearns and numerous other defendants. These cases are also being coordinated for pretrial purposes in the United States District Court for the Southern District of New York. Discovery is ongoing.

In addition, civil actions have been commenced against the Firm relating to certain Jefferson County, Alabama (the "County") warrant underwritings and swap transactions. In November 2009, J.P. Morgan Securities LLC settled with the SEC to resolve its investigation into those transactions. Following that settlement, the County and a putative class of sewer rate payers filed complaints against the Firm and several other defendants in Alabama state court. The suits allege that the Firm made payments to certain third parties in exchange for being chosen to underwrite more than $3 billion in warrants issued by the County and to act as the counterparty for certain swaps executed by the County. The complaints also allege that the Firm concealed these third-party payments and that, but for this concealment, the County would not have entered into the transactions. The Court denied the Firm's motions to dismiss the complaints in both proceedings. The Firm filed mandamus petitions with the Alabama Supreme Court, seeking immediate appellate review of these decisions. The mandamus petition in the County's lawsuit was denied in April 2011. In November and December, 2011, the County filed notices of bankruptcy with the trial court in each of the cases and with the Alabama Supreme Court stating that it was a Chapter 9 Debtor in the U.S. Bankruptcy Court for the Northern District of Alabama and providing notice of the automatic stay. Subsequently, the portion of the sewer rate payer action involving claims against the Firm was removed by certain defendants to the United States District Court for the Northern District of Alabama. In its order finding that removal of this action was proper, the District Court referred the action to the District's Bankruptcy Court, where the action remains pending.

Two insurance companies that guaranteed the payment of principal and interest on warrants issued by the County have filed separate actions against the Firm in New York state court. Their complaints assert that the Firm fraudulently misled them into issuing insurance based upon substantially the same alleged conduct described above and other alleged non-disclosures. One insurer claims that it insured an aggregate principal amount of nearly $1.2 billion and seeks unspecified damages in excess of $400 million as well as unspecified punitive damages. The other insurer claims that it insured an aggregate principal amount of more than $378 million and seeks recovery of $4 million allegedly paid under the policies to date as well as any future payments and unspecified punitive damages. In December 2010, the court denied the Firm's motions to dismiss each of the complaints. The Firm has filed a cross-claim and a third party claim against the County for indemnity and contribution. The County moved to dismiss, which the court denied in August 2011. In consequence of its November 2011 bankruptcy filing, the County has asserted that these actions are stayed.

Overdraft Fee/Debit Posting Order Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in several purported class actions relating to its practices in posting debit card transactions to customers' deposit accounts. Plaintiffs allege that the Firm improperly re-ordered debit card transactions from the highest amount to the lowest amount before processing these transactions in order to generate unwarranted overdraft fees. Plaintiffs contend that the Firm should have processed such transactions in the chronological order they were authorized. Plaintiffs seek the disgorgement of all overdraft fees paid to the Firm by plaintiffs since approximately 2003 as a result of the re-ordering of debit card transactions. The claims against the Firm have been consolidated with numerous complaints against other national banks in multi-District litigation pending in the United States District Court for the Southern District of Florida. The Firm's motion to compel arbitration of certain plaintiffs' claims was initially denied by the District Court. On appeal, the United States Court of Appeals for the Eleventh Circuit vacated the District Court's order and remanded the case for reconsideration in light of a recent ruling by the United States Supreme Court in an unrelated case addressing the enforcement of an arbitration provision in a consumer product agreement. The Firm has reached an agreement in principle to settle this matter in exchange for the Firm paying $110 million and agreeing to change certain overdraft fee practices. The settlement is subject to documentation and court approval.

Petters Bankruptcy and Related Matters. JPMorgan Chase and certain of its affiliates, including One Equity Partners ("OEP"), have been named as defendants in several actions filed in connection with the receivership and bankruptcy proceedings pertaining to Thomas J. Petters and certain affiliated entities (collectively, "Petters") and the Polaroid Corporation. The principal actions against JPMorgan Chase and its affiliates have been brought by a court-appointed receiver for Petters and the trustees in bankruptcy proceedings for three Petters entities. These actions generally seek to avoid, on fraudulent transfer and preference grounds, certain purported transfers in connection with (i) the 2005 acquisition by Petters of Polaroid, which at the time was majority-owned by OEP; (ii) two credit facilities that JPMorgan Chase and other financial institutions entered into with Polaroid; and (iii) a credit line and investment accounts held by Petters. The actions collectively seek recovery of approximately $450 million. Defendants have moved to dismiss the complaints in the actions filed by the Petters bankruptcy trustees.

Securities Lending Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in four putative class actions asserting ERISA and other claims pending in the United States District Court for the Southern District of New York brought by participants in the Firm's securities lending business. A fifth lawsuit was filed in New York state court by an individual participant in the program. Three of the purported class actions, which have been consolidated, relate to investments of approximately $500 million in medium-term notes of Sigma Finance Inc. ("Sigma"). In August 2010, the Court certified a plaintiff class consisting of all securities lending participants that held Sigma medium-term notes on September 30, 2008, including those that held the notes by virtue of participation in the investment of cash collateral through a collective fund, as well as those that held the notes by virtue of the investment of cash collateral through individual accounts. The Court granted JPMorgan Chase's motion for partial summary judgment as to plaintiffs' duty of loyalty claim, finding that the Firm did not have a conflict of interest when it provided repurchase financing to Sigma while also holding Sigma medium-term notes in securities lending accounts. Trial on the remaining duty of prudence claim is scheduled to begin in February 2012. In December 2011, JPMorgan Chase filed third-party claims for indemnification and contribution against the investment fiduciaries for three unnamed class members that maintained individual securities lending accounts. The parties have reached an agreement in principle to settle this action. The settlement is subject to documentation and court approval.

The fourth putative class action concerns investments of approximately $500 million in Lehman Brothers medium-term notes. The Firm has moved to dismiss the amended complaint and is awaiting a decision. Discovery is proceeding while the motion is pending. The New York state court action, which is not a class action, concerns the plaintiff's alleged loss of money in both Sigma and Lehman Brothers medium-term notes. The Firm has answered the complaint. Discovery is proceeding.

Service Members Civil Relief Act and Housing and Economic Recovery Act Investigations and Litigation. Multiple government officials have conducted inquiries into the Firm's procedures related to the Service Members Civil Relief Act ("SCRA") and the Housing and Economic Recovery Act of 2008 ("HERA"). These inquiries were prompted by the Firm's public statements about its SCRA and HERA

compliance and actions to remedy certain instances in which the Firm mistakenly charged active or recently-active military personnel mortgage interest and fees in excess of that permitted by SCRA and HERA, and in a number of instances, foreclosed on borrowers protected by SCRA and HERA. The Firm has implemented a number of procedural enhancements and controls to strengthen its SCRA and HERA compliance. In addition, an individual borrower filed a nationwide class action in United States District Court for South Carolina against the Firm alleging violations of the SCRA related to home loans. The Firm agreed to pay $27 million plus attorneys' fees, in addition to reimbursements previously paid by the Firm, to settle the class action. Additional borrowers were subsequently added to the class, and the Firm agreed to pay an additional $8 million into the settlement fund. The court entered a final order approving the settlement in January 2012.

Washington Mutual Litigations. Subsequent to JPMorgan Chase's acquisition from the FDIC of substantially all of the assets and certain specified liabilities of Washington Mutual Bank ("Washington Mutual Bank") in September 2008, Washington Mutual Bank's parent holding company, Washington Mutual, Inc. ("WMI") and its wholly-owned subsidiary, WMI Investment Corp. (together, the "Debtors"), both commenced voluntary cases under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Case"). In the Bankruptcy Case, the Debtors have asserted rights and interests in certain assets. The assets in dispute include principally the following: (a) approximately $4 billion in trust securities contributed by WMI to Washington Mutual Bank (the "Trust Securities"); (b) the right to tax refunds arising from overpayments attributable to operations of Washington Mutual Bank and its subsidiaries; (c) ownership of and other rights in approximately $4 billion that WMI contends are deposit accounts at Washington Mutual Bank and one of its subsidiaries; and (d) ownership of and rights in various other contracts and other assets (collectively, the "Disputed Assets").

WMI, JPMorgan Chase and the FDIC have since been involved in litigations over these and other claims pending in the Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") and the United States District Court for the District of Columbia.

In May 2010, WMI, JPMorgan Chase and the FDIC announced a global settlement agreement among themselves and significant creditor groups (the "WaMu Global Settlement"). The WaMu Global Settlement is incorporated into WMI's Chapter 11 plan ("the Plan") submitted to the Bankruptcy Court. The WaMu Global Settlement resolves numerous disputes among WMI, JPMorgan Chase, the FDIC in its capacity as receiver for Washington Mutual Bank and the FDIC in its corporate capacity, as well as those of significant creditor groups, including disputes relating to the Disputed Assets. After several amendments to the Plan to address deficiencies identified by the Bankruptcy Court that were unrelated to the WaMu Global Settlement, in February 2012 the Bankruptcy Court confirmed the Plan, including the WaMu Global Settlement.

Other proceedings related to Washington Mutual's failure are also pending before the Bankruptcy Court. Among other actions, in July 2010, certain holders of the Trust Securities commenced an adversary proceeding in the Bankruptcy Court against JPMorgan Chase, WMI, and other entities seeking, among other relief, a declaratory judgment that WMI and JPMorgan Chase do not have any right, title or interest in the Trust Securities. In early January 2011, the Bankruptcy Court granted summary judgment to JPMorgan Chase and denied summary judgment to the plaintiffs in the Trust Securities adversary proceeding. The plaintiffs have appealed that decision to the United States District Court for the District of Delaware. In connection with the current Plan, these plaintiffs filed a motion seeking a stay of further confirmation proceedings pending their appeal from the Bankruptcy Court's determination that they have no interest in the Trust Securities and are instead owners of WMI preferred equity. In January 2012, the Bankruptcy Court denied their motion, and the District Court denied their motions for a stay pending appeal and mandamus relief.

Other proceedings related to Washington Mutual's failure are pending before the United States District Court for the District of Columbia and include a lawsuit brought by Deutsche Bank National Trust Company, initially against the FDIC, asserting an estimated $6 billion to $10 billion in damages based upon alleged breach of various mortgage securitization agreements and alleged violation of certain representations and warranties given by certain WMI subsidiaries in connection with those securitization agreements. The case includes assertions that JPMorgan Chase may have assumed liabilities for the alleged breaches of representations and warranties in the mortgage securitization agreements. The District Court denied as premature motions by the Firm and the FDIC that sought a ruling on whether the FDIC retained liability for Deutsche Bank's claims. Discovery is underway.

In addition, JPMorgan Chase was sued in an action originally filed in state court in Texas (the "Texas Action") by certain holders of WMI common stock and debt of WMI and Washington Mutual Bank who seek unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at a price that was allegedly too low. The Texas Action was transferred to the United States District Court for the District of Columbia, which ultimately granted JPMorgan Chase's and the FDIC's motions to dismiss the complaint, but the United States Court of Appeals for the District of Columbia Circuit reversed the trial court's dismissal and remanded the case for further proceedings. Plaintiffs, which now include only holders of Washington Mutual Bank debt following their voluntary dismissal of claims brought as holders of WMI common stock and debt, have filed an amended complaint alleging that JPMorgan Chase caused

the closure of Washington Mutual Bank and damaged them by causing their bonds issued by Washington Mutual Bank to lose substantially all of their value. JPMorgan Chase and the FDIC have again moved to dismiss this action.

* * *

In addition to the various legal proceedings discussed above, JPMorgan Chase and its subsidiaries are named as defendants or are otherwise involved in a substantial number of other legal proceedings. The Firm believes it has meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings and it intends to defend itself vigorously in all such matters. Additional legal proceedings may be initiated from time to time in the future.

The Firm has established reserves for several hundred of its currently outstanding legal proceedings. The Firm accrues for potential liability arising from such proceedings when it is probable that such liability has been incurred and the amount of the loss can be reasonably estimated. The Firm evaluates its outstanding legal proceedings each quarter to assess its litigation reserves, and makes adjustments in such reserves, upwards or downwards, as appropriate, based on management's best judgment after consultation with counsel. During the years ended December 31, 2011, 2010 and 2009, the Firm incurred $4.9 billion, $7.4 billion and $161 million, respectively, of litigation expense. There is no assurance that the Firm's litigation reserves will not need to be adjusted in the future.

In view of the inherent difficulty of predicting the outcome of legal proceedings, particularly where the claimants seek very large or indeterminate damages, or where the matters present novel legal theories, involve a large number of parties or are in early stages of discovery, the Firm cannot state with confidence what will be the eventual outcomes of the currently pending matters, the timing of their ultimate resolution or the eventual losses, fines, penalties or impact related to those matters. JPMorgan Chase believes, based upon its current knowledge, after consultation with counsel and after taking into account its current litigation reserves, that the legal proceedings currently pending against it should not have a material adverse effect on the Firm's consolidated financial condition. The Firm notes, however, that in light of the uncertainties involved in such proceedings, there is no assurance the ultimate resolution of these matters will not significantly exceed the reserves it has currently accrued; as a result, the outcome of a particular matter may be material to JPMorgan Chase's operating results for a particular period, depending on, among other factors, the size of the loss or liability imposed and the level of JPMorgan Chase's income for that period.

Note 32 - International operations

The following table presents income statement-related and balance sheet-related information for JPMorgan Chase by major international geographic area. The Firm defines international activities for purposes of this footnote presentation as business transactions that involve clients residing outside of the U.S., and the information presented below is based predominantly on the domicile of the client, the location from which the client relationship is managed or the location of the trading desk. However, many of the Firm's U.S. operations serve international businesses.

As the Firm's operations are highly integrated, estimates and subjective assumptions have been made to apportion revenue and expense between U.S. and international operations. These estimates and assumptions are consistent with the allocations used for the Firm's segment reporting as set forth in Note 33 on pages 300-303 of this Annual Report.

The Firm's long-lived assets for the periods presented are not considered by management to be significant in relation to total assets. The majority of the Firm's long-lived assets are located in the United States.

Loans sold with recourse

The Firm provides servicing for mortgages and certain commercial lending products on both a recourse and nonrecourse basis. In nonrecourse servicing, the principal credit risk to the Firm is the cost of temporary servicing advances of funds (i.e., normal servicing advances). In recourse servicing, the servicer agrees to share credit risk with the owner of the mortgage loans, such as Fannie Mae or Freddie Mac or a private investor, insurer or guarantor. Losses on recourse servicing predominantly occur when foreclosure sales proceeds of the property underlying a defaulted loan are less than the sum of the outstanding principal balance, plus accrued interest on the loan and the cost of holding and disposing of the underlying property. The Firm's securitizations are predominantly nonrecourse, thereby effectively transferring the risk of future credit losses to the purchaser of the mortgage-backed securities issued by the trust. At September 30, 2012, and December 31, 2011 , the unpaid principal balance of loans sold with recourse totaled $9.7 billion and $10.4 billion , respectively. The carrying value of the related liability that the Firm has recorded, which is representative of the Firm's view of the likelihood it will have to perform under its recourse obligations, was $142 million and $148 million at September 30, 2012, and December 31, 2011 , respectively.

Note 22 – Pledged assets and collateral

For a discussion of the Firm's pledged assets and collateral, see Note 30 on page 289 of JPMorgan Chase's 2011 Annual Report.

Pledged assets

At September 30, 2012, assets were pledged to collateralize repurchase agreements, other securities financing agreements, derivative transactions and for other purposes, including to secure borrowings and public deposits. Certain of these pledged assets may be sold or repledged by the secured parties and are identified as financial instruments owned (pledged to various parties) on the Consolidated Balance Sheets. In addition, at September 30, 2012, and December 31, 2011, the Firm had pledged $282.3 billion and $270.3 billion , respectively, of financial instruments it owns that may not be sold or repledged by the secured parties. Total assets pledged do not include assets of consolidated VIEs; these assets are used to settle the liabilities of those entities. See Note 15 on pages 177–184 of this Form 10-Q, and Note 16 on pages 256–267 of JPMorgan Chase's 2011 Annual Report, for additional information on assets and liabilities of consolidated VIEs.

Collateral

At September 30, 2012, and December 31, 2011, the Firm had accepted assets as collateral that it could sell or repledge, deliver or otherwise use with a fair value of approximately $815.6 billion and $742.1 billion , respectively. This collateral was generally obtained under resale agreements, securities borrowing agreements, customer margin loans and derivative agreements. Of the collateral received, approximately $543.0 billion and $515.8 billion , respectively, were sold or repledged, generally as collateral under repurchase agreements, securities lending agreements or to cover short sales and to collateralize deposits and derivative agreements.

Note 23 – Litigation

Contingencies

As of September 30, 2012, the Firm and its subsidiaries are defendants or putative defendants in numerous legal proceedings, including private, civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of the Firm's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories.

The Firm believes the estimate of the aggregate range of reasonably possible losses, in excess of reserves established, for its legal proceedings is from $0 to approximately $6.0 billion at September 30, 2012. This estimated aggregate range of reasonably possible losses is based upon currently available information for those proceedings in which the Firm is involved, taking into account the Firm's best estimate of such losses for those cases for which such estimate can be made. For certain cases, the Firm does not believe that an estimate can currently be made. The Firm's estimate involves significant judgment, given the varying stages of the proceedings (including the fact that many are currently in preliminary stages), the existence in many such proceedings of multiple defendants (including the Firm) whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings (including issues regarding class certification and the scope of many of the claims) and the attendant uncertainty of the various potential outcomes of such proceedings. Accordingly, the Firm's estimate will change from time to time, and actual losses may be more or less than the current estimate.

Set forth below are descriptions of the Firm's material legal proceedings.

Auction-Rate Securities Investigations and Litigation. Beginning in March 2008, several regulatory authorities initiated investigations of a number of industry participants, including the Firm, concerning possible state and federal securities law violations in connection with the sale of auction-rate securities ("ARS"). The market for many such securities had frozen and a significant number of auctions for those securities began to fail in February 2008.

The Firm, on behalf of itself and affiliates, agreed to a

settlement in principle with the New York Attorney General's Office which provided, among other things, that the Firm would offer to purchase at par certain ARS purchased from J.P. Morgan Securities LLC, Chase Investment Services Corp. and Bear, Stearns & Co. Inc. by individual investors, charities and small- to medium-sized businesses. The Firm also agreed to a substantively similar settlement in principle with the Office of Financial Regulation for the State of Florida and the North American Securities Administrators Association ("NASAA") Task Force, which agreed to recommend approval of the settlement to all remaining states, Puerto Rico and the U.S. Virgin Islands. The Firm has finalized the settlement agreements with the New York Attorney General's Office and the Office of Financial Regulation for the State of Florida. The settlement agreements provide for the payment of penalties totaling $25 million to all states. The Firm is currently in the process of finalizing consent agreements with NASAA's member states; more than 45 of these consent agreements have been finalized to date.

The Firm also faces a number of civil actions before courts and arbitration panels relating to the Firm's sale and underwriting of ARS. The actions generally allege that the Firm and other firms manipulated the market for ARS by placing bids at auctions that affected these securities' clearing rates or otherwise supported the auctions without properly disclosing these activities. The Firm's motion to dismiss a putative class action that had been filed in the United States District Court for the Southern District of New York on behalf of purchasers of ARS was granted in March 2012. Plaintiffs did not file an appeal of the decision.

Additionally, the Firm was named in two putative antitrust class actions. The actions allege that the Firm, along with numerous other financial institution defendants, colluded to maintain and stabilize the ARS market and then to withdraw their support for the ARS market. In January 2010, the District Court dismissed both actions. An appeal is pending in the United States Court of Appeals for the Second Circuit.

Bear Stearns Hedge Fund Matters. The Bear Stearns Companies LLC (formerly The Bear Stearns Companies Inc.) ("Bear Stearns"), certain current or former subsidiaries of Bear Stearns, including Bear Stearns Asset Management, Inc. ("BSAM") and Bear, Stearns & Co. Inc., and certain individuals formerly employed by Bear Stearns are named defendants (collectively the "Bear Stearns defendants") in multiple civil actions and arbitrations relating to alleged losses resulting from the failure of the Bear Stearns High Grade Structured Credit Strategies Master Fund, Ltd. (the "High Grade Fund") and the Bear Stearns High Grade Structured Credit Strategies Enhanced Leverage Master Fund, Ltd. (the "Enhanced Leverage Fund") (collectively the "Funds"). BSAM served as investment manager for both of the Funds, which were organized such that there were U.S. and Cayman Islands "feeder funds" that invested substantially all their assets, directly or indirectly, in the Funds. The Funds are in liquidation.

There are currently three civil actions pending in the United States District Court for the Southern District of New York relating to the Funds. One of these actions involves a derivative lawsuit brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the Enhanced Leverage Fund, alleging that the Bear Stearns defendants mismanaged the Funds. This action seeks, among other things, unspecified compensatory damages based on alleged investor losses. The parties have reached an agreement to settle this derivative action, pursuant to which BSAM would pay a maximum of approximately $18 million . In April 2012, the District Court granted final approval of this settlement. In May 2012, objectors representing certain interests in the U.S. feeder fund filed a notice of appeal to the United States Court of Appeals for the Second Circuit from the District Court's final approval of the settlement. That appeal is currently pending. (A separate derivative action, also alleging that the Bear Stearns defendants mismanaged the Funds, was brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the High Grade Fund, and was dismissed following a Court-approved settlement with similar terms, pursuant to which BSAM paid approximately $19 million .)

The second pending action, brought by the Joint Voluntary Liquidators of the Cayman Islands feeder funds, makes allegations similar to those asserted in the derivative lawsuits related to the U.S. feeder funds, alleges net losses of approximately $700 million and seeks compensatory and punitive damages. The parties presently are engaged in expert discovery.

The third action was brought by Bank of America and Banc of America Securities LLC (together "BofA") alleging breach of contract and fraud in connection with a $4 billion securitization in May 2007 known as a "CDO-squared," for which BSAM served as collateral manager. This securitization was composed of certain collateralized debt obligation holdings that were purchased by BofA from the Funds. BofA currently seeks damages up to approximately $540 million . The Court recently granted BofA's motion to amend its complaint to reinstate a previously dismissed claim for breach of fiduciary duty. Briefing of motions for summary judgment is scheduled to occur in late 2012 and into early 2013.

Bear Stearns Shareholder Litigation and Related Matters. Various shareholders of Bear Stearns have commenced purported class actions against Bear Stearns and certain of its former officers and/or directors on behalf of all persons who purchased or otherwise acquired common stock of Bear Stearns between December 14, 2006, and March 14, 2008 (the "Class Period"). During the Class Period, Bear Stearns had between 115 million and 120 million common shares outstanding, and the price per share of those securities declined from a high of $172.61 to a low of $30 at the end of the period. The actions, originally commenced in several federal courts and thereafter consolidated before the United States District Court for the Southern District of New York, allege that the defendants issued materially false and misleading statements regarding Bear Stearns' business and financial results and that, as a result of those

false statements, Bear Stearns' common stock traded at artificially inflated prices during the Class Period. An agreement has been reached to settle the claims asserted in the consolidated class action complaint for $275 million . The settlement was preliminarily approved by the District Court in June 2012. A hearing was held in September 2012 to consider the final approval of the settlement, and the settlement remains subject to final approval by the District Court. In addition, several individual shareholders of Bear Stearns have also commenced or threatened to commence their own lawsuits or arbitration proceedings against Bear Stearns asserting claims similar to those in the consolidated class action complaint. Certain of these matters have been dismissed or settled.

Separately, an agreement has been reached to resolve a class action brought under the Employee Retirement Income Security Act ("ERISA") against Bear Stearns and certain of its former officers and/or directors on behalf of participants in the Bear Stearns Employee Stock Ownership Plan for alleged breaches of fiduciary duties in connection with the management of that Plan. Under the settlement, the class will receive $10 million . In September 2012, the United States District Court for the Southern District of New York Court granted final approval of this settlement.

Bear Stearns, former members of Bear Stearns' Board of Directors and certain of Bear Stearns' former executive officers have also been named as defendants in a shareholder derivative and class action suit which is pending in the United States District Court for the Southern District of New York. Plaintiffs assert claims for breach of fiduciary duty, violations of federal securities laws, waste of corporate assets and gross mismanagement, unjust enrichment, abuse of control, and indemnification and contribution in connection with the losses sustained by Bear Stearns as a result of its purchases of subprime loans and certain repurchases of its own common stock. Certain individual defendants are also alleged to have sold their holdings of Bear Stearns common stock while in possession of material nonpublic information. Plaintiffs seek compensatory damages in an unspecified amount. The District Court dismissed the action in January 2011, and plaintiffs have appealed.

CIO Investigations and Litigations . The Firm is responding to a series of class actions, shareholder derivative actions, shareholder demands and government investigations relating to trading losses in the synthetic credit portfolio managed by the Firm's Chief Investment Office ("CIO"). The Firm has received requests for documents and information in connection with governmental inquiries and investigations by Congress, the OCC, Federal Reserve, DOJ, U.S. Securities & Exchange Commission ("SEC"), Commodity Futures Trading Commission ("CFTC"), UK Financial Services Authority, the State of Massachusetts and other government agencies. The Firm is cooperating with these investigations.

In addition, the Firm and certain of its affiliates and current and former directors and officers have been named as defendants in a number of lawsuits arising out of CIO's trading losses.

Four putative class actions alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder were filed on behalf of alleged classes of purchasers of the Firm's common stock during varying periods ranging from less than one month to more than two years . These actions generally allege that the Firm and certain current and former officers made false or misleading statements concerning CIO's trading practices and financial performance. These cases have been consolidated, and lead plaintiffs were appointed pursuant to the Private Securities Litigation Reform Act. A consolidated amended complaint is scheduled to be filed in November 2012.

Separately, two putative class actions have been filed on behalf of participants who held the Firm's common stock in the Firm's retirement and other plans during periods ranging from one to six months. These actions assert claims under ERISA for alleged breaches of fiduciary duties by the Firm, certain affiliates and certain current and former directors and officers in connection with the management of those plans. The complaints generally allege that defendants breached the duty of prudence by allowing investment in the Firm's common stock when they knew or should have known that such stock was unsuitable for the plans and that the Firm and certain current and former officers made false or misleading statements concerning the soundness of the Firm's stock and the prudence of investing in that stock. These actions have been consolidated, and plaintiffs are scheduled to file a consolidated amended complaint in November 2012.

Four shareholder derivative actions have also been filed purportedly on behalf of the Firm against certain of the Firm's current and former directors and officers for alleged breaches of their fiduciary duties. These actions generally allege that defendants failed to exercise adequate oversight over CIO and to manage the risk of CIO's trading activities, which allegedly led to CIO's losses.

The consolidated securities action, consolidated ERISA action and two of the four shareholder derivative actions are pending in the United States District Court for the Southern District of New York, and the two other derivative actions are pending in New York State Supreme Court. On October 19, 2012, defendants moved to dismiss one of the shareholder derivative actions pending in New York State Supreme Court on the ground that plaintiff failed to make a demand on the Firm's Board of Directors or adequately allege demand futility, as required by applicable Delaware law. Defendants have not yet responded to the complaints in any of the other actions.

City of Milan Litigation and Criminal Investigation. In January 2009, the City of Milan, Italy (the "City") issued civil proceedings against (among others) JPMorgan Chase Bank, N.A. and J.P. Morgan Securities plc (formerly J.P. Morgan Securities Ltd.) (together, "JPMorgan Chase") in the District Court of Milan. The proceedings relate to (a) a bond issue

by the City in June 2005 (the "Bond"), and (b) an associated swap transaction, which was subsequently restructured on a number of occasions between 2005 and 2007 (the "Swap"). The City seeks damages and/or other remedies against JPMorgan Chase (among others) on the grounds of alleged "fraudulent and deceitful acts" and alleged breach of advisory obligations in connection with the Swap and the Bond, together with related swap transactions with other counterparties. The Firm has entered into a settlement agreement with the City to resolve the City's civil proceedings.

In March 2010, a criminal judge directed four current and former JPMorgan Chase personnel and JPMorgan Chase Bank, N.A. (as well as other individuals and three other banks) to go forward to a full trial that started in May 2010. Although the Firm is not charged with any crime and does not face criminal liability, if one or more of its employees were found guilty, the Firm could be subject to administrative sanctions, including restrictions on its ability to conduct business in Italy and monetary penalties. Hearings have continued on a weekly basis since May 2010.

The Prosecutor has made recommendations to the judge about proposed sanctions. These include that each of the four banks involved be fined €1.5 million and banned from contracting with the Italian public administration for one year, the banks together repay the alleged profit made (calculated at €18 million per bank), as well as recommended dispositions as to each individual defendants. If the judge accepts any of these recommendations or imposes any other sanctions, they would not take effect until all appeals were exhausted. A decision is expected mid-December 2012.

Enron Litigation. JPMorgan Chase and certain of its officers and directors are involved in several lawsuits seeking damages arising out of the Firm's banking relationships with Enron Corp. and its subsidiaries ("Enron"). A number of actions and other proceedings against the Firm previously were resolved, including a class action lawsuit captioned Newby v. Enron Corp. and adversary proceedings brought by Enron's bankruptcy estate. A purported class action filed on behalf of JPMorgan Chase employees who participated in the Firm's 401(k) plan asserting claims under ERISA for alleged breaches of fiduciary duties by JPMorgan Chase, its directors and named officers was dismissed, and the dismissal was affirmed by the United States Court of Appeals for the Second Circuit. A petition for a writ of certiorari to the U.S. Supreme Court has been filed, which the Firm has opposed. Motions to dismiss are pending in an individual action by an Enron investor and an action by an Enron counterparty.

FERC Matters. JPMorgan Chase's commodities business owns or has the right to output from several electricity generating facilities. The Firm is responding to requests for information in connection with an investigation by the Federal Energy Regulatory Commission (the "FERC") regarding bidding practices by this business in certain organized power markets. Additionally, in September 2012, the FERC issued an Order to Show Cause as to whether a JPMorgan Chase energy subsidiary's statements concerning discovery obligations made in submissions related to the FERC investigation violated FERC rules regarding misleading information and whether the subsidiary's market-based rates authority should be suspended. The matter is pending before the FERC.

Interchange Litigation. A group of merchants and retail associations filed a series of putative class action complaints relating to interchange in several federal courts. The complaints allege, among other claims, that Visa and MasterCard, as well as certain other banks, conspired to set the price of credit and debit card interchange fees, enacted respective rules in violation of antitrust laws, and engaged in tying/bundling and exclusive dealing. All cases were consolidated in the United States District Court for the Eastern District of New York for pretrial proceedings.

In July 2012, Visa, Inc., its wholly-owned subsidiaries Visa U.S.A. Inc. and Visa International Service Association, MasterCard Incorporated, MasterCard International Incorporated and various United States financial institution defendants, including JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., Chase Bank USA, N.A., Chase Paymentech Solutions, LLC and certain predecessor institutions, signed a memorandum of understanding (the "MOU") to enter into a settlement agreement (the "Settlement Agreement") to resolve the claims of the U.S. merchant and retail association plaintiffs (the "Class Plaintiffs") in the multi-district litigation ("MDL 1720"). The MOU outlines certain conditions precedent to a settlement including: (i) requisite corporate approvals, (ii) reaching agreement on certain appendices to the Settlement Agreement, and (iii) reaching negotiated settlements with the individual plaintiffs whose claims were consolidated with MDL 1720.

The Settlement Agreement provides, among other things, that a cash payment of $6.05 billion will be made to the Class Plaintiffs, of which the Firm's share is approximately 20% . The Class Plaintiffs will also receive an amount equal to ten basis points of interchange for a period of eight months as provided in the Settlement Agreement. The eight month period will begin after the Court preliminarily approves the Settlement Agreement. The Settlement Agreement also provides for modifications to the credit card networks' rules, including those that prohibit surcharging credit transactions. The Settlement Agreement is subject to final documentation and approval by the Court.

Investment Management Litigation. Four cases have been filed claiming that investment portfolios managed by J.P. Morgan Investment Management Inc. ("JPMorgan Investment Management") were inappropriately invested in securities backed by subprime residential real estate collateral. Plaintiffs claim that JPMorgan Investment Management and related defendants are liable for losses of more than $1 billion in market value of these securities. The first case, filed by NM Homes One, Inc. in the United States District Court for the Southern District of New York, has been settled. In the second and third cases, filed by

Assured Guaranty (U.K.) and Ambac Assurance UK Limited in New York state court, discovery is proceeding on plaintiff's claims for breach of contract, breach of fiduciary duty and gross negligence. The fourth case, filed by CMMF LLP in New York state court, asserts claims under New York law for breach of fiduciary duty, gross negligence, breach of contract and negligent misrepresentation. Trial is scheduled to begin in January 2013.

Lehman Brothers Bankruptcy Proceedings. In May 2010, Lehman Brothers Holdings Inc. ("LBHI") and its Official Committee of Unsecured Creditors (the "Committee") filed a complaint (and later an amended complaint) against JPMorgan Chase Bank, N.A. in the United States Bankruptcy Court for the Southern District of New York that asserts both federal bankruptcy law and state common law claims, and seeks, among other relief, to recover $8.6 billion in collateral that was transferred to JPMorgan Chase Bank, N.A. in the weeks preceding LBHI's bankruptcy. The amended complaint also seeks unspecified damages on the grounds that JPMorgan Chase Bank, N.A.'s collateral requests hastened LBHI's demise. In February 2012, JPMorgan Asset Management and Highbridge Capital Management reached a settlement with LBHI and the Committee, which resulted in the return to LBHI of $700 million of the $8.6 billion of collateral sought by the amended complaint. The Firm moved to dismiss plaintiffs' amended complaint in its entirety, and also moved to transfer the litigation from the Bankruptcy Court to the United States District Court for the Southern District of New York. The District Court directed the Bankruptcy Court to decide the motion to dismiss while the District Court is considering the transfer motion. In April 2012, the Bankruptcy Court issued a decision granting in part and denying in part the Firm's motion to dismiss. The Court dismissed the counts of the amended complaint seeking avoidance of the allegedly constructively fraudulent and preferential transfers made to the Firm during the months of August and September 2008. The Court denied the Firm's motion to dismiss as to the other claims, including claims that allege intentional misconduct. In September 2012, the District Court denied the transfer motion without prejudice to its renewal in the future, but stated that any trial would likely have to be conducted before the District Court.

The Firm also filed counterclaims against LBHI alleging that LBHI fraudulently induced the Firm to make large clearing advances to Lehman against inappropriate collateral, which left the Firm with more than $25 billion in claims (the "Clearing Claims") against the estate of Lehman Brothers Inc. ("LBI"), LBHI's broker-dealer subsidiary. These claims have been paid in full, subject to the outcome of the litigation. Discovery is underway, with any trial unlikely to begin before 2013. In August 2011, LBHI and the Committee filed an objection to the deficiency claims asserted by JPMorgan Chase Bank, N.A. against LBHI with respect to the Clearing Claims, principally on the grounds that the Firm had not conducted the sale of the securities collateral held for such claims in a commercially reasonable manner. In September 2012, LBHI and several of its subsidiaries that had been Chapter 11 debtors filed an objection to derivatives claims asserted by the Firm alleging that the amount of the derivatives claims had been overstated and challenging certain set-offs taken by the JPMorgan entities to recover on the claims.

LIBOR Investigations and Litigation. JPMorgan Chase has received subpoenas and requests for documents and, in some cases, interviews, from federal and state agencies and entities, including the DOJ, CFTC, SEC, and various state attorneys general, as well as the European Commission, UK Financial Services Authority, Canadian Competition Bureau, Swiss Competition Commission and other regulatory authorities and banking associations around the world. The documents and information sought relate primarily to the process by which interest rates were submitted to the British Bankers Association ("BBA") in connection with the setting of the BBA's London Interbank Offered Rate ("LIBOR") for various currencies, principally in 2007 and 2008. Some of the inquiries also relate to similar processes by which information on rates is submitted to European Banking Federation ("EBF") in connection with the setting of the EBF's Euro Interbank Offered Rates ("EURIBOR") and to the Japanese Bankers' Association for the setting of Tokyo Interbank Offered Rates ("TIBOR") as well as to other processes for the setting of other reference rates in various parts of the world during similar time periods. The Firm is cooperating with these inquiries.

In addition, the Firm has been named as a defendant along with other banks in a series of individual and class actions filed in various United States District Courts in which plaintiffs make varying allegations that in various periods, starting in 2000 or later, defendants either individually or collectively suppressed or otherwise manipulated the U.S. dollar LIBOR and Euroyen TIBOR rates by submitting rates that were artificially low or high. Plaintiffs allege that they transacted in loans, derivatives or other financial instruments whose values are impacted by changes in U.S. dollar LIBOR, Yen LIBOR, or Euroyen TIBOR and assert a variety of claims including antitrust claims seeking treble damages.

The U.S. dollar LIBOR actions have been consolidated for pre-trial purposes in the United States District Court for the Southern District of New York. In November 2011, the Court entered an Order appointing interim lead counsel for two proposed classes: (i) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments directly from the defendants in the over-the-counter market, and (ii) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments on an exchange. In March 2012, the Court also accepted the transfer of a related action which seeks to bring claims on behalf of a third proposed class of purchasers of debt securities that pay an interest rate linked to U.S. dollar LIBOR. In June 2012, the defendants moved to dismiss all claims in these three U.S. dollar LIBOR purported class actions and the three related individual actions pending before the Court. In September 2012, the parties completed briefing on the

defendants' motions to dismiss. The Court has not yet ruled on the defendants' motions to dismiss.

The Court also has pending before it six additional U.S. dollar LIBOR putative class actions. Two of these actions seek to bring claims on behalf of purchasers of over-the-counter transactions in U.S. dollar-based derivatives from certain non-party commercial banking and insurance institutions in the United States. The other four actions seek to bring claims on behalf of: (i) U.S. community banks that issued loans with interest rates tied to U.S. dollar LIBOR; (ii) all lending institutions which are either headquartered or have a majority of their operations in the State of New York and which originated or purchased loans paying interest rates tied to U.S. dollar LIBOR; (iii) all persons and entities who owned a preferred equity security on which dividends are payable at a rate tied to U.S. dollar LIBOR; and (iv) all persons or entities within the U.S. who entered into an adjustable mortgage rate loan agreement that had an interest rate indexed to U.S. dollar LIBOR and that was securitized into a security that was issued by or owned by the defendants. The Court has stayed these purported class actions until it rules on the defendants' pending motions to dismiss.

The Firm also has been named as a defendant in a purported class action filed in the United States District Court for the Southern District of New York which seeks to bring claims on behalf of plaintiffs who allegedly purchased or sold exchange-traded Euroyen futures and options contracts. In October 2012, the Court ordered plaintiff to file any amended complaint by November 30, 2012, after which the defendants will have 60 days to file responsive pleadings or motions to dismiss.

In addition, the Firm was previously named as a defendant in a purported class action filed in the United States District Court for the Southern District of New York which sought to bring claims on behalf of plaintiffs in the United States who allegedly purchased or sold EURIBOR-related financial instruments, either on an exchange or in over-the-counter transactions. In August 2012, the plaintiff voluntarily dismissed this action without prejudice.

Madoff Litigation. JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC, and J.P. Morgan Securities plc have been named as defendants in a lawsuit brought by the trustee (the "Trustee") for the liquidation of Bernard L. Madoff Investment Securities LLC ("Madoff"). The Trustee has served an amended complaint in which he has asserted 28 causes of action against JPMorgan Chase, 20 of which seek to avoid certain transfers (direct or indirect) made to JPMorgan Chase that are alleged to have been preferential or fraudulent under the federal Bankruptcy Code and the New York Debtor and Creditor Law. The remaining causes of action involve claims for, among other things, aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion, contribution and unjust enrichment. The complaint generally alleges that JPMorgan Chase, as Madoff's long-time bank, facilitated the maintenance of Madoff's Ponzi scheme and overlooked signs of wrongdoing in order to obtain profits and fees. The complaint asserts common law claims that purport to seek approximately $19 billion in damages, together with bankruptcy law claims to recover approximately $425 million in transfers that JPMorgan Chase allegedly received directly or indirectly from Bernard Madoff's brokerage firm. In October 2011, the United States District Court for the Southern District of New York granted JPMorgan Chase's motion to dismiss the common law claims asserted by the Trustee, and returned the remaining claims to the Bankruptcy Court for further proceedings. The Trustee has appealed this decision.

Separately, J.P. Morgan Trust Company (Cayman) Limited, JPMorgan (Suisse) SA, J.P. Morgan Securities plc, Bear Stearns Alternative Assets International Ltd., J.P. Morgan Clearing Corp., J.P. Morgan Bank Luxembourg SA, and J.P. Morgan Markets Limited (formerly Bear Stearns International Limited) have been named as defendants in lawsuits presently pending in Bankruptcy Court in New York arising out of the liquidation proceedings of Fairfield Sentry Limited and Fairfield Sigma Limited (together, "Fairfield"), so-called Madoff feeder funds. These actions are based on theories of mistake and restitution, among other theories, and seek to recover payments made to defendants by the funds totaling approximately $155 million . Pursuant to an agreement with the Trustee, the liquidators of Fairfield have voluntarily dismissed their action against J.P. Morgan Securities plc without prejudice to refiling. The other actions remain outstanding. In addition, a purported class action was brought by investors in certain feeder funds against JPMorgan Chase in the United States District Court for the Southern District of New York, as was a motion by separate potential class plaintiffs to add claims against JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and J.P. Morgan Securities plc to an already-pending purported class action in the same court. The allegations in these complaints largely track those raised by the Trustee. The Court dismissed these complaints and plaintiffs have appealed.

The Firm is a defendant in five other Madoff-related actions pending in New York state court and one purported class action in federal District Court in New York. The allegations in all of these actions are essentially identical, and involve claims against the Firm for, among other things, aiding and abetting breach of fiduciary duty, conversion and unjust enrichment. The Firm has moved to dismiss both the state and federal actions.

The Firm is also responding to various governmental inquiries concerning the Madoff matter.

MF Global. As previously disclosed, JPMorgan Chase & Co. was named as one of several defendants in a number of putative class action lawsuits brought by former customers of MF Global in federal District Courts in New York, Illinois and Montana. The lawsuits have been consolidated before the United States District Court for the Southern District of New York. The actions alleged, among other things, that the Firm aided and abetted MF Global's alleged misuse of

customer money and breaches of fiduciary duty and was unjustly enriched by the transfer of certain customer segregated funds by MF Global. The Firm has entered into a tolling agreement with counsel for the class plaintiffs and an individual plaintiff, pursuant to which the plaintiffs have agreed not to pursue any such claims against the Firm in these actions for so long as the tolling agreement remains in effect.

J.P. Morgan Securities LLC has been named as one of several defendants in a number of purported class actions filed by purchasers of MF Global's publicly traded securities, including the securities issued pursuant to MF Global's June 2010 secondary offering of common stock and February 2011 and August 2011 convertible note offerings. The actions have been consolidated before the United States District Court for the Southern District of New York. In August 2012, the lead plaintiffs filed an amended complaint which asserts violations of the Securities Act of 1933 against the underwriter defendants and alleges that the offering documents contained materially false and misleading statements and omissions regarding MF Global's financial position, internal controls and risk management, as such topics relate to the company's exposure to European sovereign debt.

In June 2012, the Securities Investor Protection Act ("SIPA") Trustee issued a Report of the Trustee's Investigation and Recommendations, and stated that he is considering potential claims against the Firm with respect to certain transfers identified in the Report. Discussions with the SIPA Trustee regarding possible resolution of potential claims against the Firm are ongoing.

The Firm has responded to and continues to respond to inquiries from the CFTC, SEC, SIPA Trustee and Bankruptcy Trustee concerning MF Global.

Mortgage-Backed Securities and Repurchase Litigation and Regulatory Investigations. JPMorgan Chase and affiliates, Bear Stearns and affiliates and Washington Mutual affiliates have been named as defendants in a number of cases in their various roles as issuer, originator or underwriter in MBS offerings. These cases include purported class action suits, actions by individual purchasers of securities or by trustees for the benefit of purchasers of securities, an action by the New York State Attorney General and actions by monoline insurance companies that guaranteed payments of principal and interest for particular tranches of securities offerings. Although the allegations vary by lawsuit, these cases generally allege that the offering documents for securities issued by dozens of securitization trusts contained material misrepresentations and omissions, including with regard to the underwriting standards pursuant to which the underlying mortgage loans were issued, or assert that various representations or warranties relating to the loans were breached at the time of origination. There are currently pending and tolled investor claims involving approximately $140 billion of such securities. In addition, and as described below, there are pending and threatened claims by monoline insurers and by and on behalf of trustees that involve some of these and other securitizations.

In the actions against the Firm as an MBS issuer (and, in some cases, also as an underwriter of its own MBS offerings), three purported class actions are pending against JPMorgan Chase and Bear Stearns, and/or certain of their affiliates and current and former employees, in the United States District Courts for the Eastern and Southern Districts of New York. Motions to dismiss have been largely denied in these cases, although in certain cases defendants have sought to appeal aspects of the decision, and they are in various stages of litigation. A settlement of a fourth purported class action that is pending in the United States District Court for the Western District of Washington against Washington Mutual affiliates, WaMu Asset Acceptance Corp. and WaMu Capital Corp. and certain former officers or directors of WaMu Asset Acceptance Corp., has been preliminarily approved by the court.

In addition to class actions, the Firm is also a defendant in individual actions brought against certain affiliates of JPMorgan Chase, Bear Stearns and Washington Mutual as issuers (and, in some cases, as underwriters) of MBS. These actions involve claims by or to benefit various institutional investors and governmental agencies. These actions are pending in federal and state courts across the United States and are in various stages of litigation.

In actions against the Firm solely as an underwriter of other issuers' MBS offerings, the Firm has contractual rights to indemnification from the issuers. However, those indemnity rights may prove effectively unenforceable where the issuers are now defunct, such as in pending cases where the Firm has been named involving affiliates of IndyMac Bancorp and Thornburg Mortgage. The Firm may also be contractually obligated to indemnify underwriters in certain deals it issued.

EMC Mortgage LLC (formerly EMC Mortgage Corporation) ("EMC"), an indirect subsidiary of JPMorgan Chase & Co., and certain other JPMorgan Chase entities currently are defendants in nine pending actions commenced by bond insurers that guaranteed payments of principal and interest on certain classes of 19 different MBS offerings. These actions are pending in federal and state courts in New York and are in various stages of litigation. Certain JPMorgan Chase entities, in their capacities as alleged successors in interest to Bear Stearns and EMC, have been named as defendants in a civil suit filed by the New York Attorney General in New York state court in connection with Bear Stearns' due diligence and quality control practices relating to MBS.

The Firm or its affiliates are defendants in actions brought by trustees of various MBS trusts and others on behalf of the purchasers of securities issued by those trusts. The first action was commenced by Deutsche Bank National Trust Company, acting as trustee for various MBS trusts, against the Firm and the FDIC based on MBS issued by Washington Mutual Bank and its affiliates; that case is described in the Washington Mutual Litigations section below. The other

actions are at various initial stages of litigation in the New York and Delaware state courts, including actions brought by MBS trustees, each specific to a single MBS transaction, against EMC and/or JPMorgan Chase. These cases generally allege breaches of various representations and warranties regarding securitized loans and seek repurchase of those loans, as well as indemnification of attorneys' fees and costs and other remedies.

There is no assurance that the Firm will not be named as a defendant in additional MBS-related litigation, and the Firm has entered into agreements with a number of entities that purchased such securities that toll applicable limitations periods with respect to their claims. In addition, the Firm has received several demands by securitization trustees that threaten litigation, as well as demands by investors directing or threatening to direct trustees to investigate claims or bring litigation, based on purported obligations to repurchase loans out of securitization trusts and alleged servicing deficiencies. These include but are not limited to a demand from a law firm, as counsel to a group of purchasers of MBS that purport to have 25% or more of the voting rights in as many as 191 different trusts sponsored by the Firm or its affiliates with an original principal balance of more than $174 billion (excluding 52 trusts sponsored by Washington Mutual, with an original principal balance of more than $58 billion), made to various trustees to investigate potential repurchase and servicing claims. Further, there have been repurchase and servicing claims made in litigation against trustees not affiliated with the Firm, but involving trusts the Firm sponsored.

In April 2012, the Court granted the Firm's motion to dismiss a shareholder complaint filed in New York Supreme Court against the Firm and two affiliates, members of the boards of directors thereof and certain employees, asserting claims based on alleged wrongful actions and inactions relating to residential mortgage originations and securitizations. The plaintiff has appealed the order. A second shareholder complaint has been filed in New York Supreme Court against current and former members of the Firm's Board of Directors and the Firm, as nominal defendant, alleging that the Board allowed the Firm to engage in wrongful conduct regarding the sale of residential MBS and failed to implement adequate internal controls to prevent such wrongdoing.

In addition to the above-described litigation, the Firm has also received, and responded to, a number of subpoenas and informal requests for information from federal and state authorities concerning mortgage-related matters, including inquiries concerning a number of transactions involving the Firm and its affiliates' origination and purchase of whole loans, underwriting and issuance of MBS, treatment of early payment defaults and potential breaches of securitization representations and warranties, reserves and due diligence in connection with securitizations. In January 2012, the Firm was advised by SEC staff that they are considering recommending to the Commission that civil or administrative actions be pursued arising out of two separate investigations they have been conducting. The first now involves potential claims against J.P. Morgan Securities LLC and J.P. Morgan Acceptance Corporation I relating to delinquency disclosures in connection with a single mortgage-backed securitization. The second involves potential claims against Bear Stearns entities and J.P. Morgan Securities LLC relating to disclosures concerning settlements of claims against originators involving loans included in a number of Bear Stearns securitizations. The Firm has reached an agreement in principle with the staff of the SEC to resolve these matters. The agreement in principle is subject to approval by the SEC, as well as court approval. There can be no assurance that the agreement in principle will be approved.

Mortgage Foreclosure Investigations and Litigation. JPMorgan Chase and four other firms agreed to a settlement (the "global settlement") with a number of federal and state government agencies, including the DOJ, the Department of Housing and Urban Development, the Consumer Financial Protection Bureau and the State Attorneys General, relating to the servicing and origination of mortgages. The global settlement was approved by the federal District Court for the District of Columbia effective April 5, 2012. Pursuant to the global settlement, the Firm is required to make certain payments, provide various forms of relief to certain borrowers and adhere to certain enhanced mortgage servicing standards. The global settlement releases the Firm from various state and federal claims, but these releases do not include claims arising out of securitization activities, including representations made to investors concerning MBS, criminal claims and repurchase demands from the GSEs, among other items. The New York Department of Financial Services was not a party to the settlement and did not release any claims.

The Attorneys General of Massachusetts and New York have separately filed lawsuits against the Firm, other servicers and a mortgage recording company asserting claims for various alleged wrongdoings relating to mortgage assignments and use of the industry's electronic mortgage registry. The Firm has moved to dismiss these actions.

Six purported class action lawsuits were filed against the Firm relating to its mortgage foreclosure procedures. Two of the class actions have been dismissed with prejudice and one settled on an individual basis. Of the remaining active actions, one is in the discovery phase and the other two have motions to dismiss pending. Additionally, the purported class action brought against Bank of America involving an EMC loan has been dismissed.

Two shareholder derivative actions have been filed in New York Supreme Court against the Firm's Board of Directors alleging that the Board failed to exercise adequate oversight as to wrongful conduct by the Firm regarding mortgage servicing. These actions seek declaratory relief and damages. In July 2012, the Court granted defendants' motion to dismiss the complaint in the first-filed action and gave plaintiff 45 days in which to file an amended complaint. In October 2012, the Court entered a stipulated order consolidating the actions and staying all proceedings

pending the plaintiffs' decision whether to file a consolidated complaint after the Firm completes its response to a demand submitted by one of the plaintiffs under Section 220 of the Delaware General Corporation Law.

The Firm has received subpoenas from the United States Attorney's Office for the Southern District of New York in connection with the participation by JPMorgan Chase and Washington Mutual in the Federal Housing Administration's Direct Endorsement Program. The Firm continues to provide documents and information pursuant to the subpoenas.

Municipal Derivatives Investigations and Litigation. Purported class action lawsuits and individual actions have been filed against JPMorgan Chase and Bear Stearns, as well as numerous other providers and brokers, alleging antitrust violations in the market for financial instruments related to municipal bond offerings referred to collectively as "municipal derivatives." In July 2011, the Firm settled with federal and state governmental agencies to resolve their investigations into similar alleged conduct. The municipal derivatives actions have been consolidated and/or coordinated in the United States District Court for the Southern District of New York. In April 2012, JPMorgan and Bear Stearns reached an agreement to settle the municipal derivatives actions for $45 million . The settlement is subject to court approval.

In addition, civil actions have been commenced against the Firm relating to certain Jefferson County, Alabama (the "County") warrant underwritings and swap transactions. In November 2009, J.P. Morgan Securities LLC settled with the SEC to resolve its investigation into those transactions. Following that settlement, the County filed an action against the Firm and several other defendants in Alabama state court. An action on behalf of a purported class of sewer rate payers has also been filed in Alabama state court. The suits allege that the Firm made payments to certain third parties in exchange for being chosen to underwrite more than $3 billion in warrants issued by the County and to act as the counterparty for certain swaps executed by the County. The complaints also allege that the Firm concealed these third-party payments and that, but for this concealment, the County would not have entered into the transactions. The Court denied the Firm's motions to dismiss the complaints in both proceedings. The Firm filed mandamus petitions with the Alabama Supreme Court, seeking immediate appellate review of these decisions. The mandamus petition in the County's lawsuit was denied in April 2011. In November and December, 2011, the County filed notices of bankruptcy with the trial court in each of the cases and with the Alabama Supreme Court stating that it was a Chapter 9 Debtor in the U.S. Bankruptcy Court for the Northern District of Alabama. Subsequently, the portion of the sewer rate payer action involving claims against the Firm was removed by certain defendants to the United States District Court for the Northern District of Alabama . In its order finding that removal of this action was proper, the District Court referred the action to the District's Bankruptcy Court, where the action remains pending. Discovery in the County's action is ongoing.

In September 2012, a group of purported creditors of the County initiated an adversary proceeding and filed a purported class action complaint alleging that certain warrants were issued unlawfully and were thus null and void and seeking $1.6 billion in damages from the Firm and other defendants involved in the Jefferson County financing transactions. The Firm's response to that complaint is currently due in November 2012.

Two insurance companies that guaranteed the payment of principal and interest on warrants issued by the County have filed separate actions against the Firm in New York state court. Their complaints assert that the Firm fraudulently misled them into issuing insurance based upon substantially the same alleged conduct described above and other alleged non-disclosures. One insurer claims that it insured an aggregate principal amount of nearly $1.2 billion and seeks unspecified damages in excess of $400 million as well as unspecified punitive damages. The other insurer claims that it insured an aggregate principal amount of more than $378 million and seeks recovery of $4 million allegedly paid under the policies to date as well as any future payments and unspecified punitive damages. In December 2010, the court denied the Firm's motions to dismiss each of the complaints. The Firm has filed a cross-claim and a third party claim against the County for indemnity and contribution. The County moved to dismiss, which the court denied in August 2011. In consequence of its November 2011 bankruptcy filing, the County has asserted that these actions are stayed. In February 2012, one of the insurers filed a motion for a declaration that its action is not stayed as against the Firm or, in the alternative, for an order lifting the stay as against the Firm. The Firm and the County opposed the motion, which remains pending.

Option Adjustable Rate Mortgage Litigation. The Firm is defending four purported and three certified class actions all pending in federal courts in California asserting that several JPMorgan Chase entities violated the federal Truth in Lending Act and state unfair business practice statutes in failing to provide adequate disclosures in Option Adjustable Rate Mortgage ("ARM") loans regarding the resetting of introductory interest rates and that negative amortization was certain to occur if a borrower made the minimum monthly payment. With respect to the former Washington Mutual and Bear Stearns defendants who purchased Option ARM loans from third-party originators, plaintiffs allege that those entities aided and abetted the original lenders' alleged violations. Classes have been certified in three of the actions. In one of the certified class actions, the Firm has moved for decertification of the class and for summary judgment. The Firm has sought permission to immediately appeal the remaining class certification decisions.

Overdraft Fee/Debit Posting Order Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in several purported class actions relating to its practices in posting

debit card transactions to customers' deposit accounts. Plaintiffs allege that the Firm improperly re-ordered debit card transactions from the highest amount to the lowest amount before processing these transactions in order to generate unwarranted overdraft fees. Plaintiffs contend that the Firm should have processed such transactions in the chronological order they were authorized. Plaintiffs seek the disgorgement of all overdraft fees paid to the Firm by plaintiffs since approximately 2003 as a result of the re-ordering of debit card transactions. The claims against the Firm have been consolidated with numerous complaints against other national banks in multi-District litigation pending in the United States District Court for the Southern District of Florida. The Firm has reached an agreement to settle this matter in exchange for the Firm paying $110 million and agreeing to change certain overdraft fee practices. On May 24, 2012, the Court granted preliminary approval of the settlement and scheduled a final approval hearing in December 2012.

Petters Bankruptcy and Related Matters. JPMorgan Chase and certain of its affiliates, including One Equity Partners ("OEP"), have been named as defendants in several actions filed in connection with the receivership and bankruptcy proceedings pertaining to Thomas J. Petters and certain affiliated entities (collectively, "Petters") and the Polaroid Corporation. The principal actions against JPMorgan Chase and its affiliates have been brought by a court-appointed receiver for Petters and the trustees in bankruptcy proceedings for three Petters entities. These actions generally seek to avoid, on fraudulent transfer and preference grounds, certain purported transfers in connection with (i) the 2005 acquisition by Petters of Polaroid, which at the time was majority-owned by OEP; (ii) two credit facilities that JPMorgan Chase and other financial institutions entered into with Polaroid; and (iii) a credit line and investment accounts held by Petters. The actions collectively seek recovery of approximately $450 million . Defendants have moved to dismiss the complaints in the actions filed by the Petters bankruptcy trustees and the parties have agreed to stay the action brought by the Receiver until after the Bankruptcy Court rules on the pending motions.

Securities Lending Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in four putative class actions asserting ERISA and other claims pending in the United States District Court for the Southern District of New York brought by participants in the Firm's securities lending business. A fifth lawsuit was filed in New York state court by an individual participant in the program. Three of the purported class actions, which have been consolidated, relate to investments of approximately $500 million in medium-term notes of Sigma Finance Inc. ("Sigma"). In August 2010, the Court certified a plaintiff class consisting of all securities lending participants that held Sigma medium-term notes on September 30, 2008, including those that held the notes by virtue of participation in the investment of cash collateral through a collective fund, as well as those that held the notes by virtue of the investment of cash collateral through individual accounts. The Court granted JPMorgan Chase's motion for partial summary judgment as to plaintiffs' duty of loyalty claim, finding that the Firm did not have a conflict of interest when it provided repurchase financing to Sigma while also holding Sigma medium-term notes in securities lending accounts. The parties reached an agreement to settle this action for $150 million . The Court granted final approval to the settlement in June 2012.

The fourth putative class action concerns investments of approximately $500 million in Lehman Brothers medium-term notes. The Court granted the Firm's motion to dismiss all claims in April 2012. The plaintiff filed a third amended complaint, and the Firm's motion to dismiss this complaint is pending. The New York state court action, which is not a class action, concerns the plaintiff's alleged loss of money in both Sigma and Lehman Brothers medium-term notes. The Firm has answered the complaint. Discovery is complete and motions for summary judgment are due in November 2012.

Washington Mutual Litigations. Proceedings related to Washington Mutual's failure are pending before the United States District Court for the District of Columbia and include a lawsuit brought by Deutsche Bank National Trust Company, initially against the FDIC, asserting an estimated $6 billion to $10 billion in damages based upon alleged breach of various mortgage securitization agreements and alleged violation of certain representations and warranties given by certain Washington Mutual, Inc. ("WMI") subsidiaries in connection with those securitization agreements. The case includes assertions that JPMorgan Chase may have assumed liabilities for alleged breaches of representations and warranties in the mortgage securitization agreements. The District Court denied as premature motions by the Firm and the FDIC that sought a ruling on whether the FDIC retained liability for Deutsche Bank's claims. Discovery is underway.

In addition, JPMorgan Chase was sued in an action originally filed in state court in Texas (the "Texas Action") by certain holders of WMI common stock and debt of WMI and Washington Mutual Bank who seek unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at a price that was allegedly too low. The Texas Action was transferred to the United States District Court for the District of Columbia, which ultimately granted JPMorgan Chase's and the FDIC's motions to dismiss the complaint, but the United States Court of Appeals for the District of Columbia Circuit reversed the District Court's dismissal and remanded the case for further proceedings. Plaintiffs, who sue now only as holders of Washington Mutual Bank debt following their voluntary dismissal of claims brought as holders of WMI common stock and debt, have filed an amended complaint alleging that JPMorgan Chase caused the closure of Washington Mutual Bank and damaged them by causing their bonds issued by Washington Mutual Bank, which had a total face value of $38 million , to lose substantially all of their value. JPMorgan Chase and the

FDIC moved to dismiss this action and the District Court dismissed the case except as to the plaintiffs' claim that the Firm tortiously interfered with the plaintiffs' bond contracts with Washington Mutual Bank prior to its closure.

* * *

In addition to the various legal proceedings discussed above, JPMorgan Chase and its subsidiaries are named as defendants or are otherwise involved in a substantial number of other legal proceedings. The Firm believes it has meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings and it intends to defend itself vigorously in all such matters. Additional legal proceedings may be initiated from time to time in the future.

The Firm has established reserves for several hundred of its currently outstanding legal proceedings. The Firm accrues for potential liability arising from such proceedings when it is probable that such liability has been incurred and the amount of the loss can be reasonably estimated. The Firm evaluates its outstanding legal proceedings each quarter to assess its litigation reserves, and makes adjustments in such reserves, upwards or downwards, as appropriate, based on management's best judgment after consultation with counsel. The Firm incurred litigation expense of $790 million and $1.3 billion , respectively, during the three months ended September 30, 2012 and 2011, and $3.8 billion and $4.3 billion , respectively, during the nine months ended September 30, 2012 and 2011. There is no assurance that the Firm's litigation reserves will not need to be adjusted in the future.

In view of the inherent difficulty of predicting the outcome of legal proceedings, particularly where the claimants seek very large or indeterminate damages, or where the matters present novel legal theories, involve a large number of parties or are in early stages of discovery, the Firm cannot state with confidence what will be the eventual outcomes of the currently pending matters, the timing of their ultimate resolution or the eventual losses, fines, penalties or impact related to those matters. JPMorgan Chase believes, based upon its current knowledge, after consultation with counsel and after taking into account its current litigation reserves, that the legal proceedings currently pending against it should not have a material adverse effect on the Firm's consolidated financial condition. The Firm notes, however, that in light of the uncertainties involved in such proceedings, there is no assurance the ultimate resolution of these matters will not significantly exceed the reserves it has currently accrued; as a result, the outcome of a particular matter may be material to JPMorgan Chase's operating results for a particular period, depending on, among other factors, the size of the loss or liability imposed and the level of JPMorgan Chase's income for that period.

EDGAR Online

JPMORGAN CHASE & CO

FORM 8-K
(Current report filing)

Filed 01/09/13 for the Period Ending 01/07/13

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): January 7, 2013

JPMorgan Chase & Co.

(Exact name of registrant as specified in its charter)

Delaware	1-5805	13-2624428
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. employer identification no.)
270 Park Avenue, New York, New York		10017
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (212) 270-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) JPMorgan Chase & Co., a Delaware corporation ("JPMorgan Chase" or the "Firm"), has announced that James E. Staley, the Chairman of the Firm's Corporate & Investment Bank, will be leaving the Firm to join BlueMountain Capital Management as a Managing Partner and Member of its Management Committee.

Item 8.01 Other Events.

The Firm and a number of other financial institutions have entered into a settlement agreement with the Office of the Comptroller of the Currency and the Board of Governors of the Federal Reserve System providing for the termination of the Independent Foreclosure Review programs that had been required under the Consent Orders with such banking regulators relating to each bank's residential mortgage servicing, foreclosure and loss-mitigation activities. Under this settlement, the Firm will make a cash payment of $753 million into a settlement fund for distribution to qualified borrowers . The Firm has also committed an additional $1.2 billion to foreclosure prevention actions under the settlement, which will be fulfilled through credits given to the Firm under the framework established by the global settlement previously entered into with certain federal and state government agencies. The Firm expects to incur a charge of approximately $700 million (pretax) in the fourth quarter of 2012 related to the Independent Foreclosure Review settlement. The Firm will report its fourth quarter 2012 results on January 16, 2013.

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. JPMorgan Chase does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JPMorgan Chase & Co.
(Registrant)

By: /s/ Anthony J. Horan
Anthony J. Horan

Corporate Secretary

Dated: January 9, 2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

JPMorgan Chase & Co.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: J.P. Morgan Securities LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 270 Park Avenue
New York, New York 10017

C. Telephone: (312)385-8444 Fax: (866)594-6488 Email: eric.r.rockhold@jpmorgan.com

D. Name of contact person: Eric Rockhold

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Serving as senior managing underwriter for the O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
SEE ATTACHMENT A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None, to the best of the Disclosing Party's knowledge and belief		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[X] Yes [ ] No SEE ATTACHMENT B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):
SEE ATTACHMENT B

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS: SEE ATTACHMENT B

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

SEE ATTACHMENT B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

SEE ATTACHMENT B

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

SEE ATTACHMENT B

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No SEE ATTACHMENT B

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee. SEE ATTACHMENT B

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SEE ATTACHMENT C

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

SEE ATTACHMENT B

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

SEE ATTACHMENT B

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

JPMORGAN CHASE & CO.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

ERIC ROCKHOLD
(Print or type name of person signing)

MANAGING DIRECTOR
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-2013,
at Cook County, IL (state).

_____ Notary Public.

ORIGINAL SEAL
MARTHA A. CAMARILLO
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 06/22/15

Commission expires: 6/22/15.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No To the best of the Disclosing Party's knowledge and belief

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

ATTACHMENT A
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE & CO.
(as an Entity Holding an Interest in an Applicant)

SECTION II B.1

Directors

James A. Bell
Crandall C. Bowles
Stephen B. Burke
David M. Cote
James S. Crown
James Dimon
Timothy P. Flynn
Ellen V. Futter
Laban P. Jackson, Jr.
Lee R. Raymond
William C. Weldon

Executive Officers/Operating Committee

James Dimon	Chairman of the Board, President and Chief Executive Officer
Frank J. Bisignano	Co-Chief Operating Officer
Michael J. Cavanagh	Co-Chief Executive Officer, Corporate & Investment Bank
Stephen M. Cutler	General Counsel
John L. Donnelly	Head of Human Resources
Mary Callahan Erdoes	Chief Executive Officer, Asset Management
John J. Hogan	Chief Risk Officer
Marianne Lake	Chief Financial Officer
Daniel E. Pinto	Co-Chief Executive Officer, Corporate & Investment Bank
Douglas B. Petno	Chief Executive Officer of Commercial Banking
Gordon A. Smith	Co-Chief Executive Officer, Consumer & Community Banking
Matthew E. Zames	Co- Chief Operating Officer

ATTACHMENT B
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE & CO.
(as an Entity Holding an Interest in an Applicant)

The following response is true, accurate and complete to the best of the Authorized Representative's knowledge relying on information prepared by a consultant at the direction of JPMorgan Chase & Co. The information in § V B.1-3(a) was verified between August and November 2012 and is in the process of being updated, with an update to be provided as soon as the information is available.

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

The Authorized Representative certifies on behalf of the Disclosing Party knowledge of an existing "business relationship" during the 12 months prior to the date of execution of the foregoing Economic Disclosure Statement and Affidavit between JPMorgan Chase Bank, National Association (the "Bank"), a subsidiary of JPMorgan Chase & Co., and the law firm of Klafter and Burke. Klafter and Burke has provided real estate tax protest legal services on behalf of the Bank. Alderman Edward M. Burke is a partner of the firm of Klafter and Burke.

SECTION V: CERTIFICATIONS

B. FURTHER CERTIFICATIONS

B.2 (a-e) With respect to Section V, paragraph B.2 (a-e), the Authorized Representative certifies to the best of the Authorized Representative's knowledge and belief based on reasonable inquiry that such statements are accurate with respect to the executive officers and directors of the Disclosing Party. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, JPMorgan Chase & Co. and/or its subsidiaries and affiliates are named from time to time as a defendant in various legal actions and administrative proceedings arising in connection with their respective businesses, and have also been involved in investigations and other proceedings by governmental agencies. In view of the inherent difficulty of predicting the outcome of such matters, the Disclosing Party cannot state the eventual outcome of pending or future matters. After consultation with counsel and based on current knowledge, the Disclosing Party believes that the defendant has asserted meritorious defenses in each such matter and that the aggregate liability or loss, if any, resulting therefrom will not have a material adverse effect on such defendant's financial condition, but may be material to such defendant's operating results for any particular period, depending on the level of income for such period. The Disclosing Party does not believe that any pending action would have any material effect on the Matter. The most current comprehensive summaries of legal proceedings involving JPMorgan Chase & Co. are referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filing, all as filed with the Securities and Exchange Commission ("SEC") and all available through J.P. Morgan's internet site

http://investor.shareholder.com/jpmorganchase/sec.cfm or through the SEC's internet site (www.sec.gov). See applicable current summaries listed on Attachment D hereto.

B.3 (a & d) The Authorized Representative certifies on behalf of the Disclosing Party the accuracy of the statements contained in Section V, paragraph B.3 (a & d) only as to the Disclosing Party. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, JPMorgan Chase & Co. and/or its subsidiaries and affiliates are named from time to time as a defendant in various legal actions and administrative proceedings arising in connection with their respective businesses, and have also been involved in investigations and other proceedings by governmental agencies. In view of the inherent difficulty of predicting the outcome of such matters, the Disclosing Party cannot state the eventual outcome of pending or future matters. After consultation with counsel and based on current knowledge, the Disclosing Party believes that the defendant has asserted meritorious defenses in each such matter and that the aggregate liability or loss, if any, resulting therefrom will not have a material adverse effect on such defendant's financial condition, but may be material to such defendant's operating results for any particular period, depending on the level of income for such period. The Disclosing Party does not believe that any pending action would have any material effect on the Matter. The most current comprehensive summaries of legal proceedings involving JPMorgan Chase & Co. are referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filing, all as filed with the SEC and all available through J.P. Morgan's internet site http://investor.shareholder.com/jpmorganchase/sec.cfm or through the SEC's internet site (www.sec.gov). See applicable current summaries listed on Attachment D hereto.

B.3 (b-c) and B.4 The Disclosing Party has not agreed or colluded with other bidders or prospective bidders as to this Matter, or been a party to any such agreement. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, the Disclosing Party has not been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise. To the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, the Disclosing Party has not made an admission of such conduct described in a. or b. above that is a matter of record, and has not been prosecuted for such conduct, except to the extent set forth in the certain letter agreement dated July 6, 2011 between the Antitrust Division of the United States Department of Justice and JPMorgan Chase & Co., in connection with an investigation of bid rigging and other conduct constituting violations of Section 1 of the Sherman Act, 15 U.S.C. § 1, and certain sections of Title 18 of the United States Code, in connection with the bidding on or provision of certain contracts by the JPMorgan Chase & Co's municipal derivatives desk in the United States. The Authorized Representative certifies to the best of the Authorized Representative's knowledge and belief based on reasonable inquiry, that the foregoing matter would not have a material adverse effect on the Matter.

Except as otherwise set forth in Attachment B, the Authorized Representative on behalf of the Disclosing Party does not make any certification whatsoever with respect to any Applicable Party other than the Disclosing Party. The Authorized Representative on behalf of the Disclosing Party also certifies that it has not engaged any sub-contractor with respect to the Matter.

The Authorized Representative certifies as to the statement in Section V, paragraph B.8. that, to the best of the Authorized Representative's knowledge and belief after reasonable inquiry, the following Bank employees were previous City of Chicago employees during the 12-month period preceding the execution date of this EDS:

- Robin Broman
- Nicole Simon
- Davida Stephens
- Jennifer Bloom

The Authorized Representative certifies as to the statement in Section V, paragraph B.9 that, to the best of the Authorized Representative's knowledge and belief after reasonable inquiry, the following gifts were provided by employees of the Bank to the following:

- Stephanie Neely – Meal $30.00
- Tarrah Cooper – Meal $30.00; Meal $30.00
- Leslie Darling – Meal $30.00
- Jamie Rhee – Meal $30.00

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best of the Authorized Representative's knowledge and belief after reasonable inquiry no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Authorized Representative on behalf of the Disclosing Party, to the extent the Disclosing Party has any control related to acquisitions of interests, certifies Disclosing Party will not approve the acquisition of any prohibited financial interest in the Matter by any City official or employee.

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

F.1. The Authorized Representative certifies on behalf of the Disclosing Party statements contained in Section VII, paragraph F.1. to the best of the Authorized Representative's knowledge and belief after reasonable inquiry that neither the Disclosing Party nor its affiliates are delinquent in paying any fine, fee, tax or other charge owed to the State of Illinois or the City of Chicago except for taxes that are being contested in good faith by appropriate legal proceeding and possible delinquencies in paying a fine, fee, tax or other charge related to (i) property mortgaged to the Disclosing Party or its affiliates, (ii) property owned by the Disclosing Party or its affiliates and leased to others, (iii) foreclosed property now owned by the Disclosing Party or its affiliates, (iv) property owned or held by the Disclosing Party or its affiliates as a fiduciary or nominee, and (v) fines, fees, taxes or other charges that are being contested in good faith by the Disclosing Party or its affiliates by appropriate legal proceeding. If there are any outstanding claims

that the Disclosing Party is notified of that Disclosing Party was not aware of previously, Disclosing Party will immediately address them.

ATTACHMENT C
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE & CO.
(as an Entity Holding an Interest in an Applicant)

The following response is true, accurate and complete to the best of the Authorized Representative's knowledge relying on information prepared by a consultant at the direction of JPMorgan Chase & Co.

SECTION V -- CERTIFICATIONS

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS.

The Disclosing Party was formed on July 1, 2004, when JPMorgan Chase & Co. acquired Bank One Corporation ("Bank One").

With regard to predecessors of the Disclosing Party as it existed prior to the Bank One Corporation acquisition ("JPMorgan Chase"), the Disclosing Party reports that J. Pierpont Morgan, Sr. was associated with George Peabody & Company and J.S. Morgan & Company (the "Peabody Firms") before he founded Drexel Morgan & Company, which ultimately became part of JPMorgan Chase. Capital supplied by Junius S. Morgan and J. Pierpont Morgan, Sr. appears to have been used to capitalize Drexel Morgan & Company in 1871. Upon the death of Junius S. Morgan, J.S. Morgan & Company came under the control of J. Pierpont Morgan, Sr. and became affiliated with J.P. Morgan & Co. Records indicate that the Peabody Firms had customers that appear to have used enslaved individuals.

JPMorgan Chase and Bank One had predecessor banks in states outside the South that purchased notes issued by, issued letters of credit or made loans to, and/or maintained correspondent accounts with municipalities, banks, companies and individuals located in Southern states where slavery was practiced during the slavery era. These municipalities, banks, companies and individuals are listed on Attachment 1.

Bank One had predecessor banks before 1866 in three Southern states: Kentucky, Louisiana and Virginia. Searches revealed slavery-related information about two Louisiana banks, the Canal Bank (formed in 1831) and the Citizens Bank (formed in 1833), and the Lexington branch of the second Bank of Kentucky (formed in 1835). In 1924 Citizens Bank and Canal Bank merged. Predecessors of JPMorgan Chase had longstanding banking relationships with Canal Bank and its predecessors (see Attachment 1), were creditors of Canal Bank and, in 1931, it appears that a predecessor of JPMorgan Chase led a group of investors that provided capital to Canal Bank and this predecessor of JPMorgan Chase became a shareholder and took a controlling management interest in the Canal Bank. The Canal Bank was placed into liquidation in March-May 1933 based on actions by the State of Louisiana and the federal government. In May 1933, The National Bank of Commerce in New Orleans was formed pursuant to an executive order approved by President Roosevelt and its assets included some of the deposits and loans of the old Canal Bank. Most of the capital for The National Bank of Commerce was provided by the Reconstruction Finance Corporation (owned by the U.S.

government), with the remainder coming from new shareholders. The U.S. government also provided over $13 million toward the liquidation of the old Canal Bank. In 1947 and 1969, The National Bank of Commerce in New Orleans made two grants to Tulane University, which included archives of the Citizens Bank and Canal Bank. These materials are held at the Tulane Manuscripts Department, Special Collections Division, Howard-Tilton Memorial Library at Tulane University in New Orleans, Louisiana (collectively, the "Tulane Records"). In 1865, the First National Bank of Lexington (subsequently a part of First Security Corporation of Kentucky which was acquired by Bank One in 1992) was formed and assumed the operations of the Lexington Branch of the second Bank of Kentucky. Public records pertaining to the Lexington Branch of the second Bank of Kentucky have been discovered that contain records relevant to this certification (the "Lexington Records"). The Tulane Records, the Lexington Records and other records indicate that:

1. Citizens Bank and Canal Bank provided credit to plantation owners and accepted mortgages from them. The collateral covered by these mortgages included land, equipment and/or enslaved individuals. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1831 to 1865, taking into account the duplication and/or absence of exact data, approximately 21,000 enslaved individuals were listed among the collateral covered by mortgages given to the Louisiana banks.

2. The Lexington Branch of the second Bank of Kentucky also provided credit to plantation owners and accepted mortgages from them. The collateral covered by these mortgages included land, equipment and/or enslaved individuals. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1835 to 1865, taking into account the duplication and/or absence of exact data, approximately 55 enslaved individuals were listed among the collateral covered by mortgages given to the Lexington Branch of the second Bank of Kentucky.

3. When mortgages went unpaid, the banks could initiate foreclosure proceedings. When this occurred, the bank could take ownership of the collateral. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1831 to 1865, taking into account the duplication and/or absence of exact data, approximately 1,300 enslaved individuals were listed among the collateral that the Louisiana banks came to own. There is no evidence of foreclosure proceedings initiated by the Lexington Branch of the second Bank of Kentucky.

Attachment 2 lists information on mortgages as to which one of the Louisiana banks came to own enslaved individuals through foreclosure proceedings, including, where available, the names of those individuals and their prior or subsequent owners. Attachment 3 lists information on mortgages as to which one of the three banks held collateral that included enslaved individuals, including, where available, the names of those individuals and their prior or subsequent owners. The attachments will be supplemented as necessary to reflect any additional information located.

On September 25, 2008, JPMorgan Chase Bank, National Association (a subsidiary of the Disclosing Party) acquired from the Federal Deposit Insurance Corporation, as the Receiver of Washington Mutual Bank, Henderson NV, certain assets of Washington Mutual Bank.

A review of the records of Washington Mutual Bank, including the records of its predecessor entities, has disclosed no evidence that Washington Mutual Bank nor any of its predecessors had any investments or profits from slavery, any direct involvement in the slave trade, any direct ownership in slaves, or any slaveholder insurance policies from the slavery era. There is evidence, however, that one predecessor entity, The Bowery Savings Bank, New York (1834) ("Bowery Savings"), purchased a $100,000 bond of a slave holding state, North Carolina. A total of $44,000 was paid to Bowery Savings by North Carolina in 1868 on account of the bond.

ATTACHMENT 1
TO
ATTACHMENT C
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE & CO.
(as an Entity Holding an Interest in an Applicant)

Agricultural Bank of Mississippi
Baltimore & Ohio Rail Road Company
Bank of Alabama
Bank of Alexandria (Virginia)
Bank of Ashland at Shelbyville
Bank of Augusta (Georgia)
Bank of Kentucky
Bank of Louisiana
Bank of Louisville
Bank of Metropolis
Bank of Mobile
Bank of Missouri
Bank of North Carolina
Bank of South Carolina
Bank of the State of Missouri
Bank of Tennessee
Bank of Virginia
Barnett, Ellison & Co.
Beers & Brunell
Beers & Co.
Canal & Rail Road Bank of Vicksburg
Carrolton Bank of New Orleans
Charleston Fire & Marine Insurance Company
Chattahoochee Rail Road and Banking Company
City Bank of New Orleans
Commercial & Rail Road Bank of Vicksburg
Commercial Bank of Manchester (Mississippi)
Commercial Bank of New Orleans
Commercial Bank of Selma
Corporation of the City of New Orleans
Corporation of the City of Savannah
Davis & Davis
Delaware & Hudson Canal Company
E.I. Forestall of New Orleans
ER Tyler of New Orleans
E. Warfield, Lexington, Kentucky
Exchange & Banking Company of New Orleans

Exchange Bank of Virginia at Richmond
Franklin Bank of Baltimore
First Bank of Richmond
Hunt, Morton & Quigby of Louisville (Kentucky)
J.D. Beers & Co.
Louisiana & Nashville Railroad Company
Mechanics & Traders Bank of New Orleans
Merchant & Planters Bank of Savannah
Merchants Bank of Baltimore
Mississippi Sound Company
Mr. Pastoret
Mr. S. Reid Irving & Co. (Cotton)
Nashville and Northwestern Rail Road Co.
New Orleans Canal & Banking Company
North Western Bank of Virginia
Philadelphia, Wilmington & Baltimore Rail Road Company
Planters & Mechanics Bank of Charleston
Planters & Mechanics Bank of Mobile
Planters & Merchants Bank of Charleston
Planters Bank of Jackson (Mississippi)
Planters Bank of Natchez
Planters Bank of Savannah
Planters Bank of Tennessee
Robert Kinder House
Ross & Coleman
South Western Rail Road Bank of Charleston
Southern Bank of Alabama
Southern Bank of Kentucky
Southern Life Insurance & Trust Company of Florida
Southern Trust Company
Southwestern Rail Road Bank (South Carolina)
S. Reid Irving & Company
State & Metcalf of Gainsville, Georgia
State of Alabama
State of Florida
State of Georgia
State of Mississippi
T.T. Crittenden, Lexington and Huntsville, Kentucky
Tuscumbice and Decatur Rail Road Company
Union Bank of Charleston
Union Bank of Florida
Union Bank of Tennessee

ATTACHMENT 2
TO
ATTACHMENT C
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE & CO.
(as an Entity Holding an Interest in an Applicant)

ENSLAVED INDIVIDUALS OWNED BY
CITIZENS BANK OF LOUISIANA AND
NEW ORLEANS CANAL & BANKING COMPANY

Attachment 2

The following list identifies enslaved individuals owned by Citizens Bank of Louisiana and New Orleans Canal & Banking Company in Louisiana from 1831 to 1865.[1] The information is drawn from two sources. The first is a collection of Citizens Bank minute books and papers held at Tulane University. The second is a survey of conveyance and land records held either at the New Orleans Public Library or at local parishes throughout Louisiana.

The list includes every reference to ownership of enslaved individuals by the banks located in these records. The list is arranged by parish and thereafter by date. General references to ownership that did not indicate a specific parish are listed separately.

Each entry includes information on previous (P) and subsequent (S) owners where known. Any available information on the location of the plantation is also recorded and appears in brackets after the previous and subsequent owners. Each entry includes a reference identifying the historical sources used to compile the information.

The information on individuals includes all names identified in the records. In some cases, the same individuals appear to have been involved in several different transactions. However, the records are often not consistent in the spelling of names and are often only partially or poorly indexed. Accordingly, each transaction is listed separately. The names in italics are ones that were difficult to decipher because of handwriting or because the records have faded over time.

[1] This list was prepared by History Associates Incorporated at the direction of JPMorgan Chase & Co.

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Claiborne Parish ..... page 4
East Feliciana Parish ..... page 4
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New Orleans Canal & Banking Company

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Citizens Bank of Lousiana

General References

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Apr 1842	Mr. Pim (S)	Nelson, Philip, Sylvester, Sally and her two children	Tulane University, Citizens Bank Minute Book No. 5, 1842/04/04
Jan 1845 - Mar 1845	J. R. Thomas (P)	unnamed individuals	Tulane University, Citizens Bank Minute Book No. 5, 1845/01/18 and 1845/03/27
Jul 1845	Mary Hoey (P)	Lucretia and Joe	Tulane University, Citizens Bank Minute Book No. 5, 1845/07/31
Aug 1847	Unknown	unnamed individuals	Tulane University, Citizens Bank Minute Book No. 6, 1847/08/17
Feb 1847	J. Lawson (P)	Edward	Tulane University, Citizens Bank Minute Book No. 6, 1849/03/23
Jul 1850	*G. Hiriard* (P)	unnamed individuals	Tulane University, Citizens Bank Minute Book No. 6, 1850/07/02

Ascension Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
c. 1839	Trasimon Landry (P)	unnamed individuals	New Orleans Public Library (NOPL), Ascension Parish Vendee Index

Assumption Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Sep 1840	Francis Boutelou de St. Aubin (P) Adolphe Wenceslas Pichot (S)	Jean	Assumption Parish, Sheriff's Sale Book A, p. 232, 1840/09/023; Conveyance Record 6, p. 232,1841/07/26

Aug 1844 - Jan 1846	Marius Albagnac (P) John Billsen (S) [left bank of Bayou Lafourche]	Peggy, *Barnalby*, Magdelaine	Assumption Parish, Conveyance Book 11, p. 297, 1846/01/10; Sheriff's Sale Book B, p. 178, 1884/08/03; Tulane University, Citizens Bank Minute Book No. 5, 1846/01/07
Mar 1853- Apr 1853	Alfred Tete (P) Mrs. Clodis Gourdan (S) [Bayou Lafourche]	Henry, Jacob, Abraham, George, Moses, *Anais*	Assumption Parish, Conveyance Book 19, p. 190, 1853/04/26; Sheriff's Sale Book B, p. 426, 1853/03/06; Tulane University, Citizens Bank Minute Book No. 7, 1853/03/31

Claiborne Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
c. 1848	R. H. Basset (P)	4 unnamed individuals	Tulane University, Citizens Bank Property Management Book

East Feliciana Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Dec 1845 - Feb 1846	John D. McDonald (P) Robert Perry (S) [Black Creek]	Hampton, Joe; Laura and her child Jane; Emily and her child John; Hester	East Baton Rouge Parish, Sheriff's Book E, p. 137, 1845/12/13; East Feleciana Parish, Conveyance Book K, pp. 111-113, 1846/02/18; Tulane University, M-1847, Citizens Bank Mortgage Book; Citizens Bank Minute Book No. 5, 1846/02/12
Feb 1847 - Dec 1848	Robert Pool (P)	Jim and other unnamed individuals	Tulane University, Citizens Bank Minute Book No. 6, 1847/02/04, 1848/6/028, 1848/12/18
Jun 1848	Thorton Lawson (P)	Edmund	East Feliciana Conveyance Book L, pp. 219-225, 1848/06/03; Tulane University, M-1847, Citizens Bank Mortgage Book
c. 1848	Carter Harvil (S)	7 unnamed individuals	Tulane University, M-1847, Citizens Bank Mortgage Book
c. 1848	B. Myers (P)	5 unnamed individuals	Tulane University, M-1847, Citizens Bank Mortgage Book

c. 1848	Unknown [Bayou Teche]	14 unnamed individuals	Tulane University, M-1847, Citizens Bank Mortgage Book
Jan 1853	Stephen Yarborough (P)	8 unnamed individuals	East Feliciana Parish, Mortgage Book E, p. 543, 1853/01/21
Feb 1854	John L. DeLee (S)	13 unnamed individuals	East Feliciana Parish, Mortgage Book E, p. 544, 1853/02/15

Iberville Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Feb 1840	Botts and Abner Robinson (S)	Frank, Anthony, Jim, Dirk, Isaac, Joe Gray, Martin, Jacob *McNayer*, Lewis, Nat, Jacob, George *McNayer*, Ben, William, Joe, Plato, Washington, Big Davy, Davy, Moses, *Wapping*, Rachel and her child Daphny; Nelly; Lucy and her child Charlotte; Susan and her three children Jacob, Nelly and Lewis; Patsy and her daughter Caroline; *Chancy*, Elizabeth, Maria; Luckey and her children Harriet and Abraham; Spencer, Esau, Fanny; Sarah and her two children William and Martha; Daphny, Abby, Phillis, Mary, George, Anne, Big Maria; Fanny and her unnamed infant; Kitty, Charity; Susan and her unnamed son; George, Matilda, Edmund, Peter, Ben, *Bandals*, Sam, Archibald, York, John, Peter, Abraham, Fielding, Sam, David, Gras, Eliza, Lucy, Robert, Francis, Emily, Caroline, Henry, Patsy, William, Alexander, Wyatt, Anderson, Hannah, Ceyley, Milly, Letty, Tom, Maria, Mary, Harriet, Louisa, Tom, Ned, Juliet, Ned, Nancy	Iberville Parish, Conveyance Book T, Entry 223, 1840/02/07; Lafourche Parish Conveyance Book P, p. 438, 1840/02/17
Feb 1843	Lewis LeSassin (P)	unnamed individuals	Tulane University, Citizens Minute Book No. 5, 1843/02/07

Lafourche Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Dec 1842	G. A. Botts (P)	unnamed individuals	Tulane University, Citizens Bank Minute Book No. 5, 1842/12/30

Jul 1845 - May 1849	J. Nicholas (P) R. P Gaillard (S)	Andre, Jean Baptiste, Clairville, Francis, Joseph, Sylvester, Benito, Bonaranture, Theophile, Marie, Cecile, William, Honore, Marianne, Oreline, Catherine, Celestin, Helene, Agathe, Domstele, Celestine, Mary, Solby, Anna, Suzette, Estele, Henriette, Odile, Lutelia, Baptiste, Diek, Randall, James, Sam, Melite, Madeleine	Lafourche Parish, Conveyance Book AA, p. 380, 1849/05/01

Natchitoches Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Feb 1838	Michael Boyce (P)	36 unnamed individuals	Natchitoches Parish, Book 23, p. 2, 1838/02/07
Feb 1840	Adolphe Sampayrac (P)	Alfred, Ovide, Honore, *Michot*, Frederic, Sam, William, *Flem*, Nelson, Ned, Mary, *Fanny*	Natchitoches Parish, Book 27, p. 18, 1840/02/29
Mar 1841	Joseph T. Robinson (S)	Moses, *Asariah*, Lewis, Joe, Harrison, Henry West, *Elsy*, Green, Reid, York, Allen, Daniel, Harriet, Judy, Julia, Charlotte, *Sirah*, Nancy Elliot, *Chaney*, *Emi* and her child, Louisa and her unnamed child	Natchitoches Parish, Book 32, p. 50, 1841/03/27

Orleans Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Jan 1842	Christopal de Armas (P)	Marie, Anne	Orleans Parish, Conveyance Record Book 29, p. 698, 1842/01/06
Aug 1842	Leopold J. Rocquet (S)	Tom Mason and his wife Lucy	Orleans Parish, Conveyance Record Book 32, p. 421, 1842/08/03
Aug 1842	Antione Bausset (S)	*Peter*	Orleans Parish, Conveyance Record Book 32, p. 440, 1842/08/18
Aug 1842	Marais Gautier (S)	*Archy*, *Tably* and her two children Joseph and an unnamed infant	Orleans Parish, Conveyance Record Book 31, p. 447, 1842/08/21
May 1843	Valiour Fortier (S)	Jacob	Orleans Parish, Conveyance Record Book 33, p. 171, 1843/05/20

Sep 1845	Charles Nicaud (P) V. and B. Bouny (S)	John Richardson, Moses Lewis, Peter, Joe Phoebe, Jim Phoebe, Robert, Saul, Ben, Edmond, Jim Bouny, Narcisse, Thomas Side, Victor, Sheldrick, Moses Guerin, Tom Guerin, Jim O. Duhigg, Figaro, Ned Rackoon, Big Joe, Richard, Eugene, Jim Bullfrog, Bob, Henry Charleston, Belly Boy, William Chaigneau, Peter, Big Ned, Alfred, Mathilde, Nancy, Phoebe, Fany, and Jack	Tulane University, Citizens Bank Papers, Loans, Box 1
c. 1846	Daniel Holliday (S)	Richmond	Orleans Parish, Conveyance Record Book 38, p. 484
Mar 1849	Mrs. Lafayette Saunders (S)	James	Orleans Parish, Conveyance Record Book 46, p. 411, 1849/03/06
Sep 1852	Felix Garcia (P) Auguste Montegut (S)	Arthemise	Orleans Parish, Conveyance Record Book 60, p. 111, 1852/9/6; Tulane University, Citizens Bank Minute Book No. 7, 1852/08/26
Oct 1852	Felix Garcia (P) William and Heywood Stackhouse (S)	Basile, Llyod, Adam, Laurent, Pegui, Camille, Marguerite, Philomene, Charles, Ursine, Marianne, Pierre, Constance, Celestine, *Sanon*, Dotreville, Dorothee, Melite, Rose, Sue, Fox, Therese, Edouard, Baptiste, Eulalie, Peter, Jean Bongo, Bill, Lucile Sue, Thebe, Mary, Olivia, Jean, Charles, Raymond, Rachel, Honore, Theodore, Petion, Raymond, Celeste, Joseph, Henriette, Heloise, Antoine, Celestine, Frosine, Casimin, Joseph, Francoise, Victor, Poline, Louise, Alexis, James, Mamette, Augustine, Francois, Birsson, Dick, Tom, Lucille, Anny, Rachel, Lidy, Charlotte, Valcour, Albert	Orleans Parish, Conveyance Book 59, p. 174, 1852/10/20; Tulane University, Citizens Bank Minute Book No. 5, 1852/09/09

Plaquemines Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Oct 1852	Felix Garcia (P) W. and H. Stackhouse (S)	Bazile, Raymond, Lloyde, Rachel, Adam, Honore, Laurent, Theodore, *Regan*, Petion, Camille, Raymonde, Marguerite, *Eclante*, Babet, Joseph, Philemon, Henrietta, Charles, Helios, Ursin, Antonio, Marianne, Celestin, Pierre, Frazine, Constance, Casimir, Celestine, Joseph, Janen, Francoise, *Patreville*, Carter, *Porachi*, Bob, *Neclite*, *Zanlin*, Rose, Louise, Zoe, *Hiers*, Fox, James, Theresa, Henriette, Edward, Augustine, Baptiste, Francis, Evalie, Risson, Peter, Criske, Jean Congo, Tom, Bill, Lucille, Lucille Joe, *Fanny*, Phoebe, Rachel, Mary, Liddy, Olivia, Charlotte, Jean, Valcour, Charles, Alberte	Plaquemines Parish, Conveyance Book 6, p. 430, 1852/10/13; Tulane University, Citizens Bank Minute Book No. 5, 1852/09/09

Pointe Coupee Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Jul 1839 - Sep 1839	Montgomery Smith (P) A. Ledoux & Co., George O. Hall (S)	Gilbert, Randall, Lorenzo; Maria and her two unnamed children; Anne, Eliza, Ellen,	Pointe Coupee Parish, Mortgage Book C, No. 1177, 1839/07/22, no. 1189, 1839/09/25

Rapides Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Mar 1843 - c. 1848	A. B. Gill (P) J. Huie (S) [Bayou Marteau]	37 unnamed individuals	Tulane University, Citizens Bank Minute Book No. 5, 1843/03/23, 1843/03/25, 1843/4/18; M-1847, Citizens Bank Mortgage Book

St. Bernard Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
c. 1848	S. Peyroux (S)	11 unnamed individuals	Tulane University, M-1847, Citizens Bank Mortgage Book
Sep 1850	G. Peyroux (P) Albert Faber (S)	14 unnamed individuals	Tulane University, Citizens Bank Minute Book No. 6, 1850/09/10

St. Charles Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
c. 1848	C. Roselle (S)	22 unnamed individuals	Tulane University, M-1847, Citizens Bank Mortgage Book
Jul 1852	Felix Garcia (P) [Lorio Plantation on the right bank of the Mississippi River]	Abraham, Bill, Jacob, Peter, Jordan, Madison, Captain Fish, Baptiste, Sam, Philippe, Edmund, Marianne; Suzanne and her two children John and Nelly; Rachel and her two children Augile and Victor; Liza, Sally, Caroline	St. Charles Parish, Conveyance Book A&B, 1852/07/07

Jan 1853	Felix Garcia (P) Charles Rousell, Theodell Rousell, and Julian Vienne (S) [Lorio Plantation]	Abraham, Bill, Jacob, Peter, Jordan, Madison, Captain Fish, Baptiste, Sam, Philippe, Edmund, Marianne; Suzanne and her two children John and Nelly; Rachel and her two children Augile and Victor; Liza, Sally, Caroline, Toby, Tallyrand, Nelly, Nathan, Arthur Field, Sam Caroll, Alexander Jackson, Archer Caroll, George McHenry, Moses Haris, Henry Hardith, Compthoes; Betsey Galinos and her two children Nathan and James; July Ann Johnson and her unnamed child; Eppo Johnson, Solomon Jones, William Lansing, Henry Waterson, Lan Thomas, Moses Nawell, Jody Flagg, Major Gillsion, John Asbby, Nancy Reses, Sam Red, Amy, Washington Spencer	Tulane University, Citizens Bank Minute Book 7, 1852/08/26; St. Charles Parish, Conveyance Book A, p. 174, 1853/01/03

St. John the Baptist Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Apr 1846	Mrs. Jean Arnauld (P)	Thisa, James, Raymond, Alexis, Baker, Fox, *Samsnow*, Adam, Solomon, Honore, Celestin, Charley, Laurent, Pierre, Joe, Theodore, Raymond, Ursin, Camille, Antoinne, Bresson, Bebe, Peter, Dick, Basille, Francois, William, Jim Magnan, Casimer, Loyd, Daniel, Rose; Thereze and her child Manette; Celeste and her three children Louis, Joseph, and Philomele; Francoise and her children Detreville and an unnamed infant; *Phiosone* and her three children Celestine, Joseph, and *Joalsin*; Louise, Adelaide; Marianne and her child Estelle; Nathan, John Magnan, Basile, Raymond, Loyld, Rachel, Adam, Laurent, Honore, Theodore, Pegui, Petion, Camille, Raymond, Artemise, Celeste, Marguerite, Babes, Louis, Joseph, Eloise, Ursin, Antoine, Adelaide, Coralie, Marianne, Celestin, Pierre, Casimir, Clara, Estelle, Constance, Frosine, Claire, Sansnow, Francoise, Detreville, Victor, Dorothee, Pauline, Ferdinand, Rose; Louise and her son Joseph	St. John the Baptist Parish, Conveyance Book X, pp. 327-328, 1846/4/29, and Conveyance Book Y, pp. 145-147, 1847/03/09; Tulane University, Citizens Bank Minute Book No. 6, 1847/01/27
Aug 1846	Jean Arnauld (P) Marie *Rosette* (S)	Nathan exchanged for Francois, son of Marie *Rosette*	St. John the Baptist Parish, Conveyance Book Y, pp. 72-74, 1846/08/19; Tulane University, Citizens Bank Minute Book No. 6, 1846/08/06

Sep 1846	Mrs. Jean Arnauld (P) Felix Garcia (S)	Louis (also known as Bebe), Alexis, Fox, Salomon, Daniel, James, William, Celestine, Joseph, Joalsin, Therese, Manette, Auguste, Marie, Augustine, Baptiste, Francois, Eulalie, Bulsin, *illegible*, Dick, Thisa, Baker, Charley, Ardina, Jean, *illegible*, Bill, Lucille, Rachel, Lucille Joe, *illegible*, Hanny, Phebe, Mary, Eugene, Mary, Charlotte, Jean, *illegible*, *illegible*	St. John the Baptist Parish, Conveyance Book Y, pp. 83-108, 1846/09/30; Tulane University, M-1847, Citizens Bank Mortgage Book
Jun 1852 - Mar 1853	Felix Garcia (P) Dominique Bouligny (S)	Nathan, Basille, Raymond, *illegible*, Rachel, Adam, Laurent, Honore, Theodore, Peggy, Petion, Camille, Raymond, Artemise, Celeste, Marguerite, Babette, Joseph, Philomene, Eloise, Ursin, Antoine, Marianne, Celestine, Pierre, Cisimir, Constance, Frasine, Claire, *illegible*, Francois, Detreville, Victor, Dorothee, Rose, Louisa, Joseph, Pauline, Alexis, Fox, James, Celestine, Joseph, Jason, Thereza, Manette, Augustine, Auguste, Baptiste, Francois, Eulalie, Banson, Peter, Jack, Jean, Leon, Bill, Louisa, Rachel, Hanny, Phalia, Mary, Charlotte, Jean, Faloir, Allant, Theresa, Dorothee, Celeste; Mary and her children Laby and Mary	St. John the Baptist Parish, Conveyance Book Z, pp. 183-185, 1852/07/06, and Conveyance Book Z, pp. 216-217, 1853/03/04, Tulane University, Citizens Bank Minute Book No. 5, 1852/09/09
May 1852	Felix Garcia (P)	Dick	Tulane University, Citizens Bank Minute Book No. 7, 1852/05/20
Sep 1852	Felix Garcia (P) Joseph *illegible* (S)	Claire	Tulane University, Citizens Bank Minute Book No. 7, 1852/09/09

St. Martin Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Jul 1849	*Charles Fagot* (P) Charles *Grevinberg* (S) [*Ilse L'abbe*]	Nick, *Laine*, Bill, Etienne, *Donhouis*; Julie; Charlotte and her three children Frances, Sophie, and Marie; Peggy, Larina; Kitty and her child Pauline; Celeste, Honorine	St. Martin Parish, Sheriff Book 2, p. 163, 1849/07/10; Conveyance Record I-D, p. 260, 1849/10/02; Tulane University, Citizens Bank Minute Book No. 6, 1849/06/20, 1849/07/07; Tulane University, M-1847, Citizens Bank Mortgage Book
Jul 1849	*Joseph Eysallenne* (P) Victor Delahoussaye (S) [Bayou Ceche]	Fernanda, Alfred, Dick, Thomas, Jim, Grace, Julie, Edouarde, Juliet, Patsy, Ophelia, Lilia, Marie, Maria, Dickson, Patsy, Sophie, Fransisque	St. Martin Parish, Sheriff Book 2, p. 163, 1849/07/10; Conveyance Book ID, p. 261, 1849/10/02; Tulane University, Citizens Bank Minute Book No. 6, 1849/07/07

St. Mary Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
May 1845 - Apr 1846	Robert Nicholas (P) Samuel Ogden and John Huger (S) [Cote Blanche]	Jacob, Little Mayor, Stephen, Little Jacob, Nelson, Edmond, Armisted, Monday, Big Harry, Washington, Peyton, John, Young Jon, Big Mayor, Bill, Peter, Fersh, Richmond, Eliza, Tammy, Charity, Caroline, Nelly, Violet, Diana, Tubby, Nancy, Harriett, Nicy, Milly, Lacy, Little Mary, Rhony, Sally, Minty, Saunders, Jefferson, Minerva, Dickson, Harry, Davy, Tom, Naney, Courtney, Eddy, Paully, Susanna, Jacob, Barley, Patrick, Coleman, Frederick, Minerva, Cintly, Molly, Penina, Abraham, Buster, Leah, Vina, Solomon, Joe, Calvin, Martha, Amy, Jane, Edmond, Modilla, Alexander, Handy, Little Tim, Charles, Sorberton, Sophia, Lindy, Elizabeth, Albert, Minerva, Jack, Cerias, Betsy, Thomas, Casey, Tomy, Lewis, Marthon, Rindey, Emily, Artemis, Patrick, Becky, Louisa, Margaret, Sam, George, Peggy, Harold, Willy, Mamah, Jackson, Spencer, Charlotte, Lorean, unnamed individual, Harnby, Robinson, Hisam, Virginia Richmond	Tulane University, Citizens Bank Minute Book No. 5, 1845/05/05 and 1846/04/16; St. Mary Parish Records, Conveyance Book F, p. 401, 1845/08/03; Mortgage Book 12, p 89, 1845/07/24; NOPL, New Orleans Deed Book, 1845/08/08
Jul 1845	R. C. Nicholas (P)		Tulane University, Citizens Bank Minute Book No. 5, 1845/07/31

St. Tammany Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Apr 1849	M. G. Penn (P) [Palestine Plantation]	9 unnamed individuals	Tulane University, M-1847, Citizens Bank Mortgage Book and Citizens Bank Minute Book No. 6, 1849/04/19

Washington Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Jun 1847	G. Penn (P)	unnamed individuals	Tulane University, Citizens Bank Minute Book No. 6, 1847/06/15

New Orleans Canal & Banking Company

Ascension Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
1845	William C. Randall (S)	Reuben	Ascension Parish, Book 19, p. 401, c 1845
Oct 1845 - Nov 1845	David Randall (P) Christopher Ford (S) [left bank of Bayou Lafourche]	Jack, Matthew, Henry, Randall, Gus, Jack, Richard, Brown, Squire, Elijah, Caesar, Charles, MaryAnn, Virginia, Hannah, Julie, Aime; Martha and her two children Letitia and Ralf; Sarah and her three children Reubin, Louisa, and Henry; Mary, Suzane, Aglace, Carol, and William	Ascension Parish, Conveyance Book 19, p. 379, 1845/10/28, p. 387, 1845/11/13, and p. 401, 1845/11/024

Avoyelles Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Dec 1846	Edmond Briggs (P) James Satterfield (S)	Hanah and her child Hester; Susan, Henrietta	Avoyelles Parish, Conveyance Book T, p. 32, 1846/12/23

East Feliciana Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Jan 1849	Mary Bostwick (P)	Cattie	NOPL, East Feliciana Conveyance Book L, p. 366, 1849/01/06

Jefferson Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source

Dec 1831	Eleonore M. MacCarty (P) [left bank of Mississippi River]	*Narcisse*, Adonis, Alexander, Creole, *Amedee*, *Asenor*, Alexander, Aisseu, Anthony, Bernard, Bison, Biard, Brutus, *Bonjeau*, Battist, Big Billy, Little Billy, Billy, Cesar, *Charles*, Charles, Daniel, Erasti, Etienne, *Evariste*, Edmund, Francois, George, Hector, Honore, Honore, Henry, *Jacinthe*, *Jacques Jardinier*, Jean Baptiste, Jeffrey, Joseph, John, John, Jean, Jerry, Joshua, Jeffrey, Leon, *Ludon*, Louis Ficher, Louis Ketto, Marcellus, Michel, Michael, Oresti, *Orsher*, Pair, Pierre, *Pierre Congo*, *Pacide*, Pompey, Puyo, Philimon, Paul, Solimon, Sanbo, Stephen, Stephney, Tisi, Mulatto Tom, Turner, Tine Tanba, Little Tom, Victor, Little Victor, Washington, Rosimond, Garlin Blacksmith, Bensiur, Jim, Simon, Felix, Anlaid, Athimide, Arseisne, Charlotte, Christian, Constance, Poumonne, Rose, Sarah, Sophie, Venus Congo, Venus Banbarra, Virginia, Victoire, Clarissa, Labelle, Sarah, Eliza, Marie Brine, Nelly, Edward, Vincent, Alexis, Figaro, La, Jerry, Antoinette, Helen, Arsuli, Celestina, Desiree, Dylarouie, Dalmyre, Marie Noel, Arsisne, Virginia, Marie Daluph, Jacques Cap, Little Jacques, Cleopatra, Charlotte, Charity, Dalphne, Flora, Big Maria, Maria Trusty, Little Maria, Maria Congo, Marie Francoise, Marianne, Mina; Pouponne and her child Celest; Pelagis	NOPL, East Feliciana Conveyance Book L, p. 366, 1831/12/19; Louisiana State Archives, Jefferson Parish Mortgage Book 2, p. 387, 1832/1/10

Natchitoches Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
May 1834	Michael Boyce (P)	Reuben, Hamish, Peter, Lewis, Jesse, Archy, Anthony, Patrick, Prince, *Larrisa* and her son Martin, unnamed boy, Mary	Natchitoches Parish, Book 18, p. 296, 1834/05/05

Orleans Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Nov 1838	Martial Dupierris (P)	Billy Christian	Orleans Parish, Conveyance Book 23, p. 692, 1838/11/12
Jun 1839	J. L. Bogert (P)	Bill	Orleans Parish, Conveyance Book 26, p. 410, 1839/06/25
Feb 1844	Benjamin Davis (P)	Zachariah, *illegible*, Frank, John	Orleans Parish, Conveyance Book 35, p 93, 1844/02/24

Feb 1844	Mark Davis (P)	John, Albert, Issac, Peter, Aaron, Nelson	Orleans Parish, Conveyance Book 36, p. 97, 1844/02/24
Dec 1847	John Currin (P)	Andrew, Quinn	Orleans Parish, Conveyance Book 43, p. 275, 1847/12/28
Apr 1850	James Gilmer (S)	Terry, James	Orleans Parish, Conveyance Book 49, p. 442, 1850/04/09
Apr 1850	*John Hoey* (S)	Hubbard	Orleans Parish, Conveyance Book 50, p. 437, 1850/04/09
Sep 1850	Mrs. Laure Wilkinson (S)	Susan	Orleans Parish, Conveyance Book 53, p. 127, 1850/09/20
May 1851	Manuel Blasco (S)	Priscilla and her daughter Mary Rose	Orleans Parish, Conveyance Book 29, p. 342, 1841/05/29

West Feliciana Parish

Date	Previous/Subsequent Owners [Plantation Location]	Information on Individuals	Source
Sep 1843	John Holmes (P and S) [Bayou Sarah]	Albert, Edmond, Wilson, Robin, Harriet	NOPL, West Feliciana Conveyance Book H, p. 452, 1843/09/02, and p. 461, 1843/09/02
Sep 1843	A. Dunbar (P)	Harry, Baptiste, Albert, Harry, Lowry, Randall, John, Jane; Mariah and her three children Baptiste, Albert, and Edward	NOPL, West Feliciana conveyance Book H, p. 455, 1843/09/02
Apr 1845 - Dec 1845	Guillaume Ramon (P) W. H. Barrow (S) [Rio River]	Hampton Stokes, Carter Hampton, Bill O'Conner, Ned Carter, Sam O'Conner, Giles, Joshua, Aaron, Roden, Eddward Long, Peter, Overton, Ben, Walter, Bill, Nat, Solomon, Booker; Adeline and her child Dan; Lot, Joe, Joshua, Island Ben, Harry, Sophia, Kathy, Biddy; Stella and her child Rumsey; Nancy, Annette and her child Eveline; Rachael, Ellen, Lettie, Dorcas and her child Rachael, Jane, Sally, Carey, Patty, Becky; Harriett and her child Elizabeth; Lucy, Susan	NOPL, West Feliciana Conveyance Book I, p. 168, 1845/12/20; West Feliciana Parish, Mortgage Book N, p. 225, 1845/04/09
Mar 1849	Uriah B. and Edward Phillips (S)	Catherine	West Feliciana, Conveyance Book I, p. 559, 1849/03/21
Nov 1849	S. H. Lurty (S)	Lucinda, Harriet, Ann Marie, Isobel, and unnamed infant	NOPL, West Feliciana Conveyance Book I, p. 620, 1849/11/15
Nov 1849	P. Lebret (S)	John	NOPL, West Feliciana Conveyance Book I, p.622, 1849/11/15

ATTACHMENT 3
TO
ATTACHMENT C
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE & CO.
(as an Entity Holding an Interest in an Applicant)

ENSLAVED INDIVIDUALS MORTGAGED TO
CITIZENS BANK OF LOUISIANA,
NEW ORLEANS CANAL & BANKING COMPANY AND
LEXINGTON BRANCH OF THE SECOND BANK OF KENTUCKY

Attachment 3

The following list identifies cases where enslaved individuals were pledged to Citizens Bank of Louisiana, the New Orleans Canal Bank, or the Bank of Kentucky (Lexington Branch) as collateral for mortgages or loans from 1831 to 1865.[1] The information is drawn from three sources. The first is a collection of Citizens Bank minute books and papers held at Tulane University. The second consists of conveyance and mortgage records held at local parishes throughout Louisiana. The final source consists of conveyance records held at the Fayette County Courthouse in Lexington, Kentucky.

The list includes every reference to Citizens Bank, Canal Bank, or Bank of Kentucky (Lexington Branch) customers who secured loans or mortgages with enslaved individuals. The list is arranged alphabetically by parish or county and thereafter by owner. Each entry also includes information on the property and individual names included in the records. Names in italics reflect places where the documents were difficult to decipher because of the handwriting or because the documents have faded over time. The final column identifies the source for the information.

Many loans or mortgages were recorded more than once, including when borrowers died and plantations were sold or passed to others by will or other conveyance, or when loans were changed and had to be re-recorded. The existing records do not always provide enough information to identify when this occurred. Thus, related transactions may appear in separate entries listed under separate individuals. Complicating matters, there was no standardized spelling for many names in the source materials, and no standardized descriptions for many of the properties involved. Duplicate entries were avoided wherever possible, but where there was doubt, multiple entries were provided. Accordingly, some enslaved individuals listed may appear in several different entries.

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[1] This list was prepared by History Associates Incorporated at the direction of JPMorgan Chase & Co.

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Citizens Bank of Louisiana

General References

Owner	Mortgaged Collateral	Dates	Source
Allard, R.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/07
Allard, S.	the following individuals: Judy; Emmanuel; Peter	1838-1845	Tulane University, Citizens Bank Minute Book No. 2: 1838/06/21; Minute Book No. 5: 1845/08/30
Andry, H.	unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 5: 1843/02/08
Andry, Mrs. Joe	land; brickyard; and 47 unnamed individuals	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/11/20
Andry, M. and H.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/07
Avant, F. R.	unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/12/22
Bailey, Littleton	plantation and unnamed individuals	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/05/02
Bergron, W.	property and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/06/11
Bienvenu, Neuville	Hanisthe; Eliza; Eloise; Sophie; Ansin; Hugner; Robert; Alfred; William; Pleasance	1847	Tulane University, Citizens Bank Minute Book No. 6: 1847/03/25
Bouny, Widow	bakery and unnamed individuals	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/06/05
Bouny, William	Minerva and Mathilda	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/06/17
Briny, Mrs. W.	Phebe and Milie	1846	Tulane University, Citizens Bank Minute Book No. 6: 1846/12/30
Buisseau, M. Auville	21 unnamed individuals	1839	Tulane University, Citizens Bank Minute Book No. 3: 1839/10/03
Bujai, J.	land and 22 unnamed individuals.	1850	Tulane University, Citizens Bank Minute Book No. 6: 1850/10/22

Owner	Mortgaged Collateral	Dates	Source
Calfion, P. H.	unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/11/12
Caulfield, William & William Noble	5 unnamed individuals	1852	Tulane University, Citizens Bank Minute Book No. 7: 1852/01/13
Chambord & Salarin	land and unnamed individuals.	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/06/03
Charbonnet, Jacques	plantation and 20 unnamed individuals	1838 - 1847	Tulane University, Citizens Bank Minute Book No. 2: 1838/08/06; Citizens Bank Minute Book No. 6: 1847/10/19; 1847/10/12
Churbanit	6 unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/02/12
Cole, Mrs. Ann C.	plantation and 11 unnamed individuals	1856	Tulane University, Citizens Bank Minute Book No. 7: 1856/02/19
Curely, Mrs. Sarah	unnamed individuals	1840	Tulane University, Citizens Bank Minute Book No. 3: 1840/04/09
Darly, L.Mars and LeMar Durly	2 unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/05/05
Daupan, J. P.	plantation and unnamed individuals.	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/05/24
Davenport, B. G.	plantation and 23 individuals; including the following: Ryley; Willis; Hannah; Big Henry; Lewis; Ann	1844-1845	Tulane University, Citizens Bank Minute Book No. 5: 1844/07/08, 1845/01/30
de Armas, C. G.	2 unnamed individuals	1844	Tulane University, Citizens Bank Minute Book No. 5: 1844/05/22
Deslondy, J.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No 1: 1834/09/22
DeHabicourt, Mrs.	*Jonus*	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/09/03
Doyal, Henry	Champion; Bathilde; Squire	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/06/24
Drt'orpun G.; William Arnough Amossly	plantation and unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/12/11
DuBuchits, W. & A. Burwin Browning	unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/02/19

Owner	Mortgaged Collateral	Dates	Source
Dufollut, J. S.	property and the following individual: *Guitilly Road*	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/05/09
Dugue, F.	land and six unnamed individuals	1846	Tulane University, Citizens Bank Minute Book No. 5: 846/02/13, 1846/03/06
Dulafat, Joseph	Baptiste; Dudley Washington	1847	Tulane University, Citizens Bank Minute Book No. 6· 1847/04/08
Durand, John	land and the following individuals: Tempe; William and Mil and 6 other unnamed individuals	1850	Tulane University, Citizens Bank Minute Book No. 6: 1850/07/08
Durond, E. D.	plantation and 6 unnamed individuals	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/04/11
Faber, Albert	Kidose; Jacques; Theodore; Cecila; Milby; Augustine	1850	Tulane University, Citizens Bank Minute Book No. 6: 1850/10/15
Farrar, C. C.	12 unnamed individuals	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/08/30
Forbes, Joseph	2 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/12/22
Forstall, Edward J. and Placide	Grande Terre plantation and 53 unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 5: 1843/08/03
Fortier, Edward	plantation and 100 unnamed individuals.	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/04/04
Fortin, Charles	land and unnamed individuals	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/05/13
Fortin, O.	unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 5: 1843/02/07
Frexet brothers	land and unnamed individuals	1847	Tulane University, Citizens Bank Minute Book No. 6: 1847/12/28
Gabaruche, John	plantation and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/10/22
Garniers, F.	land and 15 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/04/22
Goza & Griffin	Henry; Anderson; Thomas Henry; Charles; James; Lewis Smith; Joe; Henry Richmond; Charles Smith; Phil; Eliza; Madison; Mary; Isaac; Hager; and Sandy	n.d.	Citizens Bank of Louisiana Papers, 1834-1914, Foldier 5, n.d.

Owner	Mortgaged Collateral	Dates	Source
Harper, John F. and Elliott, C. W.	Adam; Ben; Buck; Cleggett; George; Guss; Henry; Isaiah; July; Jacob; John; Joshua; Jim; Randolph; Peter; Theodore; West; Joe Smith; Bill Brown; Sam; Isaac; Jeffrey; Ellis; Calvin; Lewis; Sam; Edmond; Speede; Lewis; Bob; Andrew; Nathan; Dave; Sandy; Airey; Adline; Bell; Betsy; Charity; Cynthia; Charlotte; Cilia; Eliza Green; Ellen; Frances; Frances; Henney; Josephine; Mary; Mary Brown; Malinda; Margarett; Martha; illegible; Louisa; Liz; Nancy; Sopha; Silla; Susan; Sally; Milly; Sarah; Wrina; Patsy; Nancy; Toby; Levenia; Rebecca; Jinny; Anna; Diana; Rosette; Tempe; Edward; Low; Joe; Jane; Wash; Davis; Moses; Charles; Letty; Ike Edmond; Taylor; William; Lucy; Celia		Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Foldier 5
Heriandy, Jacques	10 unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/12/16
Hilles, J. H.	*Orangeland plantation; New Hisia plantation at Bayou Luke;* and 52 unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/12/05
Hughes, D.	plantation and unnamed individuals	1849	Tulane University, Citizens Bank Minute Book No. 6: 1849/11/07
Huie, Joshua	16 unnamed individuals	1849-1850	Tulane University, Citizens Bank Minute Book No. 6: 1849/02/13,1850/02/19
Johnson, Sty.	plantation and unnamed individuals	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/05/24
Jordan, B.	unnamed individual and Marguerite	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/02/12
Keyes & Roberts	plantation and unnamed individuals	1840	Tulane University, Citizens Bank Minute Book No. 3: 1840/07/02
Kittridge & Knox	19 unnamed individuals	1844	Tulane University, Citizens Bank Minute Book No. 5: 1844/07/08
Landreaux, Honoré	Dorcas and her four children Celia, Moses, Martha and Judah; Ned; George; Terry; Little Archy; Sidney; Davy and his wife Lucinda; Henry; Epps; Joe; Harry; Nathan; Daniel; Ben; Jacob; Dolly; Johanna	1847	Tulane University, Citizens Bank Minute Book No. 6: 1847/02/18
Lapin, P.M.B.	plantation and 35 unnamed individuals	1856	Tulane University, Citizens Bank Minute Book No. 7: 1856/02/15
Le Breton, B. S. M. and Louis	land and 9 unnamed individuals.	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/11/13
Marim	6 unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/02/12

Owner	Mortgaged Collateral	Dates	Source
Martin, K. C.	Rhodu and unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/03/29
Nicaud, Michel	Stephen; Henry Guerin; Robert; Samite; Becky; Maria; Suzanne; Eliza; Hanna; Julia; Isabelle; Mary; Congo; Moses; *Ganl*; Ganett; John Minor; Ferdinand; Sam; Daniel; Denis; Manuel; David; Roll; Jerry Ridan	1845	Tulane University, Citizens Bank Minute Book No. 2: 1838/09/06, 1838/11/08; Citizens Bank Minute Book No. 5: 1845/10/24
O'Deshigy, Mr.	property and 60 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/06/29
Parker, A.	property and 2 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/12/24
Paruit, Charles	plantation and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/03/14
Peyroux, Aime	Jaik and Marguerite	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/07/31
Pim, W. M.	the following individuals: Nelson; Philip; Sylvester; Sally and her two unnamed two children	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/11/29, 1842/04/04
Poincy, D.	Petre; Caroline	1844	Tulane University, Citizens Bank Minute Book No. 1844/07/30
Pontchartrain Rail Road Company	land and 28 unnamed individuals	1843 -1846	Tulane University, Citizens Bank Minute Book No. 5: 1843/02/01, 1843/02/04, 1846/03/26
Poupono, Fifi	land and individual named Marianne	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/03/27
Reggio, Mrs. Augustin	Arthemise; Marie; Clarisse; Martha Hampton; Mary Dorsey; Rosalie	1849	Tulane University, Citizens Bank Minute Book No. 6: 1849/02/13
Riggio, Adolphi, Charles and Eusebe	plantation and unnamed individuals	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/05/01
Ring, N. D.	plantation and 150 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/05/27
Robert and Allard	3 unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/06/09
Sandos, L. P.	Costalina.	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/01/02
Sandrian, P.	plantation and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/10/22

Owner	Mortgaged Collateral	Dates	Source
Smith, Rev. Ian	two plantations and unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/05/19, 1842/08/11
Soniat, E.	two plantations at Little Bayou Sara and 117 unnamed individuals	1852	Tulane University, Citizens Bank Minute Book No. 7: 1852/01/27
Soniat, Joseph	unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 5: 1843/05/17
Story, C.H. G.	20 unnamed individuals	1852	Tulane University, Citizens Bank Minute Book No. 7: 1852/03/23
Sumir, V.	plantation and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/07/19
Sundurnn, Arvlin	plantation and unnamed individuals	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/05/27
Sundurnn, J. W.	plantation and unnamed individuals	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/05/27
Sundurnn, P	plantation and unnamed individuals	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/05/27
Supin, P. M.	plantation and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/02/12
Supris, Mr.	two plantations and 121 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/04/26
Suttel, Henry	plantation and unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/06/27
Suvilan, G. S.	plantation and 16 unnamed individuals at Sicily Island on Bayou Fluron	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/07/15
Thomas, J. R.	plantation and unnamed individuals	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/01/18, 1845/03/27
Todd, John	plantation and unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/05/16
Trémé, Benoit	land and 7 unnamed individuals	1849	Tulane University, Citizens Bank Minute Book No. 6: 1849/06/20
Turing, William and Charles Strong	plantation and unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/11/29

Owner	Mortgaged Collateral	Dates	Source
Vaigar, Honore	9 unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 5: 1842/12/16
Villard, D.	6 unnamed individuals	1846	Tulane University, Citizens Bank Minute Book No. 5: 1846/03/06
Virret, C.	Charles and David	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/08/10
White & Hughes; L. Barly	plantation and unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/12/11
Whitney, B.	3 unnamed individuals	1847	Tulane University, Citizens Bank Minute Book No. 6: 1847/05/13
Unknown	the following individuals: Leven; Lydia; John; Bob; Bili; Henry; Stephen; Tabby; Fanny; Perry; Clarissa; Isaac; Tom; Philes; Tener; Betsy; Alek; Eddy; Isaac; Moses; Susan; Lavinia; May; Artemis; Rose; April; Martha; Nancy; Adam; Jack; John; Melinda; Henry; Andrew; Letty	1835	
Unknown	William; Azor; Ben; Jim; Cuffy; Isaac; Mary and child; Emily; Fanny; White Allen; Rachel; Abraham; Xavier; Bax; Black Allen; Cornelius; Henry; Maria and her child; Black Fanny; Sally; Matilda; Lymer; Louise; Victor	nd.	Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Foldier 5

Ascension Parish

Blanchard, Joseph	land and the following individuals: Jaquez; Adam; Julien; *Jacobe*; Stepehn; *Marc*; Ned; James; Blaise; George; Charles; David; John; Brown; Benjamin; *Nicotess*; *Henrietta*; Bitsy; Lea; Jane; Sally; *Domitille*; Alexandre; *Odille*	1838	Ascension Parish, Conveyance Book 14, p. 298, 1838/03/08

Owner	Mortgaged Collateral	Dates	Source
De Lizardi, Manuel Julien	Orange Grove sugar plantation and the following individuals: Isaac; Anthony; Cajah; John Sildard; Louis; John Hayes; Sam; Archy; William; George Lee; Nelson; William Bonaparte; Charles Bath; Henry Johnson; Frank; Bolla; Henry Page; Stephen; Pidmalea Denis; Pierre Louis Morris; Wilson; James; Jack; Dublin; Charles Martin; David; George Benton; Ned; Alfred; David; Peggs; Rod; Tammy; Sally; Nelly; Hilty; Elisa; Letty; Violette; Mary; Rolina; Marguerite; Finny; Elada; Marguerite; Sophie; Sophia Mary; Esther; Edouard; Colla; Caroline; Flora; Mathilda; Aaron; Pauline; Robert; Lucinda; Sally; Nancy; Henry; Isaac; David; Noel; Jolyaie; Isaac; John; Horace; Lindon; Henry; Boyer; Bruce; Sam; John; Henry; Kitty; Isabelle; Henriette; Charlotte; Nat; Louisa; Suzanne; Rachel; Moses; Sally; Charlotte	1844	Tulane University, Citizens Bank Minute Book No. 5: 1844/04/17; Ascension Parish, Mortgage Book 8, p. 115,1844/04/18
Duffel, Edward	plantation and the folloiwing individuals: Casimir; Charles; Elizabeth; Peter; Caleb; Baptiste; Petit Joe; Matt; Elsie; Henry; William; Joe; John; Sam; Nace; Ben; Frank; Tim; Auguste; Jean Louis; Jose; Andre; Evarist; Stephen; Colin; Terrence; Bond; Desieser; Lewis; Jack; Constance; Grand Leonard; Melanie; Sellah, her daughter Sylvie, and Sylvie's daughter Marie; Maria; Jenny; Fanchonnette; Amie; Sally and her son Baptiste; Suzette; Petit Leonaide and her five children Rose, Laurant, Tom, Lucia , and Elsie; Augustine; Louise and her son Edward; Marianne and her five children Elphonse, Augustine, Francis, Lucy, and Fortuna; Marguerite and her child Joe; Sarah; Geneviere; Mary	1834-1869	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/13; Citizens Bank Minute Book No. 2: 1837/05/27; Ascension Parish, Mortgage Book 11, p. 329,1859/06/22; Ascension Parish, Mortgage Book 12, p. 6, p. 582
Kenner, Duncan F. and George B.	Sinwood Plantation and the following individuals: Daniel; Phill; Jove; *Shannon*; Jim; Billy; Stephen; Tom; Branch; Jacob; *Lidge*; Jake; Bolla; Alice; Harry; Clark; Davy; Big Davy; John; Dick; Nick; Billy; Sampson; Coffee; Ned; Sandy; Jaques; *Nut*; Johnson Dan; Jerry; *Narapie*; *Cigar*; Jarrad; George; Clinton; *Levi*; *Johnny*; Bud; Robin; Sam; Tom Dugan; *Joisey*; Nancy; Clara; Violet; Nancy; Milly; Viniz; Patty; Lara; Rose; Kitty; Molly; Reb; Eliza; Fanny; Judy; Fanny; Betty; B. Bias; Peggy; Judey; Mary; Marie; Margaret; Lucy; Ethen; Julian; Bob; Dinah; Clarissa; Branch; Celeste; *Cigy*; *Nick*;Ned; Ben; Pilagee; *Sancho*; *Milly*; Laly; Bishop; Pigy; Major; Lewis; *Zachach*; *Lovauth*; Sam; Sally; Tom; *Casucire*; Ben; Phil; Sailor; William; Aby	1838-1845	Tulane University, Citizens Bank Minute Book No. 2: 1838/02/24; Ascension Parish, Mortgage Book 6, p. 452, 1838/03/29; Ascension Parish, Mortgage Book 9, p.141, c. 1845
Keyes, Elizabeth R.	land and the following individuals: Godfrey; Charles; Henry; William; Ben; Phenix; Washington; Henry Jones; Peter; Ambroise; Ben Thompson; Marion; Lizzy; Anna; Blaire; Williams; Len; Bazile; Henry *Ling*; Rachel; Cloe; Eliza; Maria	1839	Ascension Parish, Mortgage Book 7, p. 111, 1839/05/24

Owner	Mortgaged Collateral	Dates	Source
Landry, Amadeo	land and the following individuals: Pompe; Pierre; Sambo; Jo; Mathilda Mercedi; Constance and her children Hortense and Eugenie		Tulane University, Citizens Bank Minute Book No. 1: 1834/10/14; Ascension Parish, Mortgage Book 6, p. 214, 1835/12/26
Landry, Celeste	plantation on right bank of the Mississippi and the following individuals: Baptiste; Joe; Nat; Elsi; Henry; Raphael; Francis; William; Joe; Michael; Billy; Old Sam; Brother; John; Andrew; Bill; Frank; Nace; Young Sam; Ben; Frank; Jean; Auguste; *illegible*; Baralie; Constance; Melagie; *illegible*; Celler; Maria; Malina; Jenny; *illegible*; Can; Julie; Leonande; Aimee; Sally; Suzette; Laura; Augustine; Louise; Joan Louise; Susan; Jean Baptiste; Andre; Edward; Flora; Colin; Marianne; Julie; Mark; Helene; Johnson; Liza; Rose; Marguerite	1844	Ascension Parish, Mortgage Book 8, p 138, 1844/04
Landry, Trasimon and Modeste Brand	land and the following individuals: Pompey; Lubin; Sambo; Pierre; Constance; Hortense; Eugene; Betsey Mercredi; Bouchas; Solomon; George; Ben alias Benjamin; Glacede; Squire; Jean Pierre; Suzanne; David; Tom; Sam; Barnett; Henry; Betta; Paul; Celeste; Jacob Augustine; William alias Funis; Isaac; Wiliam (alias Samdi); Milliy; James; John alias PostNote; Dick ou Juin; Elvira; William; Isaac; Charles; Celestine; Fanny; Benjamin; Caroline alias Mai; Milly; John; Sally and her child George; Fanny and her child Rachel; Sandy; John; Matt; Philippe; William; Dick; Lucinda; Black Maria; Criole Maria; Charlotte; Jenny; Allen; James; John; Benjamin Bin; Milley; Benjamin; William; Stephen; Ben; George; Honore; Gabriel; Dumas; Philippe; Jim; Julien; Harry; Harry; Abraham; Jaques; Hector; Cofas; Magloire; Louis Christophe; Pierre; Ned; Louis; Trasimon Mardi; Dick; Charles; George Jour; Simon Lundi; Basil; Darby; Raquis; Henry Vendredi; John; Nat; Thaddeus; Peter Dimanche; Cambredge; Lank; John Javier; George Semaine; Auguste; Willus; Caulin; Alexis; Silvere; Valentin; Zenon; Cesar; Jacques Night; Sophie; Lucy; Rosalie; Estella; Manon; Fanny; Clemence; Marie; July; Agar; Cynthia; Sally; Elizabeth Betsy; Mathilda; Liah; Rosalie Novembre; Mary Ann; Marie; Jean Baptiste; Lindon; Louise; Celestin; Moguie; Séance; Juillet; Nancy; Alfred; Caroline; Audile; Aurore; Bill; Mars; Jane; Susanne; Charity; Jefferson Hope; Cueline	1838-1855	Tulane University, Citizens Bank Minute Book No. 1: 1835/04/20, 1836/05/30; Citizens Bank Minute Book No. 2: 1838/03/14, 1838/03/26, 1838/11/08, 1838/11/19; Citizens Bank Minute Book No. 5: 1843/01/28; Citizens Bank Minute Book No. 7: 1853/11/22, 1853/12/16, 1855/05/15 ; Ascension Parish, Mortgage Book 6, p. 211, 1835/12/24; Mortgage Book 7, p. 18, 1838/11/23

Owner	Mortgaged Collateral	Dates	Source
Landry, Trasimon and Modeste Brand	Wyatt plantation and the following individuals: Seville; Phil; Daniel; Ben; Peter; Richard; Abe; Aaron; Isaac; Christoph; Jenny; Fred; Martin; Mark; Moses; Campbell; Peter; Jack; Francois; Dick; Jacob; Mary; Caroline and her child Henry; Ginsey and her child *Ore*; Chloe; Nina; Nancy; Lucy; Sally and her child Frisly; Amanda; Ellen and her child Bob; Minerva; Henrietta; Sarah; Lucky; Leida; Jane; Mary Luke and her child Orange; Mariah; Mariah; Mariah; Sarah; Minerva; Peggy; Pallas; Ann; Winney; Sally; Martha and her children Mary and Jack; William; Sam; Fanny; Julien; Martin; Nelson; Pelagie; Marguerite; Draureir; Rosalie; Adile; Raphael; Elizabeth; Danielle; Charles; Tobias	1855	Tulane University, Citizens Bank Minute Book No. 7: 1855/05/15; Ascension Parish, Mortgage Book 10, p. 313, 1855/05/03
Landry, Trasimon Modeste Brand	Sugar plantation on left bank of the Mississippi and the following individuals: Nelson; Ezekial; Melville; Taylor and children Bob, Landon, and James; Nelson; Preston Stephenson; Pompey; Potters; Eliza; Loius; Blaize; *Macaire*; Joseph; Dick Bently; Harry Hill; Tom Logan; Nathan Bowman; John Biveans; Cyrus; Elick; Gabriel; St. Claire; Alcide; Balin; Joe Baton Rouge; Nancy; Suzanne; Lucy; Peggy; Josephine; Mary; Louis	1850	Ascension Parish, Mortgage Book 9, p. 332, 1850/04/26
LeBlanc, Pharion	land and the following individuals: Celestin; Benjamin; Guillamme; Rosamond; Edward; Antoine; Suzanne; Sophia; Elinor; Carmelita; *Emma*; *Nicocerine*	1838	Ascension Parish, Mortgage Book 6, p. 459, *1838/04/13*
Philippon, Henry	Orange Grove plantation and unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 5: 1843/02/05
St. Martin, Joseph	Land and the following individuals: Joseph; Bob; Isaac; Levy; Peter; Ackin; Sam; Colas; Augustin; Betsey Dumond; Charlotte; *Priscey*; Sally; Petite Sally; Betsy; *Lovicsy*; Eliza; George; Jean; Hattieu; Aguste; Lysette; Antoine; Laure; Betsey; Betsey Smith; Charlotte; William; Philippe; Mathilda	1833-1838	Ascension Parish, Mortgage Book 7, p. 512, 1833/06/08; Mortgage Book 6, p. 433, 1838/03

Assumption Parish

Albagnac, Marius; John Billsen and S. G. Philips	land and the following individuals: Bill; Peggy; *Barnalby*; *Madelaine*; Charity	1838-1852	Assumption Parish, Mortgage Book 1834-41, p. 134, 1838/01/18; Sheriff's Sale Book B, 1841-55, p. 178, 1844/08/03; Conveyance Record 17, p. 448,1853/02/02; Tulane University, Citizens Bank Minute Book No. 7: 1852/01/06
Barrilleaux, Francois	land and the following individuals: Henry; Jacques; Jean; *Michael*; James *Argitte*; Jim; *Dinah*; Jared; *Apoline*	1838	Assumption Parish, Mortgage Book 1834-1841, p. 147, 1838/02/05; Tulane University, Citizens Bank Minute Book No. 2: 1839/03/13

Owner	Mortgaged Collateral	Dates	Source
Barrow, Ruffin Robert	the following individuals: Thomas Spencer; Jack Kerry; Robert Will; Aaron; Pauline; Felix; Davis; Honorine; Paul	1846	Assumption Parish, Conveyance Book 11, p. 371, 1846/02/12
Belliam, John	plantation and 4 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bertaud Brothers	plantation and unnamed individuals	1854	Tulane University, Citizens Bank Minute Book No. 7: 1854/05/09
Bourgeois, Josephine	land and the following individuals: Fortin; Jim; Hortence; Lucien; *Guey*	1841	Assumption Parish, Conveyance Book 6, p. 173, 1841/03/17
Boyd, Julien and Robert Martin	land and the following individuals: Thomas; Abraham; Lydia; Pheebe; Big Phebee; Julie; George; Andre; Tom; Jacques	1838-1842	Assumption Parish, Mortgage Book 1834-41, p. 145, 1838/02/05; Mortgages vol. 10, p. 239, 1842/03/26
Bradford, D.	plantation and 7 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Charlet, Pierre and Estelle Landry	land and the following individuals: Daniel; Tom; Squire; Jean Baptiste; Rose; Celina; Eliza; Sophie; Marie; Pauline	1834	Assumption Parish, Mortgage Book 1831-1935, p. 217, 1834/09/08
Delano, Jean Baptiste	land and the following individuals: Edmond; Henry; Rose	1839	Assumption Parish, Mortgage Book 1834-1841, p. 229, 1839/01/22
Delavign, John; Harvey North and Clerville Himel	plantation on Bayou Laforuche and the following individuals: William; Jacob; Harrison; Betsy; Mai; Jacob; Arinda Clay and her unnamed child; Harry; Maria Jane; Auguste John; Wilson; Henry; Daniel; Anderson; Terence; Pitman; Charles; Tony; Robert; Reuben; Patsy; Aime; Louisa; Frank; Milton; Jerry; *Jessie*; Patsy; Jose; Fanny; Henry Smith; Joe *Wolsy*; Harris; Nelson Beasey; William Anderson; *Drury* Gordon; Eliza; Basil Pains	1848-1854	Tulane University, Citizens Bank Minute Book No. 6: 1848/05/23, 1848/12/27, 1851/05/20; Citizens Bank Minute Book No. 7: 1853/04/28, 1853/03/21, 1853/03/17, 1854/05/02; Assumption Parish, Mortgage Book 11B, p. 150, 1848/06/13; Mortgage Book 12A, p. 649, 1854/11/06
Feto, Amedee	land and 25 unnamed individuals	1856	Tulane University, Citizens Bank Minute Book No. 8: 1856/06/06
Foley, Arthur M.	land and the following individuals: William; Jerry; Henry; *illegible*; Polly; Amelie; *illegible; Rachel*; Oscar; Clay; *Leonre*; Lindor	1838	Assumption Parish, Mortgages 1834-1841, p. 138, 1838/08/10
Gauthereaux, Richard	plantation and the following individuals: Dick; Joe *Pomps*; Ben Davis; Jordan Bassett; Preston Turner; Harriet Turner; William; *Wyatt Hason*; Starling; Alick Dickinson; Silva	1847-1848	Tulane University, Citizens Bank Minute Book No. 6: 1847/01/07; Assumption Pansh, Mortgage Book 11B, p. 119, 1848/04/01; p. 122, 1848/04/08
Guillot, Jean Baptiste	land and the following individuals: Jean Louis; Jim; Peter; John; Helouise; Clementine; Gedeon	1838	Assumption Parish, Mortgage Book 1834-41, p. 157, 1838/02/09

Owner	Mortgaged Collateral	Dates	Source
Isourd, Antoine	land and the following individuals: Dick; Bob; Catherine; Marie; Lucie	1838	Assumption Parish, Mortgage Book 1834-41, p. 162, 1838/02/20
Jordan, Francois and Elodie Tete	plantation and the following individuals: Henry; Jacob; Abraham; George; Moses	1853	Assumption Parish, Mortgage Book 12, p. 413, 1853/04/26
Kittredge, Ebenezer E. and Martha	plantation and the following individuals: Jesse Harris; Aaron; Anthony; Frederick; Ned; Joe; Tom; Ben; John; Adam; Aleck; Charles; Charley; *Metit*; Elisha; Julianne; Julie; Lyn; Peggy; Patty; Betty; Flora; Laurette; Linney; Marcelite; Harriet; Fanny; Alva; Jenny; Ninny; Silva; Leanna; Daniel	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22; Assumption Parish, Mortgages 1831-1835, p. 238, 1834/10/10
Knox, Charles	land and the following individuals: Harry; Hanna; Oscar; Abby; Eliza; *Guay*; Hanna; Julia Ann; Sophia; King; William; Charles; Jeremiah; James; Joseph	1835	Assumption Parish, Mortgage Book 1834-41, p. 140, 1835/02/05
Lalande, Joseph and Augustine	plantation and the following individuals: Thomas; Mingo; Peter; Anthony; George; Ursule; Josephine; Betsy	1834	Assumption Parish, Mortgages 1831-1835, p. 227, 1834/09/24
Landreaux, Pierre and Ursin	land and the following individuals: Brister; Lamon; Lucien; Ned; Ben; July; Alexandre; Pompe; Charles; Yorick; Janvier; Joe; B. James; Celestine; Henry; Avril; B. Simon; Mingo; Andre; Toussaint; Lewis; B. Simon; Dick; Peter; John; Ralph; Gilbert; B. James; Davy; Rhody; Diana; Marguerite; B. Suzanna; Lydia; Mary Ann; Patsy; Euphrosine; Agga; Polly; Adelaide; Eliza; Celeste; Becky; L. Swan; B. Letty; Jenny; Lellany; Bellary; Sylvia; Catherine; L. Letty; William; Leandre; Tom; Cyrille; Jacob; Winny; Magdeleine; Jessey; Handfield; Carimir; Emile; Arthemise; Thomas; Pascal; Clemence; Kitty; Mars; Barile; Justine; Aime; Vanny; Susanne; Simon; Rosalie; William; Henriette; Auguste; Rody; Louis; Davis; Martiner; Celertin; Samon; Little Jim; Millien; Munck; Celeste; Polly; Maria; Dina; Big Mary; Little Mary; Big Suzanne; Lacy; James; Cebon; Nancy; Tepy; Body Little Amelie; Maxemillian; Josephine; Bazile; Handsel; Geno; Casener; Emilee; Auguste; Charlie; Bavin; Archie; Gibon; Taron	1834-1844	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22, Minute Book No. 2: 1838/12/06; Assumption Parish, Mortgage Book 1834-41, p. 28, 1835/11/24; p. 77, 1837/01/03; p. 106, 1837/06/01; Conveyance Book 22, p. 727, 1844/03/01
Landry, Joseph	the following individuals: Seveille; Clarisse	1837-1839	Assumption Parish, Mortgages 1835-1841, p. 177, 1837/05/10, p. 277, 1839/12/02
Landry, Mrs. Marguerite	land and the following individuals: Auguste; *Louis*; Lewis; Francois; Philippe; Leon; Etienne; *Tato*; Jacques; Antoine; Theodore; Celeste; *Phany*; *Pit*; Clarisse; Delphine	1835-1838	Tulane University, Citizens Bank Minute Book No. 1: 1835/05/11; Citizens Bank Minute Book No. 2: 1838/01/1; Assumption Parish, Mortgage Book 10, p. 239, 1837/08/10
Lesage, Pierre Martin and Robert Campbell	plantation and the following individuals: Thomas; Andre; Tom; Gacques; Abraham; Julia; Phebe; Phebe; Georges; and unnamed individuals	1837-1842	Assumption Parish, Mortgage Book 10, p. 239, 1837/08/10; Mortgage Book 10, p. 69, 1842/03/26

Owner	Mortgaged Collateral	Dates	Source
Marquette, Monteque	the following individual: Samuel	1836	Assumption Parish, Mortgage Book 1834-41, p. 68,1836/12/09
Martin, Joseph	land and the following individuals: Georges Lot; Joseph Monnot; William; Washington; Moses; Petit James; Newton; Sandy; Clementine; Rachel; Louise; Estelle; Joseph; Ben; Washely; Adam; John Cadieu; Tom White; Philip; Grand Tom; Augustine; James; Tucker; Salatin; Cain; Bellow; Lindor; Cajinir; Cesar; Emanuel; Meuttie; Jaiques; Prosper; Jean Lou; John Ameire; Sephuer; Sylvain; Celestin; Grosse Sulley; Petite Sulley; V. Betsy; S. Betsy; Melinda; Henriette; Grosse Rosette; Rosette; Betty; Charlotte; Lucy; Eliza; Susanne; Chetin; Celina; Nancy; Sarah; Petite Sarah; Elvira; Azelie; Sylvestre; Tom; Charlotte Poucette; Leon; Charles; Sophie; Marianne; Eugenie	1834-1844	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/29; Assumption Parish, Mortgage Book 1831-1835, p. 228,1834/11/16; p. 230,1834/11/17; p. 236, 1834/10/04; p. 237, 1834/10/04; Mortgage Book 10A, p. 320, 1844/06/22
Mollere, Raphael and Clarisse	land and the following individuals: *Coco*; Parisien; Caroline; *Euphrosine*	1838	Assumption Parish, Mortgage Book 1834-1841, p. 169, 1838/05/22
Monginot, Louis	land and the folllowing individuals: Ned; Ben; Cadio; Louis; Adam; Abraham; Henriette; unnamed individual	1838	Assumption Parish, Mortgage Book 1834-41, p. 178, 1838/04/30
Monnet, Charles	land and the following individuals: *Pithion*; Pierrot; Ursue; Nancy; *Aphroisine;* Victoire; Adeline; Justine; Thomas; *Leonide; Ursin;* Lucy	1838-1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/03/11, 1841/04/22; Assumption Parish, Mortgage Book 1834-41, p. 150, 1838/02/05
Phillips, George W. and Sarah Rhea	plantation and 15 unnamed individuals	1837	Assumption Parish, Mortgage 11B, p. 119, 1848/04/01
Phillips, W. P.	land and the following individuals: Bill Owen; *Isaac;* Gaston; Solomon; Dick; Joseph; Smith; Helina; Polly; Marie; unnamed individuals; Bud; *Kevin*; Milley; Mary; Tiny; Tom; *Eduard*; *Adelina*; Liz	1836-1837	Assumption Parish, Mortgage Book 1834-41, p. 117, 1837/08 ca.
Pichot, A. W.	land and unnamed individuals	1846	Tulane University, Citizens Bank Minute Book No. 5: 1846/01/29
Pugh, Thomas	land and the folllowing individuals: Charles; Jacob; Bob; Lewis; Isaac; Ned; Willis; Louis Brag; Dick; Rachel; Daphne; Peggy; Julia; Martha; Prudence; Violet; Maria; Mina; Sally; Patsy; Polly; Sampson; Neptune Reuben; Betsy	1838	Assumption Parish, Mortgage Book 1834-1841, p. 201, 1838/10/26
Pugh, William W.	the following individuals: Ben; Britler; Laray; Pompey; Randal; *Salera*; Penny; *Lesina*; Esther; Caroline; Martha; Antoinette	1836	Assumption Parish, Mortgage Book 1834-1841, p. 70, 1836/12/12; Tulane University, Citizens Bank Minute Book No. 1: 1836/06/15
Sewall, Mrs. Maria Laura	Appy; Eliza; Marguerite	1842	Assumption Parish, Conveyance Record 6, p. 307, 1842/03/04

Owner	Mortgaged Collateral	Dates	Source
Sparks, N.	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/04/20
Templet, Florentin	land and the following individuals: Jacob; Ned; Arthemise; Louise; *Silvany*; Constance; Ursule; *Azema*		Assumption Parish, Mortgage Book 1834-1841, p. 138,1838/01/30
Tete, Auguste	plantation and the following indivduals: James; Fulton; Phillip; Pridy; Francois; Robert; Baptiste; Marcilene; Anna ; Genevieve; Marie; Betsey; Jane; Milly; Sam; Jack; James; Solomon; Phillip; Polly; Jim Hazard; Julian; Jenny; Winsor Williams; Mary Ann *Greeves*; Maria; Babes; Sarah; Diana ; Ephraim; Edmond; Patrick; Henry; Moses; Carson; Jacob; Abraham; George; Honorine; Suzette; Affi; Moses; Anais; Henry Bett; Jim Newson; Elizabeth; Eveline; Alfred Myer; *Omson*	1843 - 1853	Tulane University, M-1847, Citizens Bank Mortgage Book, Citizens Bank Minute Book No. 7. 1853/03/31; Assumption Parish; Sheriff's Sale Book B, p. 428, 1835/04/08; p. 432, 1841/07/28; p. 435, 1843/09/18; Mortgage Book 10, p. 239, 1843/09/18; Mortgage Book 12, p. 414, 1853/04/26
Tete, Francois and Anne	plantation and the following indiv idividuals: William Carpenter; Henry; Jerry; Justin; Raphael; John; Jack; Lewis; Charles; Henry; Barber; Alfred; Agnes; Maria; Louisa; Adele; Henriette; Emiline; Mary; Ann; Elizabeth; Samantha; Melite; Octave; Eugene; Camilia	1856	Assumption Parish, Mortgages vol. 13, p. 224, 1856/06/12
Timmerville, C. T.	plantation and unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/03/23
Tournillon, Julien	land and the following individuals: Francois; George; Henry; Moulard; Hypolite; Thom; Boatswain; Joseph; John Brown; Cyrus; Ellick; Kitt; Hector; Little Cyrus; Alphonse; Will; Ned Blacksmith; Ebby Cooper; Altimore; Moise; Big Joe; Leonard; Maria; *Poza*; Aimmee; Phillis; Jenny; Delphine; Celestine; Celie; Priscilla; Charlotte; Madelaine; Nancy; Marie; Elsy; Betsy; Little Celie; Helene; Carmelite; Jean Baptiste; Adam; Henriette; Marie Jeane; William; Jean Pierre; Louis; Marinette; Caterine; Paul; Clarisse	1835	Tulane University, , Citizens Bank of Louisiana Papers, 1834-1914 Folder 1: 1835/02/01; Assumption Parish, Mortgage Book 10A, p. 355, 1835/01/08; Tulane University, Citizens Bank Minute Book No. 1: 1835/04/03
Tournillon, S. F.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22
Trowbridge, William; Pierre Bourg	land and the following individuals: Lucie; Rosalie and her two children Adam and Eve	1838-1853	Assumption Parish, Mortgage Book 1834-1841, p. 170, 1838/03/09; Tulane University, Citizens Banl Minute Book No. 7: 1853/05/26
Verret, Carville	the following individuals: Collin; Sam; Davis; Melinda; Caroline	1834-1836	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/20, 1836/03/17; Assumption Parish, Mortgage Book 1831-1835, p. 256, 1835/03/20

Owner	Mortgaged Collateral	Dates	Source
Wilson, James	plantation on Bayou Laforche and the following individuals: Joe; Mary; Elias; Rosanna; Huston; Heriet Johnson; William Byersters; Alfred Vass; Nat	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/01/07,1851/03/26; Assumption Parish, Mortgage Book 12, p. 69, 1851/04/28, 1851/03/28

Avoyelles Parish

Griffin, William	plantation and unnamed individuals	1858	Tulane University, Citizens Bank Minute Book No. 8: 1858/05/24
Grimball, Robert A.	land and the following individuals: John; Jack; Charles; Daniel; Kelly; Lewis; Writ; David; Alfred; Franke; Peggy; Judy; Maria; Sarah; Jinny; Caroline; Amanda; Mary; Lena; Randon; Bill; Hannah; Julia; Betsy	1849	Avoyelles Parish, Conveyance Book U, p. 428, 1849/08/02
Keary, A. M.	the following individuals: Henry; Patrick; HH; Mary and her child Lorenzo; Tommy; Isaac; Allen; Solomon; Joe; Al; William; Andrew; Tom Carpenter; Sam; Frank; Jim; Palmer; Frank; Tom; Joe; Joe Bradford; Dan Masslink; Jason; Sam Eug.; Amanda; Ephram; Lucy; Nelly; Addy; Mintz; Francis; Betsy; Sarah; Magret; Catherine; Nancy; Ellen; Louisa; Nancy; Julia; Georgia; Peter; Judy; Lucy Garrett; Mathilda; Charlotte; Sarah Jane; Lea; Martha; Celeste Bradford; Eliza; Mahala; Mary Ann Bradford; Nancy; Jack; Dennis; Charlotte; Harriet; Margeret; Jenny; Katy; *illegible*; Noah; Betsy King; Sarah; *illegible*; Lolo Cooper; Lucy Bradford; Lucy Ned; Caroline; Martha; George Wallis; Fort; Hugh; Dick; Jack; Frisby; Ju; Lye; Jessy; Bryant; Stephen; Paul; Henry; George; Martin; Calvia; Robert; Maddison; Richmond; Jim Bradford; Charles; Jim W; Martha; Letty; Malinda; Eric; Celeste; Patsy; Matilda; Mary Spoff; Fanny; Amelia; Susan; Augusta; Louisa; Bradly; Mary Willis; Aggy; Peggy; Betsy Marshall and her child; Milly; Easter; Rody; Isaac; Mary Davinport; Anna; Cindy; Amy; Bella; Amy Little; Ben; Toby; Lucinda	1850	Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 3, 1850/04/15
Moore, John	land and the following individuals: George; George; Sam; Nancy; Rose and her three children Bob, Caroline, and Mary Ann; Therisa	1838	Avoyelles Parish, Conveyance Book N, p. 175, 1838/03/20, St. Landry Parish, Conveyance Book IJ-1, p. 207, 1838/04/09

Bienville Parish

Ambrose, James	the following individuals: Rina and her son Jefferson	1849	Bienville Parish, Mortgage Book 1849-1855, p. 3, 1849/08/08

Owner	Mortgaged Collateral	Dates	Source
Bissell and Schlater	plantation and 56 unnamed individuals	1853	Tulane University, Citizens Bank Minute Book No. 7: 1853/02/24

Caldwell Parish

Hyams, Henry M.	*Esserance* Plantation and the following individuals: Charles; Sarah; Catherine; Mary Ann; Little Charles; Sancho; Lucy; Moses; Marion; Toby; Bitsy; Clarissa; Phillis; Little Sancho; Richard.; Gabriel; *Nab*; Anne; Isaac; *Lorenzo*; Abram; Amanda; Llyod; Eliza.; Elsey; Old Grace; *D Williams*; Jefferson; Elizabeth; unnamed infant; Fanny; Minerva; Jessie; Suckey; Edward; Jacob; *Harry*; unnamed infant; Alfred; Jenny; Little Jesse; Nelly; *Dovoght*; Clarisa; Cynthia; *Golden*; Louisa; Franklin; Magaret; Celia; *Mahala*; Maria; Rivers; Randall; *Trissy*; Manuel; Maria; Betty; Thomas; Harriet; Essex; Elvira; Martin; Little Bill; Edwin; Sam Wallace	1858	Caldwell Parish, Mortgage Book C, 1858/04/26;Tulane University, Citizens Bank Minute Book No. 8: 1857/10/05

Claiborne Parish

Ambrose, James	farm and 2 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bassett, R.	land and 4 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book

Concordia Parish

James, illegible and John Norment	plantation and 12 unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/03/10

Owner	Mortgaged Collateral	Dates	Source
Lapice, Peter M. and Joseph	plantation and the following individuals: Allain; *Cumbacy*; Sophy; Anderson; John; Soloman; Charlotte; Robert; Kitty; *Pin Barkell*; *Jenia*; Maria; Carlotta; Arthur; Marie; *Daniel*; Jim; Malvina; Wyat; Betsy Thompson; Ellen; George; *Dania*; Zelia; Zick; Big Zack; Dianah; Big Leny; Marie Keating; Keating; George; *Kentucky Bum*; Leticia; Billy Barrett; Rachel; Reuben; Ellick; Mathilda; Henderson; Jim Darcus; Judy; William; Phobe; William; Milly; Walter; Leny; Eliza Scott; Nancy; Sarah; Henry; Mathilda; Juis; Louisa Harding; Othello; Old Sandy; Harriett; Big Sandy; Peter; Dick; Patrick; Caroline; Richardson; Willia; Isaac; Robin; Dally; Hannah; Onia; Aaron; Old London; Anna; Jim Rivers; Cesar Bosman	1839	Concordia Parish, Mortagage Book J-K, p. 222, 1839/03/25
Lapice, Peter M.	plantation and the following individuals: David; Big Tom; Big Peter; Lewis; Bob; Black Tom; Richmond; William; John Boots; Morgan; Roberts; York; Black Gin; Jordan; Big Joe; Little Joe; Long Joe; Jack Nelson; Anthony; Homochito; Dick; Joe; Little Tom; Levy; Gin Patt; Old George; Henry Chapman; John Page; Little Peter; Leonard; Leonard; Phil; Horace; Big Ned; Linian; Willis; Big Gen; Moses; Nathan; Little George; Big Peter; Old Ben; Washington; Henry; Anthony; Wiliam; Sophia; Little Eliza; Little Betsy; Dorcas; Minerva; Lucy; Little Cornelia; Yellow Betsy; Bathsheba; Long Dorcas; Big Peggy; Little Peggy; Betsy; Mary; Nelly; Little Else; Luckey; Kitty; Harriett; Old Else; Diana; Suzan; Nina; Kitty; Ann Beckey; Beckey; Melly; Ann; Henny; Little Anna; Old LIsha; Melly; Pegay; Hannah; Ann; Caroline; Maria; Maria Betsey; Paga; Sarah; Vina; Stephen; Gim; Jackson; George; Nathan; Henry; Little Stephen; Ned; Tom; Yellow Dick; Pleasant; Aaron; Moses; Lewis; Little Isaac; Moses; Andrew; Bill; Randall; Edmond; Bob; Violette; Hetty; Henny; Venus; Liza; Liza Morris; Linia; Pegay; Juliana; Delila; Polly; Cynthei Cinthy; Sophy; *Vina*; Isabelle; Francis; Mary; Maria; Emeline; Emily; Rosana; Mary Jane; Little Amy;	1841	Concordia Parish, Mortgage Book L, p. 207, 1841/05/14

Owner	Mortgaged Collateral	Dates	Source
Little, Peter	plantation and the following individuals: Ambrose; Dabney; Tobe; John Winston; Lewis; Frank; Eliza; Lucy; Ailsey; Maria; Cloe; Ann; Gabe; Richard and his wife Harriet; Albert; Thomas; Cynthia; Charlez. Abraham, his wife Eliza, and her children Denis and Fortrim; Thomas and his wife Cynthia; John Vincent and his wife Ginnia; William and his wife Charlotte; her child William; Frank; his wife Cloe; and their five children Celiste; Elizabeth; Esther; Richard; Alexander; John Davis; Nelly and her three children Eliza, Daina, and Sophia; Ben; Laura; Bob; Ese; Peter; Abby; Canda; Dabney, his wife Ann, and her unnamed infant; Burrill, his wife Harriet, and her four children William, *Harrena,* Randall, Emeline, and Alfred; Emanuel; George Miley; Wiley; John; Hanson; Henry; Milton; Rose; Hetta; Louisa; May	1838-1859	Tulane University, Citizens Bank Minute Book No. 6: 1847/01/11; Concordia Parish, Mortgage Book J-K, p. 39, 1838/02/05; Mortgage Book J-K, p. 118, 1838/07/13, Mortgage Book M, p. 282, 1848/06/19; Mortgage Book N, 1859/03/18
Miller, David P.	plantation and the following individuals: Sem; Phil; George; Nick; Hyatt; Gui; Henry; Lewis; Moses; Edmund; Jane; Sarah; America; Angeline; Mary; Ellen; Polly; Adeline; Julia; Henry	1838	Concordia Parish, Mortgage Book J-K, p. 37, 1838/02/05; Mortgage Book J-K, p. 53, 1838/02/22
Routh, Stephen M.	plantation and the following individuals: Amos; Sam; Jim; John N.; Mosez Mazea; Wesley; George S.; George Bazea; Harry B.; Sam B.; Nick; Hezekiah; Moses B.; Isaac;York; Bill Brown; John S.; Harry; Wilson; David; Henry C.; Perry; *Oarrett*; Peter; Henry S.; Richard; Stephen Boots; Julius; Ralph Bird; Ralph; Gilbert; Robert; Jim Taylor; Stephen Taylor; Catherine; Agniz; Violet; Elizabeth; Betty; Betsy; Betsey McKil; Mary Scott; *Airy*; Charlotte; *Feriby*; Ann; Lear; *Alviyra*; Fanny; Fanny B.; Lucy; Lilly; Rachel; Agnis; Eliza; Susan; Matilda; Mary; Lucy; Elvira; Mary; Henry; Canadis; Hannah; Maria; Harriet; Cynthia Ann	1838	Concordia Parish, Mortgage Book J-K, p. 463, 1838/05/06
Williams, Austin	plantation and the following individuals: Phil; Peggy; John; Fanny; Hannah; Sarah; Henry; Lavinia; Nelly; Lane; Manuel; William; May Johnson; Daniel; Dick; Cynthia; Virginia; Stephen; Julia; Ned; Julian; Caleb; Harriet; Letty; Nathan; Leah; Amanda; Hannah Jane; Martin; Big Maria; Susan; Mason; Maria Feany; Divee; Emmeline; Pleasant; Mary; Isaac; Frank; Frank; Emily; Marey Jones; Nancy; Tipporah; George; Catherine; George; Eliza; Fanny; Yellow Caroline; Grace; Joshua; Lee; Polly; Bill; Little Maria; Levi; Yellow Leah; Harry; Louisa; Rebb; Polivia; Samson; Jim; Hannah; Jourdan; Simon; Jena; Sim; Moses; Coffey; Orean; Rachael; Lucinda; Kitty; Harry;Leah; Peggy; Ellick; Nelly Knox; Big Caroline; Mary Tucker; Mary Prince; Washington; Upsher; Martha; Robert; Margaret; Levi; Richard; Henry; Orange; Milly; Lewis; Jim Mitchell; William	1838	Concordia Parish, Mortgage Book J-K, p. 50, 1838/02/20; Tulane University, Citizens Bank Minute Book No. 2: 1838/12/13

Owner	Mortgaged Collateral	Dates	Source
East Baton Rouge Parish			
Alexander, Joshua	land and the following individuals: Jack; Stephen; Dick; Chester; Jupiter; Charles; Maria; Rachel; Sophia; Lucy	1837-1848	Tulane University, M-1847, Citizens Bank Mortgage Book; Citizens Bank Minute Book No. 6: 1848/09/26 East Baton Rouge Parish, Mortgage Book J, p. 433, 1837/12/26; Mortgage Book K, p. 49, 1838/12/26
Allain, Sosthene	cotton plantation and the following individuals: Alfred; Andre Big; Laquer; John; Peter Bayon; Tony; *Cathaniali*; Narcesse; Small Pelia; Louis; Paul; Joseph; Martin; John; Long Davey; Tony; Lucy; Big Lenon; Small Tony; Julie; Melende; Poley; *Indich*; Cocola; Maynette; Jenny and her two unnamed children; *Polieape*; Celestin; Pierre; Jean; Carmel; Moses; Louise; Celestine; Melite; Celame	1838	Tulane University, Citizens Bank Minute Book No. 1: 1838/05/21; East Baton Rouge Parish, Mortgage Book J, p. 502, 1838/06/06
Beal, Robert	the following individuals: Hurvy; Bradford	1855	East Baton Rouge Parish, Mortgage Book E, p. 278, 1855/07/14
Davis, *Illegible*; *Sharp* Mathews	the following individuals: Baptiste and his wife Eliza; Nathan; Julia; Rosalie; Chisey; Beu and his wife Rachel; Winy; Silvey; Horace and his wife Maria; Ellen; Nanny; Arrange; Giur	c. 1850-1860	East Baton Rouge Parish, Mortgage Book F, p. 145; Tulane University, Citizens Bank Minute Book No. 8: 1860/05/10
Duer, Robert	plantation and the following individuals: Wyatt; John; Olive and her unnamed child	1838	East Baton Rouge Parish, Mortgage Book J, p. 450, 1838/01/22
Dunbar, John and Kendall	plantation and the following individuals: John; Phil; Thomas; Truman; Sam; Celia; Nancy; Dailey; Dulley; Warren; Jimmy; Louisa; Moses; David; William; Emily; Miles; Dalia	1838-1845	East Baton Rouge Parish, Mortgage Book J, p. 381, 1838/08/01, Mortgage Book K, p. 11, 1845/05/31
Duplatier, Alberic	land and the following individuals: Louis; Bob; Jack	1837	East Baton Rouge Parish, Mortgage Book J, p. 407, 1837/10/09; Tulane University, Citizens Bank Minute Book No. 2: 1837/05/10
Elder, C.	plantation and 14 unnamed individuals	1860	Tulane University, Citizens Bank Minute Book No. 8: 1860/05/28, 1860/11/19
Lilley, Thomas	land and the following individuals: John; Thomas	1845	East Baton Rouge Parish, Mortgage Book K, p. 30, 1845
McCalah, James	planation and the following individuals: John; Thomas; Sam; Celia; Nancy; Dalia; David; Warren; Jenny; Emma; Moses; David; William; Emily; Miles; Dalia	1845	East Baton Rouge Parish, Mortgage Book K, p. 453, 1845/05/01

Owner	Mortgaged Collateral	Dates	Source
McCauley, L .P.	plantation and the following individuals: Ruben; London; Ben; Peter; Sam; Toby; Joe; Anderson; Henry; Alfred; Isaac; John; William; Ruffin; James; Lewis; Oscar; Hannah; Lucy; Patsy; Sarah; Ann; Adaline; Pauline and her child Eliza; Pelly; Peggy; Delia; Ann; Esther	1858-1859	East Baton Rouge Parish, Mortgage Book R, p. 55, 1858/12/14, p. 156, 1859/03/04
Posey, Carnot	plantation and the following individuals: William; Carter; Martha; Bill; *illegible*; Rose; Susan	1851	East Baton Rouge Parish, Mortgage Book C, p. 87, 1851/02/17; Tulane University, Citizens Bank Minute Book No. 6: 1851/02/11
Scudder, J. B.	plantation and 14 unnamed individuals	1850	Tulane University, Citizens Bank Minute Book No. 6: 1850/04/24
Vail, Samuel	plantation and 28 unnamed individuals	1837	East Baton Rouge Parish, Mortgage Book F, p. 145, 1837/07/26

East Carroll Parish

Dogherty, George	plantation and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/06/21
Flynn, H. S.	plantation and 9 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/05/27; Citizens Bank of Louisiana Papers, 1834-1914, Folder 4
Goza, Aaron and Joseph H. Moore	the following individuals: Emanuel; Jackson; Bill; Plummer; Brid; Pompey; Harry; Rebecca; Andrew; Amy; Charlotte; Johnson; Wiley; Charles; Matilda; Delia; Mary; Leah; an unnamed child; Fanny; Mina; Mahala; Jane; Nelly; Lenah; Mary and her unnamed child; Betsy; Alcinda; Lotty; Ann; Margaret	1840-1859	East Carroll Parish, Mortgage Book B, p. 95, 1840/05/08; Mortgage Book B, p. 330, 1842/04/18; Mortgage Book C, p. 228, 1859/03/07; Tulane University, Citizens Bank Minute Book No. 3: 1841/05/27; Minute Book No. 6: 1850/01/07
Kerr, James D.	11 unnamed individuals	1843	East Carroll Parish, Mortgage Book C, p. 53, 1843/11/09
Lawson, Thomas	land and the following individuals: John; Warick; Isaac; Edmond	1838	East Baton Rouge Parish, Mortgage Book K, p. 5, 1838/07/11
Maher, Philip; William S. Parham; Thomas FitzWilliams	the following individuals: Abraham; Ned; Simon; Henry; Charles; Ben; Claiborne; Eaton; Ben; David; Hannah and her 3 unnamed children; Cecile; Eliza; Nina; Charlotte; Nancy; Little Ned; George; Jack; Frederick; William; Celia; Harriet; and Sevilla	1838-1856	East Carroll Parish, Mortgage Book A, p. 507, 1838/04/25; Mortgage Book B, p. 1, 1838/10/20; Tulane University, Citizens Bank Minute Book No. 7: 1856/02/08

Owner	Mortgaged Collateral	Dates	Source
Morancy, Honore Perigny	the following individuals: Sam; Ben; Bill Johnson; Washington (alias Lloyd); Wesley; David; John; John Benson; John; Perry; Will; Dick; George Middleton; George; Peter; Chatham; Adam; Mark; Kell; Ambrose; Warren; Henry; Stephen; Prince; Stephen; Gilbert; Henry; *Maria*; Maria and her child Delphine; Jane and her child Thornton; Hannah; Betsey; Irene; Mary; Lucy; Nancy and her child Nancy; Matilda; Charlotte; Maria; Jane; Milly; Mina; Letty; Evelina and her child Henry; Nancy; Temperance and her child Maryanne; Jim; Lizy; Caroline; Julyann; Washington; Sam; and Phoebe	1837-1838	East Carroll Parish, Mortgage Book A, p. 529, 1838/08/06; Tulane University, Citizens Bank Minute Book No. 2: 1837/05/20
Pool, Robert	unnamed individuals	1847	Tulane University, Citizens Bank Minute Book No. 6: 1847/02/04
Prescott, James B.	the following individuals: Nace; Ben; Willis; James Munroe; Mary; Esther; Nelson; Aley; Harriet; Peter; and Allen	1838	East Carroll Parish, Mortgage Book A, p. 490, 1838/03/31
Sellers, Mathew Bacon	the following individuals: Solomon; William; Andrew; Ned; Ben; Peter; Elijah; John; Mat; Brister; Jack; Priscilla; Crawford; Kizy; Maria; Mary; Dorinda; Sarah; Elijah; Milly; Else; Alice; Ann; Sophia; Matilda; Ellen; Maria; Obi; Floyd; Nancy; Lucretia; Henry; Caroline; George; Martha; Matilda Jane; Lucille; Minerva	1837	East Carroll Parish, Mortgage Book A, p. 414, 1837/07/15
Yarborough, Stephen	39 unnamed individuals	1838-1839	Tulane University, Kuntz Collection, No. 600, 1838/02/12; Citizens Bank Minute Book No. 2: 1839/03/25

East Feliciana Parish

Booker, James	land and the following individuals: Willis; Anne; Phebe; Emeline; Ellen; Wesley; Will; Joe; Mark	1837	East Feliciana Parish, Mortgage Book E, p. 198, 1837/11/02
Bowman, Matthew	land and the following individuals: Philip; Willis; Milo; Thomas; John	1837-1858	East Feliciana Parish, Mortgage Book E, p. 223, 1837/10/12; Tulane University, Minute Book No. 8:1858/04/15
Bradford, Harrison	land and the following individuals: Simon; Sady	1837	East Feliciana Parish, Mortgage Book E, p. 211, 1837/09/29
Bradford, Leonard	land and the following individuals: Peter; Archy; Joe; Isaac; Simon	1838	East Feliciana Parish, Mortgage Book E, p. 187, 1838/01/15

Owner	Mortgaged Collateral	Dates	Source
Carter, Albert G.	land and the following individuals: Harry; *Tom*; Abraham; Mariah; Flora; Cati; Joe	1838	East Feliciana Parish, Mortgage Book E, p. 183, 1838/01/15
Carter, Howard	land and the following individuals: Cesar and his wife Jane; Henry; Starks; Cesar; Franklin; Polly Ann; Mary Ann; Abram	no date	East Feliciana Parish, Mortgage Book E, p. 554
Cocks, John J.	land and the following individuals: Susan and her child William; Celia	1838	East Feliciana Parish, Mortgage Book E, p. 310, 1838/05/05
Conner, James R.	land and the following individuals: John; Harriet; Isaac; Edmund	1838	East Feliciana Parish, Mortgage Book E, p. 374, 1838/06/11
DeLee, John L.	13 unnamed individuals	1853	East Feliciana Parish, Mortgage Book E, p. 544, 1853/01/13
Delie, John L.	land and the following individuals: Nat;Dick; *Minda*; Mary; Eliza; Moses; Peter	1838	East Feliciana Parish, Mortgage Book E, p. 243, 1838/01/22
Dougherty, George	land and the following individuals: Henry; Maria and her son Gibson; *Cady*	1838	East Feliciana Parish, Mortgage Book G, p. 194, 1838/10/02
Flynn, John C.	land and the following individuals: Joe; Ben; Isaac; Dick; Jack; Vinny; Mary	1837	East Feliciana Parish, Mortgage Book E, p. 168, 1837/10/14
Gou, Ellis	land and the following individuals: Louis; Milly; *River*; Mahala; Robert; Anny; Nathan	1837	East Feliciana Parish, Mortgage Book E, p. 250, 1837/12/14
Holmez, James	land and the following individuals: Limaz; Goin; Winny.	1838	East Feliciana Parish, Mortgage Book E, p. 353, 1838/05/17
Lee, Samuel	land and the following individuals: George; Charles; Joe; May; John; Ralph; James; *Malinora*; Violet; Milly; Viney	1837	East Feliciana Parish, Mortgage Book E, p. 173, 1837/12/28
Linnel, William	land and the following individuals: Lewis; Will; Jim; Milly; Martha; Mary; Peggy	1838	East Feliciana Parish, Mortgage Book E, p. 176, 1838/01/12
McDonald, John D.	land and the following individuals: *Foust*; Hampton; Louise; Emily; Hester; Joe	1837	East Feliciana Parish, Mortgage Book E, p. 163, 1837/09/05
Myers, Burrel	land and the following individuals: Mike; Sue; Hannah; Malissa; Moriah	1837	East Feliciana Parish, Mortgage Book E, p. 194, 1837/11/04
Newport, Robert W.	land and the following individuals: Stephen; Ben; Jim; Second Jim; Charles; *Lot*; Breidget; Caroline; Malinda; *Charles*; Sylvia.	1837	East Feliciana Parish, Mortgage Book E, p. 217, 1837/12/20
Perry, Robert and Hilary Bretin Cenus	The following individuals: Hampton; Joe; Laura; Emily; Ester; Jane child of Laura; John child of Emily	1846	East Feliciana Parish, Mortgage Book G, p 569, 1846/02/18

Owner	Mortgaged Collateral	Dates	Source
Piper, David	land and the following individuals: Bob; Willy; Joe; Fanny; Harriet; Andrew	1837	East Feliciana Parish, Mortgage Book E, p. 220, 1837/10/10
Reddin, George	land and the following individuals: Jane; Hannah; Ann; Luke	1838	East Feliciana Parish, Mortgage Book E, p. 301, 1838/03/07
Rirt, John	land and the following individuals: Jury; Henry; Bill; John; Charles; Rachel; Lizza; Jury; Sarah; Buda; and her child Sally; Viny	1837	East Feliciana Parish, Mortgage Book E, p. 122, 1837/07/28
Rook, Robert	land and the following individuals: James; Sam; Wiliam; Ciss; Easter; Lawson; Milly; Jocey; *Abram*; Minerva; Willis; *Laudy*; Livinia	1837	East Feliciana Parish, Mortgage Book E, p. 191, 1837/09/07
Saunders, Lafayette	land and following individuals: West; Frederick; Hannah and her two children, John, and Catharine; Clara and her children, Anthony, Malinda, John Brown	1838	East Feliciana Parish, Mortgage Book E, p. 296, 1838/03/10
Tilden, Stephen	land and the following individuals: Charles; Joe; Milo; Dave; Browdie; Sophia; Fanny; Susan; Lucinda; Sophia; Nathan; Sylvia	1838-1843	East Feliciana Parish, Mortgage Book E, p. 304, 1838/04/12; East Feliciana Parish, Mortgage Book G, p. 337, 1843/08/29
Yarborough, Steven	land and the following individuals: Jack; Romeo; Oliver; Barber; Linda; Matilda; William; Francis; Rose; Edmund; Dick; Henry; Oliver; Barber; Charles; Jim, his wife Nicey and their daughter Ann; Winney Ann	1838-1840	East Feliciana Parish, Mortgage Book E, p. 281, 1838/03/06; East Feliciana Parish, Mortgage Book G, p. 168, 1840/12/11

Iberville Parish

Owner	Mortgaged Collateral	Dates	Source
Armandez, Jean Baptiste	plantation and the following individuals: Baptiste; Francis; Louis; Bernard; Valentin; Antoine; Jenny and her four children Celeste, Manuel, Polite, and Clarisse; Victoire; Marie	1835-1836	Iberville Parish, Conveyance Book O, no. 474, 1835/04/03; Conveyance Book P, no. 262, 1836/03/03
Arnandez, Gilbert and Rosemond Berrett	plantation and the following individuals: Jean; Marie and her children Adolphe and Fanny	1836-1843	Iberville Parish, Conveyance Book R, p. 144, 1836/11/08; p. 286, 1837/01/27; Conveyance Book U, p. 301, 1841/06/22; Conveyance Book V, No. 383, 1843/11/15
Arnandez, Jacques, Daigre, Honore	plantation and the following individuals: Daniel; Charlotte; Sylvina and her unnamed child; Felicite; Caroline; Arianire; Josephine; Milly; Eugene	1837-1845	Iberville Parish, Conveyance Book R, p. 590, 1837/08/05; Conveyance Book S, p. 131, 1838/04/11; Conveyance Book W, No. 264,1845/03/27; Tulane University, Citizens Bank Minute Book No. 5: 1845/01/16

Owner	Mortgaged Collateral	Dates	Source
Bell, Robert and Caroline B.	several lots of land and the following individuals: Frank; Anthony; Jim; Dick; Isaac; Joe Gray; Martin; Jacob McNairy; Louis Sawyer; Nat; Jacob; George McNairy; Ben; Charley; William; Joe; Plato Sawyer; Washington; Big Davey; Davey; Moses; Wapin; Rachel and her child Daphnie; Nelly; Lucy and her child Charlotte; Suzan and her children Jack, Nelly, and Louis; Patsy and her daughter Caroline; Chansey; Eliza; Maria; Luckey and her children Harriet, Abraham, Spencer, Esace, and Jenny; Sarah and her children William and Martha; Daphne; Abby; Phyllis; Mary; George; Ann; Big Maria; Haucey and her unnamed child; Katy; Charity and her son Lincon; George; Mathilda; Edmond; Peter; Ben; Randal; Saul; Archibald; York; John; Peter; Abraham; Fielding; Sam; David; Cyrus; Eliza; Lucy; Robert; Francis; Emily; Caroline; Cezar; Winny; Patsy; William; Alex; Wyatt; Anderson; Hannah; Cely; Miles; Letty; Jones; Maria; Mary; Harriet; Louisa; Tom; Ned; Juliet; Ned; Nancy	1837-1839	Iberville Parish, Conveyance Book R, p. 603 1837/08/21, p. 636 1837/10/02; Conveyance Book S, p. 334, 1838/08/08; Conveyance Book T, p. 177, 1839/09/20; Tulane University, Citizens Bank Minute Book No. 2: 1837/06/22, 1837/08/03; St. James Parish, Book 16, p. 395, 1837/08/31
Bettison, Joseph and Ann E.	plantation and the following individuals: Spencer; Horace; Jerry; Horteuse and her unnamed child; Bella; Will; Peter; Rachel	1837	Iberville Parish, Conveyance Book R, p. 645, 1837/10/13, p. 677, 1837/11/07
Blanchard, Joseph; Achille Delphine and Marie Savory	plantation with the following individuals: Francois; Sam; *illegible*; Tom; William; Guillame; *Sanieda*; Mary; Mickey; Sulalie; Poupone; Elizabeth; Henny; Joe; Edmond; Augustine; Tom; Amelia; Ellick; Priscilla	1837-1857	Tulane University, M-1847, Citizens Bank Mortgage Book; Iberville Parish, Conveyance Book R, p. 504, 1837/06/05; p 537, 1837/06/13; Conveyance Book 5, No. 115, 1857/08/15
Breaux, J. B.	sugar plantation in right bank of the Mississippi River and the following individuals: Phill Root; Andrew Jackson; Jackson Finey; Elizabeth Powers and her three children John, William, and Jersey; Philip; Jack; Peter; Amy; Venus and her child George	1848	Tulane University, Citizens Bank Minute Book No. 6: 1848/06/06; Iberville Parish, Mortgage Book 2, p. 147, 1848/08/22
Brent, Robert; Labauve Hobard, C. W. Keep, and Joseph Schlater	plantation with the following individuals: Ben; Dick; Patience and her unnamed child; Mary; Louisa; Pug	1837-1853	Tulane University, M-1847, Citizens Bank Mortgage Book; Tulane University, Citizens Bank Minute Book No 7: 1853/02/17; Iberville Parish, Conveyance Book R, p. 633, 1837/0928; Conveyance Book S, p. 32, 1838/02/10
Bush, Philip and Josephine Bush	land on Bayou Goula and the following individuals: Philip; Wilson; Celestine	1836	Iberville Parish, Conveyance Book R, p. 74, 1836/11/21, p. 240, 1836/12/27; p. 170, 1836/12/28,
Camp, Robert; W. W. Pugh	plantation and unnamed individuals	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/06/20
Clement, Henrietta; Louis Desobry	the following individuals: Big Bob; Daniel; Sophia; *Tepey*	1839	Iberville Parish, Conveyance Book S, p. 700,1839/05/08

Owner	Mortgaged Collateral	Dates	Source
Daigre, Honore	the following individuals: John; Richard; Joe; Frederick; Rose and her child Andre; Pauline and her children Julienne, Antoine, and Mary; Agathe	1844-1845	Iberville Parish, Conveyance Book W, No. 97, 1844/08/22, No. 207, 1845/01/27; Tulane University, Citizens Bank Minute Book No. 4: 1842/06/07; Citizens Bank Minute Book No. 5: 1845/01/16
Dardenne, J.	plantation and unnamed individuals	1861	Tulane University, Citizens Bank Minute Book No. 8: 1861/01/28
Deblicun, Mrs. Benjamin; D. L. Orillion and Paul Deblicun	plantation on Bayou Jacob and 33 unnamed individuals; and another tract of land and 61 unnamed individuals	1853	Tulane University, Citizens Bank Minute Book No. 7: 1853/05/19
Dickinson, Charles H.	several tracts of land and the following individuals: Lewis; Will; Jim; Milly; Martha; Mary; Peggy	1838-1842	Iberville Parish, Conveyance Book S, p. 208, 1838/05/08, Conveyance Book U, No. 470, 1842/04/22
Dodd, Wiliam	plantation on Payou Plaquemines and 33 unnamed individuals	1835-1836	Tulane University, Citizens Bank Minute Book No. 1: 1835/04/20; Iberville Parish, Conveyance Book P, no. 240, 1836/02/20; p. 363, 1836/03/14
Doyle, George and Ann M.	plantation and the following individuals: Bill; Abe; Mitchel; *Syphax*; Cyrus; Minor; Siye; Harry; James Mickey; Sarah and her child Robert; Vicey and her child Jane; Tobey; Rose; Scillia; Maria; Sophy and her children Louis and Ann; Sydney; Suzan; Mary; Sally	1836	Iberville Parish, Conveyance Book R, p. 87, 1836/11/21, p. 447
Druilhet, Jules	plantation on the left bank of the Mississippi River with the following individuals: William Brook; Absolon; Pleasent; Mary and her children Josephine and Martha; Marianne	1837-1840	Iberville Parish, Conveyance Book R, p. 372, 1837/03/08; Conveyance Book T, p. 627, 1840/09/29; St. James Parish, Book 18, p. 684, 1840/08/28
Duplessis, Francis	plantation and the following individuals: Pierre; Violette; Washington; Magdeline; Dalby; John Hill; Betsy; John; Anderson; Fanny; Eliza; Crecy; Charles; Ned Ward; Phoebe; Mary Ann; Suzette; George; Ned; Harriett; Lewis; Jessey; Anna; Delila; Spencer; Sally; unnamed individual; Mat; Jerry; Hariette; Dan; Philip; Lewis; Henry Sprigg; Peggy and her unnamed child; Fanny; Rose and her unnamed child; Caroline and her unnamed child; Soloman; Betty; Sally and three unnamed children; Henry Chambers; Rachel; Adam; Billy; Fanny Chambers; Hunter; Dally; Samson; Gabriel; Daniel; Robert; Peggy and her 4 children, unnamed, unnamed, Anderson, Martha; Lucy and her 2 children, James and unnamed	1838-1851	Tulane University, Citizens Bank Minute Book No. 2: 1838/05/21; Iberville Parish, Conveyance Book S, p. 362, 1838/08/24, p. 603, 1848/06/13; St. Martin Parish, Conveyance Records Book 11, p. 28, 1838/08/15; Record 20, p. 373, 1851/12/03

Owner	Mortgaged Collateral	Dates	Source
Dupuy, Adolphe and Uranie D. Dupuy	plantation on the right bank of Mississippi River and the following individuals: Jacob; Jefferson; Henry; William; Denis; Sam; Nancy and her child Rosette; Gudy; Ellen; Angele	1837-1838	Iberville Parish, Conveyance Book R, p. 564, 1837/07/15; Conveyance Book S, p. 31, 1838/02/07
Dupuy, Adolphe	plantation on Bayou Plaquimine and the following individuals: William; George; Alfred; Alexander; Edmond; Polly; Elisa; Sally and her children Guillaume and William; Tom; John; Polite; Frank; Reuben; Charlotte; Rachel and her child Lewis; Milly and her child Ann	1845-1846	Iberville Parish, Conveyance Book W, No. 488, 1845/11/07; Conveyance Book X, p. 70, 1846/02/24; Tulane University, Citizens Bank Minute Book No. 5: 1846/02/13
Edwards, W. E.	plantation and unnamed individuals	1852	Tulane University, Citizens Bank Minute Book No. 7: 1852/03/30
Erwin, Lavinia and William Robertson	plantation and the following individuals: Big Charles; Isaac; John; Hector; Lye; William; Moses Gray; Anthony; William Brinly; David Young; Summerset; American William; Big Anthony; Mac; Tom; Harry; Sam; Little Ned; Ann Stewart; Betsy; Big Ned; Yellow Willy; Horace; Kitty; Henry; Eliza; Kitty; Big Margaret; Caroline; Jim; Hannah; Prissy; William; Little Lydia; Francis; Bob; Big Hanna; Anna Brinly; Mary Dodd; Louisa; Lucinda; Little Helen; Charity; John Sommerset; Celestine; Big Nancy; Emily; Mary Emily; Little Minty; Charlotte; Pamela; Gracy; Lydia; Kitty; Betsy; Yellow Hannah; Little Sye; Liza; Little Harriet;*Dittley Lyde*; Julienne; Nancy; Washington; Miama; Celine; Abraham; Big Minto; Suzanne; Mary Magdelen; Black Mity; Little Betsy; Rose; Little Charles	1835-1847	Iberville Parish, Mortgage Book 1, p. 249, 1847/07/27, p. 249, 1847/06/05, Conveyance Book P, No. 274, 1836/03/10; Tulane University, Citizens Bank Minute Book No. 1: 1835/02/20
Erwin, Thomas R. and Lavinia; Andrew Hynes, Mrs. Nancy Erwin, and Joseph Craighead	sugar and cotton plantation and 216 unnamed individuals	1836	Iberville Parish, Conveyance Book P, p. 497, 1836/06/01
Erwin, Isaac and Carmalite	plantation on Bayou Grosse Tete and the following individuals: Peter; Edmond; Bob; *Vicy;* Rachael; Ritter; Catherine; Ann; Nancy; Milly	1841	Iberville Parish, Conveyance Book U, p 186, 1841/04/30
Estevan John and Marie E.	plantation on the left bank of the Mississippi River with the following individuals: Honore; Michel; Etienne; Clement; Cyprieu; Klein; Celestin; Maurice; Catharine; Harriette; Josephine; Eugice; Cecile; Darius; Kitty; Marie Joseph; Melitte and her two children Abraham and Azelie; Rosa; Philis and her child Clemetine; Charlotte and her children Jean Louis, Celeste, Alfred, Manor, and Philiomene	1837-1839	Iberville Parish, Conveyance Book R, p. 580, 1837/07/25; Conveyance Book S, p. 153, 1838/04/25, p. 313, 1838/07/18, p. 674, 1839/04/27

Owner	Mortgaged Collateral	Dates	Source
Estevan, Marie R and Jean	plantation on the right bank of the Mississippi and the following individuals: Dominque; Andre; Jean Baptiste; Clarielle; Cecile and her children Francis, Joseph, and Sylvestre; Benoit; *illegible*; Bonaventure; Caspare; and Theophile; Eggare; Marianne; Ellene; Agathe	1838	Iberville Parish, Conveyance Book S, p. 106, 1838/03/23
Flack, E.	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/20
Gaillard, Raymon P.	plantation on the left bank of the Mississippi with the following individuals: Andre; Dominque; Cecile; Jean Baptiste; Clarville; Francis; Joseph; Sylvester; Benoit; Dominque; Bonaventure; Theophile; Agatha; Marianne; Agar; Helene; Gaspard	1841	Iberville Parish, Conveyance Book U, p. 337, 1841/07/29
Garlick, John	plantation on the north bank of Bayou Goula and 19 unnamed individuals	1835-1842	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/06; Iberville Parish, Conveyance Book P, no. 254, 1836/02/29, p. 362, 1836/02/12; Conveyance Book V, p. 171, 1842/12/12
Greaud, Alfred	plantation and unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/03/07
Hamilton, J. D.	land and the following individuals: Basket; James; Charles; Edward; Tom; Abraham; Rose; Felicite; Amy; Marie; Esther; Louis; Barney; Martin; Harriette; Silsy; Britannia; Martin; Madison; Soloman; Malissa	1835-1848	Tulane University, Citizens Bank Minute Book No. 2: 1835/02/06, Minute Book No. 5: 1844/06/07; Minute Book No. 6: 1847/03/07; Iberville Parish, Conveyance Book P, no. 250, 1836/02/29; Conveyance Book W, no. 65, 1844/06/27; Mortgage Book 1, p. 465, 1848/03/28
Harding, John; Louis Desobry and Charles Clements	the following individuals: Patrick; David; Desir; Jackson; Hardy; Cyrus; Jesse; Talbert; Mabaley; Sally; Mary; Mathilda; Martha; Caroline; Nancy; Bob; Elsy	1838-1839	Iberville Parish, Conveyance Book S, p. 233, 1838/05/21, p. 448, 1838/11/17, S, p. 523,1839/02/07; Tulane University, Citizens Bank Minute Book No. 2: 1838/05/17, 1839/01/21
Harrison, Samuel	Gerville plantation and 80 unnamed individuals	1849-1851	Tulane University, Citizens Bank Minute Book No 6: 1849/07/11, 1851/06/17
Herbert, Achille and Marcelite	land and the following individuals: Abraham; Francois; Henry; John; Louise; Jenny; Laura; Norbert; Jean Louis; Paul; *Telesphone*	1836-1839	Iberville Parish, Conveyance Book R, p. 67, 1836/11/18, p. 261, 1837/01/16; Conveyance Book T, p. 44, 1839/06/12
Hebert, Treville	18 unnamed individuals	1835-1836	Tulane University, Citizens Bank Minute Book No 1: 1835/03/23; Iberville Parish, Conveyance Book P, no 247, 1836/02/27, p. 366, 1836/03/14
Hebert, Valery and Clarisse B.	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/06; Iberville Parish, Conveyance Book no. 242, 1836/02/23, no. 265, 1836/03/03

Owner	Mortgaged Collateral	Dates	Source
Herbert, Paul	plantation on the right bank of the Mississippi and the following individuals: Abraham; Jim; Charlotte; Stephen; Edmond; Ben; Colas; Jenny and her children Jim and Eliza; Jeanette; Sarah; Polly; Ann; Julienne and her children Sally, Honorine, and Manette	1835-1842	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/06; Iberville Parish, Conveyance Book P, no. 248, 1836/02/27, no. 270, 1836/03/08; Conveyance Book U, no. 307, 1841/10/18, no. 355, 1842/01/03,
Henry, Joseph and Marie B.	unnamed individuals	1836	Iberville Parish, Conveyance Book P, no. 241, 1836/02/23, no. 263, 1836/03/03
Ivy, Isaac; Lucinda and William Terrel	land and the following individuals: Lewis; Will; Jim; Milly; Martha ; Mary; Peggy	1838	Iberville Parish, Conveyance Book S, p. 3, 1838/01/12, p. 54, 1838/02/21
Johnson, Henry	two plantations with 17 unnamed individuals; and Marigny plantation with 32 unnamed individuals	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/02/25
Kleinpeter, George	plantation and 4 unnamed individuals	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/06/24
Landry, Camille	plantation on the Mississippi River with the following individuals: Manuel; Charles; Aaron; Peter; Lewis; Henry; Auguste; Eliza; Maria; Francoise; Betsy; Mary; Julie; Nelson; Louisa; Evelina; Rosalie	1850	Iberville Parish, Mortgage Book 2, p. 490, 1850/03/07
Lauve, Evariste and Celeste	land and the following individuals: Henriette; James; Catherine; Rosette; Manor and her children Frederie and Esther; Melite; Charles; Harry; Josephine	1838-1839	Iberville Parish, Conveyance Book S, p. 23 1838/01/31, p. 66, 1838/03/03, p. 585, 1839/03/19
Lauve, Evariste and Celeste; H. Moses Shiff	sugar plantation on the right bank of the Mississippi River and the following individuals: Griffin; Richard; *illegible*; Joe; Simon; Big David; Big Willis; Ben; Harry Brown; David; Jacques Richard; Adam; Sam; Big Ben; Young; Little Jack; Plato; John; Big Ian; Yellow Anthony; Anthony Wood; *Cesar Suille*; Little Willis; Moses Lamb; Peter Whiles; Moses Matter; John White; Joe; Jesse; Cesar Scott; Daniel; Tom Singleton; Matthew; Manuel; Little Faucy; Flora; Billy; Bachus; Little Suzan; Peggy; Mathilda; Little Maria; Little Jenny; Agnis; Big Lucinda; Eady; Louisa; Biddy; Kitty; Kitty; Big Jenny; Molly; Rosetta; Lucinda Jackson	1838-1839	Iberville Parish, Conveyance Book S, p. 138, 1838/04/13, p. 181, 1838/04/28, p. 414, 1838/10/06, p. 632, 1839/04/11
Marigny, Bernard	plantation on Bayou Goula and 24 unnamed individuals	1837	Iberville Parish, Conveyance Book R, 1837/12/02
Moore, Edward	Estevan plantation and the following individuals: Jerry; Jack; John; Jacob; Jim; Sam; Bob; Beale; Henry; Burrel; Aggy and her seven children Jake, William, Melinda, Henry, Sarah, Rufus, and Joe; Mary and her six children Bill, Becky, Ann, Eveline, Maria, and Andrew; Martha and her two children Catherine and Alfred; Rose and her two children Caroline and Elizabeth; Martha Harris; Charlotte	1840	Iberville Parish, Conveyance Book T, p. 590, 1840/07/17

Owner	Mortgaged Collateral	Dates	Source
Neraut, Bernard and Mathilde; Gustave and Emilie L. Rousseaux	plantation on the left bank of the Bayou Plaquimine with the following individuals: Ruben; Morris; William; Harry; Sam; John; Sam; Jacob; Edmond; Frank; Poulite; Kitty; Rachel and her child Lewis; Milly and her unnamed child; Mathilda; Dolly; Charlotte; Ira; Charles; Henon; Louis	1841-1846	Iberville Parish, Conveyance Book U, p. 79, 1841/03/22, p. 340, 1841/07/30; Tulane University, Citizens Bank Minute Book No. 5: 1846/02/13
Orillion, Louis	plantation and the following individuals: Abraham Hill; George; Frank	1838-1846	Iberville Parish, Conveyance Book S, p. 205, 1838/05/07, Mortgage Book 1, p. 13, 1846/09/17
Pritchard, Jeramiah; Mrs. George Mather	plantation and 23 unnamed individuals	1835-1859	Tulane University, Citizens Bank Minute Book No. 1: 1835/05/11; Citizens Bank Minute Book No. 8: 1859/04/11; Iberville Parish, Conveyance Book P, no. 260, 1836/03/02, p. 367, 1836/03/14
Pugh, Mary Ann	land and 21 unnamed individuals.	1848	Tulane University, Citizens Bank Minute Book No. 6: 1848/05/30
Reams, Richard and Eliza J.	plantation on the right bank of the Mississippi River and the following individuals: John; Harry; Jack; Charity; Mary and her child Wallace; Louisa; Lucy; Josephine	1838	Iberville Parish, Conveyance Book S, p.235, 1838/05/23, p. 281, 1838/05/15,
Rils, J. and C. Brusle	unnamed individuals	1835-1836	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/06; Iberville Parish, Conveyance Book P, no. 230, 1836/01/15, no 264, 1836/03/03
Rivet, Lewis and Henrietta	plantation and the following individuals: Lindor; Francois; Celeste; John; Thom	1836-1837	Iberville Parish, Conveyance Book R, p. 142, 1836/12/08, p. 288, 1837/01/27
Robinson, Abner et al, and George A. Botts	plantation and the following individuals: Frank; Anthony; Jim; Dirk; Isaac; Joe Gray; Martin; Jacob McNayer; Lewis; Nat; Jacob; George McNayer; Ben; William; Joe; Plato; Washington; Big Davy; Davy; Moses; Wapping; Rachel and her child Daphny; Nelly; Lucy and her child Charlotte; Susan and her children Jacob, Nelly, and Lewis; Patsy and her child Caroline; Chany; Elizabeth; Maria; Luckey and her children Harriet and Abraham; Spencer; Esau; Fanny; Sarah and her children William and Martha; Daphny; Abby; Phillis; Mary; George; Anne; Big Maria; Fanny and her unnamed child; Kitty; Charity; Susan and her unnamed son; George; Matilda; Edmund; Peter; Ben; Bandals; Sam; Archibald; York; John; Peter; Abraham; Fielding; Sam; David; Gras; Eliza; Lucy; Robert; Francis; Emily; Caroline; Henry; Patsy; William; Alexander; Wyatt; Anderson; Hannah; Ceyley; Milly; Letty; Tom; Maria; Mary; Harriet; Louisa; Tom; Ned; Juliet; Ned; Nancy	1840	Lafourche Parish, Mortgage Book P, p. 438, 1840/02/21

Owner	Mortgaged Collateral	Dates	Source
Slack, Eliphalet and Abigail	plantion on Bayou GrosseTete with 49 unnamed individuals	1836	Iberville Parish, Conveyance Book P, no. 259, 1836/03/02, p. 364, 1836/03/14
Surry	plantation and unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/09/30
Trier, A. and *Dominique Bouligny*	plantation and 34 unnamed individuals	1852	Tulane University, Citizens Bank Minute Book No. 7: 1852/09/09; Iberville Parish, Conveyance Book 3, p. 3, 1852/09/24
Wilson, Elisa	plantation and 60 unnamed individuals	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/02/26

Jefferson Parish

Coumagere	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/20
Courbin & Roule	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/04/10
Delassize, Jean	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/12/19
Deschapelle, Gabriel Lebreton	the following individuals: James; Edward; Louis; Sam; Mary; Lucy; Mary; Charlotte	1836	Tulane University, Citizens Bank of LA Papers, 1834-1914, Folder 1: 1836/07/25
Du Sassau, G.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22
Fortier, Berthies	Tom; Nelson; Louise	1834-1851	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22; Citizens Bank Minute Book No. 6: 1851/01/07
Fortis, Edmund	plantation and unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/04/28
Fortis, Eugin and Faustus	plantation and unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/04/21, 1842/04/28
Gesseau, Eugene	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/14
LeBuhn, F. J.	two tracts of land and unnamed individuals.	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/02/21

Owner	Mortgaged Collateral	Dates	Source
Marshall, L. R. and Charles Fortis	plantation and unnamed individuals	1854	Tulane University, Citizens Bank Minute Book No. 7: 1854/05/30
Mason, W.	Milly Bishop; Catherine; and Jane	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/01/07
Ribas & Colminaro; J. M. De Gama	plantation and 31 unnamed individuals	1834-1847	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/29; Citizens Bank Minute Book No. 3: 1841/05/06; Citizens Bank Minute Book No. 6: 1847/12/17
Saules Balthazar	the following individuals: Vincent; Jacques; Edward; Baptiste; Azor; Jerry; Clarissa; Charlotte; Rodie; Henrietta; Francis; Charles; Perry; Ben; Auguste; Stephen; Fine; Silie; Maria; Sara	1834-1835	Tulane University, Citizens Bank Minute Book No. 1: 1834/12/19, 1835/02/05
Saulit, Mrs.	20 unnamed individuals	1850	Tulane University, Citizens Bank Minute Book No. 6: 1850/01/15
Trudeau, Mrs. A.	plantation and 31 unnamed individuals	1853	Tulane University, Citizens Bank Minute Book No. 7: 1853/05/05

Lafayette Parish

McCaskill, Daniel and Chevis, J. W.	land and 24 unnamed individuals on Bayou Vermillion.	1850-1851	Tulane University, Citizens Bank Minute Book No. 6: 1850/11/05; Tulane University, Citizens Bank Minute Book No. 7: 1851/12/23
McCaskill, Samuel	land and the following individuals: Lewis; Gabreil; Cyrus; Caleb; *Geuin*; Wilson; Moses; Collins; *Willough*; Henry; *Jep*; Charlotte; Charity; *Kazzy*; Sally; *Rose*; *Ellick*; *Tim*; Sophia; Louisa; Gabe; *Marissa*; Saul; *Thases*	1838	Lafayette Parish, Copies of Notarial Acts, no. 2816,1838/04/30
Thrall, John B.	plantation and the following individuals: Dick; Sally; Catherine; unnamed individual; Jane; Mary; *Seysus*	1837-1838	Tulane University, Citizens Bank of Louisiana Papers, 1834-1914 Folder 2: 1837/09/28; Lafayette Parish, Copies of Notarial Acts, entry 2770, 1838/01/04

Lafourche Parish

Baudoin, S.	plantation and 12 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bernard, Jean Baptiste and Marie Esther	land and the following individuals: Etienne; Paul; Honore; *Ursin*; Moses; Dick; Joe; Alexandre; Marie; Lucinda; Joseph; Dransin; Victoire; Juilliens	1838-1845	Lafourche Parish, Conveyance Book N, p. 224, 1838/03/06; Book U, p. 436, 1845/05/12

Owner	Mortgaged Collateral	Dates	Source
Biagg, Barton	plantation and 105 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bourgeois, J. and H. Champagne	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/20
Brown, John Conway	land and the following individuals: Thomas; Daniel; Eliza; Jacques	1838	Lafourche Parish, Conveyance Book N. p. 278, 1838/05/24
Charles, Mme.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/06/26
Ellis, Richard G. and Mary Jane Towson; Thomas Butler; J. B. *Moreaux*	plantation and the following individuals: Nace; Stephen; Stanner; Philip; Isaac; Jack; Hanson; Henry; Thomas; Saulbring; Armstrong; Charles; Basil; Stanner Jr.; Leonora; Frank; Hanson Jr.; Lewis; Alfred; Reason; Henry; Sal; Rachel; Polley; Theresa; Juno; Emily; Juliana; Sarah; Nancy Jr.; Nancy; Hager; Elvia; Sarah Ann; Tempe; Jane; Hannah; Hannah Jr.; Julia; James; Henry; Bernard; John; Joseph; Sally Camilla; Cassandra; Nancy; Mary Ann; Margaret	1837-1858	Lafourche Parish, Conveyance Book N, p. 185, 1837/12/11; West Feliciana Parish, Mortgage Book K, p. 129, 1838/01/25; Terrebonne Parish, Convenance Record Aug 29, 1832 - Jan. 5, 1841, Entry 2271, 1858/01/01; Tulane University, Citizens Bank Minute Book No. 5: 1844/10/04
Frederic, Marie Madelain and Jean Omar Nicolas	land and the following individuals: Michel; Jim; Joe; *Valette*; Bob; Hanny; Dobby; Rosa; Mary; Bob; Randall; Nancy; Maria; James; Nancy; George; Esther; William; Nancy; Edmond; Poupanne; Marguerite; Clarisse; *Amvirica*	1834	Lafourche Parish, Conveyance Book T, p. 474, 1834/12/30
Gaillard, Raymond P.	land and the following individuals: Andre; Jean Baptiste; Clairville; Francis; Joseph; Sylvester; Benito; Bonaranture; Theophile; Marie; Cecile; William; Honore; Marianne; Oreline; Catherine; Celestin; Helene; Agathe; Domstele; Celestine; Mary; Solby; Anna; Suzette; Estele; Henriette; Odile; Lutelia; Baptiste; Dick; Randall; James; Sam; Melite; Madeleine	1845	Lafourche Parish, Mortgage Book AA, p. 380, 1845/07/21; Tulane University, Citizens Bank Minute Book No. 6: 1849/02/06, 1849/03/16, 1851/02/11
Gordon, Alexandre and Jean Baptiste Maureau	the following individuals: Lewis; Spencer; Lymus; Betty; March; John; Martha; Charles; Will; Melinda; Edmund; Mary Jane; Frances; Fanny; Octavee; Barbary Margaret; Louise; Julien; Alexandre; *Victoriae*; Sophie; Agnes; Betsy; Nathan; Henry Smith; Jack; Henry; Alfred; Tommy; Glaster; ittle Sam; Jack; George; Bazile; Frank; Mina; Saul; Yellow Willam; Philip; Stephen; Stanney; Little Stanney; Leonard; Big James; Cisar; Little William; Davy; Henson; Barnett; John; Joe; Thomas; William; John; Adam; Juillick; Emily; Nancy; Julian; Old Jenny; Mary; Winney; unnamed individual; Pervey; Miley; Hagar; Sarah; Sally; Eliza; Hannah; Milah; Mary; Rachel; Penny; Nancy; Cashlien; Jessey; Holly; Joe; Rose; Frank; Heline; Kitty; Rachel; Mary; Abraham; Patty; five unnamed children	1845	Lafourche Parish, Conveyance Book W, p. 115, 1845/08/09; Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 5; Citizens Bank Minute Book No. 5: 1844/10/04; Citizens Bank Minute BookNo. 5: 1845/07/31

Owner	Mortgaged Collateral	Dates	Source
Guion, George L.	plantation and the following individuals: Arthur; Littleton; Jesse; George; Henry; Scarlett; Big Peter; Wallace; Jake; Dick; Joshua; Anderson; Harding; Westley; Little Peter; Dave; Spencer; Melvin; Monroe; Moses; Thorton; Millie; Lany; Eliza; Little Anny; Sydney; Betsy; Big Amy; Mary; Louisa; Violet; Basheba; Minerva; Matilda; Prissy; Rachel; Cynty	1840-1845	Tulane University, Citizens Bank Minute Book No. 3: 1840/12/17; Lafourche Parish, Mortgage Book R, p. 164,1840/12/31, p. 509, 1842/08/12; Conveyance Book R, p. 510, 1842/08/12; Conveyance Book, p. 115,1845/08/09
Haydel, Nel and Carmelite	land and the following individuals: Casimine; Antoine; Esprit; Alexis; Basile; Sannon; Jean Baptiste; Jeannette; Catherine; Marie Josephe; Daphne; Pauline; Susanne; Martine; Feliciane; Isabelle; Eveline; Rosette; Felicite; Manette; Marie; Eve; Marie; Jules; Joachim; Edouard; Jean; and three unnamed children	1837	Lafourche Parish, Conveyance Book N, p. 199,1837/07/26
Heriot, Justinian and Suzanne Lépine; Mrs. Charles Degauche	plantation and 6 unnamed individuals	1858-1860	Tulane University, Citizens Bank Minute Book No. 8: 1858/03/22, 1860/05/03
Ledet, Henry and Anne Dauphine Levron	land and the following individuals: Westley; Enree; Lalie; John; Euphrosine; Philippe; Drausin; Charlotte	1838	Lafourche Parish, Conveyance Book N, p. 220, 1838/03/06
Lepine, Evariste and Marie Nathalie Martin	land and the following individuals: Lubin; Louis; Sam; Baptiste; Noel; Augustin; Joseph; Madeleine; Francoise; Helene; Emilite; Amelia; Celeste; Aimee; Marie; Cecile; Justine; Paul; Laurent; Lazare; Eugene; Valentin; Louise	1837	Lafourche Parish, Conveyance Book N, p. 167, 1837/08/04
Nicholas, W. and J.	Plantation and the following individuals: Michele; Jim; Joe; Valette; Bob; Hanney; Debby; Rosa; Mary; Bob; Randall; Nancy; Mariah; James; Nancy; George; Esther; William; Nancy; Edmund; Puoponne; Marguerite; Clarisse; America	1834-1843	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/20; Lafourche Parish, Mortgage Book L, p. 105, 1834/12/30; Conveyance Book S, p. 360,1843/10/02
Pitre, Mathurin	plantation and the following individual: Godfrey	1837	Lafourche Parish, Mortgage Book N, p. 128,1837/08/01
Seely, John L.	plantation and the following individuals: Lewis; Louis; Allick; Melinda; Betsey; Winson; Coco	1837	Lafourche Parish, Mortgage Book N, p. 151,1837/08/17
Tucker, Joseph W	plantation and the following individuals: Edmond; William; Simon; Manuel; Gilbert; Dick Peyton; Alick; John Baily; Bob; Peter; George William; Robin; Henry; Sam; Toussaint; George; Grandisan; Little George; Dick; John Ben; George Gaudet; Polly; Jacob; Rebecca; Little Mary; Big Rachel; Harriet; Big Mary; William; Toussaint; unnamed indivual; Phoebe; Nathan; Patty; Belinda; Sarah; Thilda; Letty; Rachel; Maria; Davy; Sophie; Sylvia; French Sylvia; Rose; Frances; Eliza; unnamed individual; Andy; Dynah; Elizabeth	1849	Lafourche Parish, Conveyance Book AA, p. 424, 1849/04/07; Conveyance Book BB, p. 225, 1849/05/18

Owner	Mortgaged Collateral	Dates	Source
Madison Parish			
Butler, Ira	Charles; Henry; John; Hynson; Peter; Michel; Bennet; Lannon; Moriah; Sam	1838	Madison Parish, Mortgage Book A 1838-1861, p. 7, 1838/04/24; Mortgage Book A 1838-1861, p. 130, 12/13/1842; Concordia Parish, Conveyance Book H, p. 346, 1838/04/24
James, Joshua	plantation and 147 unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/06/02
Shadburne, George D.	the following individuals: Hatch; Bob; Bill; Mitch; Marshall; Logan; Susan; Rose; Nance; William; Red; James; Ambrose; Fayette; Betsey; Mahalu; Josephine; Mary; Ella; Ike	1858	Madison Parish, Mortgage Book A 1855-1859, p. 463, 1858/09/06
Morehouse Parish			
Brigham, Sarah Davidson	the following individuals: Harriett; Pleasant; Armstead; Aleck; Davy; Kit; Charles; Abraham; Joe Simmons; Tom; Mason; Cheney; Peter; Dick; Judy; Nancy; John; Sally; Sam; Lucinda; Harvey; Stephen; David; Fanny; Little Harriet; Mary; Zeke; Nelly; Jack; Lewis; Harvey; Glasco; George; Patience; Mira; Old Peter; Masin; Madison; Adam; Manuel; Hassell	1841-1844	Morehouse Parish, Notarial Record Book A, p. 38, 41, 1844/10/29; Mortgage Book B, p. 396, 1844/09/19; Tulane University, Citizens Bank Minute Book No. 3· 1841/02/17
Jordan, H., W. Jodan, and W. Gillespie	plantation and 71 individuals; including: Mather Washington; Soloman; and Walsh	1859-1861	Tulane University, Citizens Bank Minute Book No. 8: 1859/06/23, 1861/06/03, 1861/08/19
Natchitoches Parish			
Boyce, Michael	land and the following individuals: Johnson; Calife; Jean Baptiste; Robert; Frank; Charles; Emery; Leman; David; Sam; Bob; *Huittiem*; Patrick; Prince; Jess; Lewis; Reuben; Harriette and her children *Zenan* and Helene; Debby and her child George; Mary and her child Henry; Larrisa and her child Thomas; Dicy and her child Eliza; Caroline and her child William; Harriette; Rachel; Lucy; Hannah and her child Albert; Marie	1837-1839	Nachitoches Parish, Book 23, p. 2, 1837/12/05, Book 10, p.340, 1838/02/07, Book 23, p. 239, 1839/03/04

Owner	Mortgaged Collateral	Dates	Source
Robinson, J.	plantation and the following individuals: Andre, Jean Baptiste, Clairville, Francis, Joseph, Sylvester, Benito, Bonaranture, Theophile, Marie, Cecile, William, Honore, Marianne, Oreline, Catherine, Celestin, Helene, Agathe, Domstele, Celestine, Mary, Solby, Anna, Suzette, Estele, Henriette, Odile, Lutelia, Baptiste, Diek, Randall, James, Sam, Melite, Madeleine	1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/02/10; Nachitoches Parish, Book 32, p. 50, 1841/03/27
St. Amans, Bernard	land and the following individuals: Hector; *Cesaire*; *Gustu*; Sara; Frank; Robert; Robert; Dick; Richard; Pita; Cyprian; Simpson; George; Old Sam; Sam; Bandan; *Oculi*; Frank; Bob; George; Patrick; Henry Lewis; Felix; John; Betsy; Molly and her child Maria; Jean Baptiste; Lucy; Laiza; *Vallette* and her child Alexandre; Mary and her unnamed daughter; Angel; Henrrietta; Zaire and her child *Valsin*; Hannah; Big Ann; Priscilla; Diana; Little Ann; Nancy and and her child John; Suzette; Suzette and her child Felicite; Hane and her child Martha Ann; Dackey; Charity and her child Livan; *Clemmice*; *Minty*; Eugene; Henry	1838	Nachitoches Parish, Book 23, p. 60, 1838/03/18, Book 10, p. 360, 1838/05/18
Sampayrac, A.	land and the following individuals: Sam; Jose; Bob; *Carret*; Bill; Jesse; Abraham; Petit Sam; Barrel; Arci; John Green; Petit John; Levy; Grand Abraham; *Isaac*; Alfred; Noe; George; Devis Charpuntuir; Wilson; Thomas; Henry; Archer; *Isaac*; Albert; Betty; *Derasin*; Adams; Williams; Julien; *Belf*; Cesair; Rachel; Jenny; Helene; Sally; Silvy; Nancy; Josephine; Mariah; Betsy; Caroline; Mary; Henriette; Petite Betsy; Anne; Cealy; Peggy; Aimu; Malvany; Julie; Rose; and 12 unnamed children	1834-1840	Nachitoches Parish, Book 26, p. 150, 1840/06/20, Book 31, p.338, 1834/06/10, Book 10, p.389, 1838/08/17, Book 26 p. 149 no.1443, 1840/06/20,
Unknown	land and the following individuals: Phil; Isaac (alias Dory); Jacob (alias Martin); Dave; Mary (alias Charity); Elcy; Betsy	1834	Nachitoches Parish, Book 22, p.1, 1834/11/19

Orleans Parish

Bernard, B.	plantation, brickyard, and 38 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bouligny, Alfred and Dominique	plantation and 9 unnamed individuals	1849-1853	Tulane University, Citizens Bank Minute Book No. 6: 1849/09/18; Book No. 7: 1853/02/24
Bradford, H.	farm and 2 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Caffin, Charles	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/20

Owner	Mortgaged Collateral	Dates	Source
Cocke, P. B.	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/01/05
Ducros, Antonio and Casimir Lacoste	the following individuals: Remond; Louis; Mary	1834	Tulane University, Kuntz Collection, No. 600,1834/6/21
Forestall Brothers; Poiney	several plantations and 68 individuals, including: James; William; Bill; Aaron Cusinaru; Jaques; James Bourguel; Adams Boiny; Celir; Jams; Saior; Charisse; Betsy; Ann; David Copeland	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/04/20; Citizens Bank Minute Book No. 2: 1838/03/03, 1838/10/11; Citizens Bank Minute Book No. 5: 1846/02/05
Garidel, Louis Armand	bakery with Charlotte and other unnamed individuals	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/03/23
Hoa, Albert and Pierre	plantation and the following individuals: Baptiste; Big George; John Rousseau; Jerry; Bernard; Gabriel; *John Ameneaiux*; Reuben; Tom; Grand William; Gros Joseph; Jerry; Squire; Abraham; Petit William; Mitchel; Richmond; Bob; Charles Fegg; Dembo; Petit John; Francisque; Penon; Coco; Jean Louis; Joseph; Doyle; Hosborn; Philippe; Tom Hibon; Daniel; Charles; Joseph; John Challender; Azor; Isaac; Felicite and her child Jim; Charlotte; Jessette; Sophie and her unnamed child; Augustine; Marie Chamber; Marie Jeanne and her son Theogere; Angelle; Henry; Louisa; Pyrhus; Abraham Cagelar; David	1838	St. James Parish, Book 17, p. 384, 1838/08/14
Lacoste, Pierre and Antoine	plantation and the following individuals: Basile; Tom; Jean Louis; Antonio; Voltaire; Sam; Hyacynthe; John; Louis Labrique; Leon; Lindor; Antoine; George; Jupiter; Hippolyte; Reuben; Lewis; Dick; Jean Louis; Joseph; Francois; Charlot; Phillis; Fanny; Melite; Sophie; Edmond; Jerry; Noel; Robert; Toby; Henry; Auguste; Marie; Phrosine; Louise; Leocadie; Maria; Pierre; Marie; Joshua; Frank; Bob	1834-1846	Tulane University, Kuntz Collection, No. 600, 1834/1835 and 1836/04/19
Lacoste, Pierre and Antoine; Antoine Bellegarde; Casimir Lacoste	plantation and 60 individuals, including: Bazile; Ellick Forestier; Auguste; Ben and his son Ben; Charlot; Congo; Dick; Edmond; Louis Labrique; Millien; Nelson; Octave; Plaisance; Pichon; Nrain; Rubin; Angele and her child Eugene, Braman, and her three children Jeanne, Ursin, and Emile; Claire; Cilia and her children, Henriette and Marie Louise; Frozine; Mary Laroude; Mary Jacob; Mary Pierre and her child Amelie; Poupoine; Sarah; Therize Bienvenu; Therize Lacoste; Nelly Martin and her child Cidalyse	1850	Tulane University, Citizens Bank Minute Book No. 6: 1850/06/11; Tulane University, Kuntz Collection No. 600; 1850/6/20
Levee Steam Cotton Press Company	steam saw mill and unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 5: 1843/11/20

Owner	Mortgaged Collateral	Dates	Source
Livaudais, Jacques Adolph	plantation and 30 individuals, including: Petit Edmond; William; Pichon; Valentin; Marie Pierre; Amelie; Cydalise; daughter of Marie Martin; Marie Jacob; Edouard Guoye; Jack; Charles; Henry Dix; Gustave; Claire; Antonia; Eddy; Zoe	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/09/16; Tulane University, Kuntz Collection No. 600, 1851/10/09
Livaudais, Jacques Adolphe and Pierre Lacoste	the following individuals: Raymond; Charles; Anthony; Tom; Ned; Harry; Gilbert; Joseph; Mills or Milne; Ellick; Lewis; Simon; Jasmin; Jean; William; Bill; Vulcain; Marie Joseph; Marie Martin; Rose; Justine; Grand Ellick; Tom Gros; Anthony; Louis Coulon; Vulcain; William; Ned; Charles; Gilbert; Raymond; Jean; Harry; Bill; Simon; Mills; Joseph Coulon; Jasmin; Justine; Marie Joseph; Rose Coco; Jean Louis	1834-1851	Tulance University, Kuntz Collection, No. 600, 1834/1835, 1851/10/09
Millaudon, L. and Nicoletz, T.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20
Parrin, Charles	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/12/12
Ribus, M.	20 unnamed individuals	1840	Tulane University, Citizens Bank Minute Book No. 3: 1840/04/09
Ouachita Parish			
Braird, D.	plantation and 17 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Plaquemines Parish			
Baphy, B.	sugar plantation and 29 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bayby, Mrs.	plantation and 11 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bayhi, Pierre	land and 18 unnamed individuals	1848	Tulane University, Citizens Bank Minute Book No. 6: 1848/05/02
Bonneral, Alexander	land and the following individuals: Bob; Dirk Glover; Ben Jones; Tom; Susanne and her children Julienne, Justine, Cato, and Levy; Edmond Ruffin; Nancy; Nathan Dugas; Lannette; James Smith	1855	Plaquemines Parish, Mortgage Book B, p. 212, 1855/08/08

Owner	Mortgaged Collateral	Dates	Source
Courbault, J.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07
de Lizarde, Hermanos	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/12/26
Dufau, C. B.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/06/26
Egana, Juan Ignacio	Fanny Plantation and the following individuals: Frank King; Daniel Honard; Alfred; Richard; George; Claiborne; Buford; Wilson; John *Robinson*; *Bruja*; John Hawkins; *Lot*; Henry Lot; Collins; Hezekiah; *Pleasant*; Lu; Leon; William Parker; Peter Kelly; *Israel*; Peter Fischer; Moses; Jim Fischer; Jack; Daniel Pope; Big Jim; Alexander; Dick Campbell; July; George Burke; Coon; Frank *Duplessis*; Robert *Sterman*; Dave; John Burke; John Dawson; Nelson; Charles; Charles; Robert *Wise*; Martin; Abraham *Bonlin*; Sambo; Long Tom; Ismael; Bob; Cesar; Lisbon; Abraham; Sam Homer; February; Ashley; Felis; St. Louis; Edward; Sam Roman; Marie; Sarah; Kitty; Rachel; Sally; Jules; Celeste; Lewis; Minerva; John; Catherine; Burgess; Warren; Phillis; Rose Ashley; Josephine; Julia; Beckey; Charlotte; *Zarbelle*; Frances; Ellen; Caroline; Ben; *John*; Emily; Rachel King; Rose Burke; Emily; Lee; *Ping*; Harriet; Susanne; Louise; Ellen; Peggy; Rachel; *Jener*; Lucinda; Jeannette; Martha; Sidney; Ann; Sophie; LIddy; Phoebe; Flower; Rose; Simon; George; Elizabeth; Catherine; Bessy Miller; Louise Smith; Joe; Happy; Nancy; Rebecca; Washington; Harie; Juliette; Charlotte; Jane; Long Becca	1858-1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/05/23; Plaquemines Parish, Mortgage Book B, p. 416, 1858/06/05, p. 468,1859/05/30,
Erwin, James	plantation and the following individuals: Joe; Henderson; Ned; Abraham; Watts; Moses; Valerie; Baptiste; Andrews; Phebe; Rose; Judith; Eugenia; Judy; Kitty; Hortense; Delsy	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/05/02, 1839/05/09, Citizens Bank Minute Book No. 3: 1841/02/27; Plaquemines Parish, Mortgage Book R-4, p. 85, 1839/07/03
Farrar, Mary	66 unnamed individuals	1848	Plaquemines Parish, Book 2 p. 151, 1848/03/21
Frederic, Adam	land and the following individuals: Mars; Isaac; Charles; Thom; Rose and her two children Joseph and Jim; *Tris*; Rachelle	1838	Plaquemines Parish, Mortgage Book R-4, p. 39, 1838/03/24
Knox, Andrew and Maria Jane Prince	plantation and the following individuals: Abram, his wife Kitty, and son Phil; Dick; Any; Malfored; Philis; Harriet; Maryland Dave; Washington; Jack	1845	Tulane University, Citizens Bank Minute Book No. 5: 1845/03/13; Plaquemines Parish, Book R-4 p. 279, 1845/03/18

Owner	Mortgaged Collateral	Dates	Source
Latour, Mrs. Arsine	land and the following the following individuals: Ben; Bob; Dick; Tom; Levy; Cato; Edmond Ruffin; Nathan Dugas; James Smith; Habelle; Laurette; Nancy Ruffin; Arinella; Clay; Mary Ann Scott; Maria Jane; Susannah and her children Julie and Julian.		Plaquemines Parish, Mortgage Book R-4, 1848/05/13
Lizardi, Manuel Julian; Egana, Juan Ignacio	plantation and the following individuals: Auguste; Frederick; Sam; Henry; Lawrence; Justin or Juctin; Jim; Cornelius; William; Philippe; William Taylor; Edmond; Allick; Jack; Henry; James Rouge; Marion or Mary; John; George; Edward; Francis Forstall; Ephraim; illegible Forestall; Alexis; Armstron; Joshu; *Abraham*; John (alias Rosemonde); Ben; Argin; Robert; Henry Black; Sam; Lymus; Frederick; David (alias Davis); Anatole; Jefferson; Hammel; Steven; Tom; Ben; Rose and her two children Caliste and Edward; Eliza; Nancy and her two children Guillamme and Peggy; Sarah and her three children Chedric, Henry, and Sarah; Frank; Lydia alias Adelaide; Betsy alias Garielle; Clara; Helen; her three children Louisa; Aimee; Cesarine; Violette; Ernestine; and her child Bacchus; Rachel; Leontine; Nancy; Nancy and her child Harriet; Bassine (alias Marienne); Kitty; and her children Helena, Solomon, and Louis; Letty; Cecilia; Lucy; Florence; Henrietta; Eleonor	1850	Plaquemines Parish, Conveyance Book 4, p. 469, 1850/07/12
Marigny, Bernard	land and the following individuals: Blaise; Gilles; Ben; Charles; Augustus; Allen; Riny; Henderson; Grand Olivier; Olivier; Grand Henry; Ephraim; James; Isaac; Garry; Thom; Anthony; Little Henry; William; Peter; Randall; Alli; Manuel; Sandy; Gorman; Brutus; Lubin; Taliba; Augustin; Campre; Thomas; Michel; Bonann; Pilate; Soleman; Ondon; Phaeton; Francois; John; Grande Diana; Petite Diana; Marthe; Elvy; Agnes; Ammy; Lucinda; Polly; Grande Marie; Terry; Fanny; Susanne; Little Fanny; Charlotte; Little Mary; Rachel; Jeanne; Phebee; Jucie; Julienne; Lisa; Aimee; William; Sam; Miner; Frank; Elisa; Charles; Fenton; Maria; Denis; Marie Covington; Marie Bill; Biguy; John Maguan; Marriam; Grande Juan; Aimer; Colutin; Theodore; Manuel; Ackrel; *Pelam*; Sam; Sam; Camil; Jacob; Henry; Ben; *Lanon*; Davie; Squire; Celestin; Perry; Adam; Anna and her unnamed child; Jane; Leocadre; Marthe; Mathilde; Gaines; Patrina; Harry; Randall; Allen; Anny; *Ersis*; Sam; Peter Manuel; Petite Anna; Henriette; Lariane; John	1836-1845	Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 1: 1836/06/23, Citizens Bank Minute Book No. 5: 1843/01/07; Plaquemines Parish, Mortgage Book R-4, p. 315, 1845/10/28; St. Tammany Parish, Book 64, p. 479, 1845/10/28
Reggis, Charles	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22
Saul	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/06/26

Owner	Mortgaged Collateral	Dates	Source
Stackhouse, W. and H.	Five Oak Grove plantation, New Hope Plantation, land, and the following individuals: Abraham Knox; Abraham *Boukrout*; Mary Jones; William; Bill; *Coradon*; Kate; Henry; Phelia; Lucy and her unnamed child; Perry; Milly; Angelina; Julia; Roland; Prude; Lewis Bradley; Phil; Deer Creek Jesse; Wilford; Axey; Crockett; Solomon; Arthur; Isidore; Humphrey; Colbert; Sarah and her unnamed child; Henriette and her child Nancy; Omaretta; Feliz Guillaume; Fanny and her four unnamed children; Nancy; Joe; Deek Kite; John; Lewis; Little Phil; *Jaonna*; Ephraim; Sully; Jim; Squire; Theodore; Ackrel; *Telan*; Sam; Daniel; Jacob; Henry; Ben; *Lanon*; Davis; Celestin; Adam; Allen; Fanny; Antoine; Eugene; Claire; Jane; Leocudre; Martha; Anny; Mary; Aimee; Anna; Lorianne; Joe; James; Thom; Peppee; Tom; Phill; Peter; Sam; Henry; Jackson; Mary; Isaac; Jacke; Ned; Bazile; Raymond; Rachel; Adam; Honore; Laurent; Theodore; Pegne; Petion; Camille; Acknel; Felan; Sam the priest; Tom; Daniel; Jacob; Henry; Ben; Lanon; Davis; Celestin; Perry; Adam; Allan; Fanny; Antonio; Eugene; Eloise; Jane; Lucinda, Martha; Patience; Anny *Burtre*; Mary; Aimee; Sarah; Anna; Lucianne; *Jour* (alias Joe); James; Thom; Raymond; Margarita; Joseph; Philomon; Henrietta; Charles; Heloise; Marianne; Celestin; Pierre; Frozine; Constance; Celestin; Joseph; Lannon; Francois; Dotreville; Victor; Dorothee; Rob; Melite; Pauline; Rose; Louis; Joe; James; Therese; Mariette; Edouard; Augustin; Baptiste; Francois; Eulalie; Peter; Dick; Tom; Bill; Lucile; Lucile Joe; Henry; Phoebe; Rachel; Mary; Ledy; Olivia; Charlotte; Jean; *Valcone*; Charles; Albert; Henry Meyer; Long John; *Colonel*; Celeste; Tom; Ursine; Antoine; Bazile; Raymond; Lloyde; Rachel; Adam; Honore; Laurent; Theodore; *Regan*; *Petion*; Camille; Raymonde; Marguerite; *Eclante*; Babet; Joseph; Philemon; Henrietta; Charles; Helios; Ursin; Antonio; Marianne;Celestin; Pierre; Frazine; Constance; Casimir; Celestine; Joseph; Janen; Francoise; Detreville; Carter; Porachi; Bob; Neclite; Zanlin; Rose; Louise; Zoe; Hiers; Fox; James; Theresa; Henriette; Edward; Augustine; Baptiste; Francis; Evalie; Brisson; Peter; Criske; Jean Congo; Tom; Bill; Lucille; Lucille Joe; Fanny; Phoebe; Rachel; Mary; Liddy; Olivia; Charlotte; Jean; Valcour; Charles; Alberte	1851-1865	Tulane University, Citizens Bank Minute Book No. 7: 1851/11/11, 1852/01/13, 1852/01/17, Citizens Bank of Louisiana Papers, 1834-1914, Folder 4: 1865/03/24, Folder 5; Plaquemines Parish, Conveyance Book 6, p. 430,1852/10/13; Mortgage Book B, p. 293,1856/10/15

Owner	Mortgaged Collateral	Dates	Source
Starck, Mary F.	land and the following individuals: Billy Ruffin; Scylla; Ben; James Ruffin; Nelly; Fanny; Godfrey; Francois; Little Fanny; Jack; Becky; Sam; Nancy; Hick; Peggy; Scipio; Solomon; Little Nelly; Grandisson; Dick; Ben; Richard; Mary; Alexander; Melita; Betsy; Susannah; Susan; Betsy; Lydia; Dick; Lucy Jane; Lydia; James Perry; Rose; Emilia; Joe; Sally; Gradisson; Hannah; Meary; Frankie; Colbert; Jim; Kitty; Big Ben; Little Ben; Alfred; Emilia; Isaac; Aimee; Harriet; Winny; Edward; Littleton; Harry; Delfy; Fanny; Adeline; Louise; Rachel; Emily; Sarah; John; Elisa; Thomas	1848	Plaquemines Parish; Mortgage Book R-4, 1848/03/22
Stinson, Joseph	the following individuals: Ben; Dary; Jane; Grandison; Ron; Anna; Ben; Suzanne; Charlotte; Serina; Lucy Jane; Mithia; Suzan; Dick; Peterson; Little Betsy; Same; Joe; Colbert; Kitty; Alfred; Littleton Ben; Jeane; Amy; Harriet; John Tilman; Thoedore; Fanny; Jackson; Henry; Cyrus; Louisa; Rachel; William; Handy; Sam; Big George; George; John Richard; Presecilla; Ellen; Emily; Winny; Edward; *Jefferson*; Harry; Willis; Adeline and her child Alberty; Julia; Jim Martin; Washington; Frank; Hilary; Grace; Guillame; Nathan	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/01/02; Plaquemines Parish, Mortgage Book B, p. 315, 1857/01/17
Verbois, N.	land and unnamed individuals	1859	Plaquemines Parish, Mortgage Book B, p. 458, 1859/03/11
Wilkinson, Catherine; Joseph Stimson	the following individuals: Joseph; Nancy; Jamie; Little Nelly; Old Nelly; Francis; Peggy; Buck; Lydia; Alexander; Betsy; Ben; Mary Jones; Margaret; Sally; Mary Ann; Martha; Hannah; Suzane; Lucy Jane; Colbert; Kitty; Little Ben; Alfred; Jane; Winey; Thurston; Sam; unnamed child; Edward; Littleton; Harry; Fanny; Willis; Jackson; Adeline; Amy; Daliallia; Ellen; Hamilet; John Tilman; Emily; Louisa; Rachet; Julia; William; Jim Martin; Sandy; Washington; Sam; Frank; Big George; Henry; Albert; Gras; unnamed child; Hilary George; Riddle; Richard; Ben; Dary; Jane	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/01/02

Pointe Coupee Parish

Blush, John	49 unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 3: 1841/03/11

Owner	Mortgaged Collateral	Dates	Source
Clairborne, Ferdinand	plantation, land, and the following individuals: Phil; Ed; Robert; Ketly; Barrus; Dempse; Charlotte; Fanny; Henry; Melina; William; Mary; Joe; Francis; Creacept; Claiborne; Marshall; Catherine; Cornelia; Julia; Francis; Laura; Henriette; Bishop; Alfred; Mariah; Desire; Arch; Oscar; Celia; Martin; Little Creacy; Celestin; Rhody; Madeline; Alexander; Fill; Lewis; Rebecca; Cranville; Harriet; Emma; Flecher; Suzan; Rene; Allen; Caleb; Polly; Louisa; Benedict; Francoise; Sibby; Marcelin; Ambroise; Terence; John; Walker; Viney; Big John; Ann; Jack; Alex; Minor; Hamrole; Israel; Little Mary; Washington; Tom; Allen; Little Charlotte; Harrisson; Rachel; Bambre; Edmond; Foster; Eliza; Pusle; Mimy	1861	Tulane University, Citizens Bank Minute Book No. 8: 1861/04/11; Pointe Coupee Parish, Legal and Conventional Mortgage Book H, p. 325, 1861/04/14; West Feliciana Parish, Mortgage Book Q, p. 92, 1861/04/13
Cooley, Ebenezer; Mary Elizabeth Collins; and John Holmes	plantation and the following individuals: Richmond; William Hunter; Jack; William Thomas; Wades; Xavier; Madison; Jean Baptiste; Black Jim; Joe; Marshall; Henry or Harry; Lamon; Victor or Joe; Abraham; Allen; Maria; Mathilda; Era; Yellow Sally and her child Howard; Paul; Andrew; Fanny; George; Louisa; Sara; Sally Jackson; Jackson; Isaac; Eliza	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/06/27; Pointe Coupee Parish, Legal and Conventional Mortgage Book G, p. 641, 1859/07/05
Gwynn, Samuel	unnamed individuals	1837	Tulane University, Citizens Bank Minute Book No. 3: 1837/05/20
Hall, George Otis; Alphonse Miltenberger; Gustave Miltenberger	9 unnamed individuals	1857	Pointe Coupee Parish, Lega and Conventional Mortgage Book H, p. 173, 1857/05/11
Harrision, John	plantation and 67 unnamed individuals	1860	Tulane University, Citizens Bank Minute Book No 8: 1860/01/23
Hubert, Louis A.	land and the following individuals: James Allen; Charles Clayton; James Nett; Sam; Edward; Washington; George Wart; Albert; Isaac; John; George; Charles; Betzy; Maria; Lucy; Sally Anne; Flora; Fanny; Sally John;*Eliza Roves*; Helene; Julia; George; Mary; Eveline; Jane; Eliza; *Mara*; Peter	1836	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, 1836/12/31
Knapp, Mrs. Sophia	plantation and the following individuals: John Suzan and his wife Nancy; Stevens; Joe; Hannah and her child Christimas; *illegible*; Frank; Toby; Ann; Sarah; Billy; Genny; Jane	1854	Tulane University, Citizens Bank Minute Book No. 7: 1854/05/05;Pointe Coupee Parish, Legal and Conventional Mortgage Book F, p. 161, 1854/05/06
Ledoux, Amaron and George Hall	the following individuals; Randall; Beverly; unnamed individuals	1841	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, No. 1365, 1841/03/18

Owner	Mortgaged Collateral	Dates	Source
Miltenberger, Ledoux; J. Patrick	plantation and unnamed individuals	1860	Tulane University, Citizens Bank Minute Book No. 8: 1860/11/08
Moceriu, Mrs. Adelina	plantation and the following individuals: Ben; Jean Pierre; Paul; Robert; Jim; Arthimis; Caroline; Martha; Routhe; Louisa; Marie *illegible;* Remi; Celestin; and three unnamed individuals	1837	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, No. 651, 1837/10/28
Morrison, Jacob Haught and Virginia Julia Seghers	plantation, land, and the following individuals: Pollo; Isaac; Prince; Rebecca; Prescilla; Scipio; Daniel; Will; *Harotinus*; Phillis; Anclia or Amelia; Rushwood; Mary; Emma; Suc; George; Caesar; Michel; Rose; Kate; Henry; John Baptiste; Victoria; Stephen; Buck; Paulina; Sam; Dick; Robon or Robert; Milton; Cynthia; Susan; Henry; John Trusbee; Hannah; Big George; Mary; Laurear or Laurent; Martin; Rosella; Harry; Presillia; Lucy; Lewis; Michel; Adele; Julienne; John; Big Mary; Delia; Madelaine; Virginia; Gustine; Lyman; William; Paulin; Mary Tom; Charles; Little George; Marallin or Marcellia; Ann; Bazile; Cecilia; Sylvia; Tom; Cecilia; unnamed individual; Hard Times; Victoria; *Symoora*; Mary Jane	1860	Pointe Coupee Parish, Legal and Conventional Mortgage Book H, p.110, 1860/02/27; Pointe Coupee Parish, Legal and Conventional Mortgage Book H, p. 188, 1860/04/26
Moore, Philip M. and Mary Elizabeth Collins	plantation and the following individuals: Dick; Daniel; Joe; Esan; Thirence; Bazil; Prince; Milly; Arsene; Hannah; Lewis; Germain; Abesse; Mathilde; Felicity or Prince; Charlotte; Amelia; Azilia; Etienne; Fanny; Frivoh; Old Hannah; Ponpon; Celia; Sarrah; Zaire or Rachel; Theresa; Milto	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/01/10, 1859/06/27; Pointe Coupee Parish, Legal and Conventional Mortgage Book G, p. 547, 1859/01/17; Pointe Coupee Parish, Legal and Conventional Mortgage Book G, p. 641, 1859/07/05
Morgan, Charles and Hyacinthe Allain	plantation and the following individuals: Archer; Y. Case; Peter; George Walden; Isaac; Solomon; Henry *illegible;* Hypolite; Jean Pierre; Javier; Jean Baptiste; *Alisies*; Joe; Rob; Lee; *Fransis*; George; Pierre; George Langdon; Henry; Amos; John; Black John; Jon Fuller; American Bill; Perry; Upton; Jessup; Remond; Walker; Gabe; *Punch*; Polly; Ally; Rachel; Mary Ann; Isabel; Nancy; AnnMarie; Victorine; Clare; Grace; Mary; Boby; Lucey; Milley; *illegible;* Silbey; Rosine; Dolly; Fanny; Hanny; *Muckey*; Mary Ann; Caroline; Rickey; Nancy; Lucey; Amanda; Louise; Susan; Lucy; Sibricy; Jeneh; Eliza; Malriney; Lindey; Lied; *Hipolian*; *Poladne*; Hannah; Jacob; Pierre; Denis; Joe; Susan; Molinda; Gabriel; Philip Patience; Viriginia; Harrison; illeg.; Jean; Ellick; Cozy; Little Claire; Mary; Jean Louis; Charity; Henry; Stephen; Jonke; *illegible*; and 7 unnamed individuals	1838	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, p. 753, 1838/05/31

Owner	Mortgaged Collateral	Dates	Source
Simmes, Bennett and Mary Jones Kirk	plantations, land, and the following individuals: Godfrey; Drady; Flora; Ted; Lewis; Godfrey Jr.; Cross; Marth; Pierce; Ignatius; James; Richmond; Daniel; Mary Ann; Sciania; Betty; Moses; Sarah; Lucinda; Claim and his wife Suzan; Aleck; Ann; Cliam Jr.; John; Menia; Lely; George; Lucy; Ellis; Joe; Harriet; Robert; Christian; Julia; Mary Turner; Mary Brown; John; Rebecca; Madison; Lewis; Rose; Chapman; Tracy; Joe; Cora; Agnes; Amanda; Dennis; Rachel; Marthas; Mary Ann; Eugene; Marceline; Norwood and his wife Brund; Henry; Martin and his wife Doly; Dick; Rosaline; Albert; William; Martha; Destin (alias Adestin); Field; Paul; Mary; Robert; Charlotte; Ben; Wamson; Sarah Ann; Billy; Ellen	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/09/28; Citizens Bank of Louisiana Papers, 1834-1914, Folder 5; Pointe Coupee Parish, Legal and Conventional Mortgage Book G, p. 291, 1857/10/07
Smith, Montgomery	land and the following individuals: Gilbert; Randall; Kielen; Lorenzo; Little Randall; Maria; Ann; Eliza; Ellen	1837-1839	Tulane University, Citizens Bank Minute Book No. 2: 1837/05/17, 1839/03/12,1837/11/16; Pointe Coupee Parish, Legal and Conventional Mortgage Book C, No. 628, 1837/05/29; No. 662, 1837/12/13; No. 799, 1838/08/20
Sorid, Eugenia M.	plantation and the following individuals: Abram; Allen; Bob; Coleman; Dave; Elleck; Frank; George; Henry; Jack M; Lakel; Moses; Nace; Richmond; Sandy; Aggy; Chancey; Dianah; Elisa; Sarah; Virginia; Caroline; Elsey; Cynthia Ann; Noah; William; Winny; Lucinda; Chancy; Christine; Isabella; Mathilda; Mary Ann; Roderick; Bob; Cuffy; Lydia	1859	Pointe Coupee Parish, Legal and Conventional Mortgage Book H, #50, p. 24, 1859/12/08
Taylor, William and Lucy	plantation and the following individuals: Eliza; Taylor; Davis; Troy; Nancy; Parrot; Letitia; infant; Richard; Siby; Mary Ann; Nancy; Jane; Lucinda; Winney; Tom, cook; Jenny; Francis Black; Matilda Taylor; Tom Black; Susan; Loyd; Joe; Peggy; James; Jack; Mars; Betty; Stephen; Sina; Sophy; Judy; Anthony; Luke; Gins; William; Henry; Mary; Sarah; Parris Black; James; John; Willis; *Sanny*; *illegible*; *illegible*	1838	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, No. 693, 1838/02/15
Williams, Henry A.; John and Robert Boyd	plantation at Bayou Letsworth and the following individuals: Henry; Hannah; Adam; Francis; Ben; Washington; Adam; Letty; Biddy; Harriet and her child Louis; Ely; Polly; Judy and her child Mary; Emily and her child Eliza; Joe; Letitia; Joe; Lamb; Randall; Nancy and her child John; Davy; Jenny and her child Louisa; Mathilda; Frank	1830-1853	Tulane University, Citizens Bank Minute Book No. 6: 1850/07/15; Citizens Bank Minute Book No. 7: 1853/05/19; Ascension Parish, Mortgage Book 6, p.428, 1838/03; Pointe Coupee Parish, Legal and Conventional Mortgage Book C, No. 694, 1838/02/26, No. 784, 1838/07/18; Legal and Conventional Mortgage Book E, p. 376, 1850/08/12

Owner	Mortgaged Collateral	Dates	Source
Rapides Parish			
Archinaud, Cesar	plantation and 47 unnamed individuals	1838-1848	Tulane University, Citizens Bank Minute Book No. 2: 1839/03/21, 1838/11/08; M-1847, Citizens Bank Mortgage Book
Archinaud, E.	Joseph Gale; James Johnson; William McClain; Hannah Bell; Ann; Young Dave; Young Henry; Young Harriet; George	1860	Tulane University, Citizens Bank Minute Book No. 8: 1860/12/27
Archinaud, Francois	land and unnamed individuals	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/03/21
Archinaud, Richmond and Evariste	the following individuals: Seipio; Peter; Joe; Marck; Charles; Henry; Dick; Thomas; Ellick; Wilson; Tom; Edward; George; Oliver; James; Noah; Jerry; Jamen; Joseph; Lucy; Grace; Judith; Isabel; Louisa; Minda; Selvey; Harriet; Nelly; Anny; Naney; Annette; Jude; Martha; Mary; Hannah; Rose; and Louisa	1838	Tulane Univeristy, Citizens Bank Papers, Folder 5, 1838/02/24
Gasseau, Mrs. J. B.	plantation and 19 unnamed individuals	1853	Tulane University, Citizens Bank Minute Book No. 7: 1853/04/07
Gill, A.B and W. H.	plantation and unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 1: 1835/03/27; Citizens Bank Minute Book No. 5: 1843/01/28, 1843/08/19
Ryan, Michael	plantation and unnamed individuals	1858-1861	Tulane University, Citizens Bank Minute Book No. 8: 1858/07/01, 1861/02/11
Sullivan, J. B.	plantation and 108 unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/01/27
St. Bernard Parish			
Allard, G. N.; E. Durrim	unnamed individuals	1834-1837	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/29; Citizens Bank Minute Book No. 2: 1837/08/03
Beauregard, L. F.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22
Bienvenu, Antione	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/20
Bienvenue, L.	plantation and 16 individuals, including the following: Peter; Euphsosine; Alistine and her daughter Angel; Angel's daughter Laudine; Dilli; Mark; Charles Banks; Peter Lasker; Joshua; Sophie	1834-1856	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20; Citizens Bank Minute Book No. 8: 1856/11/04; M-1847, Citizens Bank Mortgage Book

Owner	Mortgaged Collateral	Dates	Source
Canaby-Peyroux, Aime	plantation and unnamed individuals	1844	Tulane University, Citizens Bank Minute Book No. 5: 1844/07/08
Darcantel, Charles and Fred E. Roy	22 individuals including: Joe; Petit Joe; Joseph; Severin; Ovide; Henry; Alfred; *Charlotte Creole; Rosn; Laurette*	1856	Tulane University, Citizens Bank Minute Book No. 7: 1856/05/20
Darcantel, Henry	unnamed individuals	1834-1843	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20, Minute Book No. 5: 1843/11/20
DesBouchel, Victor	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20
Ducros, L. and J.	plantation and 22 individuals near Bayou Boeuf including: Lonnie; Mary; Caty; Amis; William; Jesse	1862	Tulane University, Citizens Bank Minute Book No. 8: 1862/02/10
Freme, B	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20
Heligsbury, S. G.	land and unnamed individuals	1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/02/21
Hiligsberg, J.	brickyard and 38 unnamed individuals	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/03/11
Hiligsberg, L. G.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/03
Jordan and *Reggio*	121 unnamed individuals	1855-1857	Tulane University, Citizens Bank Minute Book No. 7: 1855/02/02, Citizens Bank Minute Book No. 8: 1857/01/30
Jordee, P.	plantation and unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/01/22
Lanquilles, brothers	7 unnamed individuals	1834-1842	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20; Citizens Bank Minute Book No. 4: 1842/04/04
Lorrin, illegible	plantation and unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/06/02
Olivier, Eliza	land and 22 unnamed individuals	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/03/06
Peyroux, Emile	land and the following individuals: Mathilda; Dorestan; Celestin; Cecile; Isaac Essex; Henry; Isaac	1851-1854	Tulane University, Citizens Bank Minute Book No. 6: 1851/02/18; Minute Book No. 7: 1854/06/16; Citizens Bank of Louisiana Papers, 1834-1914, Folder 3: 1854/06/29

Owner	Mortgaged Collateral	Dates	Source
Peyroux, P. Oscar	11 individuals, including: Celestine; Marguerite; Felicite; Mirthe; Felicia; Francis; Sophie; Kathy	1834-1853	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/22; Minute Book No. 6: 1846/08/2, 1850/06/18, 1850/06/25; Minute Book No. 7: 1853/11/15
Peyroux, Sylvain	*Dosesthan* and other unnamed individuals	1834-1851	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20; Citizens Bank Minute Book No. 7: 1851/09/16
Reaud, Pierre; V. Reaud	plantation and 41 unnamed individuals	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/01/21
Reggis, Mrs.	10 unnamed individuals including Mary and her unnamed child	1842-1851	Tulane University, Citizens Bank Minute Book No. 4: 1842/05/09, Citizens Bank Minute Book No. 7: 1851/11/25
Roy, Fred E.	land and 12 unnamed individuals	1856	Tulane University, Citizens Bank Minute Book No. 7: 1856/05/20
Szymanski, Y.; L. A. Marchand	plantation and unnamed individuals, including the following: Charles; Julie; Louis; Louisa; Isabelle; Congo; Henrietta; Polka; Joe; Janvier; John; Sam; Rubin; Peter	1852-1855	Tulane University, Citizens Bank Minute Book No. 7: 1852/03/16, 1855/04/27
Vangibben, Henry	plantation and unnamed individuals	1860	Tulane University, Citizens Bank Minute Book No. 8: 1860/02/27
Villavaso, Michel; Joseph and Michel Cantrelle	land and the following individuals: Prince; Saxon; Hampton; *illegible*; Frank; Dauty; Thom; January; Willis; *Mynus*; Wilson; Brand; Isaac; Billy; Sam Carpenter; David; John Grey; Feliciana; Charles; Nelson; Thom Byrne; Jack *Arcucil*; Jack *Cucullin*; George; Adams; Alexis	1841-1853	St. James Parish, Book 19, p. 621, 1841/08/19; Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20; Minute Book No. 5: 1846/03/26; Minute Book No. 6: 1846/10/30; Citizens Bank Minute Book No. 7: 1853/03/10

Owner	Mortgaged Collateral	Dates	Source
St. Charles Parish			
Bouligny, D.	plantation and the following individuals: Jean Louis; Bernard; Celestin; Bob; Henry; Elizabeth; *Mevanthe*; Fanny and her son Albert; Sally; Long John; Bill; Jules; Abraham; Meg; Daniel; John Davis; John Tilewton; Ben; Jacob; Harry; Sam Williams; Bandal; Yellow Harry; Yellow Abraham; Mary; Mary Louise; Louisa; Louise; Zoe *Silvie*; *Delly*; *Linda*; Sophie; Adolphe; Cloe; Felouise; Octave; Eugene; Peggy; Joanna; Auguste; Elizabeth; Ainee; Justine; Sarah; Asia; Benard; Louis; Madeline and her child Lucinda	1859	St. Charles Parish, Mortage Book 11 p. 37, 1859/03/8
Boussel, Th.	the following individuals: Edmond; Elleelse	1855	St. Charles Parish, Mortgage Book 10, p. 77, 1855/04/0
Campbell, Parker	land and the following the following individuals: Jacob; Abram; Archy; Aleck; Black Sam; Bill; Fisher; George; Hepps; Merraday; John; Jordan; Thos Lune; Manuel; Moses; Moses Harris; Major; Matthew; Philip; Phill; Peter; Soloman; Sam; Toby; Talleyrand; William; Washington; Aussie; Caroline; Lisa; Marianne; Nancy; Jodie; Sally; Lalie; Maria; Rachel; Angele; Vincent; Suzanne; John; Milite; Edward; Julianne; Sarah; Pierre; Betsy; James; Richard; Paul	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/02/03; St. Charles Parish, Book B, p. 370, 1859/0/05
Darpy	the following individual: Sarah	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/07/11
Davis, Ezra	plantation and unnamed individuals	1859	St. Charles Parish, Mortgage Book 11, p. 68, 1859/11/14
Fortier, Mrs. A.	plantation and unnamed individuals	1848	St. Charles Parish, Mortgage Book 7, p. 71, 1848/0/16
Fortis M. A.	land and 10 individuals, including the following: Auguste; Auguste	1851-1856	Tulane University, Citizens Bank Minute Book No. 7: 1856/03/14, 1851/12/23
Garcia, Felix	plantation and the following individuals: Bella; Henry	1847-1850	St. Charles Parish, Mortgage Book 7 p. 66, 1847/11/13, p. 39, 1847/06/1, p. 40, 1847/0/08; Conveyance Book A, p. 131, 1850/06/05

Owner	Mortgaged Collateral	Dates	Source
Garcia, Felix; Charles, Theodule, and Elvine Roussel; Julian Vienne	land and the following individuals: Abraham; Bill; Jacob; Peter; Jordan; Madison (alias Marcelle); Capitan Fish; Baptiste; Sam; Philippe; Edmond; Marianne; Suzanne and her children Jean and Nelly; Rachel and her two children Angile and Victor; Liza (alias Lily); Sully; Caroline; Toby; Talleyrand; Nellie; Nathan; Arthur Field; Sam Carroll; Alexander Jackson; Archer Carroll; George McHenry; Moses Harris; Henry Nazareth; Henry Hews; Betsy Gatewood and her children Marth and James; July Ann Johnson and her unnamed son; Eppse Johnson; Solomon Jones; William Denning; Henry Whetson; Len Thompson; Moses Howell; Rhody Flagg; Major Gillian; John Ashby; Nancy Rivers; Sam Red; Amy; Washington Spencer; Edmund; Allick	1853	St. Charles Parish, Mortgage Book 9, p. 111, 1853/01/03; Conveyance Book A, p. 174, 1853/01/03;Tulane University, Citizens Bank Minute Book No. 7: 1854/08/18
Haydel, Bd.	land and the following individuals: William; Rene; Peter Jean; Jacob; Gran Jean Louis; Edmond; Phanor; Victorise (alias Groton); Sebere; Henrietta; Marie and her three children Julie, Lewis, and Anais; Ursula; *Julia*; Michael; Laurand (alias Capitain); *Felossese*; Adele; Heloise; *Cital*; Adeline; Pierre; Zoe and five unnamed children	1846	St. Charles Parish, Mortgage Book 7, p. 84, 1846/08/05
Labranche, Alcee	plantation and the following individuals: Nomme; Bartlett and unnamed individuals	1834-1851	Tulane University, Citizens Bank Minute Book No. 1: 1834/12/26, Minute Book No. 5: 1843/05/24, Minute Book No. 6: 1849/10/30, 1851/06/17; St. Charles Parish, Mortgage Book 9, p. 30, 1851/08/30
Labranche, L.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/07/22
Landreaux, Mrs. H.	unnamed individuals	1847	St. Charles Parish, Mortgage Book 7, p. 184, 1847/3/7
Lansaux, Adele Rixner	land and the following individuals: Daniel; John; Anne and her *Felonise*, Pierre, and Jim; Andrew; Michael	1860	St. Charles Parish, Mortgage Book 11, p. 185, 1860/10/31
Logan, Samuel	Eddy and his daughter Patsy; Masin; Sandy	1849	Tulane University, Citizens Bank Minute Book No. 6: 1849/06/07; St. Charles Parish,Mortgage Book 9, p. 16, 1851/06/04
Lurupuru , W. A.	plantation and 40 unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/02/09
Mailes, George	plantation and unnamed individuals	1860	Tulane University, Citizens Bank Minute Book No. 7: 1860/04/04

Owner	Mortgaged Collateral	Dates	Source
Piscros, Francois H.	plantation and the following individuals: Lewis; Anson; Ben; Colos; Hatani; Laurence; Francois; Gabriel; Hanalin; Charles; Joe; James Green; Jaques; Lazaou; Harry; Henry; Henry Holloway; Abraham; Michael; Alepis; Sandy; Richard; Jean Baptiste; David Livandais; Sawyer; Nat; Moses Holloway; Macke; Andres; Gross Davis; Richard Congo; Hyacinth; Anderson; Pierre; Gros Neilson; Ludolpohi; Baptiste; Hasse; George; Lydia; Helene; Fanny; Judith; Frances; Petvone; Sally; Sylvie; Louise; Ursula; Polly Classear; Grosse Polly; Charity; Anna; Trippy; Grosse Anna; Emilie; Jasse; Martha; Maria; Rachel; Paul; Robertson; Joseph; Robess; Francois; Henry; Sesaphine; Antoinette; Emilie; Eugenia; Celestine; Francois; Sally; Suzette	1838-1853	Tulane University, Citizens Bank Minute Book No. 1: 1835/03/27, Citizens Bank Minute Book No. 5: 1843/11/02, Citizens Bank Minute Book No. 7: 1853/06/23; St. Charles Parish, Mortgage Book 7, p. 14, 1835/04/20
Taylor, Lucy Thorn,	land and the following: Bill; Maria; Ben	1853	St. Charles Parish, Conveyance Book C p. 189, 1853/04/28; St. Charles Parish, Mortgage Book 11, p. 256, 1853/04/28
Walker, A. W.; J. T. Piseros; Bayles and Victoria *Lebranche*; Thomas Bisland	plantation and the following individuals: *Leurs*; Antoine; Hilaire; Francois; *Marcuirie*; Charles; Joe; Jack; Henry; *Colad*; Richard; Jean Baptiste; Davis *Louadais*; *Maidsle*; Pierre; Baptiste; George; Paul; Robert; Haul; Little Francois; Bastier; Ursin; Jean; Prosper; Sam; Ledge; Gros Davie; Lazarus; Alex; Andre; Hyancinth; Sally; Julie; Louise; *illegible*; Polly; Charity; Anna; Rachel; Jeanne; Martha; Emelie; Celestine; Lydie and her daughters Coralie, Little Lydie, and Justine; Melinda; Job *Pranson*; Robert Jackson; Bazile; Gabriel; Ned; John Aime; Isaac; Pierre; Helene; Aaron; Adam; Aduni; Alfred; Anderson; Anthony; Althea; Bartlett; Buck; Burton; Caldo; Chapman; Charles; Christopher; Eliza; Edwin; Eugene; Frank; Gurga Munsford; Giles; Henry; Humphrey; Jacob; Big James; Little James; Jessy; Joe; Big John; John; John C.; Little John; Josiah; Jordan; Joe; Juntum; Gerry; Lundum; Jenny; Manuel; Michael; Ned; Nickerson ; Norman; Patrick; Paul; Phette; Pierre; Solomon; Sam; Sandy; Stanny; Stephen; Sawny; Thurston; Addam; Abey; Candide;Charlotte; Frances; Little Henrietta; Big *Big Maria; Little Maria; Marie; Marie Jeanne; Mary; Matilda; Martha; Pilagie; Sally; Sarah; Sylvie; illegible; Ursula; Victoria; Jdee; Susannah; Rachel; Louisa; Toby; Edouard;* illegible; *William; Sylvie; Zoe; Sissy; Elizabeth; Lidia; Phrasim; Manuel; Beamais; illegible*; Aleck; Sarah; Emilie; Elsey; Jeanne Boone; Toby; Harriet; Lydie; Nanny; James; Marie; Sambo; Adam; Eve; Henry; Jean Baptiste; Bastien; Francois; Oscar; Hilarie; Sally; Ned; Uriah; Libby; Caroline; Phillip; Susan; Maria Yellow; Frank; Bella; Samson; Venus; William; Linda; Hanes; Beck; *Charleston;* Lavinia Maria; Dorsey; Hyacinthe; Paul; Annah; Rachel; Sam; Solomon; Maney; Rose; Ursine; Julia	1852-1857	Tulane University, Citizens Bank Minute Book No 7: 1853/06/23, Citizens Bank Minute Book No. 8: 1857/04/23,1857/06/01; St. Charles Parish, Conveyance Book A, p. 203, 1853/07/15, p. 148, 1852/09/01; Conveyance Book B, p. 263, 1856/02/20; Mortgage Book 9, p. 161, 1853/07/15

Owner	Mortgaged Collateral	Dates	Source
St. Helena Parish			
Kemp, Demcy	land and the following individuals: William; Samuel; Henry; Anthony; George; Lewis; Thomas; Richmond; Albert; Harry; Hannah; Rose; Sophia; Sarah; Sam; Delphy; Debly; Mary; Priscilla; Kizzy; Martha; Charles; Ephraim; Anderson; Manda; Israel; Charlotte; Adaline; Benjamin; Frank; Susan; Norrell; Jacob; Dennes	1838	Citizens Bank of Louisiana Papers, 1834-1914 Folder 2, 1838/04/14
St. James Parish			
Aime, Valcour and Josephine Roman; Valerin Choppin	the following individuals: Grand Augustin; Charles Creole; Ben; Celestin; Julien; Gabriel; Kito; Tom; Lewis; Plato; Manuel; Petit Augustin; Auguste; Gros John; Jack; Sibra; Gros Jim; Georges Murray; Petit Jim; Charlot; Davis; Frank; John Cochen; Benjamin; Ned; Matt; Louis Davy; Jerry; Watson; Jaret; Henry; Adams; Jeorg Taylor; Gim Sim; Harrison; Charles Martail; Ben Lunette; Gros Louis; Petion; Nielisse; Theodule; Adolphe; Frontise; Rosette; William Cordounier; Baptiste; Susanne and two children; Poyon and Noel; Grande Isabelle; Magdeline; Eulalie; Marava and her child Juliette; Syhrie; Ketty; Dianah; Mathilde; Virginie; Marie; Henriette; Becky and an unnamed infant; Celeste and her three children Pierre, Celestine, and Antonine; Fanchennette and two children Eugine and Sally;Charite and her four children Francois, Cressey, Jasmin, and Jauir; Catharine and her two children Joseph and Cateau; Kesier; Heddy and her two children William and Bastin; Amiee; Nancy; Melicere; Liza; Francoise (La Grosse) and her two children Alexandre and Ceriasse; Euragie; Souky; Betsey; Juliette; Becky; Bony; Kety; Gilblas;Angelique and her unnamed infant; Francoise (Petit); Annette; Pichon; Gineriere; Kedy; Andre; Valere; Francis; Lubin; Sanape; Papillon; Charles; Mercure; Casimir; Marlborough; Cartonch; Smith; Hector; Piram; Cupidon; Jupiter; Ajax; Radamanthe; Polleux; Achille; Agobar; Baptiste; Toussaint; Rosette; Venus; Jeannette; Fanchon; Clotho; Mani; Hemide; Penelope; Martha; Zablle; Marinette; Abenite; Jeanie; Hibe; Hyacinthe; Cephale; Tounsered; Annah	1836 - 1860	St. James Parish, Book 15, p. 444, 1836/09/03, p. 464, 1836/11/03; Book 16, p. 43, 1836/12/28, p. 384, 1837/08/22, Book 17, p. 352, 1838/07/18, Book 17, p. 377, 1838/08/01; Book 28, p. 199, 1849/10/11; Book 27, p. 117, 1850/04/12; Tulane University, Citizens Bank Minute Book No. 2: 1838/03/14, 1838/03/27; Citizens Bank Minute Book No. 8: 1860/05/28
Arceneaux, Joseph Leon and Arthemise Bergeron	plantation and the following individuals: Lindor; John; Ned; *Naripe*; Henry; Liza; Mary; Seraphine; Celeste; Adam; Laurette; Jean Baptiste; Martha; Gregoire	1837	St. James Parish, Book 16, p..363, 1837/0727

Owner	Mortgaged Collateral	Dates	Source
Armant, Family	the following individuals: Pompii; Charles; Robin; Flasian, Angelique; Agnes and her unnamed children; Clara; Isabelle; Caeraean; Ned; and unnamed individuals	1860	St. James Parish, Book 34, p. 193, 1860/02/27
Armant, Jean Baptiste and Rose Carmelite Cantrelle	plantation and the following individuals: Bambara; Camire; Baptiste; Pierre Sond; Tom Congo; Zamor; Michel; Lubin; Louis Congo; Adams; Jean Congo; Sharlot; David; Michian; Souvenir; William Petit; Alexis; Valere; Peter; Issac; Hector; Samson; Politho; Tom; Louis Mina; William Jackson; Alexis Cadcein; Leveille; Casmir; Toussaint; Petit Jean; Celestin; Cango; Jaco; Francois Calotte; Primus; Veiux Isaac; Abraham; David Miller; William Iman; Daniel; Billy Buck; Ben Watson; Moses; Martin; Dicke; Michel Jeune; Memphis; Michel Cadein; Gros Sam; Jack Boucher; Robertson; David Braman; James O'Neill; Laray; Jack Plaquemine; Demi; Philippe; Petit Abraham;Will; James; Cilus; Humphrey; Smart; Basil; Francis; Sylvester; Mulatre; Gabriel; Mani Therese; Mandialle; Victoria; Helena; Marianne; Hennan Congo; Thebe; Francoise Macom; Rosette; Maria; Fanny; Sissley; Hennan Mina; Hannah Congo; Hannah Virginie; Emilie; Pesine; Terzile; Nancy; Sally; Julee; Nanny; Franqui; Sally Valerie; Nanny Omphrey; Marguerite Denis; Charite; Nelly; Petite Rosette; July; Becky; Sophie; George; Agnes; Jeanne; Marianne; Lisc; Pierre; Alzire; Emile; Arthemise; Stephen; Pelagie; Elizabeth; Mars; Michau; Gabriel; Aspasie; Honore; Anderson; Cyprien; Drausin; Louis; Joseph	1834-1840	St. James Parish, Book 13, p. 705, 1834/08/19, p. 733, 1834/08/25; Book 18, p. 366, 1840/01/14
Armant, Jean Seraphin and Louise Amelie Fuselier	plantation and the following individuals: Randall; Ketto; Ben; Richard; Scipio; Little Bob; Sam; Elisa; Eliza and her son John; Lucy; Charite; Took; Diana and her daughter Betsey; Robert; Saphy; Will; Bob; Fouland; Jim; Claris; Valentine; Sarah; Maria; Melierte; Eugine; Bob Chartant; Sambo; Jerphy; Jack; Victoire; Lubin, Nuriea; Eustache; Joseph Boulanger; Joseph; Francois; Francis; Henry; Figaro; Jose; Noel; Tom; Janveir; Nancy; Jane and her two children Nancy and Marceline; Sylvain; Louis; Valentin; Henrietta; Betsey; Marie Louise; Henriette and her three unnamed children	1836-1847	Tulane University, Citizens Bank Papers, Folder 2, 1838/12/17; Citizens Bank Minute Book No. 2: 1837/05/17, 1837/05/27, 1840/01/03; St. James Parish, Book 15, p. 422, 1836/07/27, p. 429, 1836/08/06; Book 16, p. 313, 1837/07/03, p. 371, 1837/07/22; Book 17, p. 439, 1838/12/12, p. 447, 1838/12/17; Book 18, p. 623, 1840/08/17, p. 660, 1840/09/01; Book 19, p. 366, 1840/12/19; Book 25, p. 271, 1847/08/18
Armant, Mrs.	land and 41 unnamed individuals.	1838-1848	Tulane University, Citizens Bank Papers, Folder 2, 1838/12/17, Citizens Bank Minute Book No. 4: 1842/02/19; M-1847, Citizens Bank Mortgage Book
Bergeron, G.	plantation and 52 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book

Owner	Mortgaged Collateral	Dates	Source
Bergeron, Michel and Constance Bergeron	plantation and the following individuals: Squire; Ben; Francois; Augustin; Simon; Michel; Louis; Pierrot; Joseph; Jean Baptiste; Cyprien; Jean Louis; Francois; Ben; Leveille; Augustin; Simon; Louis; Samson; Esquire; Andre; Augustin; Justine; Delphine; Henrietta; Manette; *Elionsore*; Celeste; Marguerite; Julie; Hypolite; Zenon; Syhre; Edmond; Ophelia; Poupone; Angelina; Syhain; Adile; Millin; Etienne; Rock; Dick; *Unin*; Jacques; Palsey; William; Allin; Baptiste; Grand Jean Louis; Catherine; Victorin; Victorine	1834-1847	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/22; Citizens Bank Minute Book No. 6: 1847/03/25; St. James Parish, Book 13, p. 768, 1834/10/10; Book 16, p. 352, 1837/07/26, p. 420, 1837/08/30; Book 17, p. 321, 1838/06/22; p. 335, 1838/06/26; Book 18, p. 367, 1839/12/30
Bergram, Mr.	plantation and 23 unnamed individuals	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/07/15
Bienvenu, L.	plantation and unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/12/22
Blouin, Evariste and Denise Arcenaux	plantation, land, and the following individuals: Becky; Sarah; Lucy; Manette; Nelly; Raymond; Philippe; Bazile; Marie Jeanne; Jean Baptiste; Paulin; Marie Louise	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/20; St. James Parish, Book 14, p. 113, 1835/04/09; p. 203, 1835/04/28
Butler, Caroline	the following individuals: Randall; Eliza and her eight children Francis, Emily; Caroline, Cezar, Henry, Fonty, Lucy, and Robert; Saul; Winney her six children Wyatt, Bedford, Leroy, Davy, William, and Patsy, and Patsy's two children Jerry and Nelly; York; Peter; Archibald; Sam; Hannah and her five children Jones, Pleasant, Miles, and Letty; Maria	1844	St. James Parish, Book 21, p. 118, 1844/07/26; p. 123, 1844/07/30, p. 189, 1844/08/06;Tulane University, Citizens Bank Minute Book No. 5: 1844/07/30
Cantrelle, Joseph Xavier and Louise Dejean	plantation and the following individuals: Justin; Nanciser; Francois; Louis; Andre; Dick; Charles; Bill; Billy; William; Adams; Ferdinand; Joe; Jean Baptiste; Eugene; William; Rose and her son Valsin; Jane; Maria; Euphrosine; Nancy and her child Francisque; Phoebe; Louise	1834-1844	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07; St. James Parish, Book 13, p, 690, 1834/08/13, p. 731, 1834/08/20; Book 21, p. 128, 1844/08/03, p. 131, 1844/08/03
Champagne, Evariste and Caliste *Sexchjineider*	plantation and the following individuals: *Galsin*; Louis; Justin; Francois; Jean Pierre; Marianne; Charlotte	1837	St. James Parish, Book 16, p. 473, 1837/12/12
Chapdu, Alexandre	plantation, land, and the following individuals: Anachreon; Thomas; Sunday; John; Isaac; Gabriel; Adelle; Marie; Charlotte; Aima; Maria; Etienne; Gustave; Flore; Victorie; Zoe; Pauline; Lise	1834-1844	St. James Parish, Book 13, p. 736, 1834/09/10, p. 748, 1834/09/18; St. James Parish, Book 21, p. 150, 1844/08/24, Book 21, p. 148, 1844/08/24
Croizet, Suzanne	plantation and the following individuals: *Janvier*; Jim; Pierre; Benard; Jean Baptiste; Lausen; *Chapio*; Henry; Francoise; Clarisse; *Tenerieve*	1837	St. James Parish, Book 16, p. 100, 1837/03/21; St. James Parish, Book 16, p. 131, 1837/03/27

Owner	Mortgaged Collateral	Dates	Source
Delogny Jr., Edouard Robin and Caroline Trudeau	plantation and the following individuals: George; Thom Zuce; Joe Congo; Amos; Ben; Ambrose; Stepney; Oliver; Salomon; Bob Osburn; Willis; Martin; Walker; Morris; John; Warrick; Joe Walker; Lubin; Felix; Davy; Sam; Remy; *Chricopher*; Washington; Charles; Tom Levox; Louis; Faro; George Congo; Bob; Manette; Venus; Maria; Betsey; Adelaide; Marie Tuseau; Catherine; Agathe; Charlotte; Annah; Eleonire; Cesaire; Rachel; Mary; Victorine; Thelma; Mary Davis; Adelaine; Effie; Victor; Louis; Celestine; Frana's; Manette; Alexandre; Jonny; Dolly; Celestin; Maurice; Harry; Gordon; Tom; Jessy; Peter; Henry; Charles; Duncan; Alerte; Chamblain; George; John Tureaud; Benjamin; Charles; Jay'ou; Premier; Marie Lucuie; Lulie; Fanny; Maria; Esther; Clessyde; Susanne; Elizabeth; Adelaide; Nannie; Toussine; Eulalie; Millicente; Ronni; Pauly; Eilbert; Bernard; Augustine; Eleonore; Irma; Molly; Eliza; Nancy; Jims	1835	St. James Parish, Book 14, p. 65, 1835/03/24
Donaldson, Edward	land and 43 unnamed individuals	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/06/17
Duplantier, Armant; Edouard and Charles Fortin; Celeste Parent; Marie Arsene Fortin; Felicie Communy	plantation and the following individuals: Azor; *Arlequin*; William; Pacane; Nick; Mimi; Coto; Phil; Harmstead; Paul; Andre; Emond; William; Brack; Celestin; Commondore; Tom yellowbelly; George; Billy; Lindor Congo; Caira Borgene; Jean Pierre; Tamba; Charlos; Adam; George Saly; Louis Betsy; Louis Hita; Nat; Eugene; William; Jacques; Noel; George; Antony; Quioter; Baltimore; Isaac; Antony Gloster; James; John Green; Johnson; Petit Billy; Allan; Riss; Willey; Francisque; Catherine; Mary; Julie; Marianne Hilow; Betsey; Canba; Manon; Cleonise; Lucie; Marie-Jeanne; Marianne; Minerve; Polly; Fity; Josephine; Edwilge; Nanette; Frederick; Souris; Florestine;Mathilde; Sally; Adelaule; Vinant; Bernard; Elsy; *Bellevere*; Mina; Ketty; Ortere; Michel; *Alssed*; Jacob; *Pelagce*; Charles; Francoise; Charlotte; Julis; Francoise Petit	1837	St. James Parish, Book 16, p. 188, 1837/04/27, p. 202, 1837/05/05; Tulane University, Citizens Bank Minute Book No. 2: 1837/05/13
Dupresne, Isadore and Adam Champagne; *Theodule Tupagnier*	land and the following individuals: Louis; Jean Pierre; Valsin; Justin; Charlotte; Marianno	1852	Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 3: 1852/09/13; Citizens Bank of Louisiana Papers, 1834-1914, Folder 3: 1852/09/13

Owner	Mortgaged Collateral	Dates	Source
Fabre, Joseph Paul and Amelie Perret	plantation and the following individuals: Pierre Congo; Henry; Jerry; Eugenie; Pompee; Baptiste Congo; Charles; Victor; Tousaint; Edmond; Benjamin; Petit George; Lucie; Octave; George anglais; Michel; Amelie and unnamed infant son; Julien; Luckey and her three children Celisitin, Armstead, and Magdeline; William; Alfred; Louisa, Damon; Apollon; Mark; Joseph; Ramien; Philippe; Flora; Hyholite; Jacquah; Tom; Marie and her son Augustin; Louis; Eliza and her three sons Etienne, Zenon, and Germaine; Conacon; Narcisse Hopier; Eugenie; Peter; Drauzine; Henriette and her two children Francisque and Drauzine; Caroline; Erivin; Louis Bourgeois; Diana; Frederic	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/22; St. James Parish, Book 13, p. 786, 1834/10/18; St. James Parish, Book 13. p. 806, 1834/11/11
Gaiennie, Gervais and Louis Rene	land and the following individuals: Alexandre; Joly; Alexandre Congo; Jos; Henry; Alexandre; Jos Woodlen; Priscille; Fanny; Henriette; Clementine; Marianne; Catherine; *Vetcher*; Washington; Marguerite; Charles; Priscillane; Marianne; *Theresia*; Henry; Hillard; David; Gilbert; Moses; John	1842-1843	St. James Parish, Book 20, p. 25, 1842/04/15; Tulane University, Citizens Bank Minute Book No. 5: 1843/01/28
Godbery, James William and Marie Estelle Dupuis; William Peter Welham and Reine Seraphine Theriot; Catherine Mariner	plantation, land, and the following individuals: Ashly; Charles; Adam; Sandy; Will; Gasmill; Wyott; John; Butler; Little Charles; Dick; Abraham; Rose; Hannah; Fanny; Celina; *Marguinte*; Sally; Mary; George; Arenu; Emelina; *Olora*; Jim Boy; Israel; Big Mary; Ann; Jenny; Prince; Henry	1837-1839	St. James Parish, Book 16, p. 302, 1837/06/22, p. 340, 1837/07/15; Book 18, p. 173, p. 241, 1839/04/17
Gourdin, J.	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/02/20
Hoa, Albert and Pierre	plantation and the following individuals: Rose and her three children, Norbert, Denis, and Anais; Henriette; Sophie; Euiele; unnamed child of Jeanne	1838	St. James Parish, Book 17, p. 384, 1838/08/14
Jacob, Ursin and Eleonore Perret; Edouard Jacoband and Celestine Malarcher; Jean Louis Haudressy and Adelaide Tureaud	plantation and the following individuals: Creipin; Edmond; Chelsey; Viux Charles; Claiborne; Perry; Singleton; John Lonagere; *Tortue*; Petit John; William Berry; Thelemaque; Randall; Joseph; Jefferson; Daniel; Sam; John; Semon; Isaac; Charles; Billy; William; Iem; Isaac Forgeron; Auguste; Aimee; Hannah; Marie Joseph; Ketty; Diana; Eggo; Marie; Sioney; Maria; Catherine; Therese; Bill; Harriette; Hellene; Marie	1837-1849	St. James Parish, Book 16, p. 84, 1837/02/21; p. 98, 1837/03/01; Book 28, p. 219, 1849/06/11

Owner	Mortgaged Collateral	Dates	Source
Johnson, Henry	plantation and the following individuals: Aubry; John; Doctor; Richard; James; Mitchell; James; Stephen; Anthony; Billy; Milly; Betty; Polly; Nancy; Sarah; Sophy	1839	St. James Parish, Book 18, p. 244, 1839/05/29
Jourdan, Jean Baptist Noel and Julie Laplanche; Emilie Jourdan; Edouard Jacob and Vasseur Webre	plantation and the following individuals: Washington; Peter; Samboll; Cyrus; Jim; Charley; Archy; Cato; Bacchus; Aaron; Mingo; Peter Wig; Henry Isaac; Felix; Henry; Francois; Jackson; Tom Edmonds; Vincent; Oxem; Paul; Sandy; Dick; Joe; Alfred; Isaac; Bill; Jean Baptiste; Brown; Jack; John; Honore; Montgomery; Sylvie; Winey; Vessy; Caroline; Hannah; Maria with three children Euphrosine, Charles, and Rosana; Mary with five children Livina, Mathilde; Marie; Alphonse, and Fanny; Winnie and her daughter Elizabeth; Clara and her three children Louise, Auguste, Jean; Cicey and an unnamed infant son; Amelia; Mary; Susan; Aimee; Charlotte; Alec; Honore; Henry; Daniel; Montgomery; Jackson; Louis; Tom; Levy; James; Clem; Archy; Paul; Alexandre; Axem; Jacky; John; Jerry; Marie Joseph; Sylvie; Winny; Annaka; Byra; Caroline; Sarah; Christine; Charlotte; Aimee; Rose; Anna and her son Tom; Mary and her son Jacob; Vicey; Nincne mulatto; Marie Locure; Maria; Little Louis	1834-1860	Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 4, 1860/04/13; St. James Parish, Book 34, p. 735, 1860/12/03; Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07; St. James Parish, Book 13, p. 696, 1834/08/16; St. James Parish, Book 13, p. 711, 1834/08/20; St. James Parish, Book 21, p. 135, 1844/08/06; St. James Parish, Book 21, p. 137, 1844/08/06
Landry, Joseph and Ethelvina	plantation and the following individuals: Jackson; Bob; James; Ruban; Peter; Robert; Cooper; Henry; Moses; Louise; Jane; Marie Louise; Melandy; Agnes; Janvier; Leroy; *Valevin*; Victoire	1838	St. James Parish, Book 17, p. 243, 1838/05/04, St. James Parish, Book 17, p. 284, 1838/05/12
LeBourgeois, Louis and Erazie Haydel	plantation and the following individuals: Jessy Commandeur; James Cook; Joe; Geo Charpenteir; Azie; Robine; Joseph; Draid; Sassich; David; Mack; Jeffrie Spid; Jeffrie Brunt; Abraham; Toussaint; George Calfer; George Bischan; Goand Daniel; Daniel Walkins; John Jackson; Peter; Kitt; African; Tiet; Adam; Jas NeClace; Valin; Baptiste; Jean Baptiste; James Lacour; James Pagnol; Augustin; Andre; Charles; Azer; Antoine; Toussaint Jeinie; Moliere; Francois; Rachel; Syllia; Adam; Fanny; Washington; Robertson; Lucinda; Eve; Zinon; Marianne; Meley; Olivier; Claire; Suzanne; Marie Joseph; Henrietta	1834-1842	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07; Citizens Bank Minute Book No. 4: 1842/05/09St. James Parish, Book 13, p. 693, 1834/08/16, p. 712, 1834/08/16; Book 20, p. 94, 1842/05/27
Leche, Jean and Marie Scholastique Keller	plantation and the following individuals: Sam; Dick; Perry; Scipion; Thelemaque; Celeste; Marie; Victire; Victorine	1837	St. James Parish, Book 16; 337, 1837/07/17; p. 347, 1837/07/20

Owner	Mortgaged Collateral	Dates	Source
Millet, Marguerite	plantation, land, and the following individuals: Lindor; Andre; Amisise; Sylvertre; Jacques Congo; Michel Senegal; Kampe; Gabriel; Francois; Jacques; Antoine; Valentin; *Elarcow doi Gaspard*; Agathe Cuineese; Henrietta; Charlotte and her unnamed child; Berthilde and her twin children; Maryann; Jean Louis; Eliza; Suzanne; Rosalee; Celestin; Rosette; Toussin; Jean Baptiste; Octavie; Francoise; Venus	1835-1845	St. James Parish, Book 14, p. 118, 1835/04/11, p. 141, 1835/04/18, Book 20, p. 120, 1842/06/20; Book 21, p. 80, 1844/05/31; Book 22, p. 62, 1845/04/04; p. 60, 1845/04/04
Nicholas, Robert Carter and John Spear Smith	plantation and the following individuals: Albert; Henderson; Armstead; Alleck More; Alleck Ellis; Barnaby; Bob; Beverley; Ben Batts; Buck; Austin; *Euffy*; Godfrey; Harry; Henry Green; Hendry Bedford; Joe Locust; Jesse; Louis Ellis; Louis Brackenridge; Jim Franklin; Nelson; Napper; Peter; Spotswood; Sam Page; Thomas; Winter; Betty; Delphy; Emily; Fanny; Harriet; Judy; Linder; Frances; Louisa; Maria; Mary Eustes; Lucy; Mary Prenie; Nancy Napper; Nelly; Lucky Cole; Sizan; Sarah; Sylva; Eugenice, Winny; Betty Ellis; Eliza; Spencer Powell; Milly; Edward; Syla; Jane; Gracy; Caroline; Succordy; Elmire; Tom Daphny; Bill Patterson; Salomon; Nancy Linder	1835-1845	St. James Parish, Book 14, p. 124, 1835/04/14, p. 140, 1835/04/18; Book 22, p. 58, 1845/04/03, p. 55, 1845/04/03; Book 21, p. 118, 1844/07/26, p. 123, 1844/07/30, Book 21, p. 189, 1844/08/06; Tulane University, Citizens Bank Minute Book No. 1: 1837/05/27, Citizens Bank Minute Book No. 2: 1837/07/15, 1838/03/14, 1838/03/27, 1838/11/0
Ordman, J. B.	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07
Patin, Heirs of Louise	plantation and the following individuals: Leandre; Francois; Gilblas; Lazre; Tobie; Mandrin; Mars; Pret-a Boire; Airil; Valere; Francis; Lubin; Tanasse; Papillon; Charles; Onusre; Mercuce; Joe; Thomas; Casimir; Malborough; Cartouche; Antoine; Bacchus; Mahomet; Smith; Johnny; Paris; Hector; Pirain; Cupidon; Argus; Jupiter; Ajax; Radamanthe; Pollux; Achille; Lovelace; Thom; Gognon; Agobar; Doho; Ellick; Julian; Baptiste; Martin; Pierre; Toussaint; Jean; Augustine; Theotis; Rosette; Venus; Zaire; Jeannette; Fanchon; Clotho; Marie; Hermide; Servilie; Penelope; Adeline; Suzanne; Mary; Rose; Benedicte; Francoise; Eugenie; Marthe; Zabelle; Marinette; Pallas; Cybelle; Abenile; Jeanne; Hebe; Angelle; Hyacinthe; Celestine; Desiree; Adele; Rosine; Zephyre; Adoeris; Cephale	1834-1844	St. James Parish, Book 13, p. 699, 1834/08/06; p. 723, 1834/08/20; Book 21, p. 141, 1844/08/15
Priestley, William; Margaret Fulker; Jane Priestley; Catharine Caroline Priestley; Priestley & Bien; *Harris Ferry*	plantation and the following individuals: Bob; Lee; Bousgagne; Oscar; Davy; Bill; Chelsey; Ness; Tom; Leach; Charlotte; Coley; Millly	1837-1858	St. James Parish, Book 16, p. 331, 1837/07/14, p. 373, 1837/07/22; Book 25, p. 224, 1847/03/18; Tulane University, Citizens Bank Minute Book No. 8: 1858/03/04

Owner	Mortgaged Collateral	Dates	Source
Roman, Andre Bienvenue and the heirs of Louise Patin	plantation and the following individuals: Charles Green; Scipeon; Sylvestre; Sunday; Sam; Paris; Patrick; Long Tom; Petit Tom; John Bristle; John *Scabre*; John Insel; Abraham; Dick; Bill; James Parker; Joe *Cabre*; Charles *Vieux*; Charles Wagner; Wilson; William; Lodivell; Elias; Walter; Cesar; Bob; Relf; Claiborne; Ness; Honore; Frederic; Isaac; Richard; Joe; Etienne; Mary Sandy; Maria; Anne; Hannah; Kitty; Jane Dick; Harriet; Henrietta; Henny; Eliza and her two children Louisa and an unnamed child; Eliza and three children Eddo, Caroline and Jacob; Nieille Lucie and two children John and Christine; Lucie; Zemire; Lydia; Mary; Rachel; Rosette; Fanny; Alfred; Jane; Diana and her two children Henry and an unnamed child; Fanchette	1834-1854	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07, Citizens Bank Minute Book No. 2: 1837/06/19, Citizens Bank Minute Book No. 7: 1854/12/29; St. James Parish, Book 14, p. 108, 1835/04/08, p. 135,1835/04/18; Book 15, p. 442, 1836/09/03; Book 22, p. 65, 1845/04/05, p. 68, 1845/04/05
Roman, Sosthene and Arthemise Landreaux; Jacob Denny, William Hiesonymus, and Webb Ross	plantation and 105 individuals, including the following: Joe Dick; Tom; Sam; Edward; Zaccharie; Flander; Jean Baptiste; Buck; Jack; Henry; Jolly; Simon; La Fortune; Allain; July; Apollon; Joe *Peytavir*; Richard; James; Jean Pierre; Fortune; Frank; Isaac; Martin; Alexandre; William; Prenee; Louis; Leandre; Louis; Jean; Noble; Francoise; Nieille Lucie; Marianne; *Properpine*; Rose; Sylvie; Hobe; Maime; Sarah; Petit Phillis; Maria; Sally; Jeune Lucy; Louisa; Becky; Megere; Ketty; Little Ann; Henrietta (Jeune); Joannah; Aggay; Julia; Cecile; Charite; Dianah; Mathilda; Bazile; Jacob; Fanny; Babet; Manon; Fiyaro; Marguerite; Jeannette; Agnes; Auguste; Charles; Lubin; Charlotte; Mariette; Brigette; Flore; Leanneton; Thomas; Charles; Bob; Amable; George; Henry; Hutton; David; Alerte; Rubin; Willis; Sephin; Bien Aime; Ismael; Joe Griffe; Blaise; Lubin; Alexandre; Petit Noel; Delcy; Antoinette; Nanette; Grand Phillis; Fanchonnette; Julie; Nanette; Celestine; Ariane; Louise; Sophie; Marguerite; Stephen; John	1835-1857	St. James Parish, Book 14, p. 350, 1835/11/02, p. 358, 1835/11/07; Book 16, p. 169, 1837/04/18, p. 195, 1837/04/28, p. 349, 1837/07/25, p. 375, 1837/07/29; Book 17, p. 170, 1838/04/07, p. 198, 1838/04/12; Book 18, p. 1, 1839/01/05, p. 29, 1839/01/11; Book 23, p. 114, 1845/11/06, p. 111, 1845/11/5; Tulane University, Citizens Bank Minute Book No. 1: 1837/05/27, Citizens Bank Minute Book No. 2: 1837/07/15, 1838/03/14, 1838/03/27, 1838/11/0; Citizens Bank Minute Book No. 6: 1850/04/09; Citizens Bank Minute Book No. 8: 1857/05/18
Roman, Victoire	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/22
Smith, R. C. and Nicholas	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07
Strong, Jesse	plantation and the following individuals: Henry; Nash; Green; David Black; Ben Black; Anthony Black; Noah Black; Nelson Black; Silvia; Winney	1834-1845	Tulane University, Citizens Bank Minute Book No. 1: 1834/08/07; St. James Parish, Book 14, p. 4, 1835/01/07; p. 131, 1835/02/04; Book 21, p. 254, 1845/01/07; p. 252, 1845/01/07
Taney, Louis M. and Marie Cephalie Fabre	plantation and the following individuals: Billy; Judith and her two daughters Hannah and Bazile; Agathe; *Gand*	1837	St. James Parish, Book 16, p. 298, 1837/06/20; p. 317, 1837/06/29

Owner	Mortgaged Collateral	Dates	Source
Votre, Mrs. George	land and unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/03/23
Webre, Georges	Linder; Agathe; Gabriel; Francis; Jean Louis; Eliza; Toussaint; Octavie; Buthilde; Adam; Luzann; Rasalin; Citistin; Amisere; Campi; Sylvestre	1835-1844	Tulane University, Citizens Bank Minute Book No. 1: 1835/03/25; Tulane University, Citizens Bank Minute Book No. 5: 1844/05/31

St. John the Baptist

Arnauld, Mrs. J. E.	plantation and the following individuals: Brisson; Peter and other unnamed individuals	1838-1846	Tulane University, Citizens Bank Minute Book No. 2: 1838/05/04, 1838/09/06, 1838/10/01, Ciitizens Bank Minute Book No. 5: 1843/05/24, 1844/10/04, 1844/10/23, 1846/02/19
Bell, C.	plantation and 37 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Boulginy, Dominique	sugar plantation and 44 unnamed individuals	1852	Tulane University, Citizens Bank Minute Book No. 7: 1852/09/09
Garcia, Felix and Adolphe *Jorapum*	the following individuals: Ferdinand; Jean; Tom; Bill; Lucile; Rachel; Lucile Joe; Machel Martin; Hanny; Phebe; Maffy (alias Mary); Charlotte and her children Jean and Valcount; Albert; Anson; Caroline	1846-1853	St. John the Baptist Parish, Conveyance Book Y, p. 68, 1846; Tulane University; Tulane University, Citizens Bank Minute Book No. 4: 1842/06/30; Citizens Bank Minute Book No. 7: 1853/05/05, 1853/05/12, 1853/07/14
Garcia, Felix and Dunlap Momure Inc.	Arnaud plantation and 25 unnamed individuals	1852	Tulane University, Citizens Bank Minute Book No. 7: 1852/05/20
Trigras, L. S.	plantation and unnamed individuals.	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/01/19
Panes, Marie Louise	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No 1: 1834/08/22

Owner	Mortgaged Collateral	Dates	Source
St. Landry Parish			
Angamarse, Eugene Henri	plantation and the following individuals: William Brown; Rose; Tom Mumford; Allen Brown; Jow; Tom; Edmond Sampson; Charles Williams; Peter Camble; Ben Street; Henry Haskins; Jemen Jones; Jack Ludwick; Antoine; Chapman; Ben; Henry; Charles; Phil; Edmond; George; Fanny; Jilly; Angelique; Agathe and her child Hense; Julie; Tilly and her child Henriette; Silvestre; Sethe; Adolphe; Jules child of Tilly Ann; Mary Walker; Lucy Ann; Mareilla; Eliza Ann and her son Ernest; Becky Prior	1850-1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/02/18, St. Landry Parish, Mortgage Book 5, p.47, 1850/03/22
Chretien, Appolite	plantation and unnamed individuals	1849	Tulane University, Citizens Bank Minute Book No. 6: 1849/11/20
Cooke, J. A.	sugar plantation and unnamed individuals	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/02/10
Cooke, Thomas and Thomas C. Anderson	land and the following individuals: Jim Bell; Moses Hall; Daniel Sharp; Ive Williams; Peter; Jim Carpenter; Andrew; Reuban; Alexander; Lizzy; Eliza; Mary Jane; Beddy; Tom	1853	Tulane University, Citizens Bank Minute Book No. 7: 1853/06/09; St. Landry Parish, Mortgage Book 7, p. 1, 1853/06/30
Denegre, William	land and the following individuals: Sam; Peter; Tom; Richard; James Posey; John; Eugene; Joe; Amanda; Molly; *Joe Saul*; Nancy; *Ninny*; Milly; Louisa; Finny; Jane; *Beck*; Thomas; *Willy*; Lemuel; George; Flora; Howard; Anthony; Alfred; Alleck; Fanny; Maria; Agnes; Patience; Juliette; Celeste; Manuel; Mary; Charlie; Melinda; Lucinda	1858	St. Landry Parish, Mortgage Book 9, p. 86, 1858/08/31
Doyle, John	land and the following individuals: Eliza and her child Charlotte	1837	St. Landry Parish, Conveyance Book IJ-1, p.125, 1837/07/21
Flaujac, Garrigues; Chretien, Hippotite	land and the following individuals: Anthony; Wally; Macuya; Etienne; Jefferson; Marguerite; Henriette and her children *Terry* and Carmelite; Delphine and her child Ceaser; John	1832-1850	St. Landry Parish, Mortgage Book 2, p. 110, 1832/06/11; Conveyance Book IJ-1, p. 137, 1837/09/13; Mortgage Book 5, p. 36, 1850/01/23
Hill, Dr. George	plantation with the following individuals: Sam; Amanda; Thomas; Willy; Lemuel; George; Peter; Molly; Flora; Howard; Anthony; Poisante; Alfred; Alleck; Fannie; Thom; Nancy; Richard; Maria; Agnes; Patience; Winny; Juliet; Celeste; Manuel; Milly; Mary; Louisa; Charlie; Tinny; Melinda; James Posey; Jane; John; Eugene; Beck; Lucinda; Joe	1858	Tulane University, Citizens Bank Minute Book No. 8: 1858/08/21, Citizens Bank of Louisiana Papers, 1834-1914, Foldier 5

Owner	Mortgaged Collateral	Dates	Source
Moore, William	land and the following individuals: Asey Sparks; Bon Lucket; Joe Dawsey; James Hawkins; Augustus Speake; Magloire; Milley Lucket and her unnamed child; Marie and her child Laura; Delia; Millie Gage and her child Bob;Elizabeth Lucket	1837-1838	St. Landry Parish, Conveyance Book IJ-1, p. 188, 1837/04/18, p. 190, 1838/02/24; Tulane University, Citizens Bank Minute Book No. 2: 1838/02/12
Offult brothers	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/05/11
Overton, John H. and Patrick H.	land and the following individuals: Virgil; Peter; William; Billy; Amos; Harry; Claiborne; Sterling; Shepherd; Charles; Azores; Peter Jones; Robert; Hector; Joe Lu; Joe Blanks; Beverly; Jeff; Daniel; Soloman; Bob; Bill; Virgil; Mitchell; Becky; Caroline and her children Henry and an unnamed chilld; *Tempy* with her child David; Rose and her children Bill and Lydia; Betsy and her five children Henderson, Becky, Dan, George, and an unnamed child; Hannah and her two children *illegible* and Sukey; Phillis and her unnamed child; Rachel and her child Phillis; Patty and her child Phebe; Flora and her unnamed child	1838	St. Landry Conveyance Book IJ-1, p.177, 1838/01/20
Smith, Raphael J.	land and the following individuals: Aaron; Harriet; Henrietta; Sarah Ann; Arthelia	1837	St. Landry Conveyance Book IJ-1, p.148, 1837/07/31
Smith, Robert E.	land and the following individuals: Essex; *Melly*; Maria; Charlotte; Matilda; Harriet; Susan; James; Henry; Nelson; Auguste; Mary; Henriette; Catherine; Louisa an infant girl; Julia; Clarissa	1837	St. Landry Conveyance Book IJ-1, p. 137, 1837/06/29

St. Martin Parish

Amy, Mrs Carmelite	land and the following individuals: Jack; Joe; William; Guillaume; Martin; Jean Baptiste; Rose; Darg	1856-1858	St. Martin Parish, Conveyance Record 26, p. 123, 1858/04/12; St. Martin Parish, Conveyance Record 24, p. 342, 1856/07/03; St. Martin Parish, Conveyance Record 26, p. 59, 1858/11/29
Boutelou de St. Aubin, Francois Charles	land and the following individuals: Sam; Bessey (alias Ellen); Isaac; Maryann; and 7 unnamed the following individuals	1838	Assumption Parish, Mortgage Record 1831-1835, p. 209, 1838/10/30; Mortgages 1835-1841, p. 128, 1837/08/10; Mortgage Book 1834-41, p. 209, 1838/10/18; St. Martin Parish, Conveyance Record 11, p. 11; Tulane University, Citizens Bank Minute Book No. 2: 1838/09/03
Boutte, Celeste	land and the following individuals: Louise; Hector or Nelson; Lubin; Zoe; Zenon; Edward ; Alexandre; Petit; Eliza; Victor; Jean Louis	1838	St. Martin Parish, Conveyance Record 10, p. 37; p. 307, 1838/03/17, p. 370, 1838/05/29

Owner	Mortgaged Collateral	Dates	Source
Canby, Sarah	the following individuals: Denis; John; Washington; Henry Shy; Mary; Maria; Caroline; Ned Tavis; Godfrey; Kitty Daniel; Little Daniel; Mary Daniel; Martha; Henry Rider; Tesse Rider; Little John Pickett; Sarah Pickett; Ann Rufus; Little Rufus; Edmond Daniel; Martha Daniel; Van Buren Daniel; Martha Tom; Fanny Travis; Charlotte Randolphe; Ann; Henry Kohn; Little John Pickett; Monroe Daniel; Nanncy; Henry; Henry; Peter; Sam; Manuel; Delly	1840	St. Martin Parish, Conveyance Record 12, p. 150, 1840/04/30, p. 217, 1840/06/04
Darby, Widow S. M.	plantation and 50 unnamed individuals	1844	Tulane University, Citizens Bank Minute Book No. 5: 1844/04/10
DeBlanc, Contance	land and the following individuals: Blaise; Dick; Bob; Dub; Hishem; Henry; George; John; Meartin; Philippe; Nelson; Harry Parker; Lajeunesse; Etienne; Green; charles; Pierre; Harry Hatcher; Sandy; Manuel; Louis; Julia; Francois; Milly; Baptiste; Fanchonnette; Jeanne; Zenon; Ursula; Fanchon; Cloementine; Alixcandre; Julia; Rose; Victoire; Annette; unnamed; Mearia; Jack and Winny; Meary; Varker; Adeline; Patience; Scilly; Marianne	1844	St. Martin Parish, Conveyance Record 15, p. 116, no 10565, 1844/06/15
DeBlanc, Desplanet and Marie Francoise Delacroix	land and the following individuals: Charles; Lloyde; Congo; Daniel; Achilles; Alcendor; Symlior; Julien; Francois; Andre; Henry; Levende; Bill; Lewis; Cheri; Robert; George; Cesar; Pierre; Mick; John; Didier; Harry; Jacob; Jean Baptiste; Celestine; Equisthe; Tom; Malvina; Marianne; Magdelaine; Clarisse or Charlotte; Anna; Martha; Mary; July; Emmy; Caty; Pouponnade	1837-1838	St. Martin Parish, Conveyance Record 10, p. 202, no 8162, 1837/07/17; Conveyance Record 11, p. 5, no 8329, 1838/07/13
DeBlanc, Louis D. and Marie Constance *Labianche*	land and the following individuals: Maria; Julie; Catiche; Caty; Betsy; Rierden; James; Dennis; James; Clarisse; Elizanne; Dublin; Nicaud; Violette; Henry Maria's child; James, Maria's child; Dominique Catiche's child	1838	St Martin Parish, Conveyance Record 10, p. 294, no 8239, 1838/03/06
Delacroix, Francois D.	land and the following individuals: Apollon; Louis; Allen; Steven; Henry; Delphine; Sally; Lucy; Adelaide; Felicite; Alexandre; Laurent	1838	St. Martin Parish, Conveyance Record 10, p 303, no 8246, 1838/03/13
Delahoussaye, Octave	land and the following individuals: Dick; Alfred; Thomas; Jim; Isaac; Julie; Edouard; Jolivet; Patsy; Ophelia; Lelia; Marie; Maria; Dickson; Patsy; Sophie; Francisque	1849	St Martin Parish, Conveyance Record 1-D, p 258, no 92, 1849/10/02
Duclozel, Olivier Pierre and Marie Emeranthe Latiolais	land and the following individuals: Abraham; Doustan; Dick; Norbert; Mentor; Sam; John Bull; Bill; James; Senegal; James; Hilerie; Charles; Samuel; Nellie; Sylvie; Peggy; Zenon; Moses; John; Sam; James; Benn; Belzey; Marie	1837	St. Martin Parish, Conveyance Record 10, p. 204, no 8164, 1837/07/21; St. Martin Parish, Conveyance Record 10, p. 206, no 8165, 1837/07/22

Owner	Mortgaged Collateral	Dates	Source
Eyssallenne, Joseph	land and the following individuals: Alexander; Fern; Dick; Thomas; Pem; Alfred; Isaac; Julie; Edouard; Joliet; Clemence; Ophelia; Lelia; Eleanore; Marie; Nelssey; Marie; Dickson; Patcey; Sophie; Francis; Patsy; Grace; Clemence	1835-1851	St. Martin Parish, Conveyance Record 9, p. 308 no 7761, 1835/06/08; St. Martin Parish, Conveyance Record 14, p. 265 no. 10336, 1843/09/02; St. Martin Parish, Conveyance Record 17, p. 386, no 11565, 1848/07/15; St. Martin Parish, Sheriff Book 2, p. 163, 1849/07/10; Conveyance Record I-D, p. 261, 1849/10/02; St. Martin Parish, Conveyance Record 20, p. 373, no 12565, 1851/12/03; Tulane University, Citizens Bank Minute Book No 1: 1835/05/25, Minute Book No. 6: 1848/05/11
Fagot, Charles	land and the following individuals: Nick; Paim; Bill; Anny; Julie; Charlotte; Peggy; Sophie; Lavinia; Ketty; Etienne; Don Louis; Marie; Celeste; Honourine; Lucile; Henry	1837-1849	St. Martin Parish, Conveyance Record 10, p. 225, no 8186, 1837/09/16; Conveyance Record 11, p. 135, 1838/11/03; Conveyance Record I-D, p. 259, 1849/10/02; Tulane University, Citizens Bank Minute Book No. 2: 1838/03/03; Citizens Bank Minute Book No. 5: 1843/04/29; Citizens Bank Minute Book No. 6: 1849/05/15
Fenwick, Joseph	land and the following individuals: Nat; Stephen; John; Henry; Bob; Rachel; Amanda; Nelly; Alsey; Mary; Joseph; Celia; Eliza; Mary Claire; James; Eleonore; Louisiana	1837	St. Martin Parish, Conveyance Record 10, p. 208, no 8168, 1837/08/17
Fuselier, Clara and Pierre Paul *Briant*	plantation and the following individuals: Bessy; Charles; Mearie; Valsin; one unnamed infant; Marulle; Delphine; Theodore; Henry; Auguste	1844	St. Martin Parish, Conveyance Record 14, p. 341 no 10409, 1844/01/02
Guidry, Jean Baptiste Jr.	land and the following individuals: Jean Baptiste; Joe; William; Martin; Jack; Guillaume	1838	St. Martin Parish, Conveyance Record 10, p. 265, no 8216, 1838/01/06; Conveyance Record 10, p. 356, no 8292, 1838/05/15
Heard, Edward J.	land and the following individuals: Lewis; Collin; Nealy; Jack; William; Charles; Abraham; Betsey; Olivia	1840	St. Martin Parish, Conveyance Record vol 12, p. 153, no 8760, 1840/05/04
Hickey, Philippe	plantation and the following individuals: Richard; Jacob; Bill; Dan; Ben; Horace; Mike; Ned; Luke; Sam; Daniel; Sarah; Susan; Vina; Chloe; Rose and her 2 unnamed children; Mary; Louise; Zelia; Amy and her 2 unnamed children; Abby; Syney; Molly	1838	St. Martin Parish, Conveyance Record 11, p. 17, no 8336, 1838/07/29; Conveyance Record 10, p. 365, no 8297, 1838/05/10; East Baton Rouge Parish, Mortgage Book K, p. 15-16, 1838
Judice, Jacques and Marie Louis Hyacinthe Boutte	land and the following individuals: Joe; Francisque; Leanne; Henrie; Adeline; Lelie; Jean Louis; Dan; Auguste; Celestin; Madelaine	1834	St. Martin Parish, Conveyance Record 9, p. 178 no 7668, 1834/11/22; Tulane University, Citizens Bank Minute Book No. 1: 1834/10/20

Owner	Mortgaged Collateral	Dates	Source
Marsh, Jonas; John Fitz Miller	plantation and the following individuals: Austin; Alfred ; Joe Small ; Thomas Monroe; Ben Brown; Phillip; Frank; Peter Jones; George Dodssin; William Jones; Archey Zucker; Billy Quash; Monroe; Jim Henry; Bull Daniel; Henry Jones; Jacob; Old Levin; Dennis; William White; Bill Freeman; Gilfred; Jackson; Bill; Ruth Lafayette; George Wallace; Bill; Franklin; John Jackson; Nicholas; Joe Radfield; Edward; May; Tom William; George Woolfolk; Lassin; Dick; Moses Lafayette; Charles Ban; Gemison; Jane; Rachel; Franciliette; Lucky; Sally; Alley; Nancy Brown; Betsey; Judiah; Aveline; Arcenos Jane; Anise; Piggy; Nancy; Mathilde; Fanny; Rachel; Clarissa; Robert; unnamed boy; unnamed girl; George; Suzan; Geoking; unnamed child; unnamed child; unnamed boy; unnamed boy; unnamed boy; unnamed girl; unnamed boy; Moses; Billy Ferry; Simbury; William; Bill Woolfolk; Gimison; Fanny; Sudia; George; George; child of Nancy; child of Betzey; unnamed child of Sudia; unnamed child of Sudia; Martha E; Henry Davis; Adam; Gilbert; Abraham; Josephine; Catherine; John Baptiste; John Pierre; Kit; Cyrus; July Ann; Tim; Dorcas; John Trevosh; Becky; Nancy; unnamed child; Delphius; Isaac; Charlotte; Sophie; 2 unnamed children; Isaac; Jack; Abbe; Jim; Nelson; Clintot; Sam Cooper; Manuel; Dareas; Julian	1838-1844	St. Martin Parish, Conveyance Record 10, p. 326, no 8269, 1838/04/07; Conveyance Record 11, p. 57, no 8361, 1838/09/26; Conveyance Record 12, p. 38, no 8656, 1840/02/01; Conveyance Record 12, p. 279, no. 8866, 1840/08/24; Convenyance Record 15, p. 7 no 10468, 1844/03/08; Conveyance Record 12, p 110, no 8733, 1839/03/28; Tulane University, Citizens Bank Minute Book No. 2: 1838/06/21, 1838/09/3, 1838/09/24, 1839/05/09; Citizens Bank Minute Book No. 3: 1840/01/11; Citizens Bank of Louisiana Papers, 1834-1914, Foldier 5
Morse, Isaac Edward	land and the following individuals: Courtney; Mary; Maria; Isaac; Laura; Patsy	1837-1844	St. Martin Parish, Conveyance Record 16, p. 329, no. 11270, 1837/12/16; St. Martin Parish, Conveyance Record 10, p. 256, no 8209, 1844/07/21
St. Marc Darby, Francois	plantation and the following individuals: Blaise; *Lajumesse* Martin; Pierre; Philippa; Charles; Manuel; Bob; Dick; *Isaac Hirhem Harry*; Nelson; Sandy; George; *Harry Paster Genne*; *Dal* Louis; Adeline; Louis; Jeanne; *Bank lanhomille*; Julie; Francois; *Ratier*; Sally; Mary; *Jack*; *Mary*; *Molly*; Baptiste; *Amante* Marie; Ann; *Eustes*; *Ken*; Victoire; *Greur*; Paul; John; Rein; Barry Parker; *Sherena*; Henry Hasher; Samuel; Jacksonnetta; Zenon; Frank; Fanchon; Clementine; Alexandre; *Halie*; Rose; Annette; unnamed child; Sissy; Maria; Parker; Patience	1838	St. Martin Parish, Conveyance Record 10, p. 351, no 8290, 1838/05/14; St. Martin Parish, Conveyance Record 10, p. 352, no 8291, 1838/05/15
Voorhies, Cornilius and Marie Cidalise Mouton	the following individuals: Isaac; Charles; Edward; Norbert; Ned; Nelson; Octave; Gustave; Joe; Zany; Sarah; Frederick; Amanda; Henry; Orphelia; Martha; Octavia	1841	St. Martin Parish, Conveyance Record 10, p. 86, no 9035/ p. 30, no 8995, 1841/06/08; Tulane University, Citizens Bank Minute Book No. 3: 1841/05/06

Owner	Mortgaged Collateral	Dates	Source
St. Mary Parish			
Brushinn, W.	Billush plantation and 60 unnamed individuals	1839	Tulane University, Citizens Bank Minute Book No. 2: 1839/04/04, 1839/04/08
Darby Brothers	plantation and the following individuals: Blaise; Dick; Green; Bob; Pub; Hishem; Henry; George; John; Martin; Charles; Pierre; Philippe; Nelson; Harry Parker; Lajeuness; Etienne; Harry Hatcher; Samly; Manuel; Louis; Julia; Francois; Milly; Baptiste; Fanchonnette; Jeanne; Zinon; Ursula; Fastron; Clementine; Alexandre; Ulalie; Rose; Victoire; Annettte; unnamed individual; Maria; Jack; Winny; Mary; Parker; Adelaide; Patunia; Scilly; Mariane; Hannah; Caroline; Renny; unnamed individual		St. Mary Parish, Mortgage Book 17, p. 116, 1854/02/06
Fuselius, Gabriel and Jules Mossy	plantation and the following individuals: Jim; Bram; Joe; Peter; Old Jim; Rhody; Dave; Guy; Nancy Joe; Josephine; Joe; Alphons; Jesse; Rosa; Nancy; Joe; Vinat; Willis; Patsy; Thomas; John Henry; Moses; Ben; Louis; Nancy Gorey; Peggy; Kitty; Fulton; Edmund; Old Garey; Nelson; Jud; Phillis; Edmund (alias Kid); Sampson; Nancy; Jefferson; Ben Rosiur; Will; Jerry Hunz; Adam; Reiss; Giles; Hellier; John Barnett; Dolly; Frank Joe; Caroline; Sarah Jackson; Albert Collier; Haywood King; Violett Shephard; Phyllis; Aveline; Oliver; three unnamed individuals; Louisa Rogers; Victoria; Patience Gur; Milly; Gilbert; Eliza; William Wilson; John Clark; Dick Duncan; Nancy Donaldson; Bartley; Zenon; George; Billy; Cobb Wright; Charles; Eliza Lou Grant; Jackson; Louisa; Harriett; Hannah; Reubin; Casar Scott; Dick Bowlkes; Fielding	1855	Tulane University, Citizens Bank Minute Book No. 7: 1855/01/16; St. Mary Parish, Mortgage Book 18, p. 3, 1855/01/26
Gerbeau, Josephine; Pinckney Bethell	plantation and the following individuals: Edmund; John; George; Charles; Philippe; Celestin; Adelaide; Sam; Louisa; Julia; *Western*; Rosette; Emma; Francoise; Marianne; Maria; Peggy; Minda; James; Samuel; Cornelia; Celiete alias Pousse; Azelia; Seline; Raphael; Manuel; Nancy; Christin; Jacob; Thomas; John; Harry alias Aimee; Abraham; William; *Kerba*; Nina; Betsy; Clara	1857	St. Mary Parish, Mortgage Book 19, p. 123, 1857/04/08

Owner	Mortgaged Collateral	Dates	Source
Huger, John Middleton and Samuel M. Ogden	Cote Blanche plantation and the following individuals: Big Jim; Old Nelly; Washington; Nelly; Armistead; Nicey; Cinthia; Milly; Meclina; Caster; Albert; Rosine; Jefferson; Minerva; Saunders; Ted; Old Harvey; Mangey; Dixon; Edmond; Suzan; Tosch; Violet; Dave; Nelson; Caroline; Emily; Melinda; Toney; Thomas; Elizabeth; Susan; Miria; Menna; Jake; Old Tom; Munroe; Fanny; Tom; Nanny; Courtney; Beckey; John; Stephen; Eliza; Modilla; Meunda; Carey; Harry Boyston; Old Jacob; Nancy; Jack; Isham; Old Major; Major; Alick; Sophy; Old Tom; Billey; Abraham; Minta; Bolly; Edmund; Sam; Peggy; George; Roderick; Harry; Edda; Cretea; Charity; Martha; Pat; Sally; Jim; Betsey; Lucy; Joe; Calvin; Louis; Jackson; Tabby; Andy; Coleman; Dorcas; William; Artemes; Rhody; Amy; Spencer; Leah; Gilbert; Dinah; Barbara; Patience; Nathan; Peyton; Peter; Old Mary; Old Jane; Jane; Old Sarah; Toney; Affy; Patty; Phillis; Molley; Thomas; Chloe; Beck; Aaron; Sally; Andrew; Mary Poiney; Dick; Old Hannah; Tony Jack; Jenah; Stephey; Joseph; Rudy; *Audez*; Daphne; Little Hannah; Littly Patty; Bristol; Ned; Charlotte; June; Sabrina; Philip; Rose; Belmont Jack; Mariah or Murriah; *Russ*; *Gui*; *Venus*; Violet; Dorcas; August; William; Jackson; Anthony; Mary; Sophy; Amos; Frank; Racchus; Little Jack	1846	St. Mary Parish, Mortgage Book 12, p. 385, 1846/04/21;Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Foldier 5
Marsh, John C.	plantation and the following individuals: Peter; Jack; Jim; Gus; Joe; Ned; Sawney; Bill; New Frank; William; Old Frank; Cain; Arcly; Henry; Sabrey; Athena and her children Jake and Betsy; Sarah and her children Elsey and Phill; Suckey and her children John, Mary Ann, Jerry, Margaret, and Peet; Milley and her child Betsy; Little Betsy; Little Maria and her child Little Louisa; Suze; Jane; Louisa; Slyvia and her children Rosalie, Harriet, and John Lous; Sally and her children John, Effy, Mary Ann, and George; Mary and her children Frances, Purvey, and Eveline; Charity; Chloe; Grace; Big Maria and her children Edward and Durand; Hona; Foster; Bob; Gus; Durand; Bill; Little Ned	1838	St. Mary Parish, Mortgage Book 1837, p. 195, 1838/03/15
Moore, John	the following individuals: George; George; Sam; Nancy; Rose; Bob; Caroline; Abby; Therese; Howard	1843	St. Mary Parish, Mortgage Book 11, p. 260, 1843/06/01

Owner	Mortgaged Collateral	Dates	Source
Nicholas, R. C. and B. G. Tenney	sugar plantation on Cote Blanche and the following individuals: Abram; Nelson; Washington; Edmund; John; Tom; Ruben; Amistad; Richmond; James; Henry; *Major*; Sam; Stephen; Peyton; Big Jim; *Monday*; Pompey; *Poun*; Peter; Big Sam; Charles; Major Thomas; Sanders; Jacob; Jefferson; Dixon; *Marion*; *Harry*; Bill Cooper; Tom Cooper; Jacob; Old Ben; Lucy; Molly; *Rody*; Susan; Dinah; Liza; *Amy*; *Milly*; Sally; Nelly; *Tepi*; *Fanny*; Violet; Chanty; Caroline; *Mary*; Tabby; May; *Hormld*; Mary; Dave; Tom; Joseph; Andrew; Fred; Venus; Mannory; Edy; Leah; Lyncheu; Amy; Polly; Milly; Susan; Barbery; Nancy; Delly; Caloin; Solomon; Ninnals; Tom; Caroline; Edmund; Sohpy; Minerva; Cotney; Palum; Artamus; Ellen; Emily; Coleman	1837	Concordia Parish, Mortgage Book J-K, p. 10, 1837/07/11; Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 1, 1836/02/06
Nicholas, Robert Carter	Cote Blanche Plantation and the following individuals: Jacob; Little Mayor; Stephen; Little Jacob; Nelson; Edmond; Armisted; Monday; Big Harry; Washington; Peyton; John; Young Jon; Big Mayor; Bill; Peter; Fersh; Richmond; Eliza; Tammy; Charity; Caroline; Nelly; Violet; Diana; Tubby; Nancy; Harriett; Nicy; Milly; Lacy; Little Mary; Rhony; Sally; Minty; Saunders; Jefferson; Minerva; Dickson; Harry; Davy; Tom; Naney; Courtney; Eddy; Paully; Susanna; Jacob; Barley; Patrick; Coleman; Frederick; Minerva; Cintly; Molly; Penina; Abraham; Buster; Leah; Vina; Solomon; Joe; Calvin; Martha; Amy; Jane; Edmond; Modilla; Alexander; Handy; Little Tim; Charles; Sorberton; Sophia; Lindy; Elizabeth; Albert; Minerva; Jack; Cerias; Betsy; Thomas; Casey; Tomy; Lewis; Marthon; Rindey; Emily; Artemis; Patrick; Becky; Louisa; Margaret; Sam; George; Peggy; Harold; Willy; Mamah; Jackson; Spencer; Charlotte; Lorean; unnamed individual; Harnby; Robinson; Hisam; Virginia	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/06/19; Citizens Bank of Louisiana Papers, 1834-1914, Folder 1, 1836/02/06 ; St. Mary Parish, Conveyance Book F, p. 401, 1845/08/03
Pavy, Pierre Joseph	plantation and the following individuals: George; Frederick; Matilda	1837	St. Mary Parish, Mortgage Book 9, p. 77, 1837/06/27; Mortgage Book 10, p. 131,

Owner	Mortgaged Collateral	Dates	Source
Tenny, Bernard	Cote Blanche Plantation and the following individuals: Abram; Nelson; Washington; Edmund; John; Tom; Ruben; Anstead; Richard; James; Henry; Major; Sam; Stephen; Peyton; Big Jim; Munday; Pompey; Pam; Peter; Big Sam; Charles; Major Thomas; Janaus; Scott; Jefferson; Dixon; Monroe; Harry; Bill Cooper; Sam Cooper; Jacob; Old Ben; Lucy; Milly; Rody; Susan; Dinah; Lize; May; Milly; Sally; Milly; Jesse; Fanny; Violet; Charity; Caroline; Nancy; Tabby; Mary; Honield; Macy; June; Caroline; Edmund; Sophy; Dave; Tom; Joseph; Andrew; Ted; Venus; Mannary; Edy; Leah; Lynchen; Anny; Polly; Milly; Susan; Barbary; Nancy; Dolly; Calvin; Saloman; Moncron; Colney; Palnn; Actanuse; Ellen; Emily; Colmon	1837	Tulane University, Citizens Bank Minute Book No. 2: 1837/06/19; St. Mary Parish, Mortgage Book 9, p. 18, 1837/07/14
Tenny, Bernard and Robert Carter Nicholas	Cote Blanche Plantation and the following individuals: Ben; Jacob; Charles; Luba; Tom; Little Major; Steven; Little Jacob; Nelson; Big Sam; Edmund; Armstead; Monday; Big Harry; Washington; Peyton; Big Jim; Reuben; Pomprey; John; Little Jim; Young Jim; Big Major; Bill; Little Sam; Peter; Joe; Richmond; Eliza; Susan; Fanny; Charity; Caroline; Nelly; Violet; Dina;Tyret; Job; Betsey; Nancy; Hariett; Micey; Nelly; Liney; Little Mary; Rhody; Sully; Big Henry; Minthy; Saunders; Jefferson; Dickerson; Harry; Dave; Tom; Mary; Cortesey; Cury; Polly; Susan; Jacob; Andy; Jarban; Patience; Coleman; Frederick; Minerva; Sidney; Milly; Penina; Carter; Leah; Vina; Solomon; Ive; Callvin; Martha; Amy; Jane; Elinor; Mordilla; Alexander	1845	St. Mary Parish, Conveyance Record F, p. 372, 1845/05/03

St. Tammany Parish

Baham, Renez	land and the following individuals: Luca; Peter Buck; Charles; Lewis; John; Peter; Jack; Charlotte; Betsey and her unnamed infant; Caroline; Fanny; Catherine; Alexander; George; Pierre; Isaac; Cecile; Sylva	1838	St Tammany Parish, Mortgage Book 1835 -1838 (vol. 63), p. 516, 838/03/18
Belargen, David	land and the following individuals: Thurston; Justin; Sam; Nelly and her three children Lewis, Martha, and Joe; Fanny and her three children Rosalie and two unnamed children; Adam; Caleb; Amistad; Daniel; *Vina* and her two unnamed children	1843	St. Tammany Parish, Mortgage Book 64, p. 399, 1843/11/07, p. 400, 1843/11/22
Cousin, Terrence	land and the following individuals: Clark; *Hesspi*; Cynes; Wesley; *Sonthy*; Caleb; Tom; Jessy; George; *Elias*; Lewis; Hector; Old George; Joshua	1838	St. Tammany Parish, Mortgage Book 1835 -1838 (vol. 63), p. 478, 1838/02/01

Owner	Mortgaged Collateral	Dates	Source
Deguy, Mrs. F. V.	brickyard and 16 individuals; including: John Mason, his wife Elve, and their children Mary, Elizabeth, Maria, Helene, and John; Alphonse; Ned Hawkins; Charles Hawkins; Armstead; John Monk; Chidrick; Alfred	1856 -1859	Tulane University, Citizens Bank Minute Book No. 7: 1856/03/07; Citizens Bank Minute Book No. 8: 1859/12/12
Dunn, William	plantation and unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/09/30
Felicie, Felicite; Elizabeth Elise De Gruy	land and the following individuals: Zacharie; John Mason, his wife Chloe, and their 8 children: Mary, *Pita*, Ann, Elizabeth, Maria, Helene, John, and unnamed infant; Aaron, his wife Emeline, and their 3 children Fanny, William, and George; Hephonse; *Neo* Hawkins; Charles Hawkins; Armstead; John Clark; Chedrick; *Aeprea*	1852-1856	St. Tammany Parish, Book B, p. 377, 1856/03/25
Griffin, Hippolyte	Fontainebleau plantation; brickyard; with the following: Nelly; Catiche; Victor; and other unnamed individuals	1852-1855	Tulane University, Citizens Bank Minute Book No. 7: 1852/02/10, 1852/02/17,1855/06/15
Guesnon, Omer	land and the following individuals: Charles; Henry; Jerry; James; Nick; George; Marseille; Flora; Marguerite	1838	St. Tammany Parish, Mortgage Book 1835 -1838 (vol. 63), p. 511, 1838/01/31
Lesassier, Camelite	land and the following individuals: John; Elizabeth and her child Pauline	1837	Mortgage Book 1835 -1838 (vol. 63), p. 489, 1837/12/25
Lewis, John Hampden	land and the following individuals: Tom; Mary; May; Rhina; Moses; Nancy; Frederick; Hannah; Cesar; Bella and her four children Sophia, Lizzy, Phillip, and Lucina; April; Hannah and her three children Isaac, Mary Ann, and Flora; *Scott*; Daphney and her two children George and David; Big Billy; Old Sue; *Londoa*; Sue and her four children Silus, Nelly, Primus, and an unnamed infant; Patrick; Amelia; Maurice; Primus	1841	St. Tammany Parish, Mortgage Book 64, p. 285, 1841/10/18, p. 384, p. 531; Tulane University, Citizens Bank Minute Book No. 5: 1846/02/05
Marigny, Bernard	plantation and the following individuals: Big Ben; Charles; Henderson; Big Henry; Garry; *illegible*; Anthony; Small Henry; William Harper; Peter; *illegible*; Isaac; Denis; German; Taliba; Thomas; Ronamy; Pilate; Solimon; Harmon; John; Sam; Ephraim; Gilles; Big Fanny; Augustin; Milis; Sandy; Fenton; Diana; Hesly; William; Hetty; Sophie; Lucile; *illegible*; Grande Marie; Lizal; Fanny Carter; Areline; Lisabeth; *illegible*; Jeanne; Adam; John; Nancy; Charlotte; unnamed individual; Mily; Rachel; Jeanne; Caroline; Julienne; Lizal; Lucindy; Martha; Maria; Sarah; Major; Gustave; Annee; Lavina; Celina and her unnamed two children; *Anna* and her children Francois and Eulahe; Augustin; St. Jean	1834-1851	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/20, Citizens Bank Minute Book No. 3: 1841/03/29, 1841/04/01, 1841/02/17, Citizens Bank Minute Book No. 4: 1842/02/26, 1842/01/19; Citizens Bank Minute Book No. 5: 1845/07/31; Citizens Bank Minute Book No. 6: 1850/11/19; Citizens Bank Minute Book No. 7: 1851/09/16; Citizens Bank of Louisiana Papers, 1834-1914, Folder 3: 1841/07/03

Owner	Mortgaged Collateral	Dates	Source
Marigny, Bernard	Fontainbleu Plantation and the following individuals: Nestor; Gilbert; Manuel; Ned; John; Emery; Tandely; Pierre Bastim; Bazile; Raimond; Morphine; Pierre Jason; Appoton; Wait; Capitaine; Valery; Jasmin; Ned; Hurns; Frederic; Georges; Ned Alix; George; Ponpon ; Pierre; Oreste; Virgile; Lendor; Celestin; Jackson; Lannon; Perry; Tom; Prosper; Davis; Ephraim; Jasmin; James; George; Nelson; Bob; James; Jack; Thomas; Robert; Petite Steven; Cyhrien; Mahomet; Francois; Gedale; BArtholome; George; Jean Baptiste; Davis; Anguste; Bill; Ulysse; Frosine; Leveadie; Adelaide; Coree; Delphine; Amelie; Acanchore; Petite Mary; Margaret; Marie; Marthe; Charlotte; Celie; Gran Jane; Alix; Catiche; Pinba; Petite rachel; Feliece; Anna; Nelly; Patience; Patty; Cesaire; Annah; Mehely; Constance; Amelie; Hannah; Melite; Mary; Marianne; Jane; Rachel; Louisa; Petite Melite; Adeline; Asarine; George; Juliene; Lewis; Vicotr; St. Louis Jean; Amson; Allen; Louis; Manuel; Clemence; Jacques; Rosaline; Mariannette; Celestine; Becky; Violette; Anna; Agnes; Madeline; Genevieve; Elizabeth; Climene; Rachel; Patsy; Mariannette; Bonne; Marguerite; Francoise; Dorant; Clinace and her child; Patrick; Nellzet and her children Marie Noel, Aguoi, and Jaques; Petite Melite; Violette; Allen; Louis; George; Mary Bill; Bill; Israel; Lisa; Aguoi; Julian; St. Louis; Petite Steven; Clement; Valerie Golette; Nelson; Ned Golette; Petite Prosper; Dreste; Gros Valinz; Lucille and child; Aimee Kentucky; Agathe; Matilde; Belisaine; Petite Zenon; Sam; Selina and her two unnamed children; Julienne and her two unnamed children; Poicu; Petite Mary; Abraham	1834-1845	St. Tammany Parish, Book 62 p. 204, 1834/09/06; Book 63 p. 232, 1837/05/12; Book 64 p. 221, 1841/04/28; Book 64 p. 479, 1845/10/28
Marigny, Bernand	land and the following individuals: Marie Corington; Marie Bill; Bigny; John Magnane; Celestin Mannane; Grande Jeanne; Anna; Jean; Adams; January; Thomas; Proster; Amelie; Reine and her son Cecil; Mary; Acquoi; El-Valentine; Grande Amelie; Lison; Antoinette; Patty; Bill; Bill (alias Belle Carting); Frederick; Pauline; Henderson; Mase; Joe; Pitu; Bon Ami; Ameline; Pinta; Alix; Fanny and her four children Antoine, Eugene, Claire, and an unnamed infant; Blaise; Gilles; Ben; Charles; Augustus; Allen; Remy; Henderson; Grand Olivier; Olivier; Grand Henry; Ephraim; James; Isaac; Garry; Thom; Anthony; Little Henry; William; Peter; Randal; Alli; Manuel; Sandy; Gorman; Brutus; Lubin; Taliba; Augustin; Canphre; Thomas; Michel; Benjamin;Pilate; Soliman; Oudon; Phaeton; Francois; John; Grande Diana; Petite Diana; Martha; Elvy; Agnes; Anny; Luncinda; Polly; Grande Marie; Jenny; Fanny; Susanne; Little Fanny; Charlotte; Little Mary; Rachel; Jeanne; Phoebee; Lucie; Julienne; Sisa; Aime ; William; Sam; Miner; Frank; Elisa; Charles; Fenton; Maria; Denis; and unnamed individual		St. Tammany Parish, Book 64 p. 44, 1839/04/08, p. 149, 1840/03/25; Tulane University, Kuntz Collection no. 600, 1834/11/1, 1836/7/5

Owner	Mortgaged Collateral	Dates	Source
Marigny, Mrs.; Lebeuf, Martial	brickyard with Caroline and her two unnamed children; York; Charles, Lawson, and 40 other unnamed individuals	1850-1859	Tulane University, Citizens Bank Minute Book No. 6: 1850/04/24; Minute Book No. 7: 1851/11/04, 1852/02/24, 1852/01/21, 1852/03/02, 1852/04/27, 1856/01/07; Citizens Bank Minute Book No. 8: 1859/05/23
Merle, John	land and the following individuals: Richmond; Perry; Charlie; Humphrey; Lisbon; Joe; Pleasant; Anderson; Tannely; John; Henry; Davy; Fred; Bill; Bristo; Michel; James; John; Squire; Polley; Polly and her child Sarah; Sarah	1835-1838	Tulane University, Citizens Bank Minute Book No. 2: 1838/02/15; St Tammany Parish, Book 63 p. 442, 1835/10/14; Mortgage Book 64, p. 6, 1838/11/20
McQueen, William	plantation and the following individuals: Tom; Lott; Sam; Frederick; Cesar; William; Moses; John; April; Tom; Billy; *Benmus*; Sun; William; Moris; Mary; Hannah; Cate and her child Patty; Renah; Patty; Jenny; Daphne; Dilla; Hannah; Nelly; Mecury; Christiana; Little Tom	1835-1839	St. Tammany Parish, Mortgage Book 62, p. 329, 1835/03/18; Mortgage Book 63, p. 230, 1837/04/13; Mortgage Book 64, p. 79, 1839/08/15
Morgan, David B and Mary C.	land on the Black River and the following individuals: Frederick; Sally and her 8 children Agnes, Jordan, Eliza Jane, Richard, Elizabeth, Amelia, Sally, and Matilda; Maria and her five children Robert, Jefferson, Edmond, Eliza, and Benjamin; *Delysha* and her 5 children Tom, Nelson, Jim, Elisa, and Rachel; Nancey; Grace; Louisa and her unnamed child; Yorick; Jim; Thornton; Preston; Sam; Caleb; Armistead; Daniel; Abner; Nelly and her 5 children Lewis, Martin, *Jio*, Deli, and Claiborne; Fanny and her children Rosalie, Alfred, William, and Alexander; Viney and her children Julia, George, Mahadier, and Charles; Frederick; Tom	1838-1852	Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 2: 1838/01/12; Citizens Bank Minute Book No. 5: 1843/11/13; Citizens Bank Minute Book No. 7: 1852/01/06, 1852/04/06, 1852/02/10; St. Tammany Parish, Mortgage Book 63, p. 449, 1837/08/15; St. Tammany Parish, Book A (vol. 65) p. 21, 1847/08/03
Parent, Charles	land and the following individuals: Edmond; Nace; Griffin; Jacob; Adam; Solomon; John; Adam; Charles Whitman; William; Mason; Charles Day; Charles Moon; Nace Sam; Isabella; Charlotte; Emile; Malinda; Cloe; Caroline; Zacharie; Elick; Rob; Emeline; Pauline; Josephine; Maria; Henrietta; Eliza	1837-1843	St. Tammany Parish, Mortgage Book 63, p. 346, 1837/07/15, p. 540, 1838/05/08; Mortgage Book 64, p. 396, 1843/11/06
Penn, Alexander Gordon	land and the following individuals: Abraham; Levin; Charles; Abbey; Ann; Mary; London; Celina; George; Betsey	1838-1840	St. Tammany Parish, Mortgage Book 1835 -1838 (vol. 63), p. 502, 1838; Mortgage Book 1838 - 1847 (vol. 64). p. 160, 1840/05/02; Tulane University, Citizens Bank Minute Book No. 5: 1843/01/28
Strawbridge, George	brickyard and the following individuals: Joe; Sam; Jerry; Jim Burke; Jacob; Will Burke; Dorsey; Clinton; *Norfle*; Rose and her 6 children Mary Jane, Green, Soloman, Whitman, Emile, and Stephen; Alexander	1855-1857	Tulane University, Citizens Bank Minute Book No. 7: 1855/05/04; St. Tamman Parish, Book B, p. 238, 1855/05/11; Conveyance Book B, p. 446, 1857/05/06

Owner	Mortgaged Collateral	Dates	Source
Suvis, John S. L.	plantation and 15 unnamed individuals	1842	Tulane University, Citizens Bank Minute Book No. 4: 1842/04/18
Webber, Justus H.	brickyard and the following individuals: Underwood; Nancy; Little John (alias Isaac); Nob; Isaac; Jim; Edinboro; Susan; John; Molly; Larry; Priscilla; Sam; Bob	1852-1853	St. Tammany Parish, Mortgage Book B, p. 10, 1852/10/05, p. 88, 1853/03/09; Tulane University, Citizens Bank Minute Book No. 7: 1853/01/13, 1853/02/17

Tensas Parish

Butler, Ira; John Murdock	land and 9 unnamed individuals	1846	Tulane University, Citizens Bank Minute Book No. 5: 1846/03/19

Terrebonne Parish

Barrow, R.	two plantations and 20 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Chandler, Joseph	plantation and the following individuals: Set; George; Lewis; Bill; Rack; Prince; Charles; Doyd; Bean; Ann; Milly; Isabella; Kitty; Lucy; Hannah; Sarah; *Rachel; Leon; Henry*	1838	Terrebonne Parish, Mortgage Book B, Pt I, Entry 500, 1838/05/28
Gibson, Tobias	plantation and the following individuals: Jacob; Bob; Croxten; Isaac; Harry; Peter; Joe; Terry; Melissa; Barbary; Martha; Frances; Celette; Nancy; Eveline; Cassa; Sally; Henry; Watkins; Andrew; Reuben; Charles; Bennetta	1838	Terrebonne Parish, Mortgage Book B, Pt. I, Entry 497, 1838/03/08
Lawless, R. C.	plantation and unnamed individuals	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/08/24
Pierce, Mrs. John	plantation and the following individuals: Billy; Big John; Harry; Figin; Young Billy; George; Jim; Henry; Phillip; Sid; Charles; Eli; George; Stephen; Thomas Jefferson; Robert; Arthur; Sam; Dick; Walter; Eugene; Charles; Tom; Archibald; Howard; Webster; Betsy; Cortney; Betsy John; Milly; Rachel; Mathilda; Margaret; Frances; Rosella; Martha; Patsy; Sarah; Lydia; Maria; Amanda; Harriet; Jane; Virginia; Rebecca; Elizabeth; Ella; Lucy; Cortney; Rachel; Eliza; Cornilia; Nelson; John; Susan	1855	Terrebonne Parish, Mortgage Book F, Entry 1836, 1855/04/12; Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 5: 1835/05/07
Semple, Joseph	plantation and unnamed individuals	1858	Tulane University, Citizens Bank Minute Book No. 8: 1858/01/28

Owner	Mortgaged Collateral	Dates	Source
Shaffer, William A.	land and the following individuals: Simon; Abram; John; Joseph; Lenard; Lucy; Hanna; Sarah; Sarah Ann; Polly; James	1838	Terrebonne Parish, Mortgage Book B, Pt I, Entry 501, 1838/04/21
Shields, R. B.	plantation and the following individuals: Ben; Chandler; Jaret; Manson; Taylor; Louisa; Jantie; Charity; Lydia; William; Jack; Leah; Rohina; Mansero; Leri; Parker; Mark; John; Yellow John; Long John; Hannah; Rose; Kitty and her unnamed child; Amanda; Minerva; Sarah; Henry; Letty; Caleb; Sam; Cyrus	1858	Tulane University, Citizens Bank Minute Book No. 8: 1858/01/28; Citizens Bank Papers, Folder 5
Woods, William L.	plantation and the following individuals: John; Harry; Charles; Betsy; Betsy; Milly; Matilda; Rachel; Courtney; Margaret; George; Frances; Martha; Tim; Betsy; Sarah; Dick; Lydi	1837	Terrebonne Parish, Mortgage Book B Pt. 1, Entry 484, 1837/10/28

Washington Parish

Bertaud, brothers	plantation and 10 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book
Bourdin, Jean	unnamed individuals	1834	Tulane University, Citizens Bank Minute Book No. 1: 1834/09/22
Murrary, M.	plantation and unnamed individuals	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/05/16
St. Mark, S.	plantation and unnamed individuals	1841	Tulane University, Citizens Bank Minute Book No. 4: 1841/05/31

West Baton Rouge

Allain, Valerie	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/11/27
Allain, William	plantation and 22 unnamed individuals	c. 1848	Tulane University, M-1847, Citizens Bank Mortgage Book

Owner	Mortgaged Collateral	Dates	Source
Barrow, Robert H.	Patton plantation and the folllowing individuals: Dick Latimore; Mathilda; George Hallaged; Marshal; Ben; Dan; Celeste; Johan; Esther; Elsey; Rose; Eliza; Deliah; John; Jake Bradford; Mary Johnson; Sarah; Margaret; Emiline; Victoria; Julia; America; Wick; Barthy; Little Joe; Elora; John Latimore; Elizabeth; Old Nancy; Harriet Hunt; Willis; Jane; Arean; Jake Thompson; Philis; Elizabeth Cook; *illegible*; Louisa; Big Joe; Jenny; Dorcas; Charles Harris; Little Harriet; Isadora; Lyn; Biddy; Edmonia; Hnery; Chancy; Henny Hunt; Letty; Turner; Maria Rust; Little Turner; Celeste; Maria Morris; Arelda; George Sample; Little Mary; Ann; Zena; Joshua; Dicey; Eliza; Dick Young; Little Robert; Bob Riley; Adolphus	1853-1855	Tulane University, Citizens Bank Minute Book No. 7: 1855/04/15; West Baton Rouge Parish, Mortgage Book U, p. 457,1853/04/17
Beal, Robert	land and 2 unnamed individuals	1855	Tulane University, Citizens Bank Minute Book No. 7: 1855/07/10
Blanchard, Ziphian	plantation and the following individuals: Joe Brown; Edward; Little Joe; Ben; Pierre; Charles; Valentin; Joseph; Maurice; Politte; Silvain; Tom; Frank; Charles; Plume; Leandre; Brami; Henry; John; Pana; Charlotte; Sally; Dalize; Claire; Louise; Clemence; Marianne; Sally; Silie; Marie; Julienne; Julie; Adiline; Aimee; Sizey	1838	West Baton Rouge, Mortgage Book M, p. 108, 1838/03/11
Clark, Samuel M. D.	plantation and the following individuals: Wilfird; Lawson; John; Ed; Peter; Sara; Fanny; Martha; Leah; Hannah; Betsey; John; Harriett; Washington; Caroline; Davy; Robert; John; Thomas; Sophia; Lucy; Joe; Dick; Jim; Martin; Dolly and her child Armand; 2 unnamed individuals; Martha; Ellen	1837-1849	West Baton Rouge Parish, Mortgage Book M, p. 68, 1837/10/21, p. 273, 1838/08/02, Mortgage Book R, p. 98,1849/03/18; Tulane University, Citizens Bank Minute Book No. 2: 1838/06/04
Devall, James and Emilie Bernard	plantation and the following individuals: Dick; Daniel; Peter; Ralph; Richard; Isaac; Louis; Will; Tony; Fanny; Marianne; Eliza; Dorothee; Henry; Charlotte	1838-1839	West Baton Rouge Parish, Mortgage Book M, p. 66, 1837/10/19, p. 96, 1838/02/27, Mortgage Book N, p. 173, 1839/04/04
Dougherty, John	plantation and unnamed individuals	1860	Tulane University, Citizens Bank Minute Book No. 8: 1860/12/17
Doussan, Joseph Antoine and Lise Patin	plantation and the following individuals: Pierre; William; *Fris*; Manette and her two unnamed children	1836-1837	West Baton Rouge Parish, Mortgage Book L, p. 264, 1836, Mortgage Book M, p. 75, 1837/12/09
Favort, Louis	plantation and the following individuals: Louis; Bob; Jack	1838	West Baton Rouge Parish, Mortgage Book M, p. 84,1838/01/24
Favort, P.	land and unnamed individuals	1837	West Baton Rouge Parish, Mortgage Book N, p. 27, 1837/07/27

Owner	Mortgaged Collateral	Dates	Source
Grand-Pre, Etienne; Patin, Mrs. C. and Mrs. F. Allain	plantation and the following individuals: Honore; Noel; Ben; John; Scott; Hyppollite; Linore; Joseph; Celerie; Rose; Geneviere; *illegible* and four children *illegible*; Melite; John; and Athalie; Aurilie and her child Louisa; Fris; Tina; Mary; Pierre	1834-1848	Tulane University, Citizens Bank Minute Book No. 1: 1834/10/13; Minute Book No. 6: 1847/01/11; West Baton Rouge Parish, Mortgage Book L, p. 78, 1835/02/28; Mortgage Book O, p. 343; Mortgage Book P, p. 167, 1845/02/19, p. 530, 1848/02/15
Hiriart, Sebastian and Marceline Major	plantation and the following individuals: Baptiste and his wife Marianne; Yellow Dick; Moses; Adonis; Little Sam; Big Sam; Big Dick and his wife Jenny; Cornelius; William; Richard; Little Tom; Jenkins; Hubers and son Fridon; Nilson; Ephraim; Marshall; Ben; Noe; Little York; Big York; Randan; Daniel; Charles; James Crack; Big John; Big Jesse; Little John; Little Jesse; Salomin; Bob; Esau; Elick; Joshua; Moses Erwin; Dick Plaquemine and his wife Marie Mahere; Big Isaac; Little Isaac and his wife Little Aimee; James Bishop and his wife Lucy; Drayman Tom; Frank; his wife Cassy; and their children Pelagre and Angela; Allen; Jenny and her son Lafayette; Baptiste; Big Abraham and his wife Molly; Jack; Constance and her daughter Chalmette; Pierre; Bebelle; Elick; Ben Borie Plaquemine; Billey Ernest; Nick; Peter; Landry and his wife Letty; Wilson; Lubin and his brother Pierre; Rachel and her son Achille; Aleyon; Antoine; Barras; Constant; Beverley; Clinton; Petion; Jackson; Francois; Robert; Bob; Benjamin; Simon; Casto; Sarah and her children Eugene and Louise; Caroline	1835-1847	Tulane University, Citizens Bank Minute Book No. 1: 1835/11/27, Minute Book No. 5: 1845/05/19, Citizens Bank of Louisiana Papers, 1834-1914, Folder 3, 1847/05/21; West Baton Rouge Parish, Mortgage Book K, p. 271,1836/02/24, Mortgage Book M, p. 493, 1841/06/26, Mortgage Book P, p. 220, p. 455, 1845/07/29, Mortgage Book Q, p. 313, 1847/07/26, Mortgage Book S, p. 180,1849/07/28
Kinchelloe, W.	the following individuals: Achille; Abraham; Allen; Ben; Badgio; Dick; Eugene; Frank; Isidor; Isaac; Joshua; Big John; Petit John; Jackson; Jack; Lubin; Lafayette; Marechal; Peter; Old Pierre; Salomon; Sandy; Tom; Wilson; William; York; Angela and her son Bill; Constance and her children Adelia, Rachel, and Cidalise; Chalimette; Clemence; Little Justin; Louise; Old Lucy; Mary Ann; Mary and her children Celestin, Abraham, and Basil; Molly; Pelagia; Rachel; Letty; Harriet and her three children Alia, Patsey, and Mary; Melinda; Anna; Nancy; Cornelia	1850	West Baton Rouge Parish, Mortgage Book R, p. 320,1850/07/11, p. 327, 1850/07/26; Tulane University, Citizens Bank Minute Book No. 6: 1850/07/09
Landry, A. and P. Verbois	plantation and 7 unnamed individuals		West Baton Rouge Parish, Mortgage Book T, p. 312,1854/05/18
Landry, Joseph	plantation and the following individuals: David; Nelson; Julienne; Henriette; Julien; Jean; William	1838	West Baton Rouge Parish, Mortgage Book M, p. 91, p. 100, 1838/02/17
Landry, Ursin	plantation and the following individuals: Jean-Louis; Alick; George; Maria; Eliza; Marianne; Augustin; Rose; Ben; Elizabeth	1838	West Baton Rouge Parish, Mortgage Book M., p. 120, p. 131, 1838/03/26; Mortgage Book N, p. 109, 1838/07/26

Owner	Mortgaged Collateral	Dates	Source
Lobdell, John L.	plantation and the following individuals: Humphrey; Little Nancy; Emma and her children Jean Baptiste and Mary Catherine; Alfred; Maria; Nannette; Peter; Henry; Sercy; Grace; Polly; Frances; Louisa; Martin; Gabriel; Handy; Nancy Sercy; Alexander; Munro; Milly Sercy; Jack; Jeannette; James Munro; Nanette; William; Randell; Sally; Amus; Edmund; Simon; Prince; Albert; Sharlotte; Shadrach; Sarah; John Reed; Jane; Charles; Turner; Jesse; Sally; George; Mathilda; John Monroe; Doctor; Esther; Harriet; Auma; William Dime; Aylsey; Abraham; Andrew; Ellazma; Presilla; Caroline; Isaac Cooper; Joe; Hillary; Little Ben; Flora; Hannah; Jourdan; Ellen; Rina; Dicey; Joycey; Joe Boon; Polly; William Boon; Isam; Emily Rean; Rosanna; Mary Ann; Lucinda; Lavinia; Old Ned; Toby; Lodaiska; Wilson; Terecine; Delphine; Clarice; Molly; Ned; Cemental; Netty; Amelia; Burnettal; Merridy; Indy; Wealthy; Adeline; William Gray; Arinall; Maria; Julia; Virgil; Eveline; Clarissa; James; Christina; Henderson; Lucy; Johny; Emma; Elizabeth; Kitty; Polly Boon; John Monroe; Edmond Harris; Litty; Yellow Joe; Jacob; William Simom; Wesly; Terrence; Joe Sercy; George; Martha; Gabriel; Eliza Ann; Louisa; Harry; Patsy; Armand; Mernday; Hillary; Walter; Anna Gray; Sandy; Clarisse; Celeste; Jesse; Emily Leon; Margaret; L. Anna; Rosetta Pinace	1855-1859	Tulane University, Citizens Bank Minute Book No. 7: 1855/06/08; West Baton Rouge Parish, Mortgage Book X, p. 83, 1855/06/15, p. 107, p. 123, p. 776; Tulane University, Kuntz Collection, No. 600, 1858/03/15
Michel, Jean Pierre	plantation and the following individuals: Peter; Edward; Joshua; David; York Paul; Alexander; Alan; Peter; Hudier; Martha; Pauly; Lany; Simon; Nancy; Maria; Priscilla; Melanie; Lady; Albert; *illegible*; John; Thomas; Mary; Paul; Peterson; Pauline	1837-1845	West Baton Rouge Parish, Mortgage Book M, p. 63, 1837/10/18; Mortgage Book N, p. 37, 1837/11/15, p. 200, 1838/07/13; East Baton Rouge Parish, Mortgage Book K, p. 13, 1838/07/09, p.416, 1845/01/16
Nolan, John	plantation and the following individuals: John Barns; Preston; Joe Henson; Bazile; Big Frisly; Jack; John - Louis; Collins; Little Joe; William; Bill; Lewis; Isaac; George Washington; Bob; Jeffry; Robert; Henry; Jackson; Edmond; Tom; Jack Harry; Steven; Charles; Frisly; Bill; Sam Tilman; Edward; George; Sam; Cempey; Sarah; Lucinda; Big Peggy; Delcey; Helen-Thomas; Kissiah; Ann; Big Hannah; Lorendy; Augustine; Pauly; Mary; Orille; Henriette; Henriette Batts; Sally; Betsey; Anna; Seraphine; Charlotte; Birdy; Jenny; Rosetta; Charlotte; Sophy; Nancy; Brittany; Nelly; Sally; Philis; Rachel; Pasthena; Helen; Little Charlotte; Caroline; Lesine; Rosemond; Ardine; Oliver; Kitty; Isabella; Denis; Marianne; Indiana; Sam; Eliza; Agnis; Maria; Louisa; Lucinda; Monarch; Thomas Madison; Lizzie		West Baton Rouge Parish, Mortgage Book M, p. 79, 1838/01/11, p. 146, 1838/05/17

Owner	Mortgaged Collateral	Dates	Source
Patin, Victorin and Lise	plantation and the following individuals: Pierre; William; Luci; Manette and her two unnamed children; Baptiste; Etienne; Philippe; Jean Baptiste; *Didier*; Magloire; Sheratin; Azenor; Theodate; Julien; Venerand; Xavier; Cerenu; Marie; Victorin; Sidey; Annette; Octavin; Fanny; Grand *Hadrick*; Giles; Jim Hudsun; John; Alexis; Jean Pierre; Isaac; Sam Knox; Jim Grant; Jim Ham; Randal; Hadrick Bank; Phill; Daniel; Sam Brown; Salomon; Coffer; Billy; Charlotte; Marianne; Lea; Maria; Silly; Romaine	1836-1838	West Baton Rouge Parish, Mortgage Book K, p. 275, 1836/02/26, p. 335, 1836/07/09; Mortgage Book M, p 142, 1838/05/11, p. 171, 1838/06/16; Tulane University, Citizens Bank Minute Book No. 6: 1847/01/11
Patrick, Jean	plantation and the following individuals: Cherubin; Azenor; Dave; Baptiste; Henry; Charles; Sam Knox; Sam Brown; James Hudson; James Ham; James Grand; Alexis; Richard; Phillipe; Venerand; Salomon; Giles; Field; Levin; Xavier; Jack; Julien; Coffer; Jean Pierre; John; Billy; Ned; Big Hadrick; Isaac; Etienne; Little Hadrick; Lewis; Daniel; Terence; Annette; Linda; Romaine and her three children Dorval; Lodoiska; and Hippolite; Hortense; Mariah; Rosalie; Lea; Dilet; Nelitto; Octavina and her child Adam; Manette and her child Edward; Marianne) and her child Merovi; Lucie and her child Robert; Mary and her child Patience; Sophie and her child Adonis; Fanny; Victoire; Pouponne; Michael Hortense and her two children Celestine and an unnamed individual; Patience; Virginia; Antonio	1839	West Baton Rouge Parish, Mortgage Book M, p. 310, 1839/06/05
Pipes, Charles	land and the following individuals: Jim; Henry; Bill; Ned; Burr; Sam; Jefferson; Steven; Sam; Henry; Henriette; Mary; Sally; Louis; Helen; Citus; Ann; Catherine; Mary; Prince; John	1838	West Baton Rouge Parish, Mortgage Book M, p. 111, 1838/03/13 p. 181, 1838/06/29
Robertson, Mrs. A. S.	the following individuals: Susan and her child Cornelius; Baptiste, his wife Nancy, and their three children Robert, Ella, and and unnamed individual; Diney and her three children Mahala, Melinda, and unnamed individual; Peter; Betsey; Chadrick	1859	West Baton Rouge Parish, Mortgage Book A-B, p. 122, 1859/03/19
Robertson, W. B.	plantation and the the following individuals: Sally; Dolly; Minerva and her three children Lavinia; Essex; and Justine; Susan and her three children Margaret; Emma; and Jack; Polly; Charles; Dorcas; Stephen; Peter	1847	Tulane University, Citizens Bank Minute Book No. 6: 1847/08/22; West Baton Rouge Parish, Mortgage Book P, p. 451, 1847/05/15

Owner	Mortgaged Collateral	Dates	Source
Robertson, William Blunt, Edward White Robertson and Charles Dickinson Robertson	plantation and the following individuals: Godfrey; Sally; Robert; Old Shabe; Frozine; Lizzie; Yorick; Louisa Jeff; Little Yorick; Lucy; Charles Lobdell; Mary Ann; Nancy; Dorcas; Joshua; Dolly; Gathy; Charles Banks; Josephine; Little William; Dave; Little Josephine; Eugene; Charles Warner; Sam; Emily; Dorcas; Wyatt; Little Wyatt; George Sury; Sam Smith; Charlotte; Edward; Parker; Lucinda; Harriett; Little Lucinda; Peter Grimball; Louisa Parker; Tom; Jim; John; Big Ellen; Little Ellen; Kitty; Peter Verdies; Peggy; Rose; Minerva; Essex; Gustine; Margaret; Amy; Irene; Jack; Neuman; Dimery; Joe Austin; Mitchell; Cam; Winter; Prince; Tom; Lucy Gorham; Eliza Banks; George Lewis	1859	West Baton Rouge Parish, Mortgage Book X, p. 766, 1859/03/31; Tulane University, Citizens Bank of Louisiana Papers, 1834-1914, Folder 5
Shannon, Thomas	sugar plantation, land, and the following individuals: Phill; Small Phill; George; Phill Clay; Louis; Antoine; Small Joseph; Sam; Willis; Bastien; Prince; Frederick; John Mary; Tom Congo; Isaac Lavith; George Walker; Jacque; George Mulatto; Lerne; Azinor; John Sally; Gasmay; Chapperd; Little Tom; Little Isaac; George Attakaps; Agricole; John Third; Davis; Bill; Hippolitte; Jean Louis; Honore; Pierre; Dick Clark; Cupidon; Francois; Ned; William; Martin; Charles; Opportune; Fanny; Rosalie; Guinie; Violer; Selphine; Hilene; Lisette; Rose; Small Hannah; Mariane; Phebe; Sintee; Augustine; Marie; Agnes; Mathilda; Small Lucy; Patsy; Sally Henry; Marguerite; Jane; Becky; Small Sally; Mariah; Anna; Peggy; Chrispin; Aimee	1836	West Baton Rouge Parish, Mortgage Book K, p. 278, 1836/02/29
Verbois, Pierre	plantation and the following individuals: Antoine; Julienne and her three children Cadet, Helina, and Leverin; William; Henriette and her child Alfred; Albert; Dick; Louisa and her three children Alexandre, Adolphe, and Antoine; Nane and her child Lucie; Maria; David; Nilson; Julien; Jean	1847-1848	West Baton Rouge Parish, Mortgage Book P, p. 432, 1847/04/28, p. 435, 1847/04/23; Mortgage Book Q, p. 299, 1847/05/06
Ware, Joss	plantation and the following individuals; including: Peter; Baptiste; Chadrick; Susan; Sarah; Betsey; Jenny; Nancy; Cornelius; Robert; Mahala; Melinda; Ella; Aaron; Catherine; John; Adam; Alex; Julian	1859	Tulane University, Citizens Bank Minute Book No. 8: 1859/03/14; West Baton Rouge Parish, Mortgage Book X, p. 759, 1859/03/18

Owner	Mortgaged Collateral	Dates	Source
West Feliciana Parish			
Barrow, Robert H.	plantation, land, and the following individuals: Tom Sears; John; William Duke; William Davis; Aleck; Peter Wilson; Peter; William R.; Billy; Mike Marshall; Moses; Charles; Dave; Frank; Jake; Fisher; William; Nimrod; Henry; Elisha; Lotty; Harriet; Big Margaret; Little Margaret; Virginia; Chloe; Milly; Violet; Charity; Rachael; Sally; Eliza; Miranda; Edy; Ann; Betsey; Hannah; Angeline; Alix; William; Edward; Henry; Carroll; Willis; Ephraim; Wilson; Manuel; Ben; Ellen; Betsey; Louisa; Emily; Rebecca; Sarah; Matilda; Phoebe; and unnamed individual	1855	West Feliciana Parish, Mortgage Book O, p. 575, 1855/04/18
Barrow, Robert J. and Mary E. Craff	Rose Bank plantation, Bay Wood plantation, and the following individuals: Tom; Essex; Deline; Issac; Mary Hall; Amy; Lizzy; Charlity; Elizabeth; Jerry; Linda; John; Henry; Harriet; Mathilda; Peter; Matthew; Deed; Nelson; Maria; Mary; Silla; Nelly; Kate; Nimrod; Suba; Milly; Morris; Richmond; Soloman; Jim Russell; Henry Johnson; Frank; Jeff; Charles; Lewis; Stephen; Queen; Mary Smith; Harriet Foster; Cherry; Kizzy; Sylvia; Hasty; Diana; Winney; Rhody; Courtney; Maria; Hannah; Chancy; Cherry; Susan; Lucy; Cynthia; Levi; Martha; Theresa; Moses; Jacob; Joe; Peggy; Jim; Jack; Abraham; Richmond; George; Idy; Sophia; Charles; Phillis; Sarah; Lorenzo; Ben; Handy; July; Bolin; Rosina; Daphney; Jordan; Sutton; Sylvia; David; Daniel; Eli; Wilson; Dilsey; Thomas; Ann; Frances; Harry; Johnnetta; Holoway; Allen; Chancy; Rosetta; Matt; Elzy; Harry; Henry Clay; Isabella; Nathan; Laurina; Emma ; Romeo	1851-1856	Tulane University, Tulane University, M-1847, Citizens Bank Minute Book No. 6: 1851/04/08, 851/07/08; Citizens Bank Minute Book No. 7: 1851/12/02, 1855/02/02, 1852/02/06; West Feliciana Parish, Mortgage Book O, p. 119, 171, 1856/07/19
Bradford, David and Amanda Jan	land and individuals: Boson; Eletia; Nancy and her son Emmy; Emmy's son Willis; Queen; John; Charity; Sabella; Hannah	1838	West Feliciana Parish, Mortgage Book K, p. 184; 1838/04/23
Brown, James	land and the following individuals: Harry; Patrick; John; Jim; George; Simon; Ned; Joe; Little Simon; Sam; Jim; Cesar; Bill; Isaac; Sally; Betsy; Jane; Harriet; Silvia; Sally; Nancy; Mariah; Rinah; Kaily; Eliza; Calvin; Dick; Charles; Polly; Susan; Martha; Esther; Mary; Milly; Ellen	1837-1842	Tulane University, Citizens Bank Minute Book No. 5: 1842/12/16; West Feliciana Parish, Mortgage Book K, p. 93, p. 107, 1837/06/24
Causland, Robert M.	land and individuals: Ben; Daniel; Fines; Jack; Sidney; Charlotte	1838	West Feliciana Parish, Mortgage Book K, p. 156, 1838/02/27
Coulter, James H.	plantation and the following individuals: Adam; Lucy; Caroline; Amelia; Charles; John; Manuel; Sam; George; Henry; Mahaley; Sarah; Joanah; John Deut; Louisiana; Lucy Garret; Jim; Charlotte; Eliza; Harriet; Henry; Betsey; Battiste	1853-1855	Tulane University, Citizens Bank Minute Book No. 7: 1855/03/02; West Feliciana Parish, Mortgage Book O, p. 536, 1853/03/08

Owner	Mortgaged Collateral	Dates	Source
Direr, Robert and Mary Kilgour	land and the following individuals: Watt; Tom; Vine, and her unnamed child	1837	West Feliciana Parish, Mortgage Book K, p. 118, p. 127, 1837/12/16
Doherty, Peter and Sarah B.	land and the following individuals: Harry; Abraham; Abner; Willis; George; Anderson; Felix; Martha and her child Josephin; Ellen and her child Josephine; Jane and her children Francis and Rhody; Bill; Adam; George; Alfred; Frederick; Lewis; Jack; Patt; Jim; Bazil; Ned; Joe; Tom; Anthony; Rose; Rachel; Celia and her child John; Hannah; Betsey and her child Rou Ann; Suckey; Henney; Eliza; Lena; Rachel; Liz; Celine; Eve; Kitty; Caroline; Chancey; Adeline; Alsey; Old Nancy; Emma; Hasty; Annett	1855	West Feliciana Parish, Mortgage Book O, p. 547, 1855/03/15
Fair, James and Mary	plantation and the following individuals: John; Fountain; Jake; Roderick; Jake; Fill; Jack; Charles; Jet; Milly; Phillis; Nancy; Eady; Sabila; Charlotte; Grace; Mary; Ann; Mariah; Silda; Jenny; Wesley; Dane; Dick; Henry; Jim; Nan; Routh; Emeline; Rachael; Steven; Nancy	1838	West Feliciana Parish, Mortgage Book K, p. 170, p. 176, 1838/03/22
Farrar, Mary Ann	land and the following individuals: Alfred; Salma; Washington; Jane and her child Polly; Tempe's children Patsey, Dave, and Sabrey; Caroline's children Emily and *illegible*; Amcy's children Joe, Winney, and Stephen; Loroney's children Laura Ann and Tiney Ann	1846	West Feliciana Parish, Mortgage Book N, p. 251; 1846/02/24
Grover, Hiram J.	land and the following individuals: Jim; Gabriel; John; Clara; Susan; Jane; Sylva; James; *Sigudy*; Tabor; Jane; Amy	1837	West Feliciana Parish, Mortgage Book K, p. 97; 105-106, 1837/10/02, West Feliciana Parish, Mortgage Book K, p. 105, 1837/10/28
Nervill, Gideon and Nancy	the following individuals: George; Bob; Nelly	1842	West Feliciana Parish, Mortgage Book M, p. 208, 1842/09/28
Pattillo, George H.	land and the following individuals: Jim; Lewis; George; Jess; Mike; Marinda; Harriet; Ruth; Fanny; Nathan; Frank; Marinda's daughter Martha; Charles; George Washington; Mack; Serine; Hannah; Milley	1834-1844	West Feliciana Parish, Conveyance Record I, p. 122, 1834/04/12; West Feliciana Parish, Mortgage Book K, p. 267, 1839/01/17; West Feliciana Parish, Mortgage Book M, p. 453, 1844/03/21

Owner	Mortgaged Collateral	Dates	Source
Perkins, John and Henry	plantation, various tracts of land, and the following individuals: William; Charles; Mary; Calamine; Spencer; Henry; Parker; Sarah; Harriet; Minor; Joe; Andy; Jim Dorsey; Amy; Adam; Daniel; Margaret; Jim; Isabel; Ann; Daniel Dean; Chloe; Eliza; Nat; Abram; Charles; Alsie; George; Susan; Nelson; Daniel Johnson; Rachael; Ben; Bicky; Peggy; William Scott; John Scott; John Briscoe; Alfred; Peter; Jim Carter; John Brooks; Stanly; George Burroughs; Francis Spencer; Sally; Susan; GEorge; Robert; Priscilla; Polly; John Hiem; Anna; Stephen; Emeline; Fanny; Hiram; Morie; Jim; Harry; Hetty; Harriet; Lucinda; John; Caroline; Grace; John; Joseph; Easter; Sophia; Charlotte; Babara, Fanny Gray; Susan; Mary; Henry; Ann; Julia Ann; Amanda; Celia; Emily; Louisa; Agga; Margaret; Little Sally; Martha; Jack; Dick; Ella; Mathilda; Maria; Minta; Wash; Dica; Lucy; Amy; Louis; Elvira; Theodira; Jim Henry; Beky; Newton; Alice; Isaiah; Bill; Morris; Viola; Vanness; Elizabeth; Patience; Leir; Abby; Ellen; Mia; Hagar; Patsy; Anthony; Judy; Tom; Fred; Wade; Green; Harvey; Abraham; Bill Gillis; Big Julia	1851	West Feliciana Parish, Mortgage Book O, p. 61, 66, 83, 87, 1851/04/12
Sims, Mrs. Ann	land and the following individuals: Jacob; Richard; Jenny; Isaac; Louisa; Joyce; William; Rose; Jim; Ben; Stephen; Green; Virginia; Bill; Commodore; Abraham; Ned; Sam; Old Sam; Harry; Jackson; Henry; Eliza; Miles; Moses; Mathilda; Ellen; William; Grael; Jack; Louis; Daniel; Aristin; George; Harriet	1855	Tulane University, Citizens Bank Minute Book No. 7: 1855/12/14; West Feliciana Parish, Mortgage Book O, p. 551, 1855/03/23
Wilkinson, Joseph	sugar plantation and 128 unnamed individuals	1851	Tulane University, Citizens Bank Minute Book No. 6: 1851/01/01
Young, Robert	the followng individuals: Joe; Milly; Spencer	1842	West Feliciana Parish, Mortgage Book M, p. 208, 1842/09/28

New Orleans Canal Bank

Ascension Parish

Bercegeay, Alphonse	the following individuals: Mary and her children William and Wilson; James	1840	Ascension Parish, Mortgage Book 7, p. 473, 1840/08/06, p. 488

Owner	Mortgaged Collateral	Dates	Source
Braud, Justine	land and the following individuals: Jean Louis; Marcel; Lisse; Jane	1834	Ascension Parish, Mortgage Book 6, p. 8, 1834/03/06
Duffel, Edward	plantation and the following individuals: Baptiste; Rosalie and her two children *José* and *Jean Baptiste*; Nat; Constance and her three children Elsie, Henry, and Gustave; Raphael; Melanie and her three children *Clet*, Marianne, and Zeke; Auguste; Leonarde; Francis; Dinah; Hannah; Sillu and her three children Andre, Heloise, and Josephine; Maria and her three children Jean Louis, Michel, and Benjamin; Malvina and her child Stephen; Loyise and her child Colin; Jenny and her child Rose; Frank; Jim; Franchonnette and her sister Sally; Suzette; Leonarde; Sam; Ben; Joe; William; Michel; Vincent; Billy; Vieux Sam; Bastien; *Lan*; Sam; Frank; Nace; William; Joe; Lucinda and her brother Thomas (alias Alfred); Aimee	1832-1841	Ascension Parish, Mortgage Book 5, p. 302, 1832/07/23; Mortgage Book 7, p. 311, 1841/03/13
Dugas, Ignace and Coralie Landry	land and the following individuals: Madelaine and her two children Julien and Celeste; Moody; Julie	1838	Ascension Parish, Mortgage Book 7, p. 6, 1838/05/15
Ford, Christopher; Randall, David	land and the following individuals: Jack; Nathan; Hanover; Randal; Joe; Jack; Richard; Brown; Squire; Elijah; Ceasar; Charles; Mary Ann; Virginia; Hannah; Julia; Aime; Martha; Latitia; Ralph; *Sarah*; Louisa; Henry; Mary; Susan; *Aglaee* Caroline; William; George Clark; *Jerry*; Daniel; Lucy; Lewis; Charlotte; Jim; Sidney; Lyddy; Elizabeth; Harry Byrne; Carter; Sarah; Winny; Hames; Squire; Harrison; Davy Skinner; *Crecy* and her unnamed infant; Mary Skinner; George Skinner; Henry Woods; Grace S.; Bill Martin; Minta; Thomas; Mary; William; Kitty; Albert; Harry S.; *Ben* Bond; Cassandra; Susan B.; John B.; Sarah; Ben Bond Jr.; Satira Shadrach; Robert Woods; Cassy; Bill Amanda; Patsey; Sylvia Briscoe; Bill Briscoe; Frank; Maria; Georgiana; Viriginia; Moses Wood; Maria Wood; Nick; Dolly; Sylvia; Sarah; Calvert; Charlotte; Emma; John; Rachel; Missouri; Mary; Fanny; Mathilda; Louisa	1845	Ascnesion Parish, Conveyance Book 19, p. 387, 1845/11/13 ; Conveyance Book 19, p. 387, 1845
Gravois, Edward and Marie Rose Landry	land and the following individuals: Celeste and her three children Louise, Elizabeth, and Bouret; Lubin; *Timme*; *Jamier*	1840	Ascension Parish, Mortgage Book 7, p. 234, 1840/06/29
Landry, Daucet and Lisa	land and the following individuals: Victor; Prince; Jimy; *Vaniz;* Jean Baptiste; Fanny; *Pilynaise*; Diline; Celeste; Susan; Marie Louise; Alexandre; Valentin; *Nichola*	1835	Ascension Parish, Mortgage Book 6, p. 193, 1835/06/05

Owner	Mortgaged Collateral	Dates	Source
Landry, Narcisse and Gerade	land and the following individuals: Celestin; Auguste; Daniel; Pierre; Major; George; Christophe; Petion; Colces; Jacques; Edward; Celestin; Gilbert; Alexander; Bouli; Robin; Scott; Honore; Charles; Jack; Sam; Cupiclou; Pail; Bill; Frank; Jean Louis; Ned; Jean; Artheuse; Picep or Bob; Michil or Mitchel; Valentin; Michael; Lubin; Auguste; Gertrude and her child Andre; Marion and her child Suzanne; Julie and her two children Raphael and Felicite; Celeste and her eight children Honore, Catiche, Jeanette, Laura, Julien, Magdelaine, Celestine, and Gilbert; Venus and her two children Durosin and Jean Louis; Marianne and her two children Frosine and Priscilla; Marie and her three children Drausin, Rosetta, and Celeste; Katey and her three children Micotand, Susan, and Reuben; Fanny and her four children Noel, Betecie, Antoine, and Valcour; Madilain; Kitty and her four children Medare, Susan, Kitty, and Silvie; Jenny; Fanchanette and her two children *Opoline* and Julie; Mary; Rosalie; Victore; Babitte; Zoe and her child Catherine; Nore; Jacques; Paula; Alexander; Bill; Julie and her two children *Manetti* and Sophie; George; Jean Louis; Bob; Frank; Raphael; Felicite; Francois; Pierre; Jacques; Gertrude and her three children Henri, Eduard, and Adeline; Scott; Jane; Baptiste; Hortande; Marion and her four children Susan, Adelle, Jim, and Elizabeth; Auguste; Jane; Celestine; Petion; Michaelle; Jimmy; Medin; Mary and her child Joseph; Dio; Rosette; Valentine	1833-1842	Ascension Parish, Mortgage Book 5, p. 331, 1833/03/31; Mortgage Book 7, p. 434, 1842/05/03
Landry, Trasimon and Wife Modeste Brand	land and the following individuals: Gilbert; Sam Dawson; Ben Short; William; Joe Woodley; Joe Griffen; Bob Creghton; Ben; Martha	1839	Ascension Parish, Mortgage Book 7, p. 67, 1839/01/24
Landry, Valery	land and the following individuals: Isaac; Pompey; Celestin; Anatol; Davis; Petite *Maguire*; Fanny William and her two children Adelaide and Lorenzo	1837	Ascension Parish, Mortgage Book 6, p. 322, 1837/03/31
Landry, Victor and Janette	land and the following individuals: Celestin; Francoise; Guillaume; Susan; Rosemond; *Eduard*; Antoine; Leon; Carmelite; Elenor; Zepherine; Emma; Thomasin; Augustin	1832-1839	Ascension Parish, Mortgage Book 5, p. 295, 1832/06/04; Mortgage Book 7, p. 118, 1839/06/14
Lange, Albert	plantation, land, and the following individuals: Jack; Nathan; Hanover; Randall; Joseph; Jack; Richard; Brown; Squire; Elijah; Cesar; Maryann; Virginia; Hannah; Julia; Aimee; Martha and her child Rosalie; Lotitia; Ralf; Sarah; Louisa; Henry; Susan; Aglace; Caroline; William	1848	Ascension Parish, Mortgage Book 9, 139, 1848/8/22

Owner	Mortgaged Collateral	Dates	Source
Leblanc, Dermand	land and the following individuals: William; *Janey*; Ciran; Joe; Frank; Julien; Martin; Honore; Nelson; *Birundy*; Zoe; Pilagie; *Fanchanetta*; Nancy; Gabriel; Lucy; Rosalie; Marguerite; Balut	1836	Ascension Parish, Mortgage Book 6, p. 288, 1836/09/12
Leblanc, Marcelis	land and the following individuals: Mari Jeanne and her two children Cadet and Benjamin	1833	Ascension Parish, Mortgage Book 5, p. 341, 1833/03/21
Marchand, Victor	land and the following individuals: Jacque; Jean Pierre; Jacob; Toussaint; Lessin; Jaque; Isidore; *Olrille* and her three children Francois, Joseph, and Narcisse; Bazile and her two children Eve and Edmond	1832	Ascension Parish, Mortgage Book 5, 1832/08/18
Poursine, Joseph	land and the following individuals: Joseph; St. Cloud; Paul; Frank and his wife Justine; Augustine, his wife Sanchette and their four children Adele, Gustave, Gertrude, and Derausin; Louise and her children Agathe and Sohpy; Rhoda and her children Hagar, Lucy, and Blaise	1833	Ascension Parish, Mortgage Book 5, p. 341, 1833/03/21
Prevost, F. M.	plantation and the following individuals: Abraham; Billy; London; Dick; John; Elias; Andre; *Warnur*; Maria; Rachel	1833	Ascension Parish, Mortgage Book, 1833/03/23
Randall, David A.	land and the following individuals: Brown, his wife Eliza, and their four children Maria, Charles, Nathan, and Aimee; Lewis, his wife Becky, and their three children Agnes, Virginia, and Reuben; Caeser, his wife Lizzy, with their son Frank; Hannah, her three children Squire, Abraham, and Martha, and her grandchild Hanover; Fanny, her son Dick, and her grandchild Jack; Jack; Bill; Jacques; Elijah; Julie; Marianne; Martha; Joe; Elijah; Lewis and his two children Richard and William; Randal, his wife Sarah, and her children Louisa and Harry; Agnes and her child Susa; Caser and his two children Caroline and Aglaee; Martha and her child Latitia; Hannah and her grandchild Hanover; Joe; Jake; Lewis; Beckey and their three unnamed children; Drackter; Eliza and her three unnamed children; Randall; Sarah and her unnamed child; two unnamed children of Letty; Squire; Dick; Elijah; Fanny; Mary Ann; Julie; Ceasar; Brown; Eliza and her four children Maria, Charles, Nathan, and Aimee; Lewis; Beckey and her two children Richard and William; Randall; Sarah and her three children Agnes, Virginia, and Reuben	1839-1845	Ascension Parish, Mortgage Book 6, p. 5, 1839/04/10; Conveyance Book 19, p. 387, 1845

Owner	Mortgaged Collateral	Dates	Source
Assumption Parish			
Boatner, Daniel and Elizabeth	land and the following individuals: Isaac; Peter; Jerry; Little Isaac; Big Hannah; Lucy; Jim; Elisha; Ned; Jack; Mary; Winney; Alfred; Little Hannah; Mansfield; Handy; Nancy; Cinda; Daniel	1833	Assumption Parish, Mortgages 1831-1835, p. 141, 1833/03/26
Dalfreres, Antonio	plantation and the following individuals: Narcissa; Augustine; Philippa; Margueritta; Juliana; Andre	1834	Assumption Parish, Mortgages 1831-1835, p. 187, 1834/03/01
Dominguez, Manual and Maria	plantation and the following individual: Margueritte	1832	Assumption Parish, Mortgages 1831-1835, p. 107, 1832/07/02
Fernandez, Manuel and Julie	land and the following individuals: Grand Francois; *Telie* (alias Lydie); Pauline; Aimee; Jacob; Lawrence; Juliette; Mannette; Fifi; Auguste; Thomas; Victoire; Severin; Nancy (alias Marie Quace); Susanne; Madeline; *Mernaut*; Peter Francois; Jean (alias Cherival); Azor	1833	Assumption Parish, Mortgages 1831-1835, p. 142, 1833/04/01
Guillot, Joseph	land with the following individual: Etienne	1839	Assumption Parish, Mortgage Book 1834-41, p. 263,1839/07/25
Gravois, Joseph	plantation and the following individuals: John; Dick; George; *Eveline*	1839	Assumption Parish, Mortgages Book 11B, p. 229, 1839/03/11, Mortgage Book 1834-41, p. 233, 1839/03/14
Huz, Antoine	land and the following individual: Fanny	1840	Assumption Parish, Mortgage Book 1834-41, p. 286, 1840/04/14
Martines, Philip and *Manuela*	plantation and the following individuals: Charlotte; Augustine; Davy; Carry Morgan (alias Joe)	1833	Assumption Parish, Mortgages 1831-1835, p. 144, 1833/04/10
Avoyelles			
Coco, Lucien D.	land and the following individuals: Isaac; Henry; Julian; Dick; Clarisa and her child Ameline; Susanne and her three children Reuben, *Jalienne* (alias *Gustte*), and Elizabeth; Warran; Nancy and her three children Louise, Llyod, and Melinda; Cary Carter; Hannah Carter and her three children Gabriel, Daniel, and William	1840	Avoyelles Parish, Conveyance Book O, p. 373, 1840/03/30
Irion, George A.	land and the following individuals: Prince; Amos; *Paul*; Phil; Joshua; William; Henry; Bill; Abram; Kity; Aggy; Bob; Thadius; Sally; Mary; Eliza	1832	Avoyelles Parish, Conveyance Book I, p. 267, 1832/04/28
Miles, Lemuel	land and the following individuals: Ben; Fanny; Matilda; Jordan; *Elsueda*	1832	Avoyelles Parish, Conveyance Book I p. 256, 1832/04/25

Owner	Mortgaged Collateral	Dates	Source
Mills, Thomas	land and the following individuals: *Hester*; George; Rachel; Cherry; Maria; David; Moses; Aaron; Sylva	1832-1833	Avoyelles Parish, Conveyance Book I, p. 272, 1832/04/30; Conveyance Book J, p. 202, 1833/06/29
Ogden, Edward	land and the following individuals: Andrew; Billy; Caroline; Henry; *Barbara*	1836	Avoyelles Parish, Conveyance Book M, p. 198, 1836/05/30
Robert, E. G.	land and the following individuals: John; Jinny and her son Andrew; Sarah Ann	1833	Avoyelles Parish, Conveyance Book J, p. 155, 1833/05/23
Stewart, William L.	land and the following individuals: James; Acy; Margaret and her unnamed child	1832	Avoyelles Parish, Conveyance Book I, p. 260, 1832/04/28
Tanner, Branch	land and the following individuals: John; Henry; *Armistor*; Lucy; Dolly; George; Belinda; Washington; Mark; *Julie*; *Arreta*; Nancy; Phillis; Polly Molley; Hannah	1839	Avoyelles Parish, Conveyance Book O, p. 65, 1839/06/03
Tanner, Lodowick	land and the following individuals: Ben; *Jerry*; Harry; Yates; Robert; Frank; Betsy; Lucy Ann and her child Amy; *Abby* and her child Margaret	1840	Avoyelles Parish, Conveyance Book O, p. 367, 1840/03/10
Voorhies, Bennett F.	land and the following individuals: John; Major; Joe; Julie; Maria	1832	Avoyelles Parish, Conveyance Book I, p. 300, 1832/05/28
Voohies, William	land and the following individuals: *Coleman*; Ned; *Lewis*	1832-1833	Avoyelles Parish, Conveyance Book I, p. 298, 1832/05/28

Concordia Parish Parish

Routh, Stephen M.	plantation and the following individuals: Stephen; *Perry*; *Luis*; Susan; Hannah; Lucy; Rachel; Rachel *Henry*; *Avy*; Mary	1833	Concordia Parish, Conveyance Book F, p. 415, 1833/04/27

East Baton Rouge Parish

Boyle, William	plantation and the following individuals: Harry; Isaac; Preston and his wife Mille	1839	East Baton Rouge Parish, Mortgage Book K, p. 86, 1839/05/23; West Feliciana Parish, Mortgage Book K, p. 408, 1839/05/27

Owner	Mortgaged Collateral	Dates	Source
East Carroll Parish Parish			
Goza, George Washington	the following individuals: Violet; Moccrise; Meiles; Willis; Nauce; Jim; Charles; Jesse; Elza; Eloy; Balaam; Phebe; Rachel; Pompey; Wiley; Will; Edward; Jinny; Arena; Pluenza; Raney; Joe; Bob; Little Jesse; Delila; Ben; Reuben; Rozetta; Nathan; Harry; Ishmael; Washington; Betsey; Chesney; Dennis; Bill; Willis; Margaret; Jane; Lucinda; Judah; Rosina; Eliza; Harriet; Easter; Edward; Richard	1840-1841	East Carroll Parish, Mortgage Book B, p. 105, 1840/05/22; Mortgage Book B, p. 95, 1841/10/04
Morgan, Oliver and Jonathan	the following individuals: Peter; Bob; Jack; George; Enos; Susan; John, his wife Henny, and their 3 children, Jane, Oscar, and Joe; Arthur, his wife Matilda, and her unnamed child; Comfort and her 4 children Giles, Jim, Thadius, and Patsy; Sam; Lige; Allen; Little David; Cooper; Eliza; Charlotte; Delia; Ephraim; Armstead; Daniel	1832-1835	East Carroll Parish, Conveyance Book A, p. 2, 1832/04/30; Mortgage Book A, p. 164, 1835/09/19
East Feliciana Parish			
Boatner, William and Sarah	the following individuals: Sam; Joe; Issac; Dick; Abram; Neubin; Alfrue; Isaac; Shields; Ellis; Ben; Limere; Tom; Burrel; Minur; Sandy; Polly; Hannah; Winney; Dianna; Lucinda; Amy; Dinah; Letty; Matelda; Judy; Rachel; Harriet; Jane; Noie; Leanoree; Leah; Deley; Nais; Nelly; Veirter; Mariah; Mary W; Martha; Sniersmiea	1832	East Feliciana Parish, Mortgage Book B, p. 339, 1832/04/24
Carter, William D. and Elizabeth	the following individuals: Melinda; Laucinia; Thomas; Ned; Mary; Clifton; Boatsroain; Alley; Diana; Cyprus; Louisia	1839	East Feliciana Parish, Mortgage Book H, p. 298, 1839/12/05
Chapman, James	land and the following individuals: Jacob; Cornelius; Harry; Eliot; Alfred; Ben; Laud; Henry; John; Bill; Pelina; Eliza; Fillis; Rebecca; Cary Ann; Margarite; Mary; Eveline; Nancy; Clarisa.	1833	East Feliciana Parish, Mortgage Book C, p. 164, 1833/04/15
Clemons, Nancy	the following individuals: Isabell; Liner; Will; Abram; Burrel; John; Big John; Magul; Elick; Boy Ben; Boy London; Stephen; Ephram; Veirtu; Isabela	1832	East Feliciana Parish, Mortgage Book B, p. 324, 1832/04/23
Delie, John L.	land and the following individuals: Jim; Chusterzi; Sam; Prince; Jack; Austin; Maria; Mary; Cynthia; George; Harvey; Joe; Austin; Luck; Hannah; Polly; Adam; Margaret; Dorcas	1835	East Feliciana Parish, Mortgage Book D, p. 81, 1835/05/18

Owner	Mortgaged Collateral	Dates	Source
Dolch, Elizabeth D.	plantation and the following individuals: Peter; Jim; Moses; Rachel; Ann; Sophy; George; Francis; William; Tony; Bob; Aaron; Maria; Bob; Agnes; Isabel; Henry	1833	East Feliciana Parish, Mortgage Book C, p. 401, 1833/07/22
Gayle, John L. and Martha	the following individuals: Tom; Nellie; Cuffe; Lucy	1832	East Feliciana Parish, Mortgage Book B, p. 329, 1832/04/24; West Felicians Parish, Mortgage Book H, p. 409, 1832/04/24
Gilden, Stephen and Mary	the following individuals: Jack; Milo; Fanny; Sophia; Alfred; Nathan; Syliva	1832	East Feliciana Parish, Mortgage Book B, p. 349, 1832/05/09
Hary, James	land and the following individuals: Isabell; Linn; Will; Abram; Burnell; John; John; Mogul; Elick; Ben; landon; Stephen; Ephraim; Hester; Isabel.	1833	East Feliciana Parish, Mortgage Book C, p. 160, 1833/04/10
Kendrick, Benjamin	plantation and the following individuals: Abram; Beverley; Jim; Jinny; Delia; Fanny; Sophia; Patty; Fanny; Liar; Suda; George; Wiliam; Allin; Isaac; Green; Alfred; Dave; Adam; Rachel; Morgan; Susan; Winny; Malinda; Betsy; Mahala; Harriet; Eliza	1833	East Feliciana Parish, Mortgage Book C, p. 183, 1833/05/06
McRae, Colin C.	land and the following individuals: John; Charles; Sam; Luke; Rose	1832	East Feliciana Parish, Mortgage Book C p. 5, 1832/06/05
Mune, Daniel and Pamela	the following individuals: Slank; Judah; Minerve; Maryant; Mepoure	1832	East Feliciana Parish, Mortgage Book B, p. 333, 1832/04/23
Myers, Burrel	land and the following individuals: Jane; Nancy	1832	East Feliciana Parish, Mortgage Book B, p. 314, 1832/04/23, West Feliciana Parish, Book H, p 416, 1832/04/25
Nettlez, John and *Ferorbes*	the following individuals: Becka; Permelia; Monroe; Rachel; Lenah; Nelson; Lya (alias Lydia); Leanard	1832	East Feliciana Parish, Mortgage Book B, p. 342, 1832/05/01
Norwood, Noel	land and the following individuals: Sookey; Rachel; Betty; Lydia; Caty; Hannah; Lot; Lilly; Silla; Simon; Polly; Isaac; Henny; Sarah; Little Isaac; Bob; Milly; Sampson	1833	East Feliciana Parish, Mortgage Book C, p. 171, 1833/04/15
Pain, John C. and Mary Louise	the following individuals: Nenolde; Henry; Elegn; Phillis; Mary	1832	East Feliciana Parish, Mortgage Book B, p. 326, 1832/04/03
Perry, Robert	land and the following individuals: Isaac; Crawford; John; Ben; Fred; Liman; Harry; Clary; Jonas; Emelie; Malvina; Milly; Nancy	1833	East Feliciana Parish, Mortgage Book C, p. 140, 1833/04/06; West Feliciana, Mortgage Book J, p. 87, 1833/04/16; Tulane University, Citizens Bank Minute Book No. 5: 1846/02/26; Citizens Bank Minute Book No. 7: 1851/12/30
Powers, John B. and Elizabeth	the following individuals: Jerry; Katy and her child Fountain	1838	East Feliciana Parish, Mortgage Book H, p. 198, 1838/05/05

Owner	Mortgaged Collateral	Dates	Source
Purnell, George W. and Mary Ann *Lunetto*	the following individuals: Robin or Bob; Nancy; Bill Button; Lewis; Jenny; Louisa or Laura; Bill Bladen; Jane; Caroline and her children Norman and an unnamed *child; Riley; Bill Dale; Phaso; Bob Amis; Leah; Frances; Isabella*	1847-1849	East Feliciana Parish, Mortgage Book H, p. 305, 1847/04/28; East Feliciana Parish, Mortgage Book H, p. 402, 1849/04/23
Rest, John and Mary	the following individuals: Frank; Charles; Lucy; Harriet; Milly; Jerry	1832	East Feliciana Parish, Mortgage Book B, p. 344, 1832/04/27
Scott, Thomas W.	land and the following individuals: Hannah; Rachel; Sony; Bob; Venus; Brian; Betsy; Harry; Joyo; Tiffany; Duke; Pat; Doll; Viny; Ann; Binah; Jam; Mary; Joyo; Jinny; Mingo; Juno	1833	East Feliciana Parish, Mortgage Book C, p. 174, 1833/04/24
Seals, James	the following individuals: Jim; Christie; Sam; Jack; Austin; Maria; Mary; Cynthia; George; Harold; Joe; Austin; Jack; Hannah; Polly; Adam; Margaret; Dorcas; Prince	1832-1835	East Feliciana Parish, Mortgage Book B, p. 331, 1832/04/24; East Feliciana Parish, Mortgage Book G, p. 467, 1835/05/18; West Felciana Parish, Book H, p. 402, 1832/04/24
Waddell, Zachariah and Narcissa	the following individuals: Charles; Rachel; Anthony; Louisa; Polyabie; Louviey; George	1832	East Feliciana Parish, Mortgage Book B, p. 337, 1832/04/13
Waddill, David	land and the following individuals: Joalib; Fran; Jacob; David; Hester; Matilda; Caroline; Hildah; Nan	1833	East Feliciana Parish, Mortgage Book C, p. 162, 1833/04/13

Iberville Parish

Butler, Edward G. W.	land and the following individuals; including: Parrick; Alix; Albert; Joe; Joshua; Polly; Nancy; Miles; Stephney; Jordon; Celia; Sylvia; Billy; Lucy; Addison; Nelly; Harriet; Nelson; Bennet	1833-1843	Iberville Parish, Conveyance N, p. 557, No. 472, 1833/04/15; Conveyance Book V, p. 338, No. 215, 1843/03/27
Honore, Francise Belly	plantation on the right bank of the Mississippi River with the following individuals: September, his wife Francoise, and their five children Marie, Aimee, Marguerite, Francois, and Edmond; Iberville, his wife Poignon, and their child Jacques; Nicolle and her two children Honore and Commineau	1832	Iberville Parish, Conveyance Book N, No 148, 1832/07/06
Landry, Anne B.	plantation on the right bank of Mississippi with the following individuals: Baptiste; Anna; Melite and her child Gustin	1832	Iberville Parish, Conveyance Book N, No. 155, 1832/07/13
Ricard, Genevieve B.	land on the right bank of the Mississippi and the following individuals: Cayro, his wife Jabo, and their three children Aimee, Louis, and Vincent; Lalie and her five children Antoine, Francois, Voltaire, Elizabeth, and Lalie; Ospasie and her child Homer; Amus; Abraham; Julien; Elie; Zelie; Luke; Balaam; Jerry; Cader; Willis; Margaret; Kitty; Peter; Abraham Juke; Tom; Sophy; Agathe; Joe; Esther; Marie Mart; Theodore; John; Frank	1843	Iberville Parish, Conveyance Book N, p. 592, No. 507, 1843/03/24

Owner	Mortgaged Collateral	Dates	Source
Walker, Duncan S. and Robert J.	land and the following individuals; including: Solomon; Frederick; Glenn; Polly; Jim; Ben; Spencer; Gabe; Cela; Ephraim; Levin; George; Serina; Josephine; Robert; Mary; Charlotte; Taylor; Lewis; Travis; Owen; Isaac; Jesse; Mark; Mathilda; Nancy; Biddy; George; Maria; Jim Crow; Patrick; Peter	1833	Iberville Parish, Conveyance Book N, No. 572, 1833/06/17; Conveyance Book V, p. 336, No. 214, 1833/05/09

Lafayette Parish

Arceneaux, Emille	plantation and the following individuals: Celestine; Josephine; Constance; Eugenia; Pierre; Joseph; Celestin; Valirien;Olivia; Pierre; Ellen; Alcinder	1832	Lafeyette Parish, Copies of Notarial Acts, 1774, 1832/05/25, no. 1775, 1832/05/25, no. 1781, 1832/05/22
McCaskill, Daniel and Caroline; Robert Nibbilt	land and the following individuals: Moses; Rose; Ellick; Samuel; Mary Ann; Gabriel; Charity; Gabriel; Marilla; Daniel; Bill; Henry; Rhoda; Lewis; Wisdom; William; Collin; Sally; Willoughby; Rosanna; Henry; Liz	1832-1833	Lafeyette Parish, Copies of Notarial Acts, entry 1769,1832/05/3, entry 1965, 1833/05/20
Rice, Samuel B. and Martha Campbell	land and the following individuals: Tom; John; John; Jim; William; Arthur; Ned; Will; Sevesitia; Mary; Maria; Anne; Reason; Richmond; Wilkins; Henry; Nana	1833-1837	Lafayette Parish, Copies of Notarial Acts, entry 1977, 1833/05/29
Thrall, John B.	the following individuals: Belco; Milly; William; Eveline; Thom; John; Charlotte; Betsy; Teny; Mary; Billy; Dorcas; Jane; Jeff; Michael; Maria; Jeff; Sally; Patsy; Katey; Fielding; Dick; Thomas	1832	Lafeyette Parish, Copies of Notarial Acts, entry 1769,1832/05/22
Wilcoxon, Floyd	plantation and the following individuals: Moses; Jack; Daniel; Harry; Tom; John; Alexander; William; Charles; George; Lucy; Nancy; Becky; Abby; Cassy; Little John; Betsy; Leathy; Nelly	1836	Lafayette Parish, Copies of Notarial Acts, entry 2503, 1836/06/15

Lafourche Parish

Bigg, Thomas	land and the following individuals: Jacques; Nago; Charles; Big William; Nelson; Jean; Sam; Alexander; Guylson; Alexander; Polite; Tom; Raisine; Henry; Davis; Gary; Faniel; Joseph; Little William; Tabor; Jack; Robert; Justin; Isaac; Antoine; Laurent; Michel; Lizette; John Robert; Casimir; Aaron; Lucien; Ellick; Gaisy; Richard; Appolon; Jeme; Constance and her unnamed child; Anne and her unnamed child; Maria and her unnamed child; Nanette; Lake; Mararite and her unnamed child; Artemise; Froizine; Esther; Esther; Tabe; Mary and her unnamed child; Laurine; Lisa and her unnamed child; Roddyand her two unnamed children; Fistte; Louise and six unnamed children; Caroline and her unnamed child; Susane; Marianne; Little John	1841	Lafourche Parish, Conveyance Book R, p. 304, 1841/06/24

Owner	Mortgaged Collateral	Dates	Source
Bourg, Mathurin	land and the following individuals: Malando; Haley; Joseph; Peter	1833	Lafourche Parish, Conveyance Book J, p. 123, 1833/03/28
Labiche, Firmin	plantation and the following individuals: John; Zenon; Lucy	1832	Lafourche Parish, Mortgage Book I , p. 228, 1832/06/06

Ouchita Parish

illegible, Jean	the folowing individuals: Battiste; Solomon; Mattild and her two children Henry and Susan; Nancy and her 4 children Ceil, Thercale, Margaret, and Lewis; Cherry; Louisa; America	1833	Ouchita Parish, Mortgage Book A, p. 196, 1833/05/14
Downs, Solomon Weatherbee	plantation and 56 unnamed individuals	1837-1841	Ouchita Parish, Mortgage Book B, p. 3, 1837/11/29; Tulane University, Citizens Bank Minute Book No. 3: 1841/02/24

Pointe Coupee Parish

Bouis, Francouis and Helen	plantation, land, and the following individuals: Charlotte and her 6 children Rosene, Rene, Leocadie, Josephene, Rosalie, and Elvi; Pompey and his wife Jeanne, and her 8 children Gustine, Gustane, Hilairi, Nunea, Zerine, Lindor, Iris, and Sethene	1841	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, no. 1349, 1841/03/19
Bourgeaux, Augustin and Jane	plantation and the following individuals: Big Sally; Maria; John Baptiste; Caroline; Big Allan; Bill; Rose; Little Allen; Little Sally; Seleste; Louis; Zavier; Fanny; Marie; John; Phebes; Henry; James	1832-1849	Pointe Coupee Parish, Legal and Conventional Mortgage Book B, p. 400, 1832/05/08; Legal and Conventional Mortgage Book D, p. 873; Legal and Conventional Mortgage Book C, no. 1109, 1839/02/25
Cooley Jr., Ebenezer and Mary Collins	land and the following individuals: Richmond; Katy; Oliver; Benjamine; Robin; Henry; Hannah and her child Maria; Jim; Jack; Bill; Mary-Ann; Sally; Isaac; George	1842	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, no. 1465, 1842/01/20
Dewey, Benedick and Sarah	plantation, land, and the following individuals: Robbin; John; Charity; Eliza	1832-1834	Pointe Coupee Parish, Legal and Conventional Mortgage Book B, p. 419, 1832/06/28; Legal and Conventional Mortgage Book C, p. 1, 1834/02/18

Owner	Mortgaged Collateral	Dates	Source
Ferrier, Jules and Julie	land and the following individuals: Armstead; Nancy; Similin	1837-1846	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, 592, 1837; Legal and conventional Mortgage Book D, p. 576, 1846/01/01
Jewell, Sarah Isaacs	plantation and the following individuals: Jim; Joe; Bristen; Garland; Liverpool; Bolin; Daniel; Claiborne; Yellow Bob; Black Bob; Martin; Solomon; Little Sam; Congo Sam; Ellick; Jaik; John; Jacob; York; Hercules; Colsy; Nilson; Frank; Bob; Phoebe; Clarkey; Nancy; Big Mary Ann; Chancy; Winny; Sarah; Lucinda; Charlotte; Mary; Jenny; Rachael; Mary Ann; William; Dick; Bristen; Isaac; Nancy; Hannah; Rosalie; Rose; Betzy	1833	Pointe Coupee Parish, Legal and Conventional Mortgage Book B, p. 520, 1833/04/05
Major, Norbert	plantation, land, and the following individuals: Cesaire; Andre; Lincoln; Antoine; Francois; Augustin; Lucas; Zenon; Hypolite; August; Jean Baptiste; Francois; Gregoire; Joachin; Venus; Mary; Agathe; Valerine; Susine; Deby; Marie; Julie; Pauline; Victoire; Francine; Madeline; Zaire; Laurette	1833	Pointe Coupee Parish, Legal and Conventional Mortgage Book B, no. 538, 1833/04/24
Ratliff, Louricy and Adam Bingaman	land and the following individuals: Georges; Landy; Richard; Billy; Milford; Moses; George; Abe; Alfred; Bob; Milford; Frank; Rod; Rachel; Dina; Mulatto Mary; Mary; Matilda; Short Rachel; Alice; Celia; Fanny; Maria; Cleany; Alice; Christine; Henrietta; Ann; Priscilla; Dick	1836	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, no. 518, 1836/11/26
Robertson, Malinda	land and the following individuals: Sylvia and her children Sophia, Harriet, Ned, and Alfred; Ephraim; Robert	1835	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, no. 280, 1835/05/22
Sholar, Ann and Asa Brown	land and the following individuals: Peter; George; Bob; Lucy; Dorcas and her son Charles; Eliza and her son Joe	1840-1845	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, no. 1327, 1840/12/30; Legal and Conventional Mortgage Book D, no. 440, 1845/11/06
Taylor, William	the following individuals: Salomin; Baptiste; Mary; Audre; Daniel; Jesse or Dias; Francur; Adelle; Baptiste; Bernard; Flora; Fadonas; Areline; Little Jenny; Lubin; Nancy; Tom; Harry; Betzy; Harry; Martin; unnamed individual; Jean; Phil and his wife, Fine (alias Fanny); Levy (alias Duval); Little Nancy; Lindon; Louis; Hanniah or Amia; Luckey; Suzanne; Fanny; Chisbe; Charles; Paul; Jeannette; Mary Jeanne; Pauline	1833	Pointe Coupee Parish, Legal and Conventional Mortgage Book B, 544, 1833/05/09

Owner	Mortgaged Collateral	Dates	Source
Trumbull, Mathilda A.	land and the following individuals: Big Tom (alias John), his wife Peggy, and their three children Beck, Patience, and Dick; Jack Collins, his wife Alssee (alias Alfa), and their children Paris, Amy, Adam, Dafney, Mathilda, and Patsy; Jacob and his wife Patty (alias Polly), and their children Boney, Rachel, Judy, and Daniel; Yellow Tom, his wife Jenny and their children Sam, William, and ian unnamed boy; William, his wife Hannah and their children Judy and Lucinda; Old John; Isaac; Charles; Prince; Solomon; Anthony, his wife Hannah Sip, and their children Polly, Harry, John, Eveline; Old Ann; Mary; Jack; Joel; Thomas; Dan; Patsey; Mary; Green; James; Edmond; Prince; Tomas; Big John; Peggy; Robert; Louisa; Liss; Stephen	1835-1845	Pointe Coupee Parish, Legal and Conventional Mortgage Book C, p. 66 (No. 217); No. 428, 1835/03/30; Pointe Coupee Parish, Legal and Conventional Mortgage Book D, p. 335, 1845/03/29; Pointe Coupee Parish, Legal and Conventional Mortgage Book D, p. 348, 1845/04/09

St. James Parish

Champagne, Evariste	sugar planation and the following individuals: Louis; Francois; Jean Pierre; Valsin; Justin; Marianne; and Charlotte	1833	St. James Parish, Mortgage, Book 13, p. 255, 1833/05/29
Huguet, Esteve	land and the following individuals: Pierre; Aristide	1841	St. James Parish, Mortgage, Book 19, p. 511, 1841/06/14
Roche, Pierre Felix	plantation and the following indivuals: Louisa and her three children Alfred, Celestine, and Richard; Cicero; Jean Louis; Zabelle; Valery; Ophelia; John	1840	St James Parish, Mortgage, Book 18, p. 442, 1840/03/28

Owner	Mortgaged Collateral	Dates	Source
St. Landry Parish			
Brownson, John	land and the following individuals: York; Kitty; Pat; Jim, his wife Harriet and her five children Elsy, Anthony, Phillis, Gilbert, and Delphine; Bill; Big Charles and his wife Sapho; William, his wife Sucky, and their three children Andrew, Elizabeth, and Polly; Harry, his wife Ester, and their five children Anna, Harry, Nancy, Eliza Jane, and Denis; Humphrey, his wife Maria, and their four children Betty, Hanna, Abigail, and Frank; John, his wife Mary Ann, and their four children Mary, Custers, Fanny, and unnamed individual; Antoine; Patrick, his wife Delphine, and their four children Alexander, Grace, Manuel, and Sarah; Providence; Demba and his wife Delia; Stephen, his wife Nancy, and their three children Stephen, Jane, and unnamed individual; Romeo; Pool; Euphrosine; Mises; Robert; Sam	1833	St. Landry Parish, Conveyance Book H-1, p.216, 1833/04/20
Campbell, Marsden	land and the following individuals: Andrew; Ben; Bookey; Daniel; Joe; John H. Frank; Mirrgo; Ned; Scipio; Abram; Abbe; Charlotte; Fanny; Judy; Minerva; Nanny; Tom; Dick; William; James; Betty; Laura; Membo; Nancy; Dorinda; Resin; Silla; Hannah; Sally; Sida	1837	St. Landry Conveyance Book IJ-1, p. 103, 1837/04/27
St. Martin Parish			
Breaux, Alexandre	plantation and the following individuals: Louis; Jacques; Magdelaine; Marianne; Baptiste; Moise; Cresfort; Milly; Gre; John; Fae; unnamed infant	1833	St. Martin Parish, Conveyance Records vol 8, p. 165, no 7383, 1833/06/20
Davis, Robert J. and Caroline J.	plantation and the following individuals: Bolen; Esam; George; Paresh; Nancy; Tabitha; Centha; Emilie; Fanny	1832-1833	St. Martin Parish, Conveyance Records vol 7, p. 274, no 7135, 1832/05/04; Conveyance Records vol 8, p. 120, no 7337, 1833/04/25
Guidry, Marguerite	plantation and the following individuals: Bajile; Andre; Guillaume; Francesque; Euken; Bill; James; Anna; Martin; Jose; Bun-aime; Caiton	1833	St. Martin Parish, Conveyance Records vol 8, p. 129, no 7348, 1833/06/06
LeBlanc, Edward	plantation and the following individuals: Charles; Ransom; Schill; Marie Lauide; Ursin; Cary; Jane; Charles; Paul; John; Peter; Nally; Robert; Cilstin; Martin; Basil; Anne; Silvie; Harden	1832	St. Martin Parish, Conveyance Records vol 7, p. 325, no 7188, 1832/07/16
LeBlanc, Norbert	plantation and the following individuals: Wally; Martin; Celestin; Robert; Silvy	1842	St. Martin Parish, Conveyance Records vol 13, p. 328, no 10030, 1842/04/26
Marsh, Jonas	land and the following individuals: Peter; Becky; Cyrus; Gilbert; Kert; Adam; Abraham; Delphe; Isaac; Abraham; Pack; Sophy; Nancy; Nelson; illegible	1834	St. Martin Parish, Conveyance Records vol 9, p 83, no 7604, 1834/06/07

Owner	Mortgaged Collateral	Dates	Source
Miguez, Bernard	plantation and the following individuals: Oswald; Cilule; Betsey; Kily; Suzan	1832	St. Martin Parish, Conveyance Records vol 7, p. 264, no 7125, 1832/04/25
Rousseau, Jean Julien	plantation and the following individuals: David; Job; Elias; Peter; Adam; Charles; Phill; Henry; Auston; Samson; Eliman; Elee; Nancy and her unnamed daughter; Ceuya; Julie; Caroline and her unnamed daugher; Silvia and her unnamed son; Sally-Anne and her unnamed son; Gwen-Ann; Caroline	1833	St. Martin Parish, Conveyance Records vol 8, p. 117, no 7335, 1833/04/24
Vincent, Charles	plantation and the following individuals: Victor; Julie; Jacob; Jacques; Jean Pierre; Fran; Victorie; Sabel	1832	St. Martin Parish, Conveyance Records vol 7, p. 335, no 7196, 1832/07/19

St. Mary Parish

Baker, Joshua	the following individuals: John; Hetty; Cudgo; Irwvin; Susan; Willis; Anne; Jim; Jacob; Letty; Nancy; Lijah; unnamed individual; Shedrick; Lucy; Martha; Little Shederick; Johnson; unnamed infant; Buttle; Eveline; Jared; Charles; Nancy; Lucky; Sampson; Flore; Shederick; Lewis; Sally; Little Jack; Liddy; Lavinia; Little Steven; Ritta; Linna; George Diar; Lea; Ellen; George; Marguerite; Sam; Sarah; Elizabeth; Mathilda; Jim Pratt; Sally Pratt; Edmund; unnamed individual; Jeff; Frank; Rena; Charlotte; Rena; Joshua; Claiborne; Rhubin; Ceily; Milly; Louisa; unnamed individual	1842	St. Mary Parish, Mortgage Book 11, p. 50, 1842/06/04
Barabino, Stephen	land and the following individuals: Thomas; Elix; Isaac; Christopher; Robbins; Mansnitta; Maria; Clara; Henry; Felicity; Joseph; Coleman; Curdin; Jackson; Thomas; Philip; Fanchenetta	1832	St. Mary Parish, Mortgage Book 5 p. 323,1832/05/01
Bernard, Raymond	land and the following individuals: James; Dick; Joe; Joe; Bartlet; Daniel; Edward; Sophie	1835	St. Mary Parish, Mortgage Book 7, p. 476, 1835/05/02
Bodin, Simon	plantation and the following individuals: Vilgence; Adeline	1838	St. Mary Parish, Mortgage Book 9, p. 200, 1838/06/09
Bowles, Thomas E.	land and the following individuals: Bill; Kaye; John; Isaac; Jack; William; Rob; Jackson; Clifford; Lucy; Henson; Philles; Ephraim; Jane; Kesiah; Mary; Pherody; Polly; Lucy	1841	St. Mary Parish, Mortgage Book 10, p. 293, 1841/04/13
Brashear	land and the following individuals: Matilda; Queeney; Augustus; Flora; Courtney; Harry Todd; Hannah; Clarissa; Sinclair; Ellen; Ben; Patrick; Milly; Jinny; Ann; Saunders; Horace; Maria; Eliza Johnson; Sabina; Camilla	1833-1843	St. Mary Parish, Mortgage Book 6, p. 332, 1833/06/24; Mortgage Book 11, p. 198, 1843/06/01

Owner	Mortgaged Collateral	Dates	Source
Carlin, Celestin	plantation and the following individuals: Polly; Voltaire; Julien; Christine; Adelaide; Victor; Hassin; unnamed invidual; Jane; Feliciane; Washington; Clarissa; Ann; Henry; Moor	1838	St. Mary Parish, Mortgage Book 9, p. 227, 1838/07/06
Carlin, *Helaire*	plantation and the following individuals: William; Claiborne; Dick; Henry; David; Mary; Arceuil; Susanne; Sophy	1839	St. Mary Parish, Mortgage Book 1837, Vol. 9, p. 390, 1839/04/13
Charpantier, Joseph	land and the following individuals: James; Nick; Charles; Charlotte; Mary; Milly	1835	St. Mary Parish, Mortgage Book 7, p. 420,1835/03/21
Cook, John A.	plantation and the following individuals: Peter; Manuel; Ephriam; Jemi; Harry; Tom; John; Polly; Annah; Jeneya; Jilla; Sam; Alik; Ruben; Harriett; Penny; Betsey; Sarah	1837	St. Mary Parish, Mortgage Book 1832, vol. 6, p. 22, 1833/04/30; Mortgage Book 8, p. 476, 1837/06/09
Crawford, Henderson	land and the following individuals: Frank; Harry; Willis; Hannah; Charlotte; Bob; Prior; Sally; Dick; Betsey; Jim; Bill; Elizabeth	1834	St. Mary Parish, Mortgage Book 7, p. 300,1834/09/19
Daigle, Louis	plantation and the following individuals: Francois and Rosalie	1833-1841	St. Mary Parish, Mortgage Book 7, p. 36, 1833/07/29, Mortgage Book 10, 380,1841/07/29
Deutreuil Louis	plantation and the following individuals: Marie and her unnamed child	1832-1836	St. Mary Parish, Mortgage Book 6, 1832/07/14; Mortgage Book 8, p. 290, 1836/06/29
Elliott, Bryce	plantation and the following individuals: Big Bob; Major; John alias Eugene; Hannah; Ann; Abram; Malinda; Rosina	1839	St. Mary Parish, Mortgage Book 9, p. 474,1839/07/03
Elliott, George and Bryce	plantation and the following individuals: Kit;Telly; William; Delay; John; Martha; Sarah; Isam; unnamed child; Matilda; Eliza; Betsey; Simon; Randall; Ann	1838	St. Mary Parish, Mortgage Book 9, p. 272, 1838/08/27
Ferguson, James	plantation and the following individuals: Jim; Armstrong; Oeasen; Harriet; Alfred	1833	St. Mary Parish, Mortgage Book 7, p. 40, 1833/07/30
Foote, Henry	land and the following individuals: Peter Caffery; Moses; Osaac; Ceasor; Bill; Washington; Henry; Allen; Sarah; Nancy; Julia; Rachel; Phoebe; June; Patsy; Minerva	1839	St. Mary Parish, Mortgage Book 9, p. 462, 1839/06/11
Frere, Joseph A.	land and the following individuals: Moses; Elijah; Lary; John; Jared; James; Charles; Butler; Philippe; Hubert; Auguste; Andre; Victor; Zenon; Big George; Little George; William; Jacques; James; Francis; Martha; Thirezes; Manette; Marine; Marionnette; Flore; Achilles; Sophy; Nancy; Rachel; Sense; Charlotte; Virginia; Charles; Betsey; Cecile Shedrick; Lucinda; Emilie; Celeste; Edmond; Clemence	1843	St. Mary Parish, Mortgage Book 11, p. 269, 1843/08/12

Owner	Mortgaged Collateral	Dates	Source
Fuselier, Gabriel L.	land and the following individuals: Sam; Vinah; Moses; Samuel; Benjamin; Lewis; Hanna and her unnamed child; Joe; Nancy; Caroline; Joseph; Josephine; Nelson; Peggy; Tony; Christine; Nelson; Emilia; John; Janny; Johnson; Esop; Marius and Mary; Jim; Aline; Felix; Rhody; Dave; Guy; Henry; Bartlet; Reuben; Billy; Edward; Jim; Dick; Daniel; Zenon; Gary; Jenny; Old Mary	1843	St. Mary Parish, Mortgage Book 11, p. 248,1843/06/24
Garret, Catherine	plantation and the following individuals: Bosor; Charles; Eliza; Martin; George; Louisa; Isam; Isaac; Gilbert; Mary; Ephriam; Betsey; Morris; Callin; Susan; Allan	1836	St. Mary Parish, Mortgage Book 8, p. 215, 1836/04/23
Garret, John	plantation and the following individuals: Lewis; Cage; Nelson; Bill; Peter; Harry; Lane; Nat; Sam; Joe; Littia; Loucas; Lavinia; Lucy; Betsey; Letitia; Caye; Sally; Bill; Lucinae; Laura; Charles; Henry; Lucy; Washington; Saul;Tamer; Natt; Nelson; Peter; Dave; Lucy; Jeff; Eliza; George; Hannah; Sam; Joe; Betsey; Gilbert	1832-1838	St Mary Parish, Mortgage Book 5, p. 306, 1832/04/24; Mortgage Book 9, p. 186, 1838/05/23
Gerbeau, James	planation and the following individuals: Jim, Edmund, Joseph, George, Henriette, Rosette, Cilestin, Sam or Philip, Adelaide, Margaret, Francoise, Sukey, Phil	1833	St. Mary Parish, Mortgage Book 6, p. 289, 1833/06/10
Gerbeau, Joseph	land and the following: Charles; Jean; Peggy; Julie	1842	St. Mary Parish, Mortgage Book 10, p. 349, 1841/06/05
Grevenberg, Charles	plantation and the following individuals: Grand Sam; Gros Sam; Billy; Little Jim; Jackson; Willis; Jim; Arthur; Joseph; Lewis; Frank; Reuben; Jordan; Ben; Alexis	1833	St. Mary Parish, Mortgage Book 6, p. 250, 1833/05/18
Harding, Winthrop S.	land and the following individuals: Simon; Stephen; Wilks; Caleb; Major; Solomon; Carey; Captain; Toney; Emeline; Maria; Betsey; Violet; Mary; Peggy; Tony; Captain; Dick; Bob; Carry; Eliza; Abraham; Eleonora; Mahala; Mary; William; Anna; Annette; Washington; Doctor; Harriett; Simon; Emiline; Sally; Rhoda; Memory; Abigail; Franky; Delia; Sam; Reason; Penny; Anthony; Mary; Tom Major; Jack; Fanny; Yama; Jacob; Lidia; Margarett; Maria; Prescilla; Almira; Elvy; Viney; Violet; Betzy; Soloman; Manuel; Charity; Hannah; Joe; Daniel; John; Ismail; Leah; Nathan; Julius	1836-1841	St. Mary Parish, Mortgage Book 8, p. 187, 1836/04/07; Mortgage Book 10, p. 337,1841/05/15

Owner	Mortgaged Collateral	Dates	Source
Haydel, George	plantation and the following individuals: Fanny and her unnamed child; William; Charles; Jordan; Pepe; Asan; George; Alexander; George; Aleck; David; Jim; Suzan and unnamed child; Bill; Sally; Washington; Perry; Henvre; Martin; Maria; John Louis; Rachel; Zenon; Bill; Joe; Baptiste; Augustin; Jim; Betty; Frank; Jesse; Linan; Jesmire; Billy; Gustave; Baptiste	1832-1834	St. Mary Parish, Mortgage Book 6, p. 59, 1832/07/11; Mortgage Book 7, p. 230,1834/05/24
Heydell, Francoise	plantation and the following individuals: Marciss; Cilistrin; Vincent; Augustin; Laurel; Austin; Tenon; Marie Louisa and her unnamed children; Francois and her child Rosalie	1833	St. Mary Parish, Mortgage Book 6, p. 291, 1833/06/10
Jeanerett, John W. and Constant E. Gradless	plantation and the following individuals: Jacob; Jim; Ephrom; John; Jack; *Vinia*; Celia and her unnamed child	1832	St. Mary Parish, Mortgage Book 6, p. 78, 1832/08/07
Lacy, John O. and P. A. Vandorn	plantation and the following individuals: Jefferson; Isaac; Hiram; Sidner; Bill; Dennis; King; Thomas; Oscar; Maria; Susan; Emeline; Maria; Jeanett; Harry; John; Saul; Betsy; Bisis; Jane	1833	St. Mary Parish, Mortgage Book 6, p. 217, 1833/04/30
Lacy, Susan	plantation and the following individuals: Elliot; John; Cuffy; Murray; George; Silvesha; Maria; Eliza	1833	St Mary Parish, Mortgage Book 6, p. 260,1833/05/24; Mortgage Book 7, p. 1,1833/07/03
Louviere, Louis	land and the following individuals: Kesiah; Mary; unnamed individua	1840	St. Mary Parish, Mortgage Book 10, p. 170, 1840/08/15
Marsh, John C.	plantation and unnamed individuals	1832	St Mary Parish, Mortgage Book 5, p. 318, 1832/05/16
Murphy, John B	plantation and the following individuals: Jim; Soloman; Charles; Hlip; Charles; Stephen; Harry; Abraham; Little Sol; Washington; Jenny; Little Polly; Louise; Anny	1836-1837	St. Mary Parish, Mortgage Book 8, p. 210, 1836/04/16, p. 444, 1837/04/22
Nash, William J.	plantation and the following individuals: Nathan; Will; Burrel; Phil; Washington; Norris; Maria; Harriet; Nancy	1836	St. Mary Parish, Mortgage Book 8, p. 282, 1836/06/14
Parkerson, John	plantation and the following individuals: Betsey; Grace; George; Jackson; Sam; Mary	1832	St. Mary Parish, Mortgage Book 6, p. 53,1832/07/11
Pecot, Charles	plantation and the following individuals: Bastien; George; Edmund; Celestin; Henry; Louisa; Eugene; Alsurdos; Aime; Raphael; Antonio; Suzanne and children Daniel; Meathilda; Sophy; Augustine; Clasico; Liso; Pasino and her children John, Flora, and Isabelle; Helen; Erbasy and her son Prosper; Telesse with her child Adreinne; Adeline; Adelle; Philamisi; Marie; Francaise; Eliza; Irenne; Laurett; Climeice	1838	St. Mary Parish, Mortgage Book 9, p 202, 1838/06/08

Owner	Mortgaged Collateral	Dates	Source
Pecot, Marie Rose	land and the following individuals: Henry; Pierre; Achilles; Jim; Charles; Ariane; Abram; Betsey; Dick; Joe; Jim; Sarah; Narcisses; Clementine; Caroline; Charlotte; Gabriel; Lanulle; Pierre; Adeline; Charlotte; Polidore; Victorin; Victorin; Victor	1843	St. Mary Parish, Mortgage Book 11, p. 266, 1843/08/11
Porter, James	land and the following individuals: Washington; Violet; Guilford; Judy; Steamboat; Big Ben; London; Elias; Milas; Patsey; Cheney; Willis; Osborne	1844	St. Mary Parish, Mortgage Book 11, p. 503, 1844/12/21
Robert, Peter H	plantation and the following individuals Mary; Lige; George; Maria; Tom; Allen; Nancy; Rose; Mary; Jon; Milly,Tom; Horace; Allen; Frank; Issach; Nancy; Little Mary; Maria; Milly	1832-1833	St. Mary Parish, Mortgage Book 5, p. 314,1832/05/03; Mortgage Book 6, p. 224,1833/04/24; p. 225; 1833/05/01
Rome, Nicolas	plantation and the following individuals: Louis; Charles; Betsey; Maria	1832	St. Mary Parish, Mortgage Book 5 p. 331, 1832/05/07
Royster, George	plantation and the following individuals: Bob; Mike; Collin; Lucy; Robin; Charlotte; Milly; Wilson; Mary; Rebecca	1833	St. Mary Parish, Mortgage Book 11, p. 199, 1833/07/12
Sanders, Jarrad Y.	plantation and the following individuals: York; Sarah; Mathilda; Charles; Momra; Willy; Roselly; Amr; Posephinie	1832	St. Mary Parish, Mortgage Book 6, p. 65, 1832/07/23
Shewing, George	land and the following individuals: Reuben; Sarah; Cressey; Sam	1835	St. Mary Parish, Mortgage Book 7, p. 432, 1835/04/03
Smith, Boyd	the following individuals: Adam; Albert; Ned; Dick; James; Anderson; Abraham; Henry; Dick; Dinah; Harriet; Eliza; unnamed infant; Libella	1833-1845	St. Mary Parish, Mortgage Book 6, p. 298,1833/06/14; Mortgage Book 10 p. 322, 1841/05/05
Smith, James	plantation and the following individuals: David; William; Isaac; Hector; Washington; Larry; Charlotte; Rachel; Porz; Cynthia; Jane; Betty; Phoebe; Henry; Ida; Jupiter; Frank; Romeo; Daniel; Michel; David; Lydia; Sarah; Bill; Mary; Sidney; Nanny; Massy; Lenis; Richard; Louis; Little Betty; Molly; Sam; Maria; Jerry; Milly; Jackson; Ellen; Jack; Joe; Jim	1833-1840	St. Mary Parish, Mortgage Book 6, p. 236,1833/05/03; Mortgage Book 10 p. 118, 1840/05/15
Sparks, Daniel P.	plantation and the following individuals: Jack; Willam; Weston; Soloman; Ceasar; Simon; Sam; Adam; Molly; Rachel; Lucinda; Rhinah and her child Fanny; Mahrulia; Westerne; David; George; Solomon; Isaac; Jack; Molly; Rachel; Since	1839	St. Mary Parish, Mortgage Book 9, p. 396, 1839/04/19, p. 397, 1839/04/19
Sterling, William	plantation and the following individuals: Jacob; Tom; Ned; Peter; Frank; Washington; Little Tom; Jim; Rawley; Sarah; Hannah; Nancy; Fanny; Lucinda and three children Richard; Alex; and John; Maria and her children Elijah, Bob, and Effy; Augustin; Levin; Milly; Lucy	1853	St. Mary Parish, Mortgage Book 8, p. 229, 1853/5/13

Owner	Mortgaged Collateral	Dates	Source
Theall, James F.	land and the following individuals: Evans; Dick; Miles; Susan; Lincey; Jesse; Elsy; Ellen; Jo	1832	St. Mary Parish, Mortgage Book 5 p. 329, 1832/05/03
Vinson, Carroll	plantation and the following individuals: Lewis; Lydia; Larisa; Hosey	1838	St. Mary Parish, Mortgage Book 9, p. 168, 1838/04/18
Wilcoxon, Thomas	plantation and the following individuals: Prinius; Ned; Andrew	1835	St. Mary Parish, Mortgage Book 8, p. 64, 1835/08/26

Terrebonne Parish

Boutelou de St. Aubin, Charles	the following individuals: Sam; Lenor; Davis; Rosette; Aggy and her two children Amos and Agathe	1841	Terrebonne Parish, Convenance Record Jan 8, 1841 - Apr. 2, 1845, p. 582, 1841/12/16

West Feliciana Parish

Atkins, James D. and Florann	land and the following individuals: Lucy; Maria; Caroline; Charlotte; Harriet; Patsey; John; Henry; Luke; Lewis; Jim; Moses; Mills; Mary; Eveline; Milly; Sam; Bill; Dan; John; Miles; Margaret; Louis; Milley	1835-1841	West Feliciana Parish, Mortgage Book L, p. 257-259, 1841/03/02; West Feliciana Parish, Mortgage Book J, p. 402, 1835/07/09
Austin, William A. and Elizabeth	land and the following individuals: Dave; Rachael; Silence; Milly and her unnamed daughter	1835	West Feliciana Parish, Mortgage Book J, p. 412, 1835/08/14
Barrow, Albert G.	land and the following individuals: Winney; Mary; Nancy; Jane; Ben; Elizabeth; Delphine; Thom Coleman; Henry; Sylvia; Elizabeth; Nancy	1840	West Feliciana Parish, Mortgage Book L, p. 58, 1840/02/07
Barrow, Alexander	plantation and the following individuals: Edmund, his wife Ginney, and children Lilina, Alexander, Hinderson, and Aronlien; George Hoat; Jane; Charles; Toby formerly Anthony; Susan and two children Rufus and Peter; Mary Jane and her three children Anaka, Nat, and Phillis; Richard; Gilbert; Henry; George; Harry Nearu; Harry Turpin; Bob Madry; Ephraim; Isaac Matthew; Little Bob; Rose; Sal; Abram; Charlotte; Lewis; John; Sarah; Abraham; Ritty; Mary; Ann; Julia; Amy; Mary; Rufus; Ben; Frank	1832	West Feliciana Parish, Mortgage Book H, p. 393, 1832/04/21; West Feliciana Parish, Mortgage Book H, p. 527, 1832/12/29
Barrow, Bennet H. and Emily	tract of land and the following individuals: Eliza; Celia; Dorcas; Edney; Grace; Phil; Hannah; Lizzy; Kiah; Lucy; Atean; Lewis; Levina; Ceutne; Hetty; Israel; Ralph; Lindy; Alfred; Betsey; Willey; Milley; Jack; Dennis; Cato; Esset; Nat; Sarah; Easter; Phill; Lucy; Candy; Margaret; Leah and her child Littleton; Levi; Easter; Adah; Jacob; Hannah; Jenny; Bartley; Jerry; Jim	1834-1844	West Feliciana Parish, Mortgage Book J, p. 209, 1834/02/07; West Feliciana Parish, Mortgage Book M, p. 431, 1844/02/03

Owner	Mortgaged Collateral	Dates	Source
Barrow, Robert James and Mary E. Craff	land and the following individuals: Tom; Elsey; Adeline; Isac; Mary Hall; Amy; Lizzy; Charity; Elizabeth; Jenny; Lucinda; Patience; Yellow John; Henry; Harriet; Matilda; Peter; Andrew; Drud; Wilson; Maria; July; Mary; Tilla; Milly; Kate; Nimrod; John; Juba; Willy	1841	West Feliciana Parish, Mortgage Book L, p. 280-282, 1841/04/21;
Barrow, William Ruffin	the following individuals: Island Harry; Soloman;Tempa and hertwo unnamed children; Hampton Stokes; Carter Hampton; Bill O'Connor; Ned Carter; Sam O'Connor; Giles; Joshua; Aaron; Roden; Edd Long; Peter; Overton; Ben; Walter; Bill; Nat; Solomon; Booker; Dan, chlid of Adeline; Lot; Joe; Joshua; Island Ben; Harry; Sophia; Kathy; Biddy; Stella and her child Rumsey; Nancy; Annette and her child Eveline; Rachael; Ellen; Lettie; Darcus and her child Rachael; Jane; Sally Carey; Patty; Beckey; Adeline; Harriett and her child Elizabeth; Lucy; Susan; Anny; David; Fanny; Nelson; Luckey;Nanny; Frank; Sall; Lancaster; Fubal; Jephsa; Archer; Jim; Easter; Mahala; Nathan; Princess; Manerva; Rachel; Hasty; Kittey; Little Pleasant; Lewis; Harry; Temple; Cloe; Aggy; John; Charlotte; Jackson; William;Ted; Brister; Ely; Yellow Dick; Arthur; Daniel; Jim; Joshua; Sandy; Big George; Anderson; Arthur; Little Henry; John; Amos; Littleton; Bill; Jake; Jubiter; Simon; Hampson; Big Henry; Big Jackson; Big Kitty; Big Hannah; Hannah; Ann; Little Kitty; Eliza; July; Dorcas; Sarah; Susannah; Maria; Creary; Cloze; Jenny; Penny; Adeline; Little Mary; Minta; Nan; Lemee; Nancy Lee; Charity; Patsy; Dinah Lane; Judy	1840-1857	West Feliciana Parish, Conveyance Record K, p. 299, 1851/08/26; West Feliciana Parish, Conveyance Record K, p. 297, 1857/08/28; West Feliciana Parish, Mortgage Book M. 134, 1842/05/18; West Feliciana Parish, Mortgage Book L, p. 216, 1840/11/12
Barton, Edward H. and Eveline	land and the following individuals: Charles; Frank; Josias; Harriet	1832	West Feliciana Parish, Mortgage Book H. p. 419, 1832/04/27
Bergess, William and Elizabeth	land and the following individuals: Prosper and his wife Susan, and their child Eliza; Tempe; Ellen and her child Fanny; Tempe's child Matilda	1833	West Feliciana Parish, Mortgage Book J, p. 147, 1833/07/08
Binghaman, Ms. *Lorig*	land and the following individuals: George Graves; Sandy; Richmond; Bill; Melford; Moses; Dick; George; Abe; Alfred; Bob; Milford; Frank; Rod; Rachel; Dianah; Matilda; Mary; Mulatto Mary; Short Rachel; Alice; Celia; Fanny; Mariah; Chany; Alice; Christeen; Henrietta; Ann; Priscilla	1832-1833	West Feliciana Parish, Mortgage Book H, p 390, 1832/04/14; West Feliciana Parish, Mortgage Book J, p. 84, 1833/04/06
Blount, Levi	land, plantation on Bayou Sarah, and the following individuals: Tom; Harry; Jacob; Bill; Lewis; Tempy; Lucinda; Daine; Ann; Adeline; Reuben; Henry; Abner; Daniel; Anderson; Emily; Sarah; Matilda	1833	West Feliciana Parish, Mortgage Book J, p. 96, 1833/04/13
Boyle, William D. and Lucinda Jane	land and the following individuals: Henry; Isaac; Preston; Milly	1839	West Feliciana Parish, Mortgage Book K, p. 408, 1839/05/27

Owner	Mortgaged Collateral	Dates	Source
Bradford, David and Amanda	land and the following individuals: Bison; Elisha, his wife Nancy, and their children, Charity, Lubela, and Johan; Queen and her son John; Emma and her two children Harriet and Sampson	1837	West Feliciana Parish, Mortgage Book J, p. 584, 1837/02/08
Brown, Asa	plantation, land, and the following individuals: Jim; George; Harry; Charles; Adam; Little George; Henny; Dorcus; Caroline; Lucy; Bill; Eliza; L. Charles	1833-1843	West Feliciana Parish, Mortgage Book, p. 89, 1833/04/09; Pointe Coupee Parish, Legal and Conventional Mortgage Book C, 1711, 1839/03/11; West Feliciana Parish, conveyance Record H, p. 458, 1843/09/12
Burgess, William	land and the following individuals: Jack; Carolin; Harriet; Tom; Malvina; Lucy; Amy; Ellen; Fanny; Julie; Susan; Eliza; Ann; Louisa; Tempee; Matilda; Henderson; unnamed individual	1837	West Feliciana Parish, Mortgage Book J, p. 583, 1837/02/07
Canfield, Zackariah and Julia	land and the following individuals: Mary; David; Sarah	1839	West Feliciana Parish, Mortgage Book N, p. 296, 1839/02/27
Clark, Maria	land and the following individuals: Jim; Frank	1832	West Feliciana Parish, Mortgage Book H, p. 414, 1832/04/24
Cobb, Stephen C.	land and the following individuals: Roman; Lethy; Ann; Sally; Lethy Amis; George Washington; Allin; Henry; Frank; Peter; Adeline	1841	West Feliciana Parish, Mortgage Book L, p. 299, 1841/05/18
Croft, John and Susan	the following individuals: January; Cuase; Peter; April; Cuase; Sithe; Sithe; George; Isaac; Andrew; Jinny and her child Caroline; Rose; Lucy; Hester and her children Jerry, Edmund, illegible, and William; Winny and her children Joe and Hester; Young Rose; Mary; Anthony; Jim	1832	West Feliciana Parish Mortgage Book H, p. 406, 1832/04/23
Davis, Charles H. and Ann M.	land and the following individuals: Isaac; Sal or Sarah; Alice; Alex or Alexander; Sylvia; Dick; Harriet; Rachel; Sam; Kentuck-Isaac; Tom; Betsey; Caroline; Little Sal; Caroline, Minor; Ellin; Little Sal; Vine; Bill	1840	West Feliciana Parish, Mortgage Book L, p. 113; 1840/05/04
Davis, Jesse	plantation, land, and the following individuals: Birt; Major; Perry; Frank; Willard; Louisa; Matilda; Clarisy	1833	West Feliciana Parish, Mortgage Book J, p. 40, 1833/02/27
Davis, Lewis F. J.	land and the following individuals: Eve and her two children Mincey and Jim; Fanny and unnamed child; Cato Virgil; Flora and her unnamed child	1839	West Feliciana Parish, Mortgage Book K, p. 275, 1839/01/16
Dawes, Salloman M. and Ann	land and the following individuals: William; Nelly; John; Clara; Victor; Sylvia; Caroline; Prince; Betty	1833	West Feliciana Parish, Mortgage Book J, p. 121, 1833/05/11
Dawson, John B.	land, plantation, and the following individuals: Sam; Ishmael; Arch; William; Cato; Jane; Vine; Milley; Phillis; Charlotte; Adeline; Len; Lydia; Filler; Harriette; Charlotte; Allen; Cornelius; Virginia; Caroline; Martha; Eliza; Arch	1833	West Feliciana Parish, Mortgage Book J, p. 82, 1833/04/03

Owner	Mortgaged Collateral	Dates	Source
Doherty, Anthony and Marsa	plantation, land, and the following individuals: William; Dick or Yellow Dick; Jack; Milley; Ida; Long George; Abraham; Charles; Isaac; Robbin; Harry; Vine; Henry; Rose; Ginney; Easter; Hannah; Lewis; Christmas; Henry; Anthony; Samuel; Peter; Charles; Lean; Ann; Margaret; unnamed individuals; Levin; Margaret; Celia; Welloughty; Jan; Aurr; Margaret; Jack Goin; Dannis; Jack; Sophia; Adeline; Leah; Rachel; Ann; Kate; Stephen; Alfred; illegible; Couilla; Coth; Dicey; Neacy	1833	West Feliciana Parish, Mortgage Book J, p. 107, 1833/04/27; West Feliciana Parish, Mortgage Book, p. 156, 1833/07/26
Doherty, Charlotte	land and the following individuals: Anthony; Peggy; Delphe; Aaron; Margaret; Maria; Sylvia; Renold; Tell	1839	West Feliciana Parish, Mortgage Book K, p. 325, 1839/02/15
Doherty, Peter	the following individuals: Peter and his wife Adaline; Sam; Short George; Mike; Maria; Bet; Stephen; Willis; Ollive; Dice; Maria; Ellen; Phil; Long George; Thornton; Levin	1841	West Feliciana Parish, Conveyance Record G, p. 208, 1841/04/27; West Feliciana Parish, Mortgage Book K, p. 387, 1839/04/27;
Duir, Robert	land and the following individuals: Matt; Vine; Peter; Kitty; Nancy; Tom; Milley	1832-1842	West Feliciana Parish, Mortgage Book H, p. 386, 1832/04/19; West Feliciana Parish, Mortgage Book J,. P. 125, 1833/05/18; West Feliciana Parish, Mortgage Book M, 111, 1842/04/11
Dupre, James R.	land and the following individuals: Isaac; Otis; Anrster; Bob; Bob Oliver; Helen; Judy; Danferey; Sarah and her child Margaret; Rena; Nancy; Charlotte; Ellis; Jim; Ann	1834	West Feliciana Parish, Mortgage Book J, p. 259, 1834/04/12
Edie, Charles M.	plantation and the following individuals: Sharper; Betsey and her son; Isaac; Jim; Mary Ann; Emmeline; Tom; Bill; Lucy and her son Peggy; Louden; Lucy; Eliza; Patsey; Sarah; George; Reuben; George; Polly; Ann; Anderson; Hannah	1848	West Feliciana Parish, Mortgage Book N, p. 453, 1848/05/25
Fair, James and Mary	plantation and the following individuals: Phileum and his wife Mary; Maria; Charlotte; Mary; Watty; Dick; Henry; Charles and his wife Mary; Eady; Grace and her child Martha; Abraham and his wife Sylvia and Abraham's children Stephen and Esther; Roderick and his wife Milly; Trilly and her child; Ginney; Tom; Dave; Rachael; Abraham; Jacob; Nancy; Jack; Billy; Phillis; Fountain; Jake; Sam	1835	West Feliciana Parish, Mortgage Book J, p. 310, 1835/01/22;
Farrar, Mary Ann	land and the following individuals: Esther and her children, Nace and Margaret; John; Manuel; Bob and his wife Sabra and their children, Tenp and Jince; Sam and his wife Betty and their children, Patience and Cato; Sylvia and her daughter Ann; Caroline; Martha; Maria; Little Bob; Sarah; Moses; William alias Banks	1836	West Feliciana Parish, Mortgage Book J, p. 492, 1836/03/12

Owner	Mortgaged Collateral	Dates	Source
Fort, Ann	land and individuals: Nace; John; Manure; Bob; Jane; Cato; Esther; Margaret; Sabra; Betsy; Sylvia; Jane (alias Fanur); Tempe; Jinny; Patience; Ann; Carolin; Martha; Simon; Dennis; Daniel; Bob; Sam; *Siddy;* Mary; Esther; Fanny; Sisy; Ann; Ben; Washington; Pharaly; *Eiha;* Judy; Dilsey; Josephine; *Clever;* Judy; Isaac; Sarah; Essex; Jim; Harry; Rhody; John; Chloe; *Tuolage; Mournany;* Nelson; Lucy; Andrew; Sylvia; infant; Josephine	1832	West Feliciana Parish, Mortgage Book H, p. 425-427, 1832/05/01
Fort, William	land and the following individuals: Edmond; Dick; Hank; Jake; Anthony; George; Moses; Jim; Tom; Lorenzo; Little Anthony; Beck; Nance; Charlotte; Rose; Susan; Ellen; Chancy; Anthony; Arthur; Jerry; Jacob; Edmond; Hackless; James; Andrew; Little George; Henry Dou; Little Harry; Kitty; Jane; Lucey; Silvey; Josephine; Julia; Nancy; Lacey; Betsey; Valentine; Phil; Charity; Tennessee; Jerry; Lady and her child Joe; Allen; Lucky; Thomas; Gran; Sally; Jackson; Halifax; Lucinda; Varny; Isaac; Monroe; Henry; Sam; Patty; Washington; Bytha; Jane Fisher; Josiah; Cesar; Jenny; and three unnamed	1832-1841	West Feliciana Parish, Mortgage Book H, p. 388, 1832/04/20; West Feliciana Parish, Mortgage Book J, p. 420, 1835/10/31; West Feliciana Parish, Mortgage Book L, p. 267-269, 1841/03/29
Gray, Josias	land and the following individuals: Hannah; Dave; John; Ned; Clara; Toby; William; Sophia and her child Delia; Sarah; Julia; Lodoiski; Flora; Miles	1834-1847	West Feliciana Parish, Mortgage Book J, p. 249, 1834/04/09; West Feliciana Parish, Mortgage Book, p. 517, 1836/05/07; West Baton Rouge Parish, Mortgage Book Q, p. 504,1831/05/07, Mortgage Book S, p. 480,1847/06/10
Guibert, Corelie B.	land and the following individuals: Stephen; David or Daniel; Theodore; Registe; Ned; Adelaide; Rosaline and her son Edmund; Louisa; Amy; Harriet; William; Fanny; Mary Ann and two children Annette and Celia	1842	West Feliciana Parish, Mortgage Book M, p. 78, 1842/01/18; West Feliciana Parish, Mortgage Book O, p. 116, 1851/06/26
Haile, Robert	land and individuals: Charles; George; Rouna; Matt; Harry; illeg. and her two children Tom and Jim; Hannah and her son Phillip; Priss and her unnamed child; Dice and her unnamed child	1836	West Feliciana Parish, Mortgage Book J, p. 448, 1836/01/01
Harbour, John A.	land and the following individuals: Aaron; Nicey and her child Rose; Sarah; Easter; Esthma; Jesse; Frederick; Anthony; Caff; Ann; Adeline; Sam; Arch, his wife Phillis, and their children Martha, Caroline, Eliza, Little Arch, Henry, Robert and an unnamed infant; Ishmael, his wife Jane and their children Len, Lydia, Matilda, Harriet, Little Charlotte, Ellen, Little Ishmael, and Rachael; Abner; Big Charlotte and her unnamed infant child; Vine and her children Allen; Cornelius; Virginia; Clara; and orphan Mary Jane	1834-1844	West Feliciana Parish, Mortgage Book J, p. 297, 1834/10/24; West Feliciana Parish, Mortgage Book L, p. 255, 1841/02/23; West Feliciana Parish, Mortgage Book M, p. 524, 1844/10/21

Owner	Mortgaged Collateral	Dates	Source
Hargadine, William	land and the following individuals: Charles; Isaac; Sam; Wellington; Delia; Judy and her child Oscar; Milley; Victore; Rinos; Aggy; Caroline and her two children Betsey and Lafayette; Rosetta; Julett	1834	West Feliciana Parish, Mortgage Book J, p. 258, 1834/04/12
Harvey, M. A.	land and the following individuals: Julia; Jack; Arey; Dancy; Nancey and her unnamed daughter; Ritta and her son Jim; Daniel	1839	West Feliciana Parish, Conveyance Record I, p. 144, 1839/03/25
Holmes, John	the following individuals: Albert; Edmond; Wilson; Robin; Harriet	1843-1853	West Feliciana Parish, Mortgage Book M, p. 409, 1843/09/20; West Feliciana Parish, Mortgage Book O, p. 358, 1853/06/29
Hosia, Thomas N.	land and the following individuals: Hammond; Bill; Andrews; Betsey; Kittey; Joe; Alfred; America; Lucy; Ned; Maria; Lucinda	1834	West Feliciana Parish, Mortgage Book J, p. 265, 1834/04/12
Howell, Ebenezer	land and the following individuals: George; Harry Nearn; Harry Turpire; Ephraim; Isaac Matthews; Guinea Bob; Elijah; Esther; Rose and her two children Nullifier and Union; Sarah; Abraham; Charlotte; Lewis; Milley; Harriet and her two children Ann and Joe; Grace and her three children Anny and two unnamed children; Paul; Little Bob; John	1835	West Feliciana Parish, Mortgage Book J, p. 326, 1835/03/03
Jackson, Jesse K.	plantation and the following individuals: Sam; Carey; Eliza; Matilda; Mariah; Mary; Tom; John; Henry; Emily; Sally; Bob; Ben; Sandy; Bill; Bridget; Rhody; Sarah; Jane; James; Elijah	1834-1837	West Feliciana Parish, Mortgage Book J, p. 238, 1834/03/20; West Feliciana Parish, Mortgage Book J, p. 593, 1837/03/01
Jenkins, Sylvester B.	land and the following individuals: Louisa and Elvey	1844	West Feliciana Parish, Mortgage Book M, p. 428, 1844/02/03
Johnson, Charles G.	land and the following individuals: Henry; Bartlette; Tom; Charles; Jim; Peter; Joe; Nelson; Sam; Edmond; Ned; Tempe; Harriette; Jane; Lenese; Lucy; Old Lucy; Frank; Lucy; Gunny; Rayney; Susan; Clia; Francis; Betsey; Ellen; Rose; Maria; Lucinda; Nancy	1833	West Feliciana Parish, Mortgage Book J, p. 91, 1833/04/10
Joor, Emily	land and the following individuals: Rose; Charles; Ruthy; Fever; Nance; Elic; Tom; Buddy; Sally; Daniel; Peggy; Gabriel; Mary; Anthony; Linden; Rosette; Lucy; Selina; Ann; August; Lavinia; Lucky; Beck; Joe; Alex; Amy; Brister	1840	West Feliciana Parish, Mortgage Book L, p. 98, 1840/04/07
Leake, James and Mary; James and Ann C. Rucker	land and the following individuals: Dick; Tom; Kitty; George; Edward; Madeline; Casey; Jane; Elizabeth and infant Tom; Susey or Surry; Boston; Kitty; Charlotte; Isaac; Simon; Philip; Stephen; Sally and her two unnamed children; Rosan; Kelly	1839-1844	West Feliciana Parish, Mortgage Record K 398, 1839/05/07; West Feliciana Parish, Conveyance Record H, p. 515, 1844/02/03
Leet, George H.	land and the following individuals: Mary; David; Sarah	1846	West Feliciana Parish, Mortgage Book N, p. 296, 1846/05/12

Owner	Mortgaged Collateral	Dates	Source
Marks, Francis and Mariah	land and the following individuals: Jilsey; Patsey; Marieh; Philip; unnamed	1835	West Feliciana Parish, Mortgage Book J, p. 404, 1835/07/10
Marshall, Brisbaine	land and the following individuals: Abraham; Harriett; Jane	1833-1834	West Feliciana Parish, Mortgage Book J, p. 141, 1833/07/02; West Feliciana Parish, Mortgage Book J, p. 251, 1834/04/10
McCaleb, Samuel and Sarah	plantation, land, and the following individuals: Richard; John; Cagen; Sam; Sylvia; Lewis; Betsey; Washington; Reason; Susan; Margaret; Joshua and his wife Celia and her two children Nancy and Simon; Phillis; Nena and her child Grace; Lidia; Abel , Matilda; Hards; infant; Tom; Century and his wife Lavinia; Tilla; Harriet; Kitten and her son Lewis	1833-1841	West Feliciana Parish, Mortgage Book J, p. 88, 1833/04/08; West Feliciana Parish, Mortgage Book J, p. 302, 1834/11/27; West Feliciana Parish, Mortgage Book M, p. 72, 1841/12/27
McDermott, Charles C.	land and the following individuals: George; Mary Books; Joe; Bofonto; Franky; Davy; Elizabeth; Daniel; Henry; Edmond; John; Joe; Big Mary; Flora; Abel; Stephen; Eliza; Joe; Isaac; Violet; Louisa; Viney; Troy; Charles; Livia; Gabriel; Shadrock	1840	West Feliciana Parish, Mortgage Book L, p. 31, 1840/01/03
Muse, Daniel	land and the following individuals: Alick; Judah; Minerva; Margaret; illegible	1832	West Feliciana Parish, Mortgage Book H, p. 404, 1832/04/23
Paine, John	land and the following individuals: Randal; Henry; Eliza; Eliza (alias Phillis); Mary	1832	West Feliciana Parish, Mortgage Book H, p. 400, 1832/04/23
Percy, Robert D.	plantation, land, and the following individuals: Toby; Heba; George; David; Charles; Nancy; Jane; Parker; Lewis; Millis; Ephram; Katy; George; Nancy Bell; Jim; Esther; Henry; Rachael; Frank; Joe; Rose; Jenny	1836	West Feliciana Parish, Mortgage Book J p. 467, 1836/01/27
Perkins, John and Julietta; Henry and Mary Perkins	plantation, land, and the following individuals: Harry; Priscilla; Will; Hetty; Ann; Harriett; Jim; Morris; Hiram; Burrell; Spencer; Jordan; John Brown; John Wilson; Joe; Ester and her child Aggy; Eliza; Judy; Anna; Judy; Alsey and her child Alvira; Amy; Hivau; Lanford; John Gray; Samuel; Josiah; Stephen; Martha; Sophia; Lucinda; Miley	1833-1834	West Feliciana Parish, Mortgage Book J, p. 144, 1833/07/05; West Feliciana Parish, Mortgage Book J, p. 254, 1834/04/10
Perry, Hardy	plantation, land, and the following individuals: Henry; Edinborough; Lemmon; Caroline Cartwright; Jenny; Lucinda; Henry; Mary; Olivia; John; Clark; Amanda; Solomon; Hannah; Big Joe; Jim; Little Joe; Milly and her two children West and Lucretia; Melissa; Hillary; Jacob; Martha; George	1833-1842	West Feliciana Parish, Mortgage Book J, p. 104, 1833/04/25; West Feliciana Parish, Mortgage Book K, p. 256, 1838/12/14; West Feliciana Parish, Mortgage Book M, p. 179, 1842/06/10
Phillips, Uriah B. and Edward	Catherine	1849	West Feliciana Parish, Conveyance Record I, p. 559, 1849/03/21

Owner	Mortgaged Collateral	Dates	Source
Pope, Martha	plantation and individuals: *Goin;* Mike; Mark; Stephen; Wellington; Sally; Harriet; Sally; George; Marie *Goeu*; Bob; Thornton; Phillis; Jacob; Molly	1832-1834	West Feliciana Parish, Mortgage Book H, p. 396, 1832/04/21; West Feliciana Parish, Mortgage Book J, p. 306, 1834/12/31
Randolph, Peter	land and the following individuals: Brutus; Nimrod; Robert; Hiram; Moses; Alfred; Frank; Katey; Harriet and her son John; Laura and her children Jesse and Belinda; Betsey and her child Rodolphus; Nancy and her child Nimrod; Little Harriet and her child Sarah; Tabby; Hannah; Eliza; Little Kattey, child of Hannah	1852	West Feliciana Parish, Mortgage Book O, p. 260, 1852/12/17
Ratliff, Ann	plantation and the following individuals: Glacous; York; Barret; Dick; Jim; Reuben; Milford; Ben; Phebe; Nan; Tina; Ginny; Nelly; Chancy; Brackston; Jackson; Carral; Burr; Hule; Matilda; Milly; Amy; Rosetta; Patsy; Eliza; Gertrude; Henrietta; Hetty; Rosathe; Susanna or Luretha; Josiah	1832	West Feliciana Parish, Mortagage Book H., p. 440, 1832/05/02
Ratliff, Cyrus	land and the following individuals: Henry; Ningo; Harriet	1836	West Feliciana Parish, Mortgage Book J, p. 516, 1836/05/05
Richardson, Wade and Charlotte	plantation, land, and the following individuals: Piere; Tener and her child; Sarah; Mott; Pegge; Dave; Edmond; Washington; Frank; Mary; Hosea; Bob; Henny; Jennette; Richard; Lucy; Jim; Nat; Elcey	1833-1841	West Feliciana Parish, Mortgage Book J, p. 111, 1833/04/30; West Feliciana Parish, Mortgage Book L, p. 244, 1841/02/07
Routh, Francis and Mary	land and the following individuals: Luckey; Ellen and her unnamed child; Mary Harbor; Nelson; Jane Harbor; Eveline; Richard; Polly; Cotton; Jane Ferry; Harry Johnson; Caroline; Jenny Odum and her unnamed child; Penine; Lydia; Alfred; Louisia; Beckey Binch and her unnamed child; Matilda; Lissia; Jenny Bich and her unnamed child; Stephen; Harry Cotton; Beckey Mils; Yom; Alfred; unnamed infant; Jenny Liddy; Lydia	1835	West Feliciana Parish, Mortgage Book J, p. 369, 1835/04/28
Simmons Anthony J. and Agnes	land and the following individuals: Malinda; Silas; Mordecai and his wife Fanny; Caroline; Eliza and her two daughters: Maria and Elizabeth; Jim	1836	West Feliciana Parish, Mortgage Book J, p. 464, 1836/01/29
Smith, Ira and Mary Ann	sugar plantation the following individuals: Rose; Wilson; Lyida; Causemell; Amos; Milley; Sylvia; Isaac; Sinah; Lewis; Purnel; Jinney; Priscilla; William; Marsha; Daniel; Jinney Tiddy; Lynda; Henry; Lyttleton; Harry; Prince; Pleasant; Sally; Mary Grace	1833	West Feliciana Parish, Mortgage Book J, p. 109, 1833/04/30
Spencer, Jace and Mary	land and the following individuals: Munday; Henry; Isaac; Dick; Bob; Tom; Jack; Elenor; Charlotte; Lydia; Sealey; Leah; Phillis; Violet; Issabella; Mariah; Silvey; Lucinda; Lucy; Beck; Bedy; Annis; Charles	1833	West Feliciana Parish, Mortgage Book J, p. 86, 1833/04/06; East Feliciana Parish, Mortgage Book C, p. 141, 1833/04/06

Owner	Mortgaged Collateral	Dates	Source
Stirling, Lewis	land and the following individuals: Sambo, his wife Ellin and her children: Black Dublin, Thomas, Susan, and Perry; Billey, his wife Silvia and their children: Dally, Harry, Nann, Martin, Magdalien, Celest, Billey, Walley, his wife Pender, and their children: Fortune, Nan, Patsey and Caroline; Penny and her children: Clarissa, Samson, Rachal, Munday; Clarissa's children Celia and Levi; Big Ben, his wife Delia, and their children Little Ben, Sam, and Hester; Sidney and her son Julius; Allin and his wife Miranda; Lige; Old Sam; Surry; Jim; Nan and her children Amy and Abia Philips; Prince; Jacob; Frank; Bartlett and his wife Charlotte; Anderson; Jancy; Sampson; Monday; John, his wife Clarisse, and their children Celia and Ginney; Dublin; his wife Rachel, and their children Polly, Clarisse, and Ellen; Big Ben, his wife Deliba, and her children Jack, Joe, and Wiley; Little Ben, his wife Nan, and her child Thisanna; Sam Brown; Little Charles and his wife Hester; Charles; Sambo; Ellen; Chester; Thomas; Susan; Jenny; Squire; Mike; Isaac; Josiah, his wife Fontaine and her children Charlotte and Rose; Waley; Cinda; Caroline; Old Charles; Julia Ann and her children Rosetta and Charles Boles; Necis; Old Nelly; Sam Jackson; Chamy; Muriata; Suckey and her children Eliza and Liddy; Liddy's children Joshua, Hannah, Charles, and Suckey; Nan and her child Robert; Sambo; Harry; Catey; Little George; Sophy; Alfred; Lucinda; Louisa; Barica; Sarah; Fanny; Adam; Rose; Nelly and her children Isabel, Barica, and Lucy; Wiley; Winson; Tennessee; Little Tennessee; Fortunore; Big Judy; Long George; Linder; Cecile; Primus; George; Lewis; Rosalle; Luk; Wilson; Eveline; Mariah; Sarah; Sarella; Baptiste; Joe; Mary; Clara; Liven; Maretta; Judy; Henrietta; Erven; Leven; Nelson; Clarinda; Spencer; Affy; Amanda; Jane; Beck; Rinah; Fortune; Yanco; Little Judy; Hannah; Rosabel; Josephine; Washington; Jack; Liddy; Franswaise; L. Charlotte; L. Hannah; Celia; Tempo; Wisley; Catherine; Frozene; Rimus; L. Joe	1833-1844	West Feliciana Parish, Mortgage Book J, p. 79, 1833/04/03; West Feliciana Parish, Mortgage Book M, p. 552,1844/12/24, p. 558, 1844/12/30
Swift, Margaret	land and the following individuals: Dave; Tom; Henry; Milly; Hetty; Clara; Elsey; George; William; Bob; Hiram; Edgar; Letty	1840	West Feliciana Parish, Mortgage Book L, p. 59, 1840/02/07
Tenney, Henry	land and the following individuals: Bob; John; Charlotte and her child	1840	West Feliciana Parish, Mortgage Book L, p. 89, 1840/03/19
Turnbull, John	land and the following individuals: Little Jenny; Clarice; Harry; Tennessee Harry; Betsy; Suckey; Oliver; Harris	1843	West Feliciana Parish, Mortgage Book M, p. 322, 1843/04/24

Owner	Mortgaged Collateral	Dates	Source
Wade, William C. and Olivia	land and the following individuals: Alexander; Lucy; Lenord; Wilson; James; Thomas; Austin; Louisa; Emily; Samuel; Martha; Jerry; Milly; Bob; Viney; Becky; Nelly; Evelina; William; Thomas; William; Hester; *illegible*; Henry; Kitty; Bazel; Caroline; Clarissa; Nance; Nick; Henry; Henson; Jane; David; Ben; Kmbi; and two unnamed children	1840	West Feliciana Parish, Mortgage Book L, p. 70, 1840/02/28
Williams, James	plantation and the following individuals: Jim; John; August; Jim; Black Bill; Yellow Bill; Simon; Randal; Napoleon; Warner; Celia; Hannah; Frances; Winny; Hannah mother of other Hannah; Emeline	1832	West Feliciana Parish, Mortgage Book H., p. 411, 1832/04/20
Woods, Ezer E.	land and the following individuals: Sucky; George; Charlotte; Eliza; Wayne; *Axis*; Joe; Susan; Frank; Polly and her child John	1835	West Feliciana Parish, Mortgage Book J, p. 360, 1835/04/07
Young, Sarah	land and the following individuals: Gabriel; Joe; Luke; Simon; Sam; Dan; Henry; Frank; Alexander; *illegible*; Charles; Nancy and her three children Judy, Matila, and Julian; Jinney; Ellen; Aggy; Mary; Fally; Rebecca; Sophy; Lucinda; Clary; Daphny; Betty; Dinah; Lydia; Anny and her two children Isaac and David; Lelina and her three children Julian; Rhym and Susan; Maria and her three children Peter, Louisa, and Hariette; Dann; Ryan; Lucy; Malissa; Maria; Celest; Old Rym; Sally	1832-1833	West Feliciana Parish, Mortgage Book H, p. 422, 1832/04/03; Mortgage Book J, p. 103, 1833/04/20

Bank of Kentucky (Lexington Branch)

Fayette County

Benton, Lloyd and Warren	property and the following individuals: John; Kitty	1840	Fayette County, Deed Book 17, p. 325
Clay, J.B.	property and the following individuals: Alfred; Levi; Lewis; Oliver	1844	Fayette County, Deed Book 22, p. 162; Deed Book 23, p. 558
Harrison, J. O.	property and the following individuals: Sam; Isham; Henry; Fanny; Mary and her unnamed child; Mathilda and her unnamed child; Sarah Jane	1840	Fayette County, Deed Book 18, p. 5
Morrison, R.	property and the following individuals: Peter; Harry; Peter; Jim; Aaron; Edmund; Reuben	1837-1838	Fayette County, Deed Book 14, p. 61; Deed Book 15, p. 212

Owner	Mortgaged Collateral	Dates	Source
Payne, Orlando F.	property and the following individuals: Doctor; Dan; Sandford; Ned; John Lewis; Ellis; Edmund; Henry; George; Buck; Charles; William; Sally; Emily; Lucy; Polly; Susan; Winney; Pliney; Sarah; Julia Ann; Mary; Mary Ann; Jeff; Sidney; Jane	1842	Fayette County, Deed Book 20, p. 252
Vance, William	property and the following individuals: Henry; Alfred; Ben; Ben; Harrison; John	1841	Fayette County, Deed Book 19, p. 141

ATTACHMENT D
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE & CO.
(as an Entity Holding an Interest in an Applicant)

Attached are relevant sections of legal proceedings referenced in JPMorgan Chase & Co.'s most recent Form 10-K, Form 10-Q, and any recent Form 8-K filings.

Loans sold with recourse

The Firm provides servicing for mortgages and certain commercial lending products on both a recourse and nonrecourse basis. In nonrecourse servicing, the principal credit risk to the Firm is the cost of temporary servicing advances of funds (i.e., normal servicing advances). In recourse servicing, the servicer agrees to share credit risk with the owner of the mortgage loans, such as Fannie Mae or Freddie Mac or a private investor, insurer or guarantor. Losses on recourse servicing predominantly occur when foreclosure sales proceeds of the property underlying a defaulted loan are less than the sum of the outstanding principal balance, plus accrued interest on the loan and the cost of holding and disposing of the underlying property. The Firm's securitizations are predominantly nonrecourse, thereby effectively transferring the risk of future credit losses to the purchaser of the mortgage-backed securities issued by the trust. At September 30, 2012, and December 31, 2011 , the unpaid principal balance of loans sold with recourse totaled $9.7 billion and $10.4 billion , respectively. The carrying value of the related liability that the Firm has recorded, which is representative of the Firm's view of the likelihood it will have to perform under its recourse obligations, was $142 million and $148 million at September 30, 2012, and December 31, 2011 , respectively.

Note 22 – Pledged assets and collateral

For a discussion of the Firm's pledged assets and collateral, see Note 30 on page 289 of JPMorgan Chase's 2011 Annual Report.

Pledged assets

At September 30, 2012, assets were pledged to collateralize repurchase agreements, other securities financing agreements, derivative transactions and for other purposes, including to secure borrowings and public deposits. Certain of these pledged assets may be sold or repledged by the secured parties and are identified as financial instruments owned (pledged to various parties) on the Consolidated Balance Sheets. In addition, at September 30, 2012, and December 31, 2011, the Firm had pledged $282.3 billion and $270.3 billion , respectively, of financial instruments it owns that may not be sold or repledged by the secured parties. Total assets pledged do not include assets of consolidated VIEs; these assets are used to settle the liabilities of those entities. See Note 15 on pages 177–184 of this Form 10-Q, and Note 16 on pages 256–267 of JPMorgan Chase's 2011 Annual Report, for additional information on assets and liabilities of consolidated VIEs.

Collateral

At September 30, 2012, and December 31, 2011, the Firm had accepted assets as collateral that it could sell or repledge, deliver or otherwise use with a fair value of approximately $815.6 billion and $742.1 billion , respectively. This collateral was generally obtained under resale agreements, securities borrowing agreements, customer margin loans and derivative agreements. Of the collateral received, approximately $543.0 billion and $515.8 billion , respectively, were sold or repledged, generally as collateral under repurchase agreements, securities lending agreements or to cover short sales and to collateralize deposits and derivative agreements.

Note 23 – Litigation

Contingencies

As of September 30, 2012, the Firm and its subsidiaries are defendants or putative defendants in numerous legal proceedings, including private, civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of the Firm's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories.

The Firm believes the estimate of the aggregate range of reasonably possible losses, in excess of reserves established, for its legal proceedings is from $0 to approximately $6.0 billion at September 30, 2012. This estimated aggregate range of reasonably possible losses is based upon currently available information for those proceedings in which the Firm is involved, taking into account the Firm's best estimate of such losses for those cases for which such estimate can be made. For certain cases, the Firm does not believe that an estimate can currently be made. The Firm's estimate involves significant judgment, given the varying stages of the proceedings (including the fact that many are currently in preliminary stages), the existence in many such proceedings of multiple defendants (including the Firm) whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings (including issues regarding class certification and the scope of many of the claims) and the attendant uncertainty of the various potential outcomes of such proceedings. Accordingly, the Firm's estimate will change from time to time, and actual losses may be more or less than the current estimate.

Set forth below are descriptions of the Firm's material legal proceedings.

Auction-Rate Securities Investigations and Litigation. Beginning in March 2008, several regulatory authorities initiated investigations of a number of industry participants, including the Firm, concerning possible state and federal securities law violations in connection with the sale of auction-rate securities ("ARS"). The market for many such securities had frozen and a significant number of auctions for those securities began to fail in February 2008.

The Firm, on behalf of itself and affiliates, agreed to a

settlement in principle with the New York Attorney General's Office which provided, among other things, that the Firm would offer to purchase at par certain ARS purchased from J.P. Morgan Securities LLC, Chase Investment Services Corp. and Bear, Stearns & Co. Inc. by individual investors, charities and small- to medium-sized businesses. The Firm also agreed to a substantively similar settlement in principle with the Office of Financial Regulation for the State of Florida and the North American Securities Administrators Association ("NASAA") Task Force, which agreed to recommend approval of the settlement to all remaining states, Puerto Rico and the U.S. Virgin Islands. The Firm has finalized the settlement agreements with the New York Attorney General's Office and the Office of Financial Regulation for the State of Florida. The settlement agreements provide for the payment of penalties totaling $25 million to all states. The Firm is currently in the process of finalizing consent agreements with NASAA's member states; more than 45 of these consent agreements have been finalized to date.

The Firm also faces a number of civil actions before courts and arbitration panels relating to the Firm's sale and underwriting of ARS. The actions generally allege that the Firm and other firms manipulated the market for ARS by placing bids at auctions that affected these securities' clearing rates or otherwise supported the auctions without properly disclosing these activities. The Firm's motion to dismiss a putative class action that had been filed in the United States District Court for the Southern District of New York on behalf of purchasers of ARS was granted in March 2012. Plaintiffs did not file an appeal of the decision.

Additionally, the Firm was named in two putative antitrust class actions. The actions allege that the Firm, along with numerous other financial institution defendants, colluded to maintain and stabilize the ARS market and then to withdraw their support for the ARS market. In January 2010, the District Court dismissed both actions. An appeal is pending in the United States Court of Appeals for the Second Circuit.

Bear Stearns Hedge Fund Matters. The Bear Stearns Companies LLC (formerly The Bear Stearns Companies Inc.) ("Bear Stearns"), certain current or former subsidiaries of Bear Stearns, including Bear Stearns Asset Management, Inc. ("BSAM") and Bear, Stearns & Co. Inc., and certain individuals formerly employed by Bear Stearns are named defendants (collectively the "Bear Stearns defendants") in multiple civil actions and arbitrations relating to alleged losses resulting from the failure of the Bear Stearns High Grade Structured Credit Strategies Master Fund, Ltd. (the "High Grade Fund") and the Bear Stearns High Grade Structured Credit Strategies Enhanced Leverage Master Fund, Ltd. (the "Enhanced Leverage Fund") (collectively the "Funds"). BSAM served as investment manager for both of the Funds, which were organized such that there were U.S. and Cayman Islands "feeder funds" that invested substantially all their assets, directly or indirectly, in the Funds. The Funds are in liquidation.

There are currently three civil actions pending in the United States District Court for the Southern District of New York relating to the Funds. One of these actions involves a derivative lawsuit brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the Enhanced Leverage Fund, alleging that the Bear Stearns defendants mismanaged the Funds. This action seeks, among other things, unspecified compensatory damages based on alleged investor losses. The parties have reached an agreement to settle this derivative action, pursuant to which BSAM would pay a maximum of approximately $18 million . In April 2012, the District Court granted final approval of this settlement. In May 2012, objectors representing certain interests in the U.S. feeder fund filed a notice of appeal to the United States Court of Appeals for the Second Circuit from the District Court's final approval of the settlement. That appeal is currently pending. (A separate derivative action, also alleging that the Bear Stearns defendants mismanaged the Funds, was brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the High Grade Fund, and was dismissed following a Court-approved settlement with similar terms, pursuant to which BSAM paid approximately $19 million .)

The second pending action, brought by the Joint Voluntary Liquidators of the Cayman Islands feeder funds, makes allegations similar to those asserted in the derivative lawsuits related to the U.S. feeder funds, alleges net losses of approximately $700 million and seeks compensatory and punitive damages. The parties presently are engaged in expert discovery.

The third action was brought by Bank of America and Banc of America Securities LLC (together "BofA") alleging breach of contract and fraud in connection with a $4 billion securitization in May 2007 known as a "CDO-squared," for which BSAM served as collateral manager. This securitization was composed of certain collateralized debt obligation holdings that were purchased by BofA from the Funds. BofA currently seeks damages up to approximately $540 million . The Court recently granted BofA's motion to amend its complaint to reinstate a previously dismissed claim for breach of fiduciary duty. Briefing of motions for summary judgment is scheduled to occur in late 2012 and into early 2013.

Bear Stearns Shareholder Litigation and Related Matters. Various shareholders of Bear Stearns have commenced purported class actions against Bear Stearns and certain of its former officers and/or directors on behalf of all persons who purchased or otherwise acquired common stock of Bear Stearns between December 14, 2006, and March 14, 2008 (the "Class Period"). During the Class Period, Bear Stearns had between 115 million and 120 million common shares outstanding, and the price per share of those securities declined from a high of $172.61 to a low of $30 at the end of the period. The actions, originally commenced in several federal courts and thereafter consolidated before the United States District Court for the Southern District of New York, allege that the defendants issued materially false and misleading statements regarding Bear Stearns' business and financial results and that, as a result of those

false statements, Bear Stearns' common stock traded at artificially inflated prices during the Class Period. An agreement has been reached to settle the claims asserted in the consolidated class action complaint for $275 million . The settlement was preliminarily approved by the District Court in June 2012. A hearing was held in September 2012 to consider the final approval of the settlement, and the settlement remains subject to final approval by the District Court. In addition, several individual shareholders of Bear Stearns have also commenced or threatened to commence their own lawsuits or arbitration proceedings against Bear Stearns asserting claims similar to those in the consolidated class action complaint. Certain of these matters have been dismissed or settled.

Separately, an agreement has been reached to resolve a class action brought under the Employee Retirement Income Security Act ("ERISA") against Bear Stearns and certain of its former officers and/or directors on behalf of participants in the Bear Stearns Employee Stock Ownership Plan for alleged breaches of fiduciary duties in connection with the management of that Plan. Under the settlement, the class will receive $10 million . In September 2012, the United States District Court for the Southern District of New York Court granted final approval of this settlement.

Bear Stearns, former members of Bear Stearns' Board of Directors and certain of Bear Stearns' former executive officers have also been named as defendants in a shareholder derivative and class action suit which is pending in the United States District Court for the Southern District of New York. Plaintiffs assert claims for breach of fiduciary duty, violations of federal securities laws, waste of corporate assets and gross mismanagement, unjust enrichment, abuse of control, and indemnification and contribution in connection with the losses sustained by Bear Stearns as a result of its purchases of subprime loans and certain repurchases of its own common stock. Certain individual defendants are also alleged to have sold their holdings of Bear Stearns common stock while in possession of material nonpublic information. Plaintiffs seek compensatory damages in an unspecified amount. The District Court dismissed the action in January 2011, and plaintiffs have appealed.

CIO Investigations and Litigations . The Firm is responding to a series of class actions, shareholder derivative actions, shareholder demands and government investigations relating to trading losses in the synthetic credit portfolio managed by the Firm's Chief Investment Office ("CIO"). The Firm has received requests for documents and information in connection with governmental inquiries and investigations by Congress, the OCC, Federal Reserve, DOJ, U.S. Securities & Exchange Commission ("SEC"), Commodity Futures Trading Commission ("CFTC"), UK Financial Services Authority, the State of Massachusetts and other government agencies. The Firm is cooperating with these investigations.

In addition, the Firm and certain of its affiliates and current and former directors and officers have been named as defendants in a number of lawsuits arising out of CIO's trading losses.

Four putative class actions alleging violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder were filed on behalf of alleged classes of purchasers of the Firm's common stock during varying periods ranging from less than one month to more than two years . These actions generally allege that the Firm and certain current and former officers made false or misleading statements concerning CIO's trading practices and financial performance. These cases have been consolidated, and lead plaintiffs were appointed pursuant to the Private Securities Litigation Reform Act. A consolidated amended complaint is scheduled to be filed in November 2012.

Separately, two putative class actions have been filed on behalf of participants who held the Firm's common stock in the Firm's retirement and other plans during periods ranging from one to six months. These actions assert claims under ERISA for alleged breaches of fiduciary duties by the Firm, certain affiliates and certain current and former directors and officers in connection with the management of those plans. The complaints generally allege that defendants breached the duty of prudence by allowing investment in the Firm's common stock when they knew or should have known that such stock was unsuitable for the plans and that the Firm and certain current and former officers made false or misleading statements concerning the soundness of the Firm's stock and the prudence of investing in that stock. These actions have been consolidated, and plaintiffs are scheduled to file a consolidated amended complaint in November 2012.

Four shareholder derivative actions have also been filed purportedly on behalf of the Firm against certain of the Firm's current and former directors and officers for alleged breaches of their fiduciary duties. These actions generally allege that defendants failed to exercise adequate oversight over CIO and to manage the risk of CIO's trading activities, which allegedly led to CIO's losses.

The consolidated securities action, consolidated ERISA action and two of the four shareholder derivative actions are pending in the United States District Court for the Southern District of New York, and the two other derivative actions are pending in New York State Supreme Court. On October 19, 2012, defendants moved to dismiss one of the shareholder derivative actions pending in New York State Supreme Court on the ground that plaintiff failed to make a demand on the Firm's Board of Directors or adequately allege demand futility, as required by applicable Delaware law. Defendants have not yet responded to the complaints in any of the other actions.

City of Milan Litigation and Criminal Investigation. In January 2009, the City of Milan, Italy (the "City") issued civil proceedings against (among others) JPMorgan Chase Bank, N.A. and J.P. Morgan Securities plc (formerly J.P. Morgan Securities Ltd.) (together, "JPMorgan Chase") in the District Court of Milan. The proceedings relate to (a) a bond issue

by the City in June 2005 (the "Bond"), and (b) an associated swap transaction, which was subsequently restructured on a number of occasions between 2005 and 2007 (the "Swap"). The City seeks damages and/or other remedies against JPMorgan Chase (among others) on the grounds of alleged "fraudulent and deceitful acts" and alleged breach of advisory obligations in connection with the Swap and the Bond, together with related swap transactions with other counterparties. The Firm has entered into a settlement agreement with the City to resolve the City's civil proceedings.

In March 2010, a criminal judge directed four current and former JPMorgan Chase personnel and JPMorgan Chase Bank, N.A. (as well as other individuals and three other banks) to go forward to a full trial that started in May 2010. Although the Firm is not charged with any crime and does not face criminal liability, if one or more of its employees were found guilty, the Firm could be subject to administrative sanctions, including restrictions on its ability to conduct business in Italy and monetary penalties. Hearings have continued on a weekly basis since May 2010.

The Prosecutor has made recommendations to the judge about proposed sanctions. These include that each of the four banks involved be fined €1.5 million and banned from contracting with the Italian public administration for one year, the banks together repay the alleged profit made (calculated at €18 million per bank), as well as recommended dispositions as to each individual defendants. If the judge accepts any of these recommendations or imposes any other sanctions, they would not take effect until all appeals were exhausted. A decision is expected mid-December 2012.

Enron Litigation. JPMorgan Chase and certain of its officers and directors are involved in several lawsuits seeking damages arising out of the Firm's banking relationships with Enron Corp. and its subsidiaries ("Enron"). A number of actions and other proceedings against the Firm previously were resolved, including a class action lawsuit captioned Newby v. Enron Corp. and adversary proceedings brought by Enron's bankruptcy estate. A purported class action filed on behalf of JPMorgan Chase employees who participated in the Firm's 401(k) plan asserting claims under ERISA for alleged breaches of fiduciary duties by JPMorgan Chase, its directors and named officers was dismissed, and the dismissal was affirmed by the United States Court of Appeals for the Second Circuit. A petition for a writ of certiorari to the U.S. Supreme Court has been filed, which the Firm has opposed. Motions to dismiss are pending in an individual action by an Enron investor and an action by an Enron counterparty.

FERC Matters. JPMorgan Chase's commodities business owns or has the right to output from several electricity generating facilities. The Firm is responding to requests for information in connection with an investigation by the Federal Energy Regulatory Commission (the "FERC") regarding bidding practices by this business in certain organized power markets. Additionally, in September 2012, the FERC issued an Order to Show Cause as to whether a JPMorgan Chase energy subsidiary's statements concerning discovery obligations made in submissions related to the FERC investigation violated FERC rules regarding misleading information and whether the subsidiary's market-based rates authority should be suspended. The matter is pending before the FERC.

Interchange Litigation. A group of merchants and retail associations filed a series of putative class action complaints relating to interchange in several federal courts. The complaints allege, among other claims, that Visa and MasterCard, as well as certain other banks, conspired to set the price of credit and debit card interchange fees, enacted respective rules in violation of antitrust laws, and engaged in tying/bundling and exclusive dealing. All cases were consolidated in the United States District Court for the Eastern District of New York for pretrial proceedings.

In July 2012, Visa, Inc., its wholly-owned subsidiaries Visa U.S.A. Inc. and Visa International Service Association, MasterCard Incorporated, MasterCard International Incorporated and various United States financial institution defendants, including JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., Chase Bank USA, N.A., Chase Paymentech Solutions, LLC and certain predecessor institutions, signed a memorandum of understanding (the "MOU") to enter into a settlement agreement (the "Settlement Agreement") to resolve the claims of the U.S. merchant and retail association plaintiffs (the "Class Plaintiffs") in the multi-district litigation ("MDL 1720"). The MOU outlines certain conditions precedent to a settlement including: (i) requisite corporate approvals, (ii) reaching agreement on certain appendices to the Settlement Agreement, and (iii) reaching negotiated settlements with the individual plaintiffs whose claims were consolidated with MDL 1720.

The Settlement Agreement provides, among other things, that a cash payment of $6.05 billion will be made to the Class Plaintiffs, of which the Firm's share is approximately 20% . The Class Plaintiffs will also receive an amount equal to ten basis points of interchange for a period of eight months as provided in the Settlement Agreement. The eight month period will begin after the Court preliminarily approves the Settlement Agreement. The Settlement Agreement also provides for modifications to the credit card networks' rules, including those that prohibit surcharging credit transactions. The Settlement Agreement is subject to final documentation and approval by the Court.

Investment Management Litigation. Four cases have been filed claiming that investment portfolios managed by J.P. Morgan Investment Management Inc. ("JPMorgan Investment Management") were inappropriately invested in securities backed by subprime residential real estate collateral. Plaintiffs claim that JPMorgan Investment Management and related defendants are liable for losses of more than $1 billion in market value of these securities. The first case, filed by NM Homes One, Inc. in the United States District Court for the Southern District of New York, has been settled. In the second and third cases, filed by

Assured Guaranty (U.K.) and Ambac Assurance UK Limited in New York state court, discovery is proceeding on plaintiff's claims for breach of contract, breach of fiduciary duty and gross negligence. The fourth case, filed by CMMF LLP in New York state court, asserts claims under New York law for breach of fiduciary duty, gross negligence, breach of contract and negligent misrepresentation. Trial is scheduled to begin in January 2013.

Lehman Brothers Bankruptcy Proceedings. In May 2010, Lehman Brothers Holdings Inc. ("LBHI") and its Official Committee of Unsecured Creditors (the "Committee") filed a complaint (and later an amended complaint) against JPMorgan Chase Bank, N.A. in the United States Bankruptcy Court for the Southern District of New York that asserts both federal bankruptcy law and state common law claims, and seeks, among other relief, to recover $8.6 billion in collateral that was transferred to JPMorgan Chase Bank, N.A. in the weeks preceding LBHI's bankruptcy. The amended complaint also seeks unspecified damages on the grounds that JPMorgan Chase Bank, N.A.'s collateral requests hastened LBHI's demise. In February 2012, JPMorgan Asset Management and Highbridge Capital Management reached a settlement with LBHI and the Committee, which resulted in the return to LBHI of $700 million of the $8.6 billion of collateral sought by the amended complaint. The Firm moved to dismiss plaintiffs' amended complaint in its entirety, and also moved to transfer the litigation from the Bankruptcy Court to the United States District Court for the Southern District of New York. The District Court directed the Bankruptcy Court to decide the motion to dismiss while the District Court is considering the transfer motion. In April 2012, the Bankruptcy Court issued a decision granting in part and denying in part the Firm's motion to dismiss. The Court dismissed the counts of the amended complaint seeking avoidance of the allegedly constructively fraudulent and preferential transfers made to the Firm during the months of August and September 2008. The Court denied the Firm's motion to dismiss as to the other claims, including claims that allege intentional misconduct. In September 2012, the District Court denied the transfer motion without prejudice to its renewal in the future, but stated that any trial would likely have to be conducted before the District Court.

The Firm also filed counterclaims against LBHI alleging that LBHI fraudulently induced the Firm to make large clearing advances to Lehman against inappropriate collateral, which left the Firm with more than $25 billion in claims (the "Clearing Claims") against the estate of Lehman Brothers Inc. ("LBI"), LBHI's broker-dealer subsidiary. These claims have been paid in full, subject to the outcome of the litigation. Discovery is underway, with any trial unlikely to begin before 2013. In August 2011, LBHI and the Committee filed an objection to the deficiency claims asserted by JPMorgan Chase Bank, N.A. against LBHI with respect to the Clearing Claims, principally on the grounds that the Firm had not conducted the sale of the securities collateral held for such claims in a commercially reasonable manner. In September 2012, LBHI and several of its subsidiaries that had been Chapter 11 debtors filed an objection to derivatives claims asserted by the Firm alleging that the amount of the derivatives claims had been overstated and challenging certain set-offs taken by the JPMorgan entities to recover on the claims.

LIBOR Investigations and Litigation. JPMorgan Chase has received subpoenas and requests for documents and, in some cases, interviews, from federal and state agencies and entities, including the DOJ, CFTC, SEC, and various state attorneys general, as well as the European Commission, UK Financial Services Authority, Canadian Competition Bureau, Swiss Competition Commission and other regulatory authorities and banking associations around the world. The documents and information sought relate primarily to the process by which interest rates were submitted to the British Bankers Association ("BBA") in connection with the setting of the BBA's London Interbank Offered Rate ("LIBOR") for various currencies, principally in 2007 and 2008. Some of the inquiries also relate to similar processes by which information on rates is submitted to European Banking Federation ("EBF") in connection with the setting of the EBF's Euro Interbank Offered Rates ("EURIBOR") and to the Japanese Bankers' Association for the setting of Tokyo Interbank Offered Rates ("TIBOR") as well as to other processes for the setting of other reference rates in various parts of the world during similar time periods. The Firm is cooperating with these inquiries.

In addition, the Firm has been named as a defendant along with other banks in a series of individual and class actions filed in various United States District Courts in which plaintiffs make varying allegations that in various periods, starting in 2000 or later, defendants either individually or collectively suppressed or otherwise manipulated the U.S. dollar LIBOR and Euroyen TIBOR rates by submitting rates that were artificially low or high. Plaintiffs allege that they transacted in loans, derivatives or other financial instruments whose values are impacted by changes in U.S. dollar LIBOR, Yen LIBOR, or Euroyen TIBOR and assert a variety of claims including antitrust claims seeking treble damages.

The U.S. dollar LIBOR actions have been consolidated for pre-trial purposes in the United States District Court for the Southern District of New York. In November 2011, the Court entered an Order appointing interim lead counsel for two proposed classes: (i) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments directly from the defendants in the over-the-counter market, and (ii) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments on an exchange. In March 2012, the Court also accepted the transfer of a related action which seeks to bring claims on behalf of a third proposed class of purchasers of debt securities that pay an interest rate linked to U.S. dollar LIBOR. In June 2012, the defendants moved to dismiss all claims in these three U.S. dollar LIBOR purported class actions and the three related individual actions pending before the Court. In September 2012, the parties completed briefing on the

defendants' motions to dismiss. The Court has not yet ruled on the defendants' motions to dismiss.

The Court also has pending before it six additional U.S. dollar LIBOR putative class actions. Two of these actions seek to bring claims on behalf of purchasers of over-the-counter transactions in U.S. dollar-based derivatives from certain non-party commercial banking and insurance institutions in the United States. The other four actions seek to bring claims on behalf of: (i) U.S. community banks that issued loans with interest rates tied to U.S. dollar LIBOR; (ii) all lending institutions which are either headquartered or have a majority of their operations in the State of New York and which originated or purchased loans paying interest rates tied to U.S. dollar LIBOR; (iii) all persons and entities who owned a preferred equity security on which dividends are payable at a rate tied to U.S. dollar LIBOR; and (iv) all persons or entities within the U.S. who entered into an adjustable mortgage rate loan agreement that had an interest rate indexed to U.S. dollar LIBOR and that was securitized into a security that was issued by or owned by the defendants. The Court has stayed these purported class actions until it rules on the defendants' pending motions to dismiss.

The Firm also has been named as a defendant in a purported class action filed in the United States District Court for the Southern District of New York which seeks to bring claims on behalf of plaintiffs who allegedly purchased or sold exchange-traded Euroyen futures and options contracts. In October 2012, the Court ordered plaintiff to file any amended complaint by November 30, 2012, after which the defendants will have 60 days to file responsive pleadings or motions to dismiss.

In addition, the Firm was previously named as a defendant in a purported class action filed in the United States District Court for the Southern District of New York which sought to bring claims on behalf of plaintiffs in the United States who allegedly purchased or sold EURIBOR-related financial instruments, either on an exchange or in over-the-counter transactions. In August 2012, the plaintiff voluntarily dismissed this action without prejudice.

Madoff Litigation. JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC, and J.P. Morgan Securities plc have been named as defendants in a lawsuit brought by the trustee (the "Trustee") for the liquidation of Bernard L. Madoff Investment Securities LLC ("Madoff"). The Trustee has served an amended complaint in which he has asserted 28 causes of action against JPMorgan Chase, 20 of which seek to avoid certain transfers (direct or indirect) made to JPMorgan Chase that are alleged to have been preferential or fraudulent under the federal Bankruptcy Code and the New York Debtor and Creditor Law. The remaining causes of action involve claims for, among other things, aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion, contribution and unjust enrichment. The complaint generally alleges that JPMorgan Chase, as Madoff's long-time bank, facilitated the maintenance of Madoff's Ponzi scheme and overlooked signs of wrongdoing in order to obtain profits and fees. The complaint asserts common law claims that purport to seek approximately $19 billion in damages, together with bankruptcy law claims to recover approximately $425 million in transfers that JPMorgan Chase allegedly received directly or indirectly from Bernard Madoff's brokerage firm. In October 2011, the United States District Court for the Southern District of New York granted JPMorgan Chase's motion to dismiss the common law claims asserted by the Trustee, and returned the remaining claims to the Bankruptcy Court for further proceedings. The Trustee has appealed this decision.

Separately, J.P. Morgan Trust Company (Cayman) Limited, JPMorgan (Suisse) SA, J.P. Morgan Securities plc, Bear Stearns Alternative Assets International Ltd., J.P. Morgan Clearing Corp., J.P. Morgan Bank Luxembourg SA, and J.P. Morgan Markets Limited (formerly Bear Stearns International Limited) have been named as defendants in lawsuits presently pending in Bankruptcy Court in New York arising out of the liquidation proceedings of Fairfield Sentry Limited and Fairfield Sigma Limited (together, "Fairfield"), so-called Madoff feeder funds. These actions are based on theories of mistake and restitution, among other theories, and seek to recover payments made to defendants by the funds totaling approximately $155 million . Pursuant to an agreement with the Trustee, the liquidators of Fairfield have voluntarily dismissed their action against J.P. Morgan Securities plc without prejudice to refiling. The other actions remain outstanding. In addition, a purported class action was brought by investors in certain feeder funds against JPMorgan Chase in the United States District Court for the Southern District of New York, as was a motion by separate potential class plaintiffs to add claims against JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and J.P. Morgan Securities plc to an already-pending purported class action in the same court. The allegations in these complaints largely track those raised by the Trustee. The Court dismissed these complaints and plaintiffs have appealed.

The Firm is a defendant in five other Madoff-related actions pending in New York state court and one purported class action in federal District Court in New York. The allegations in all of these actions are essentially identical, and involve claims against the Firm for, among other things, aiding and abetting breach of fiduciary duty, conversion and unjust enrichment. The Firm has moved to dismiss both the state and federal actions.

The Firm is also responding to various governmental inquiries concerning the Madoff matter.

MF Global. As previously disclosed, JPMorgan Chase & Co. was named as one of several defendants in a number of putative class action lawsuits brought by former customers of MF Global in federal District Courts in New York, Illinois and Montana. The lawsuits have been consolidated before the United States District Court for the Southern District of New York. The actions alleged, among other things, that the Firm aided and abetted MF Global's alleged misuse of

customer money and breaches of fiduciary duty and was unjustly enriched by the transfer of certain customer segregated funds by MF Global. The Firm has entered into a tolling agreement with counsel for the class plaintiffs and an individual plaintiff, pursuant to which the plaintiffs have agreed not to pursue any such claims against the Firm in these actions for so long as the tolling agreement remains in effect.

J.P. Morgan Securities LLC has been named as one of several defendants in a number of purported class actions filed by purchasers of MF Global's publicly traded securities, including the securities issued pursuant to MF Global's June 2010 secondary offering of common stock and February 2011 and August 2011 convertible note offerings. The actions have been consolidated before the United States District Court for the Southern District of New York. In August 2012, the lead plaintiffs filed an amended complaint which asserts violations of the Securities Act of 1933 against the underwriter defendants and alleges that the offering documents contained materially false and misleading statements and omissions regarding MF Global's financial position, internal controls and risk management, as such topics relate to the company's exposure to European sovereign debt.

In June 2012, the Securities Investor Protection Act ("SIPA") Trustee issued a Report of the Trustee's Investigation and Recommendations, and stated that he is considering potential claims against the Firm with respect to certain transfers identified in the Report. Discussions with the SIPA Trustee regarding possible resolution of potential claims against the Firm are ongoing.

The Firm has responded to and continues to respond to inquiries from the CFTC, SEC, SIPA Trustee and Bankruptcy Trustee concerning MF Global.

Mortgage-Backed Securities and Repurchase Litigation and Regulatory Investigations. JPMorgan Chase and affiliates, Bear Stearns and affiliates and Washington Mutual affiliates have been named as defendants in a number of cases in their various roles as issuer, originator or underwriter in MBS offerings. These cases include purported class action suits, actions by individual purchasers of securities or by trustees for the benefit of purchasers of securities, an action by the New York State Attorney General and actions by monoline insurance companies that guaranteed payments of principal and interest for particular tranches of securities offerings. Although the allegations vary by lawsuit, these cases generally allege that the offering documents for securities issued by dozens of securitization trusts contained material misrepresentations and omissions, including with regard to the underwriting standards pursuant to which the underlying mortgage loans were issued, or assert that various representations or warranties relating to the loans were breached at the time of origination. There are currently pending and tolled investor claims involving approximately $140 billion of such securities. In addition, and as described below, there are pending and threatened claims by monoline insurers and by and on behalf of trustees that involve some of these and other securitizations.

In the actions against the Firm as an MBS issuer (and, in some cases, also as an underwriter of its own MBS offerings), three purported class actions are pending against JPMorgan Chase and Bear Stearns, and/or certain of their affiliates and current and former employees, in the United States District Courts for the Eastern and Southern Districts of New York. Motions to dismiss have been largely denied in these cases, although in certain cases defendants have sought to appeal aspects of the decision, and they are in various stages of litigation. A settlement of a fourth purported class action that is pending in the United States District Court for the Western District of Washington against Washington Mutual affiliates, WaMu Asset Acceptance Corp. and WaMu Capital Corp. and certain former officers or directors of WaMu Asset Acceptance Corp., has been preliminarily approved by the court.

In addition to class actions, the Firm is also a defendant in individual actions brought against certain affiliates of JPMorgan Chase, Bear Stearns and Washington Mutual as issuers (and, in some cases, as underwriters) of MBS. These actions involve claims by or to benefit various institutional investors and governmental agencies. These actions are pending in federal and state courts across the United States and are in various stages of litigation.

In actions against the Firm solely as an underwriter of other issuers' MBS offerings, the Firm has contractual rights to indemnification from the issuers. However, those indemnity rights may prove effectively unenforceable where the issuers are now defunct, such as in pending cases where the Firm has been named involving affiliates of IndyMac Bancorp and Thornburg Mortgage. The Firm may also be contractually obligated to indemnify underwriters in certain deals it issued.

EMC Mortgage LLC (formerly EMC Mortgage Corporation) ("EMC"), an indirect subsidiary of JPMorgan Chase & Co., and certain other JPMorgan Chase entities currently are defendants in nine pending actions commenced by bond insurers that guaranteed payments of principal and interest on certain classes of 19 different MBS offerings. These actions are pending in federal and state courts in New York and are in various stages of litigation. Certain JPMorgan Chase entities, in their capacities as alleged successors in interest to Bear Stearns and EMC, have been named as defendants in a civil suit filed by the New York Attorney General in New York state court in connection with Bear Stearns' due diligence and quality control practices relating to MBS.

The Firm or its affiliates are defendants in actions brought by trustees of various MBS trusts and others on behalf of the purchasers of securities issued by those trusts. The first action was commenced by Deutsche Bank National Trust Company, acting as trustee for various MBS trusts, against the Firm and the FDIC based on MBS issued by Washington Mutual Bank and its affiliates; that case is described in the Washington Mutual Litigations section below. The other

actions are at various initial stages of litigation in the New York and Delaware state courts, including actions brought by MBS trustees, each specific to a single MBS transaction, against EMC and/or JPMorgan Chase. These cases generally allege breaches of various representations and warranties regarding securitized loans and seek repurchase of those loans, as well as indemnification of attorneys' fees and costs and other remedies.

There is no assurance that the Firm will not be named as a defendant in additional MBS-related litigation, and the Firm has entered into agreements with a number of entities that purchased such securities that toll applicable limitations periods with respect to their claims. In addition, the Firm has received several demands by securitization trustees that threaten litigation, as well as demands by investors directing or threatening to direct trustees to investigate claims or bring litigation, based on purported obligations to repurchase loans out of securitization trusts and alleged servicing deficiencies. These include but are not limited to a demand from a law firm, as counsel to a group of purchasers of MBS that purport to have 25% or more of the voting rights in as many as 191 different trusts sponsored by the Firm or its affiliates with an original principal balance of more than $174 billion (excluding 52 trusts sponsored by Washington Mutual, with an original principal balance of more than $58 billion), made to various trustees to investigate potential repurchase and servicing claims. Further, there have been repurchase and servicing claims made in litigation against trustees not affiliated with the Firm, but involving trusts the Firm sponsored.

In April 2012, the Court granted the Firm's motion to dismiss a shareholder complaint filed in New York Supreme Court against the Firm and two affiliates, members of the boards of directors thereof and certain employees, asserting claims based on alleged wrongful actions and inactions relating to residential mortgage originations and securitizations. The plaintiff has appealed the order. A second shareholder complaint has been filed in New York Supreme Court against current and former members of the Firm's Board of Directors and the Firm, as nominal defendant, alleging that the Board allowed the Firm to engage in wrongful conduct regarding the sale of residential MBS and failed to implement adequate internal controls to prevent such wrongdoing.

In addition to the above-described litigation, the Firm has also received, and responded to, a number of subpoenas and informal requests for information from federal and state authorities concerning mortgage-related matters, including inquiries concerning a number of transactions involving the Firm and its affiliates' origination and purchase of whole loans, underwriting and issuance of MBS, treatment of early payment defaults and potential breaches of securitization representations and warranties, reserves and due diligence in connection with securitizations. In January 2012, the Firm was advised by SEC staff that they are considering recommending to the Commission that civil or administrative actions be pursued arising out of two separate investigations they have been conducting. The first now involves potential claims against J.P. Morgan Securities LLC and J.P. Morgan Acceptance Corporation I relating to delinquency disclosures in connection with a single mortgage-backed securitization. The second involves potential claims against Bear Stearns entities and J.P. Morgan Securities LLC relating to disclosures concerning settlements of claims against originators involving loans included in a number of Bear Stearns securitizations. The Firm has reached an agreement in principle with the staff of the SEC to resolve these matters. The agreement in principle is subject to approval by the SEC, as well as court approval. There can be no assurance that the agreement in principle will be approved.

Mortgage Foreclosure Investigations and Litigation. JPMorgan Chase and four other firms agreed to a settlement (the "global settlement") with a number of federal and state government agencies, including the DOJ, the Department of Housing and Urban Development, the Consumer Financial Protection Bureau and the State Attorneys General, relating to the servicing and origination of mortgages. The global settlement was approved by the federal District Court for the District of Columbia effective April 5, 2012. Pursuant to the global settlement, the Firm is required to make certain payments, provide various forms of relief to certain borrowers and adhere to certain enhanced mortgage servicing standards. The global settlement releases the Firm from various state and federal claims, but these releases do not include claims arising out of securitization activities, including representations made to investors concerning MBS, criminal claims and repurchase demands from the GSEs, among other items. The New York Department of Financial Services was not a party to the settlement and did not release any claims.

The Attorneys General of Massachusetts and New York have separately filed lawsuits against the Firm, other servicers and a mortgage recording company asserting claims for various alleged wrongdoings relating to mortgage assignments and use of the industry's electronic mortgage registry. The Firm has moved to dismiss these actions.

Six purported class action lawsuits were filed against the Firm relating to its mortgage foreclosure procedures. Two of the class actions have been dismissed with prejudice and one settled on an individual basis. Of the remaining active actions, one is in the discovery phase and the other two have motions to dismiss pending. Additionally, the purported class action brought against Bank of America involving an EMC loan has been dismissed.

Two shareholder derivative actions have been filed in New York Supreme Court against the Firm's Board of Directors alleging that the Board failed to exercise adequate oversight as to wrongful conduct by the Firm regarding mortgage servicing. These actions seek declaratory relief and damages. In July 2012, the Court granted defendants' motion to dismiss the complaint in the first-filed action and gave plaintiff 45 days in which to file an amended complaint. In October 2012, the Court entered a stipulated order consolidating the actions and staying all proceedings

pending the plaintiffs' decision whether to file a consolidated complaint after the Firm completes its response to a demand submitted by one of the plaintiffs under Section 220 of the Delaware General Corporation Law.

The Firm has received subpoenas from the United States Attorney's Office for the Southern District of New York in connection with the participation by JPMorgan Chase and Washington Mutual in the Federal Housing Administration's Direct Endorsement Program. The Firm continues to provide documents and information pursuant to the subpoenas.

Municipal Derivatives Investigations and Litigation. Purported class action lawsuits and individual actions have been filed against JPMorgan Chase and Bear Stearns, as well as numerous other providers and brokers, alleging antitrust violations in the market for financial instruments related to municipal bond offerings referred to collectively as "municipal derivatives." In July 2011, the Firm settled with federal and state governmental agencies to resolve their investigations into similar alleged conduct. The municipal derivatives actions have been consolidated and/or coordinated in the United States District Court for the Southern District of New York. In April 2012, JPMorgan and Bear Stearns reached an agreement to settle the municipal derivatives actions for $45 million . The settlement is subject to court approval.

In addition, civil actions have been commenced against the Firm relating to certain Jefferson County, Alabama (the "County") warrant underwritings and swap transactions. In November 2009, J.P. Morgan Securities LLC settled with the SEC to resolve its investigation into those transactions. Following that settlement, the County filed an action against the Firm and several other defendants in Alabama state court. An action on behalf of a purported class of sewer rate payers has also been filed in Alabama state court. The suits allege that the Firm made payments to certain third parties in exchange for being chosen to underwrite more than $3 billion in warrants issued by the County and to act as the counterparty for certain swaps executed by the County. The complaints also allege that the Firm concealed these third-party payments and that, but for this concealment, the County would not have entered into the transactions. The Court denied the Firm's motions to dismiss the complaints in both proceedings. The Firm filed mandamus petitions with the Alabama Supreme Court, seeking immediate appellate review of these decisions. The mandamus petition in the County's lawsuit was denied in April 2011. In November and December, 2011, the County filed notices of bankruptcy with the trial court in each of the cases and with the Alabama Supreme Court stating that it was a Chapter 9 Debtor in the U.S. Bankruptcy Court for the Northern District of Alabama. Subsequently, the portion of the sewer rate payer action involving claims against the Firm was removed by certain defendants to the United States District Court for the Northern District of Alabama . In its order finding that removal of this action was proper, the District Court referred the action to the District's Bankruptcy Court, where the action remains pending. Discovery in the County's action is ongoing.

In September 2012, a group of purported creditors of the County initiated an adversary proceeding and filed a purported class action complaint alleging that certain warrants were issued unlawfully and were thus null and void and seeking $1.6 billion in damages from the Firm and other defendants involved in the Jefferson County financing transactions. The Firm's response to that complaint is currently due in November 2012.

Two insurance companies that guaranteed the payment of principal and interest on warrants issued by the County have filed separate actions against the Firm in New York state court. Their complaints assert that the Firm fraudulently misled them into issuing insurance based upon substantially the same alleged conduct described above and other alleged non-disclosures. One insurer claims that it insured an aggregate principal amount of nearly $1.2 billion and seeks unspecified damages in excess of $400 million as well as unspecified punitive damages. The other insurer claims that it insured an aggregate principal amount of more than $378 million and seeks recovery of $4 million allegedly paid under the policies to date as well as any future payments and unspecified punitive damages. In December 2010, the court denied the Firm's motions to dismiss each of the complaints. The Firm has filed a cross-claim and a third party claim against the County for indemnity and contribution. The County moved to dismiss, which the court denied in August 2011. In consequence of its November 2011 bankruptcy filing, the County has asserted that these actions are stayed. In February 2012, one of the insurers filed a motion for a declaration that its action is not stayed as against the Firm or, in the alternative, for an order lifting the stay as against the Firm. The Firm and the County opposed the motion, which remains pending.

Option Adjustable Rate Mortgage Litigation. The Firm is defending four purported and three certified class actions all pending in federal courts in California asserting that several JPMorgan Chase entities violated the federal Truth in Lending Act and state unfair business practice statutes in failing to provide adequate disclosures in Option Adjustable Rate Mortgage ("ARM") loans regarding the resetting of introductory interest rates and that negative amortization was certain to occur if a borrower made the minimum monthly payment. With respect to the former Washington Mutual and Bear Stearns defendants who purchased Option ARM loans from third-party originators, plaintiffs allege that those entities aided and abetted the original lenders' alleged violations. Classes have been certified in three of the actions. In one of the certified class actions, the Firm has moved for decertification of the class and for summary judgment. The Firm has sought permission to immediately appeal the remaining class certification decisions.

Overdraft Fee/Debit Posting Order Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in several purported class actions relating to its practices in posting

debit card transactions to customers' deposit accounts. Plaintiffs allege that the Firm improperly re-ordered debit card transactions from the highest amount to the lowest amount before processing these transactions in order to generate unwarranted overdraft fees. Plaintiffs contend that the Firm should have processed such transactions in the chronological order they were authorized. Plaintiffs seek the disgorgement of all overdraft fees paid to the Firm by plaintiffs since approximately 2003 as a result of the re-ordering of debit card transactions. The claims against the Firm have been consolidated with numerous complaints against other national banks in multi-District litigation pending in the United States District Court for the Southern District of Florida. The Firm has reached an agreement to settle this matter in exchange for the Firm paying $110 million and agreeing to change certain overdraft fee practices. On May 24, 2012, the Court granted preliminary approval of the settlement and scheduled a final approval hearing in December 2012.

Petters Bankruptcy and Related Matters. JPMorgan Chase and certain of its affiliates, including One Equity Partners ("OEP"), have been named as defendants in several actions filed in connection with the receivership and bankruptcy proceedings pertaining to Thomas J. Petters and certain affiliated entities (collectively, "Petters") and the Polaroid Corporation. The principal actions against JPMorgan Chase and its affiliates have been brought by a court-appointed receiver for Petters and the trustees in bankruptcy proceedings for three Petters entities. These actions generally seek to avoid, on fraudulent transfer and preference grounds, certain purported transfers in connection with (i) the 2005 acquisition by Petters of Polaroid, which at the time was majority-owned by OEP; (ii) two credit facilities that JPMorgan Chase and other financial institutions entered into with Polaroid; and (iii) a credit line and investment accounts held by Petters. The actions collectively seek recovery of approximately $450 million . Defendants have moved to dismiss the complaints in the actions filed by the Petters bankruptcy trustees and the parties have agreed to stay the action brought by the Receiver until after the Bankruptcy Court rules on the pending motions.

Securities Lending Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in four putative class actions asserting ERISA and other claims pending in the United States District Court for the Southern District of New York brought by participants in the Firm's securities lending business. A fifth lawsuit was filed in New York state court by an individual participant in the program. Three of the purported class actions, which have been consolidated, relate to investments of approximately $500 million in medium-term notes of Sigma Finance Inc. ("Sigma"). In August 2010, the Court certified a plaintiff class consisting of all securities lending participants that held Sigma medium-term notes on September 30, 2008, including those that held the notes by virtue of participation in the investment of cash collateral through a collective fund, as well as those that held the notes by virtue of the investment of cash collateral through individual accounts. The Court granted JPMorgan Chase's motion for partial summary judgment as to plaintiffs' duty of loyalty claim, finding that the Firm did not have a conflict of interest when it provided repurchase financing to Sigma while also holding Sigma medium-term notes in securities lending accounts. The parties reached an agreement to settle this action for $150 million . The Court granted final approval to the settlement in June 2012.

The fourth putative class action concerns investments of approximately $500 million in Lehman Brothers medium-term notes. The Court granted the Firm's motion to dismiss all claims in April 2012. The plaintiff filed a third amended complaint, and the Firm's motion to dismiss this complaint is pending. The New York state court action, which is not a class action, concerns the plaintiff's alleged loss of money in both Sigma and Lehman Brothers medium-term notes. The Firm has answered the complaint. Discovery is complete and motions for summary judgment are due in November 2012.

Washington Mutual Litigations. Proceedings related to Washington Mutual's failure are pending before the United States District Court for the District of Columbia and include a lawsuit brought by Deutsche Bank National Trust Company, initially against the FDIC, asserting an estimated $6 billion to $10 billion in damages based upon alleged breach of various mortgage securitization agreements and alleged violation of certain representations and warranties given by certain Washington Mutual, Inc. ("WMI") subsidiaries in connection with those securitization agreements. The case includes assertions that JPMorgan Chase may have assumed liabilities for alleged breaches of representations and warranties in the mortgage securitization agreements. The District Court denied as premature motions by the Firm and the FDIC that sought a ruling on whether the FDIC retained liability for Deutsche Bank's claims. Discovery is underway.

In addition, JPMorgan Chase was sued in an action originally filed in state court in Texas (the "Texas Action") by certain holders of WMI common stock and debt of WMI and Washington Mutual Bank who seek unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at a price that was allegedly too low. The Texas Action was transferred to the United States District Court for the District of Columbia, which ultimately granted JPMorgan Chase's and the FDIC's motions to dismiss the complaint, but the United States Court of Appeals for the District of Columbia Circuit reversed the District Court's dismissal and remanded the case for further proceedings. Plaintiffs, who sue now only as holders of Washington Mutual Bank debt following their voluntary dismissal of claims brought as holders of WMI common stock and debt, have filed an amended complaint alleging that JPMorgan Chase caused the closure of Washington Mutual Bank and damaged them by causing their bonds issued by Washington Mutual Bank, which had a total face value of $38 million , to lose substantially all of their value. JPMorgan Chase and the

FDIC moved to dismiss this action and the District Court dismissed the case except as to the plaintiffs' claim that the Firm tortiously interfered with the plaintiffs' bond contracts with Washington Mutual Bank prior to its closure.

* * *

In addition to the various legal proceedings discussed above, JPMorgan Chase and its subsidiaries are named as defendants or are otherwise involved in a substantial number of other legal proceedings. The Firm believes it has meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings and it intends to defend itself vigorously in all such matters. Additional legal proceedings may be initiated from time to time in the future.

The Firm has established reserves for several hundred of its currently outstanding legal proceedings. The Firm accrues for potential liability arising from such proceedings when it is probable that such liability has been incurred and the amount of the loss can be reasonably estimated. The Firm evaluates its outstanding legal proceedings each quarter to assess its litigation reserves, and makes adjustments in such reserves, upwards or downwards, as appropriate, based on management's best judgment after consultation with counsel. The Firm incurred litigation expense of $790 million and $1.3 billion , respectively, during the three months ended September 30, 2012 and 2011, and $3.8 billion and $4.3 billion , respectively, during the nine months ended September 30, 2012 and 2011. There is no assurance that the Firm's litigation reserves will not need to be adjusted in the future.

In view of the inherent difficulty of predicting the outcome of legal proceedings, particularly where the claimants seek very large or indeterminate damages, or where the matters present novel legal theories, involve a large number of parties or are in early stages of discovery, the Firm cannot state with confidence what will be the eventual outcomes of the currently pending matters, the timing of their ultimate resolution or the eventual losses, fines, penalties or impact related to those matters. JPMorgan Chase believes, based upon its current knowledge, after consultation with counsel and after taking into account its current litigation reserves, that the legal proceedings currently pending against it should not have a material adverse effect on the Firm's consolidated financial condition. The Firm notes, however, that in light of the uncertainties involved in such proceedings, there is no assurance the ultimate resolution of these matters will not significantly exceed the reserves it has currently accrued; as a result, the outcome of a particular matter may be material to JPMorgan Chase's operating results for a particular period, depending on, among other factors, the size of the loss or liability imposed and the level of JPMorgan Chase's income for that period.

Note 31 - Litigation

Contingencies

As of December 31, 2011, the Firm and its subsidiaries are defendants or putative defendants in numerous legal proceedings, including private, civil litigations and regulatory/government investigations. The litigations range from individual actions involving a single plaintiff to class action lawsuits with potentially millions of class members. Investigations involve both formal and informal proceedings, by both governmental agencies and self-regulatory organizations. These legal proceedings are at varying stages of adjudication, arbitration or investigation, and involve each of the Firm's lines of business and geographies and a wide variety of claims (including common law tort and contract claims and statutory antitrust, securities and consumer protection claims), some of which present novel legal theories.

The Firm believes the estimate of the aggregate range of reasonably possible losses, in excess of reserves established, for its legal proceedings is from $0 to approximately $5.1 billion at December 31, 2011. This estimated aggregate range of reasonably possible losses is based upon currently available information for those proceedings in which the Firm is involved, taking into account the Firm's best estimate of such losses for those cases for which such estimate can be made. For certain cases, the Firm does not believe that an estimate can currently be made. The Firm's estimate involves significant judgment, given the varying stages of the proceedings (including the fact that many are currently in preliminary stages), the existence in many such proceedings of multiple defendants (including the Firm) whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings (including issues regarding class certification and the scope of many of the claims) and the attendant uncertainty of the various potential outcomes of such proceedings. Accordingly, the Firm's estimate will change from time to time, and actual losses may be more than the current estimate.

Set forth below are descriptions of the Firm's material legal proceedings.

Auction-Rate Securities Investigations and Litigation. Beginning in March 2008, several regulatory authorities initiated investigations of a number of industry participants, including the Firm, concerning possible state and federal securities law violations in connection with the sale of auction-rate securities. The market for many such securities had frozen and a significant number of auctions for those securities began to fail in February 2008.

The Firm, on behalf of itself and affiliates, agreed to a settlement in principle with the New York Attorney General's Office which provided, among other things, that the Firm would offer to purchase at par certain auction-rate securities purchased from J.P. Morgan Securities LLC, Chase Investment Services Corp. and Bear, Stearns & Co. Inc. by individual investors, charities and small- to medium-sized businesses. The Firm also agreed to a substantively similar settlement in principle with the Office of Financial Regulation for the State of Florida and the North American Securities Administrators Association ("NASAA") Task Force, which agreed to recommend approval of the settlement to all remaining states, Puerto Rico and the U.S. Virgin Islands. The Firm has finalized the settlement agreements with the New York Attorney General's Office and the Office of Financial Regulation for the State of Florida. The settlement agreements provide for the payment of penalties totaling $25 million to all states. The Firm is currently in the process of finalizing consent agreements with NASAA's member states; more than 45 of these consent agreements have been finalized to date.

The Firm also faces a number of civil actions relating to the Firm's sales of auction-rate securities, including a putative securities class action in the United States District Court for the Southern District of New York that seeks unspecified damages, and individual arbitrations and lawsuits in various forums brought by institutional and individual investors that, together, seek damages totaling approximately $50 million. The actions generally allege that the Firm and other firms manipulated the market for auction-rate securities by placing bids at auctions that affected these securities' clearing rates or otherwise supported the auctions without properly disclosing these activities. Some actions also allege that the Firm misrepresented that auction-rate securities were short-term instruments. The lawsuits are being coordinated before the federal District Court in New York.

Additionally, the Firm was named in two putative antitrust class actions. The actions allege that the Firm, along with numerous other financial institution defendants, colluded to maintain and stabilize the auction-rate securities market and then to withdraw their support for the auction-rate securities market. In January 2010, the District Court dismissed both actions. An appeal is pending in the United States Court of Appeals for the Second Circuit.

Bear Stearns Hedge Fund Matters. The Bear Stearns Companies LLC (formerly The Bear Stearns Companies Inc.) ("Bear Stearns"), certain current or former subsidiaries of Bear Stearns, including Bear Stearns Asset Management, Inc. ("BSAM") and Bear, Stearns & Co. Inc., and certain individuals formerly employed by Bear Stearns are named defendants (collectively the "Bear Stearns defendants") in multiple civil actions and arbitrations relating to alleged losses resulting from the failure of the Bear Stearns High Grade Structured Credit Strategies Master Fund, Ltd. (the "High Grade Fund") and the Bear Stearns High Grade Structured Credit Strategies Enhanced Leverage Master Fund, Ltd. (the "Enhanced Leverage Fund") (collectively, the "Funds"). BSAM served as investment manager for both of the Funds, which were organized such that there were U.S. and Cayman Islands "feeder funds" that invested substantially all their assets, directly or indirectly, in the Funds. The Funds are in liquidation.

There are currently three civil actions pending in the United States District Court for the Southern District of New York

relating to the Funds. One of these actions involves a derivative lawsuit brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the Enhanced Leverage Fund, alleging that the Bear Stearns defendants mismanaged the Funds. This action seeks, among other things, unspecified compensatory damages based on alleged investor losses. The parties have reached an agreement to settle this derivative action, pursuant to which BSAM would pay a maximum of approximately $18 million. BSAM has reserved the right not to proceed with this settlement if plaintiff is unable to secure the participation of investors whose net contributions meet a prescribed percentage of the aggregate net contributions to this feeder fund. The court has preliminarily approved the settlement, which remains subject to final court approval. (A separate derivative action, also alleging that the Bear Stearns defendants mismanaged the Funds, was brought on behalf of purchasers of partnership interests in the U.S. feeder fund to the High Grade Fund, and was dismissed following a Court-approved settlement with similar terms, pursuant to which BSAM paid approximately $19 million). The second pending action, brought by the Joint Voluntary Liquidators of the Cayman Islands feeder funds, makes allegations similar to those asserted in the derivative lawsuits related to the U.S. feeder funds, alleges net losses of approximately $700 million and seeks compensatory and punitive damages. The parties presently are engaged in discovery.

The third action was brought by Bank of America and Banc of America Securities LLC (together "BofA") alleging breach of contract and fraud in connection with a $4 billion securitization in May 2007 known as a "CDO-squared," for which BSAM served as collateral manager. This securitization was composed of certain collateralized debt obligation holdings that were purchased by BofA from the Funds. BofA alleges that it incurred losses in excess of $3 billion and seeks damages in an amount to be determined, although the amount of damages that BofA seeks may be substantially less than its alleged losses. Discovery is ongoing.

Bear Stearns Shareholder Litigation and Related Matters. Various shareholders of Bear Stearns have commenced purported class actions against Bear Stearns and certain of its former officers and/or directors on behalf of all persons who purchased or otherwise acquired common stock of Bear Stearns between December 14, 2006, and March 14, 2008 (the "Class Period"). During the Class Period, Bear Stearns had between 115 million and 120 million common shares outstanding, and the price per share of those securities declined from a high of $172.61 to a low of $30 at the end of the period. The actions, originally commenced in several federal courts, allege that the defendants issued materially false and misleading statements regarding Bear Stearns' business and financial results and that, as a result of those false statements, Bear Stearns' common stock traded at artificially inflated prices during the Class Period. In addition, several individual shareholders of Bear Stearns have also commenced or threatened to commence their own arbitration proceedings and lawsuits asserting claims similar to those in the putative class actions. Certain of these matters have been dismissed or settled.

Separately, an agreement in principle has been reached to resolve a class action brought under the Employee Retirement Income Security Act ("ERISA") against Bear Stearns and certain of its former officers and/or directors on behalf of participants in the Bear Stearns Employee Stock Ownership Plan for alleged breaches of fiduciary duties in connection with the management of that Plan. Under the settlement, which remains subject to final documentation and court approval, the class will receive $10 million.

Bear Stearns, former members of Bear Stearns' Board of Directors and certain of Bear Stearns' former executive officers have also been named as defendants in a shareholder derivative and class action suit which is pending in the United States District Court for the Southern District of New York. Plaintiffs assert claims for breach of fiduciary duty, violations of federal securities laws, waste of corporate assets and gross mismanagement, unjust enrichment, abuse of control and indemnification and contribution in connection with the losses sustained by Bear Stearns as a result of its purchases of subprime loans and certain repurchases of its own common stock. Certain individual defendants are also alleged to have sold their holdings of Bear Stearns common stock while in possession of material nonpublic information. Plaintiffs seek compensatory damages in an unspecified amount. The District Court dismissed the action, and plaintiffs have appealed.

City of Milan Litigation and Criminal Investigation. In January 2009, the City of Milan, Italy (the "City") issued civil proceedings against (among others) JPMorgan Chase Bank, N.A. and J.P. Morgan Securities Ltd. (together, "JPMorgan Chase") in the District Court of Milan. The proceedings relate to (a) a bond issue by the City in June 2005 (the "Bond"), and (b) an associated swap transaction, which was subsequently restructured on a number of occasions between 2005 and 2007 (the "Swap"). The City seeks damages and/or other remedies against JPMorgan Chase (among others) on the grounds of alleged "fraudulent and deceitful acts" and alleged breach of advisory obligations in connection with the Swap and the Bond, together with related swap transactions with other counterparties. The civil proceedings have been stayed pending the determination of an application by JPMorgan Chase to the Supreme Court in Rome challenging jurisdiction, which was heard in November 2011.

In March 2010, a criminal judge directed four current and former JPMorgan Chase personnel and JPMorgan Chase Bank, N.A. (as well as other individuals and three other banks) to go forward to a full trial that started in May 2010. Although the Firm is not charged with any crime and does not face criminal liability, if one or more of its employees were found guilty, the Firm could be subject to administrative sanctions, including restrictions on its ability

to conduct business in Italy and monetary penalties. Hearings have continued on a weekly basis since May 2010.

Enron Litigation. JPMorgan Chase and certain of its officers and directors are involved in several lawsuits seeking damages arising out of the Firm's banking relationships with Enron Corp. and its subsidiaries ("Enron"). A number of actions and other proceedings against the Firm previously were resolved, including a class action lawsuit captioned Newby v. Enron Corp. and adversary proceedings brought by Enron's bankruptcy estate. The remaining Enron-related actions include an individual action by an Enron investor, an action by an Enron counterparty and a purported class action filed on behalf of JPMorgan Chase employees who participated in the Firm's 401(k) plan asserting claims under ERISA for alleged breaches of fiduciary duties by JPMorgan Chase, its directors and named officers. The class action has been dismissed, and is on appeal to the United States Court of Appeals for the Second Circuit. Motions to dismiss are pending in the other two actions.

Interchange Litigation. A group of merchants has filed a series of putative class action complaints in several federal courts. The complaints allege that Visa and MasterCard, as well as certain other banks and their respective bank holding companies, conspired to set the price of credit and debit card interchange fees, enacted respective association rules in violation of antitrust laws, and engaged in tying/bundling and exclusive dealing. The complaint seeks unspecified damages and injunctive relief based on the theory that interchange fees would be lower or eliminated but for the challenged conduct. Based on publicly available estimates, Visa and MasterCard branded payment cards generated approximately $40 billion of interchange fees industry-wide in 2010. All cases have been consolidated in the United States District Court for the Eastern District of New York for pretrial proceedings. The Court has dismissed all claims relating to periods prior to January 2004. The Court has not yet ruled on motions relating to the remainder of the case or plaintiffs' class certification motion. Fact and expert discovery have closed.

In addition to the consolidated class action complaint, plaintiffs filed supplemental complaints challenging the initial public offerings ("IPOs") of MasterCard and Visa (the "IPO Complaints"). With respect to the MasterCard IPO, plaintiffs allege that the offering violated Section 7 of the Clayton Act and Section 1 of the Sherman Act and that the offering was a fraudulent conveyance. With respect to the Visa IPO, plaintiffs are challenging the Visa IPO on antitrust theories parallel to those articulated in the MasterCard IPO pleading. Defendants have filed motions to dismiss the IPO Complaints. The Court has not yet ruled on those motions.

The parties also have filed motions seeking summary judgment as to various claims in the complaints. Oral argument on these summary judgment motions was heard in November 2011.

Investment Management Litigation. Four cases have been filed claiming that investment portfolios managed by J.P. Morgan Investment Management Inc. ("JPMorgan Investment Management") were inappropriately invested in securities backed by subprime residential real estate collateral. Plaintiffs claim that JPMorgan Investment Management and related defendants are liable for losses of more than $1 billion in market value of these securities. The first case was filed by NM Homes One, Inc. in federal District Court in New York. Following rulings on motions addressed to the pleadings, plaintiff's claims for breach of contract, breach of fiduciary duty, negligence and gross negligence survive, and discovery is proceeding. In the second case, filed by Assured Guaranty (U.K.) in New York state court, discovery is proceeding on plaintiff's claims for breach of contract, breach of fiduciary duty and gross negligence. In the third case, filed by Ambac Assurance UK Limited in New York state court, the lower court granted JPMorgan Investment Management's motion to dismiss. The New York State Appellate Division reversed the lower court's decision and discovery is proceeding. The fourth case, filed by CMMF LLP in New York state court, asserts claims under New York law for breach of fiduciary duty, gross negligence, breach of contract and negligent misrepresentation. The lower court denied in part defendants' motion to dismiss and discovery is proceeding.

Lehman Brothers Bankruptcy Proceedings. In May 2010, Lehman Brothers Holdings Inc. ("LBHI") and its Official Committee of Unsecured Creditors (the "Committee") filed a complaint (and later an amended complaint) against JPMorgan Chase Bank, N.A. in the United States Bankruptcy Court for the Southern District of New York that asserts both federal bankruptcy law and state common law claims, and seeks, among other relief, to recover $8.6 billion in collateral that was transferred to JPMorgan Chase Bank, N.A. in the weeks preceding LBHI's bankruptcy. The amended complaint also seeks unspecified damages on the grounds that JPMorgan Chase Bank, N.A.'s collateral requests hastened LBHI's demise. The Firm has moved to dismiss plaintiffs' amended complaint in its entirety, and has also moved to transfer the litigation from the Bankruptcy Court to the United States District Court for the Southern District of New York. Neither motion has yet been decided, but following argument on the motion to transfer the litigation, the District Court directed the Bankruptcy Court to decide the motion to dismiss while the District Court is considering the transfer motion. The Firm also filed counterclaims against LBHI alleging that LBHI fraudulently induced the Firm to make large clearing advances to Lehman against inappropriate collateral, which left the Firm with more than $25 billion in claims (the "Clearing Claims") against the estate of Lehman Brothers Inc. ("LBI"), LBHI's broker-dealer subsidiary. These claims have been paid in full, subject to the outcome of the litigation. Discovery is underway with a trial scheduled for 2012. In August 2011, LBHI and the Committee filed an objection to the deficiency claims asserted by JPMorgan Chase Bank, N.A. against LBHI with respect to the Clearing Claims, principally on the grounds that the Firm had not conducted the sale of the securities collateral held for such claims in a commercially reasonable manner. The Firm has received and is in various

stages of responding to regulatory investigations regarding Lehman.

LIBOR Investigations and Litigation. JPMorgan Chase has received various subpoenas and requests for documents and, in some cases, interviews, from the United States Department of Justice, United States Commodity Futures Trading Commission, United States Securities and Exchange Commission, European Commission, United Kingdom Financial Services Authority, Canadian Competition Bureau and Swiss Competition Commission. The documents and information sought all relate to the process by which rates were submitted to the British Bankers Association ("BBA") in connection with the setting of the BBA's London Interbank Offered Rate ("LIBOR"), principally in 2007 and 2008. The inquiries from some of the regulators also relate to similar processes by which EURIBOR rates are submitted to the European Banking Federation and TIBOR rates are submitted to the Japanese Bankers' Association during similar time periods. The Firm is cooperating with these inquiries.

In addition, the Firm has been named as a defendant along with other banks in a series of individual and class actions filed in various U.S. federal courts alleging that since 2006 the defendants either individually suppressed the LIBOR rate artificially or colluded in submitting rates for LIBOR that were artificially low. Plaintiffs allege that they transacted in U.S. dollar LIBOR-based derivatives or other financial instruments whose values are impacted by changes in U.S. dollar LIBOR, and assert a variety of claims including antitrust claims seeking treble damages. All cases have been consolidated for pre-trial purposes in the United States District Court for the Southern District of New York. In November 2011, the District Court entered an Order appointing interim lead counsel for the two proposed classes: (i) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments directly from the defendants in the over-the-counter market, and (ii) plaintiffs who allegedly purchased U.S. dollar LIBOR-based financial instruments on an exchange.

Madoff Litigation. JPMorgan Chase & Co., JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC, and J.P. Morgan Securities Ltd. have been named as defendants in a lawsuit brought by the trustee (the "Trustee") for the liquidation of Bernard L. Madoff Investment Securities LLC ("Madoff"). The Trustee has served an amended complaint in which he has asserted 28 causes of action against JPMorgan Chase, 20 of which seek to avoid certain transfers (direct or indirect) made to JPMorgan Chase that are alleged to have been preferential or fraudulent under the federal Bankruptcy Code and the New York Debtor and Creditor Law. The remaining causes of action involve claims for, among other things, aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion, contribution and unjust enrichment. The complaint generally alleges that JPMorgan Chase, as Madoff's long-time bank, facilitated the maintenance of Madoff's Ponzi scheme and overlooked signs of wrongdoing in order to obtain profits and fees. The complaint asserts common law claims that purport to seek approximately $19 billion in damages, together with bankruptcy law claims to recover approximately $425 million in transfers that JPMorgan Chase allegedly received directly or indirectly from Bernard Madoff's brokerage firm. By order dated October 31, 2011, the United States District Court for the Southern District of New York granted JPMorgan Chase's motion to dismiss the common law claims asserted by the Trustee, and returned the remaining claims to the Bankruptcy Court for further proceedings. The Trustee has appealed this decision.

Separately, J.P. Morgan Trust Company (Cayman) Limited, JPMorgan (Suisse) SA, J.P. Morgan Securities Ltd., Bear Stearns Alternative Assets International Ltd. and J.P. Morgan Clearing Corp. have been named as defendants in lawsuits presently pending in Bankruptcy Court in New York arising out of the liquidation proceedings of Fairfield Sentry Limited and Fairfield Sigma Limited (together, "Fairfield"), so-called Madoff feeder funds. These actions are based on theories of mistake and restitution and seek to recover payments made to defendants by the funds totaling approximately $150 million. Pursuant to an agreement with the Trustee, the liquidators of Fairfield have voluntarily dismissed their action against J.P. Morgan Securities Ltd. without prejudice to refiling. The other actions remain outstanding. The Bankruptcy Court has stayed these actions. In addition, a purported class action was brought against JPMorgan Chase in the United States District Court for the Southern District of New York, as is a motion by separate potential class plaintiffs to add claims against JPMorgan Chase, JPMorgan Chase Bank, N.A., J.P. Morgan Securities LLC and J.P. Morgan Securities Ltd. to an already-pending purported class action in the same court. The allegations in these complaints largely track those raised by the Trustee. The Court dismissed these complaints and plaintiffs have appealed.

Finally, JPMorgan Chase is a defendant in five actions pending in New York state court and two purported class actions in federal court in New York. The allegations in all of these actions are essentially identical, and involve claims against the Firm for aiding and abetting fraud, aiding and abetting breach of fiduciary duty, conversion and unjust enrichment. In the state court actions, the Firm's motion to dismiss is pending. The Firm has moved to dismiss the state court actions and intends to move to dismiss the federal actions.

The Firm is also responding to various governmental inquiries concerning the Madoff matter.

MF Global. JPMorgan Chase & Co. has been named as one of several defendants in six putative class action lawsuits brought by customers of MF Global in federal district courts in Montana and New York. The actions allege, among other things, that the Firm aided and abetted MF Global's alleged misuse of customer money and breaches of fiduciary duty and was unjustly enriched by the transfer of $200 million in customer segregated funds by MF Global.

In addition, J.P. Morgan Securities LLC has been named as one of several defendants in a putative class action filed in

federal district court in New York on behalf of purchasers of MF Global's publicly traded securities including the securities issued pursuant to MF Global's February 2011 and August 2011 convertible note offerings. The complaint, which asserts violations of the Securities Act of 1933 against the underwriter defendants, alleges that the offering documents contained materially false and misleading statements and omissions regarding MF Global's financial position, including its exposure to European sovereign debt. The Firm is also responding to various governmental inquiries concerning MF Global.

Mortgage-Backed Securities and Repurchase Litigation and Regulatory Investigations. JPMorgan Chase and affiliates, Bear Stearns and affiliates and Washington Mutual affiliates have been named as defendants in a number of cases in their various roles as issuer or underwriter in MBS offerings. These cases include purported class action suits, actions by individual purchasers of securities or by trustees for the benefit of purchasers of securities, and actions by monoline insurance companies that guaranteed payments of principal and interest for particular tranches of securities offerings. Although the allegations vary by lawsuit, these cases generally allege that the offering documents for securities issued by dozens of securitization trusts contained material misrepresentations and omissions, including with regard to the underwriting standards pursuant to which the underlying mortgage loans were issued, or assert that various representations or warranties relating to the loans were breached at the time of origination. There are currently pending and tolled investor and monoline claims involving approximately $120 billion of such securities, a number that decreased significantly in the fourth quarter of 2011 largely due to favorable rulings on standing in the class actions discussed below.

In the actions against the Firm as an MBS issuer (and, in some cases, also as an underwriter of its own MBS offerings), three purported class actions are pending against JPMorgan Chase and Bear Stearns, and/or certain of their affiliates and current and former employees, in the United States District Courts for the Eastern and Southern Districts of New York. Defendants moved to dismiss these actions. In the first of these three actions, the court dismissed claims relating to all but one of the offerings. In the second action, the court dismissed claims as to certain offerings and tranches for lack of standing, but allowed claims to proceed relating to some offerings and certificates including ones raised by newly intervening plaintiffs; both parties have sought leave to appeal these rulings. In the third action, the Firm's motion to dismiss remains pending. In a fourth purported class action pending in the United States District Court for the Western District of Washington, Washington Mutual affiliates, WaMu Asset Acceptance Corp. and WaMu Capital Corp., along with certain former officers or directors of WaMu Asset Acceptance Corp., have been named as defendants. The court there denied plaintiffs' motion for leave to amend their complaint to add JPMorgan Chase Bank, N.A., as a defendant on the theory that it is a successor to Washington Mutual Bank. In October 2011, the court certified a class of plaintiff investors to pursue the claims asserted, but limited those claims to the 13 tranches of MBS in which a named plaintiff purchased. Discovery is proceeding.

In addition to class actions, the Firm is also a defendant in individual actions brought against certain affiliates of JPMorgan Chase, Bear Stearns and Washington Mutual as issuers (and, in some cases, as underwriters). These actions involve claims by governmental agencies, including the Federal Housing Finance Administration, the National Credit Union Administration and the Federal Home Loan Banks of Pittsburgh, Seattle, San Francisco, Chicago, Indianapolis, Atlanta and Boston, as well as by or to benefit various institutional investors, including Cambridge Place Investment Management, various affiliates of the Allstate Corporation, the Charles Schwab Corporation, Massachusetts Mutual Life Insurance Company, Western & Southern Life Insurance Company, HSH Nordbank, IKB International, S.A., Sealink Funding, Ltd., Landesbank Baden-Wurttemberg, Stichting Pensioenfonds ABP, Bayerische Landesbank, Union Central Life Insurance Company, Capital Ventures International, John Hancock Life Insurance Company and certain affiliates, Dexia SA/NV and certain affiliates, Deutsche Zentral-Genossenschaftsbank and Asset Management Fund and certain affiliates. These actions are pending in federal and state courts across the country and are at various stages of litigation.

EMC Mortgage LLC (formerly EMC Mortgage Corporation) ("EMC"), an indirect subsidiary of JPMorgan Chase & Co., and certain other JPMorgan Chase entities currently are defendants in four pending actions commenced by bond insurers that guaranteed payments of principal and interest on approximately $3.5 billion of certain classes of six different MBS offerings sponsored by EMC. One of those actions, commenced by Syncora Guarantee, Inc., is pending in the United States District Court for the Southern District of New York against EMC only. Syncora has also filed two actions in New York state court: the first, against J.P. Morgan Securities LLC, asserts tort claims arising out of the same transaction as its federal complaint; the second asserts various tort and contract claims relating to a separate transaction against J.P. Morgan Securities LLC, JPMorgan Chase Bank, N.A. and Bear Stearns Asset-Backed Securities I LLC. Ambac has filed a similar complaint in New York state court relating to four MBS offerings, which alleges various contract and tort claims against EMC, J.P. Morgan Securities LLC and JPMorgan Chase Bank, N.A. These Ambac and Syncora actions seek unspecified damages and specific performance. In December 2011, Assured Guaranty Corp. dismissed its case filed against EMC with respect to one MBS offering that was pending in the United States District Court for the Southern District of New York.

In actions against the Firm solely as an underwriter of other issuers' MBS offerings, the Firm has contractual rights to indemnification from the issuers, but those indemnity rights may prove effectively unenforceable where the issuers are now defunct, such as affiliates of IndyMac Bancorp

("IndyMac Trusts") and Thornburg Mortgage ("Thornburg"). The Firm may also be contractually obligated to indemnify underwriters in certain deals it issued. With respect to the IndyMac Trusts, J.P. Morgan Securities LLC, along with numerous other underwriters and individuals, is named as a defendant, both in its own capacity and as successor to Bear Stearns, in a purported class action pending in the United States District Court for the Southern District of New York brought on behalf of purchasers of securities in various IndyMac Trust MBS offerings. The court in that action has dismissed claims as to certain such securitizations, including all offerings in which no named plaintiff purchased securities, and allowed claims as to other offerings to proceed. Plaintiffs' motion to certify a class of investors in certain offerings is pending, and discovery is ongoing. In addition, J.P. Morgan Securities LLC and JPMorgan Chase are named as defendants in an individual action filed by the Federal Home Loan Bank of Pittsburgh in connection with a single offering by an affiliate of IndyMac Bancorp. Discovery in that action is ongoing and defendants moved for partial summary judgment in November 2011. Separately, J.P. Morgan Securities LLC, as successor to Bear, Stearns & Co. Inc., along with other underwriters and certain individuals, are defendants in an action pending in state court in California brought by MBIA Insurance Corp. ("MBIA"). The action relates to certain securities issued by IndyMac trusts in offerings in which Bear Stearns was an underwriter, and as to which MBIA provided guaranty insurance policies. MBIA purports to be subrogated to the rights of the MBS holders, and seeks recovery of sums it has paid and will pay pursuant to those policies. Discovery is ongoing. With respect to Thornburg, a Bear Stearns subsidiary is also a named defendant in a purported class action pending in the United States District Court for the District of New Mexico along with a number of other financial institutions that served as depositors and/or underwriters for three Thornburg MBS offerings. The Court granted in part defendants' motion to dismiss but indicated that plaintiffs could replead. Plaintiffs filed another amended complaint in December 2011, while defendants have asked the court to reconsider its ruling denying in part the defendants' motion to dismiss.

The Firm or its affiliates are defendants in three actions brought by trustees of MBS on behalf of the purchasers of securities. In the first, Wells Fargo, as trustee for a single MBS trust, has filed an action against EMC Mortgage in Delaware state court alleging that EMC breached various representations and warranties and seeking the repurchase of more than 800 mortgage loans by EMC and indemnification for the trustee attorneys' fees and costs. In the second, a trustee for a single MBS trust filed a summons with notice in New York state court against EMC, Bear Stearns & Co. Inc. and JPMorgan Chase & Co., seeking damages for breach of contract. The Firm has not yet been served with the complaint. In the third, the Firm is a defendant in an action commenced by Deutsche Bank National Trust Co., acting as trustee for various MBS trusts. That case is described in more detail below with respect to the Washington Mutual Litigations.

There is no assurance that the Firm will not be named as a defendant in additional MBS-related litigation, and the Firm has entered into agreements with a number of entities that purchased such securities which toll the statutes of limitations and repose with respect to their claims. In addition, the Firm has received several demands by securitization trustees that threaten litigation, as well as demands by investors directing or threatening to direct trustees to investigate claims or bring litigation, based on purported obligations to repurchase loans out of securitization trusts and alleged servicing deficiencies. These include but are not limited to a demand from a law firm, as counsel to a group of certificateholders who purport to have 25% or more of the voting rights in as many as 191 different trusts sponsored by the Firm with an original principal balance of more than $174 billion (excluding 52 trusts sponsored by Washington Mutual, with an original principal balance of more than $58 billion), made to various trustees to investigate potential repurchase and servicing claims.

A shareholder complaint has been filed in New York state court against the Firm and two affiliates, members of the boards of directors thereof and certain employees, asserting claims based on alleged wrongful actions and inactions relating to residential mortgage originations and securitizations. The action seeks an accounting and damages. The defendants have moved to dismiss the action.

In addition to the above-described litigation, the Firm has also received, and responded to, a number of subpoenas and informal requests for information from federal and state authorities concerning mortgage-related matters, including inquiries concerning a number of transactions involving the Firm's origination and purchase of whole loans, underwriting and issuance of MBS, treatment of early payment defaults and potential breaches of securitization representations and warranties, and due diligence in connection with securitizations. In January 2012, the Firm was advised by SEC staff that they are considering recommending to the Commission that civil or administrative actions be pursued arising out of two separate investigations they have been conducting. The first involves potential claims against J.P. Morgan Securities LLC relating to due diligence conducted for two mortgage-backed securitizations and corresponding disclosures. The second involves potential claims against Bear Stearns entities, JPMorgan Chase & Co. and J.P. Morgan Securities LLC relating to settlements of claims against originators involving loans included in a number of Bear Stearns securitizations. In both investigations, the SEC staff has invited the Firm to submit responses to the proposed actions.

Mortgage Foreclosure Investigations and Litigation. JPMorgan Chase and four other firms have agreed to a settlement in principle (the "global settlement") with a number of federal and state government agencies, including the U.S. Department of Justice, the U.S.

Department of Housing and Urban Development, the Consumer Financial Protection Bureau and the State Attorneys General, relating to the servicing and origination of mortgages. The global settlement, which is subject to the execution of a definitive agreement and court approval, calls for the Firm to, among other things: (i) make cash payments of approximately $1.1 billion (a portion of which will be set aside for payments to borrowers); (ii) provide approximately $500 million of refinancing relief to certain "underwater" borrowers whose loans are owned by the Firm; and (iii) provide approximately $3.7 billion of additional relief for certain borrowers, including reductions of principal on first and second liens, payments to assist with short sales, deficiency balance waivers on past foreclosures and short sales, and forbearance assistance for unemployed homeowners. (If the Firm does not meet certain targets for provision of the refinancing or other borrower relief within certain prescribed time periods, the Firm will instead make cash payments.) In addition, under the global settlement the Firm will be required to adhere to certain enhanced mortgage servicing standards.

The global settlement releases the Firm from further claims related to servicing activities, including foreclosures and loss mitigation activities; certain origination activities; and certain bankruptcy-related activities. Not included in the global settlement are any claims arising out of securitization activities, including representations made to investors respecting mortgage-backed securities; criminal claims; and repurchase demands from the GSEs, among other items.

The Firm also entered into agreements in principle with the Federal Reserve and the OCC for the payment of civil money penalties related to conduct that was the subject of consent orders entered into with the banking regulators in April 2011. The Firm's payment obligations under those agreements will be deemed satisfied by the Firm's payments and provisions of relief under the global settlement.

The Attorneys General of Massachusetts and New York have separately filed lawsuits against the Firm, other servicers and a mortgage recording company asserting claims for various alleged wrongdoings relating to mortgage assignments and use of the industry's electronic mortgage registry. The Firm has moved to dismiss the Massachusetts action, and has yet to respond to the New York action.

Five purported class action lawsuits were filed against the Firm relating to its mortgage foreclosure procedures. Two of those suits were dismissed with prejudice. A third suit has been resolved, and its dismissal will be obtained shortly. Additionally, the Firm is defending a purported class action brought against Bank of America involving an EMC loan.

A shareholder derivative action has been filed in New York state court against the Firm's board of directors alleging that the board failed to exercise adequate oversight as to wrongful conduct by the Firm regarding mortgage servicing. The action seeks a declaratory judgment and damages.

Municipal Derivatives Investigations and Litigation. Purported class action lawsuits and individual actions (the "Municipal Derivatives Actions") have been filed against JPMorgan Chase and Bear Stearns, as well as numerous other providers and brokers, alleging antitrust violations in the reportedly $100 billion to $300 billion annual market for financial instruments related to municipal bond offerings referred to collectively as "municipal derivatives." In July 2011, the Firm settled with federal and state governmental agencies to resolve their investigations into similar alleged conduct. The Municipal Derivatives Actions have been consolidated and/or coordinated in the United States District Court for the Southern District of New York. The court denied in part and granted in part defendants' motions to dismiss the purported class and individual actions, permitting certain claims to proceed against the Firm and others under federal and California state antitrust laws and under the California false claims act. Subsequently, a number of additional individual actions asserting substantially similar claims, including claims under New York and West Virginia state antitrust statutes, were filed against JPMorgan Chase, Bear Stearns and numerous other defendants. These cases are also being coordinated for pretrial purposes in the United States District Court for the Southern District of New York. Discovery is ongoing.

In addition, civil actions have been commenced against the Firm relating to certain Jefferson County, Alabama (the "County") warrant underwritings and swap transactions. In November 2009, J.P. Morgan Securities LLC settled with the SEC to resolve its investigation into those transactions. Following that settlement, the County and a putative class of sewer rate payers filed complaints against the Firm and several other defendants in Alabama state court. The suits allege that the Firm made payments to certain third parties in exchange for being chosen to underwrite more than $3 billion in warrants issued by the County and to act as the counterparty for certain swaps executed by the County. The complaints also allege that the Firm concealed these third-party payments and that, but for this concealment, the County would not have entered into the transactions. The Court denied the Firm's motions to dismiss the complaints in both proceedings. The Firm filed mandamus petitions with the Alabama Supreme Court, seeking immediate appellate review of these decisions. The mandamus petition in the County's lawsuit was denied in April 2011. In November and December, 2011, the County filed notices of bankruptcy with the trial court in each of the cases and with the Alabama Supreme Court stating that it was a Chapter 9 Debtor in the U.S. Bankruptcy Court for the Northern District of Alabama and providing notice of the automatic stay. Subsequently, the portion of the sewer rate payer action involving claims against the Firm was removed by certain defendants to the United States District Court for the Northern District of Alabama. In its order finding that removal of this action was proper, the District Court referred the action to the District's Bankruptcy Court, where the action remains pending.

Two insurance companies that guaranteed the payment of principal and interest on warrants issued by the County have filed separate actions against the Firm in New York state court. Their complaints assert that the Firm fraudulently misled them into issuing insurance based upon substantially the same alleged conduct described above and other alleged non-disclosures. One insurer claims that it insured an aggregate principal amount of nearly $1.2 billion and seeks unspecified damages in excess of $400 million as well as unspecified punitive damages. The other insurer claims that it insured an aggregate principal amount of more than $378 million and seeks recovery of $4 million allegedly paid under the policies to date as well as any future payments and unspecified punitive damages. In December 2010, the court denied the Firm's motions to dismiss each of the complaints. The Firm has filed a cross-claim and a third party claim against the County for indemnity and contribution. The County moved to dismiss, which the court denied in August 2011. In consequence of its November 2011 bankruptcy filing, the County has asserted that these actions are stayed.

Overdraft Fee/Debit Posting Order Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in several purported class actions relating to its practices in posting debit card transactions to customers' deposit accounts. Plaintiffs allege that the Firm improperly re-ordered debit card transactions from the highest amount to the lowest amount before processing these transactions in order to generate unwarranted overdraft fees. Plaintiffs contend that the Firm should have processed such transactions in the chronological order they were authorized. Plaintiffs seek the disgorgement of all overdraft fees paid to the Firm by plaintiffs since approximately 2003 as a result of the re-ordering of debit card transactions. The claims against the Firm have been consolidated with numerous complaints against other national banks in multi-District litigation pending in the United States District Court for the Southern District of Florida. The Firm's motion to compel arbitration of certain plaintiffs' claims was initially denied by the District Court. On appeal, the United States Court of Appeals for the Eleventh Circuit vacated the District Court's order and remanded the case for reconsideration in light of a recent ruling by the United States Supreme Court in an unrelated case addressing the enforcement of an arbitration provision in a consumer product agreement. The Firm has reached an agreement in principle to settle this matter in exchange for the Firm paying $110 million and agreeing to change certain overdraft fee practices. The settlement is subject to documentation and court approval.

Petters Bankruptcy and Related Matters. JPMorgan Chase and certain of its affiliates, including One Equity Partners ("OEP"), have been named as defendants in several actions filed in connection with the receivership and bankruptcy proceedings pertaining to Thomas J. Petters and certain affiliated entities (collectively, "Petters") and the Polaroid Corporation. The principal actions against JPMorgan Chase and its affiliates have been brought by a court-appointed receiver for Petters and the trustees in bankruptcy proceedings for three Petters entities. These actions generally seek to avoid, on fraudulent transfer and preference grounds, certain purported transfers in connection with (i) the 2005 acquisition by Petters of Polaroid, which at the time was majority-owned by OEP; (ii) two credit facilities that JPMorgan Chase and other financial institutions entered into with Polaroid; and (iii) a credit line and investment accounts held by Petters. The actions collectively seek recovery of approximately $450 million. Defendants have moved to dismiss the complaints in the actions filed by the Petters bankruptcy trustees.

Securities Lending Litigation. JPMorgan Chase Bank, N.A. has been named as a defendant in four putative class actions asserting ERISA and other claims pending in the United States District Court for the Southern District of New York brought by participants in the Firm's securities lending business. A fifth lawsuit was filed in New York state court by an individual participant in the program. Three of the purported class actions, which have been consolidated, relate to investments of approximately $500 million in medium-term notes of Sigma Finance Inc. ("Sigma"). In August 2010, the Court certified a plaintiff class consisting of all securities lending participants that held Sigma medium-term notes on September 30, 2008, including those that held the notes by virtue of participation in the investment of cash collateral through a collective fund, as well as those that held the notes by virtue of the investment of cash collateral through individual accounts. The Court granted JPMorgan Chase's motion for partial summary judgment as to plaintiffs' duty of loyalty claim, finding that the Firm did not have a conflict of interest when it provided repurchase financing to Sigma while also holding Sigma medium-term notes in securities lending accounts. Trial on the remaining duty of prudence claim is scheduled to begin in February 2012. In December 2011, JPMorgan Chase filed third-party claims for indemnification and contribution against the investment fiduciaries for three unnamed class members that maintained individual securities lending accounts. The parties have reached an agreement in principle to settle this action. The settlement is subject to documentation and court approval.

The fourth putative class action concerns investments of approximately $500 million in Lehman Brothers medium-term notes. The Firm has moved to dismiss the amended complaint and is awaiting a decision. Discovery is proceeding while the motion is pending. The New York state court action, which is not a class action, concerns the plaintiff's alleged loss of money in both Sigma and Lehman Brothers medium-term notes. The Firm has answered the complaint. Discovery is proceeding.

Service Members Civil Relief Act and Housing and Economic Recovery Act Investigations and Litigation. Multiple government officials have conducted inquiries into the Firm's procedures related to the Service Members Civil Relief Act ("SCRA") and the Housing and Economic Recovery Act of 2008 ("HERA"). These inquiries were prompted by the Firm's public statements about its SCRA and HERA

compliance and actions to remedy certain instances in which the Firm mistakenly charged active or recently-active military personnel mortgage interest and fees in excess of that permitted by SCRA and HERA, and in a number of instances, foreclosed on borrowers protected by SCRA and HERA. The Firm has implemented a number of procedural enhancements and controls to strengthen its SCRA and HERA compliance. In addition, an individual borrower filed a nationwide class action in United States District Court for South Carolina against the Firm alleging violations of the SCRA related to home loans. The Firm agreed to pay $27 million plus attorneys' fees, in addition to reimbursements previously paid by the Firm, to settle the class action. Additional borrowers were subsequently added to the class, and the Firm agreed to pay an additional $8 million into the settlement fund. The court entered a final order approving the settlement in January 2012.

Washington Mutual Litigations. Subsequent to JPMorgan Chase's acquisition from the FDIC of substantially all of the assets and certain specified liabilities of Washington Mutual Bank ("Washington Mutual Bank") in September 2008, Washington Mutual Bank's parent holding company, Washington Mutual, Inc. ("WMI") and its wholly-owned subsidiary, WMI Investment Corp. (together, the "Debtors"), both commenced voluntary cases under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Case"). In the Bankruptcy Case, the Debtors have asserted rights and interests in certain assets. The assets in dispute include principally the following: (a) approximately $4 billion in trust securities contributed by WMI to Washington Mutual Bank (the "Trust Securities"); (b) the right to tax refunds arising from overpayments attributable to operations of Washington Mutual Bank and its subsidiaries; (c) ownership of and other rights in approximately $4 billion that WMI contends are deposit accounts at Washington Mutual Bank and one of its subsidiaries; and (d) ownership of and rights in various other contracts and other assets (collectively, the "Disputed Assets").

WMI, JPMorgan Chase and the FDIC have since been involved in litigations over these and other claims pending in the Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") and the United States District Court for the District of Columbia.

In May 2010, WMI, JPMorgan Chase and the FDIC announced a global settlement agreement among themselves and significant creditor groups (the "WaMu Global Settlement"). The WaMu Global Settlement is incorporated into WMI's Chapter 11 plan ("the Plan") submitted to the Bankruptcy Court. The WaMu Global Settlement resolves numerous disputes among WMI, JPMorgan Chase, the FDIC in its capacity as receiver for Washington Mutual Bank and the FDIC in its corporate capacity, as well as those of significant creditor groups, including disputes relating to the Disputed Assets. After several amendments to the Plan to address deficiencies identified by the Bankruptcy Court that were unrelated to the WaMu Global Settlement, in February 2012 the Bankruptcy Court confirmed the Plan, including the WaMu Global Settlement.

Other proceedings related to Washington Mutual's failure are also pending before the Bankruptcy Court. Among other actions, in July 2010, certain holders of the Trust Securities commenced an adversary proceeding in the Bankruptcy Court against JPMorgan Chase, WMI, and other entities seeking, among other relief, a declaratory judgment that WMI and JPMorgan Chase do not have any right, title or interest in the Trust Securities. In early January 2011, the Bankruptcy Court granted summary judgment to JPMorgan Chase and denied summary judgment to the plaintiffs in the Trust Securities adversary proceeding. The plaintiffs have appealed that decision to the United States District Court for the District of Delaware. In connection with the current Plan, these plaintiffs filed a motion seeking a stay of further confirmation proceedings pending their appeal from the Bankruptcy Court's determination that they have no interest in the Trust Securities and are instead owners of WMI preferred equity. In January 2012, the Bankruptcy Court denied their motion, and the District Court denied their motions for a stay pending appeal and mandamus relief.

Other proceedings related to Washington Mutual's failure are pending before the United States District Court for the District of Columbia and include a lawsuit brought by Deutsche Bank National Trust Company, initially against the FDIC, asserting an estimated $6 billion to $10 billion in damages based upon alleged breach of various mortgage securitization agreements and alleged violation of certain representations and warranties given by certain WMI subsidiaries in connection with those securitization agreements. The case includes assertions that JPMorgan Chase may have assumed liabilities for the alleged breaches of representations and warranties in the mortgage securitization agreements. The District Court denied as premature motions by the Firm and the FDIC that sought a ruling on whether the FDIC retained liability for Deutsche Bank's claims. Discovery is underway.

In addition, JPMorgan Chase was sued in an action originally filed in state court in Texas (the "Texas Action") by certain holders of WMI common stock and debt of WMI and Washington Mutual Bank who seek unspecified damages alleging that JPMorgan Chase acquired substantially all of the assets of Washington Mutual Bank from the FDIC at a price that was allegedly too low. The Texas Action was transferred to the United States District Court for the District of Columbia, which ultimately granted JPMorgan Chase's and the FDIC's motions to dismiss the complaint, but the United States Court of Appeals for the District of Columbia Circuit reversed the trial court's dismissal and remanded the case for further proceedings. Plaintiffs, which now include only holders of Washington Mutual Bank debt following their voluntary dismissal of claims brought as holders of WMI common stock and debt, have filed an amended complaint alleging that JPMorgan Chase caused

the closure of Washington Mutual Bank and damaged them by causing their bonds issued by Washington Mutual Bank to lose substantially all of their value. JPMorgan Chase and the FDIC have again moved to dismiss this action.

* * *

In addition to the various legal proceedings discussed above, JPMorgan Chase and its subsidiaries are named as defendants or are otherwise involved in a substantial number of other legal proceedings. The Firm believes it has meritorious defenses to the claims asserted against it in its currently outstanding legal proceedings and it intends to defend itself vigorously in all such matters. Additional legal proceedings may be initiated from time to time in the future.

The Firm has established reserves for several hundred of its currently outstanding legal proceedings. The Firm accrues for potential liability arising from such proceedings when it is probable that such liability has been incurred and the amount of the loss can be reasonably estimated. The Firm evaluates its outstanding legal proceedings each quarter to assess its litigation reserves, and makes adjustments in such reserves, upwards or downwards, as appropriate, based on management's best judgment after consultation with counsel. During the years ended December 31, 2011, 2010 and 2009, the Firm incurred $4.9 billion, $7.4 billion and $161 million, respectively, of litigation expense. There is no assurance that the Firm's litigation reserves will not need to be adjusted in the future.

In view of the inherent difficulty of predicting the outcome of legal proceedings, particularly where the claimants seek very large or indeterminate damages, or where the matters present novel legal theories, involve a large number of parties or are in early stages of discovery, the Firm cannot state with confidence what will be the eventual outcomes of the currently pending matters, the timing of their ultimate resolution or the eventual losses, fines, penalties or impact related to those matters. JPMorgan Chase believes, based upon its current knowledge, after consultation with counsel and after taking into account its current litigation reserves, that the legal proceedings currently pending against it should not have a material adverse effect on the Firm's consolidated financial condition. The Firm notes, however, that in light of the uncertainties involved in such proceedings, there is no assurance the ultimate resolution of these matters will not significantly exceed the reserves it has currently accrued; as a result, the outcome of a particular matter may be material to JPMorgan Chase's operating results for a particular period, depending on, among other factors, the size of the loss or liability imposed and the level of JPMorgan Chase's income for that period.

Note 32 - International operations

The following table presents income statement-related and balance sheet-related information for JPMorgan Chase by major international geographic area. The Firm defines international activities for purposes of this footnote presentation as business transactions that involve clients residing outside of the U.S., and the information presented below is based predominantly on the domicile of the client, the location from which the client relationship is managed or the location of the trading desk. However, many of the Firm's U.S. operations serve international businesses.

As the Firm's operations are highly integrated, estimates and subjective assumptions have been made to apportion revenue and expense between U.S. and international operations. These estimates and assumptions are consistent with the allocations used for the Firm's segment reporting as set forth in Note 33 on pages 300-303 of this Annual Report.

The Firm's long-lived assets for the periods presented are not considered by management to be significant in relation to total assets. The majority of the Firm's long-lived assets are located in the United States.

EDGAR Online

JPMORGAN CHASE & CO

FORM 8-K
(Current report filing)

Filed 01/09/13 for the Period Ending 01/07/13

Address	270 PARK AVE
	38TH FL
	NEW YORK, NY 10017
Telephone	2122706000
CIK	0000019617
Symbol	JPM
Fiscal Year	12/31

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): January 7, 2013

JPMorgan Chase & Co.

(Exact name of registrant as specified in its charter)

Delaware	1-5805	13-2624428
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. employer identification no.)
270 Park Avenue, New York, New York		10017
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: (212) 270-6000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) JPMorgan Chase & Co., a Delaware corporation ("JPMorgan Chase" or the "Firm"), has announced that James E. Staley, the Chairman of the Firm's Corporate & Investment Bank, will be leaving the Firm to join BlueMountain Capital Management as a Managing Partner and Member of its Management Committee.

Item 8.01 Other Events.

The Firm and a number of other financial institutions have entered into a settlement agreement with the Office of the Comptroller of the Currency and the Board of Governors of the Federal Reserve System providing for the termination of the Independent Foreclosure Review programs that had been required under the Consent Orders with such banking regulators relating to each bank's residential mortgage servicing, foreclosure and loss-mitigation activities. Under this settlement, the Firm will make a cash payment of $753 million into a settlement fund for distribution to qualified borrowers . The Firm has also committed an additional $1.2 billion to foreclosure prevention actions under the settlement, which will be fulfilled through credits given to the Firm under the framework established by the global settlement previously entered into with certain federal and state government agencies. The Firm expects to incur a charge of approximately $700 million (pretax) in the fourth quarter of 2012 related to the Independent Foreclosure Review settlement. The Firm will report its fourth quarter 2012 results on January 16, 2013.

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the current beliefs and expectations of JPMorgan Chase's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. JPMorgan Chase does not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

JPMorgan Chase & Co.
(Registrant)

By: /s/ Anthony J. Horan
Anthony J. Horan

Corporate Secretary

Dated: January 9, 2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Samuel A. Ramirez & Co., Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 120 N. LaSalle St. Suite 1110
Chicago, IL 60602

C. Telephone: 312.630.2004 Fax: 312.630.2005 Email: phil.culpepper@ramirezco.com

D. Name of contact person: Phil Culpepper

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[x] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Samuel A. Ramirez, Sr.	President/CEO
Daniel Keating	Chief Operating Officer
Dominick Quartuccio	Corporate Secretary
John Kick	Chief Financial Officer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Samuel Ramirez Sr.; 61 Broadway, Suite 2924, New York, NY 10006; 51.45%		
Samuel Ramirez Jr.; 61 Broadway, Suite 2924, New York, NY 10006; 25.31%		
Daniel Keating; 61 Broadway, Suite 2924, New York, NY 10006; 9.19%		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):
NA

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe, Chicago IL 60603		est. $101,250 Attorney
McGaugh Law Group,LLC	233 South Wacker Drive, Suite 5450, Chicago, IL 60606		est. $43,425 Attorney

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V – CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NA

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NA

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NA

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

NA

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

x 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[x] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[x] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[x] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [x] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Samuel A. Ramirez & Co., Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Phil Culpepper
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-10-13,
at Cook County, Illinois (state).

Melanie Castellanos Notary Public.

Commission expires: 9-28-16.

OFFICIAL SEAL
MELANIE CASTELLANOS
Notary Public - State of Illinois
My Commission Expires Sep 28, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Siebert Brandford Shank & Co.,L.L.C.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 222 West Adams Street, Suite 520
Chicago, IL 60606

C. Telephone: 312-759-0400 Fax: 312-759-0109 Email: ecoolidge@sbsco.com

D. Name of contact person: Elizabeth Coolidge

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Napoleon Brandford, III	Chairman
Suzanne Shank	President and CEO
Muriel Siebert	Secretary

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Muriel Siebert & Co.,	885 Third Ave., NY, NY 10222	49%
Suzanne Shank,	535 Griswold Street, Suite 2250, Detroit, MI 48226	25.5%
Napoleon Brandford, III	1999 Harrison Street, Oakland, CA 94612	25.5%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP, Attorney	55 E Monroe Street, Chicago, IL 60603		est.$101,250
McGaugh Law Group, LLC, Attorney	233 S Wacker Dr., Ste. 5450, Chicago, IL 60606		est. $43,425

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Siebert Brandford Shank & Co., L.L.C.
(Print or type name of Disclosing Party)

By: Elizabeth Coolidge
(Sign here)

Elizabeth Coolidge
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) Jan 14, 2013,
at Cook County, Illinois (state).

Susana Chaparro Notary Public.

Commission expires: October 04, 2015.

SUSANA CHAPARRO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
October 04, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[X] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Elizabeth Coolidge, Managing Director with Siebert Brandford Shank & Co., L.L.C. is the daughter of Mart Joyce Gallagher, Executive Director of the Department of Family and Support Services.

Siebert Brandford Shank & Co., L.L.C.

535 Griswold Street
Suite 2250
Detroit, MI 48226
313.496.4500

CORPORATE RESOLUTION – AUTHORIZATION

I, Suzanne Shank, President and Chief Executive Officer of Siebert Brandford Shank & Co., L.L.C. ("the Company"), an entity lawfully organized and existing under the laws of Delaware, do hereby certify that the following is a true and correct copy of a resolution adopted on the 10th day of March, 1997 by the governing body of the Company, in accordance with all of its documents of governance and management and the laws of Delaware and further certify that such resolution has not been modified, rescinded or revoked, and is at present in full force and effect.

RESOLVED, that the proper officers of the Company be, and each of them hereby is, severally authorized, empowered, and directed to perform or to cause to be performed, in the name and on behalf of the Company or otherwise; such other acts under the corporate seal of the Company or otherwise as they or any of them shall deem necessary, appropriate or desirable, in order to fully effectuate the intent of the foregoing resolutions;

RESOLVED, that any and all acts taken or to be taken by any authorized officer of the Company or by any person or persons designated and authorized to act by any authorized officer of the Company, pursuant to and consistent with the authorizations embodied herein be, and they each hereby are, in all respects severally approved, ratified, confirmed and adopted as acts in the name and on behalf of the company.

IN WITNESS WHEREOF, the undersigned has executed this certificate this 25th of April 2011.

Suzanne Shank

Name: Suzanne Shank
Title: President and Chief Executive Officer

Siebert Brandford Shank & Co., L.L.C.

100 Wall Street, 18th Floor
New York, NY 10005
(646) 775-4850 - Telephone
(646) 576-9680 - Fax

AUTHORIZED OFFICERS

I, Gary Lober, Senior Vice President – Chief Compliance Officer of Siebert Brandford Shank & Co., L.L.C. ("the Company"), an entity lawfully organized and existing under the laws of Delaware, do hereby certify that the following is a true and correct list of authorized officers of the Company.

Robert Baynes, SVP - NY
Napoleon Brandford, III, Chairman - Oakland
John Carter, Managing Director - NY
Elizabeth Coolidge, Managing Director - Chicago
Thomas Corcoran, SVP - NY
Levi Davis, Senior Managing Director - Dallas
Tristram Deery, SVP - NY
Daniel Diaz, Controller - NY
Erlinda Cortez Dimas, SVP – San Antonio
Sean Duffy, Managing Director - NY
Harold Durk, SVP - Oakland
Gary Gayton, SVP – Seattle
Gary Lober, SVP, Chief Compliance Officer
Laura Gruen, SVP – New York
Andrew Kearney, SVP - Oakland
Jonathan Kirn, Managing Director - DC
Nic Malas, Managing Director - NY
John McLean, Managing Director - NY
B.C. Monk, SVP – Los Angeles
Tim Muller, Managing Director - NY
Joseph Ramos, CFO - NY
Scott Rubinstein, Vice President - NY
Suzanne Shank, President & CEO - NY
Nick Sotell, Managing Director - NY
Theodore Spencer, SVP - Oakland
Stephen Stern, Managing Director - NY
Sherman Swanson, Managing Director - Oakland
William Thompson, Sr. Mng. Dir. & CAO – NY
David Thomson, Managing Director - Seattle
Dawn Turner, SVP – Los Angeles
Sean Werdlow, Managing Director - Detroit
Jonathan White, Managing Director - NY
Martin Wiesheier, SVP - Oakland
Peter Wong, Managing Director - Oakland
John Zurlo, Managing Director - NY

IN WITNESS WHEREOF, the undersigned has executed this certificate this 26th day of August, 2011.

Name: Gary Lober
Title: Sr. Vice President – Chief Compliance Officer

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Muriel Siebert & Co.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Siebert Brandford Shank & Co., L.L.C.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 885 Third Avenue, Suite 1720
New York, NY 10022

C. Telephone: 212-644-2418 Fax: 212-644-2784 Email: msiebert@siebertnet.com

D. Name of contact person: Joseph M. Ramos, Jr.

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Exhibit 1	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Siebert Financial Corporation	885 Third Ave., Suite 1720 New York, NY 10022	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below: N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Muriel Siebert & Co.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Joseph Ramos
(Print or type name of person signing)

Chief Financial Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) JAN 14, 2013
at New York County, N.Y. (state).

Ronald R. Bono Notary Public.

Commission expires: 11-19-2015

RONALD R. BONO
Notary Public, State of New York
No. 01B06178149
Qualified in New York City County
Commission Expires 11/19/2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Exhibit 1

Muriel F. Siebert	President, Chairwoman and Chief Executive Officer
Joseph M. Ramos, Jr.	Executive V. P. and Chief Financial Officer

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Siebert Financial Corporation

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Siebert Brandford Shank & Co., L.L.C.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 885 Third Ave, Suite 1720
New York, NY 10022

C. Telephone: 212-644-2418 Fax: 212-644-2784 Email: msiebert@siebertnet.com

D. Name of contact person: Joseph M Ramos, Jr.

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Exhibit 1	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Muriel Siebert*	885 Third Ave., Suite 1720 New York, NY 10022	90%

*Siebert Financial Corporation is a publicly traded company of which Muriel Siebert personally owns 90% of the stock. The remainder is publicly traded.

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below: N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Siebert Financial Corporation
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Joseph Ramos
(Print or type name of person signing)

Chief Financial Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) Jan 14, 2013,
at New York County, N.Y. (state).

Ronald R. Bono Notary Public.

Commission expires: 11-19-2015

RONALD R. BONO
Notary Public, State of New York
No. 01B06178149
Qualified in New York City County
Commission Expires 11/19/2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

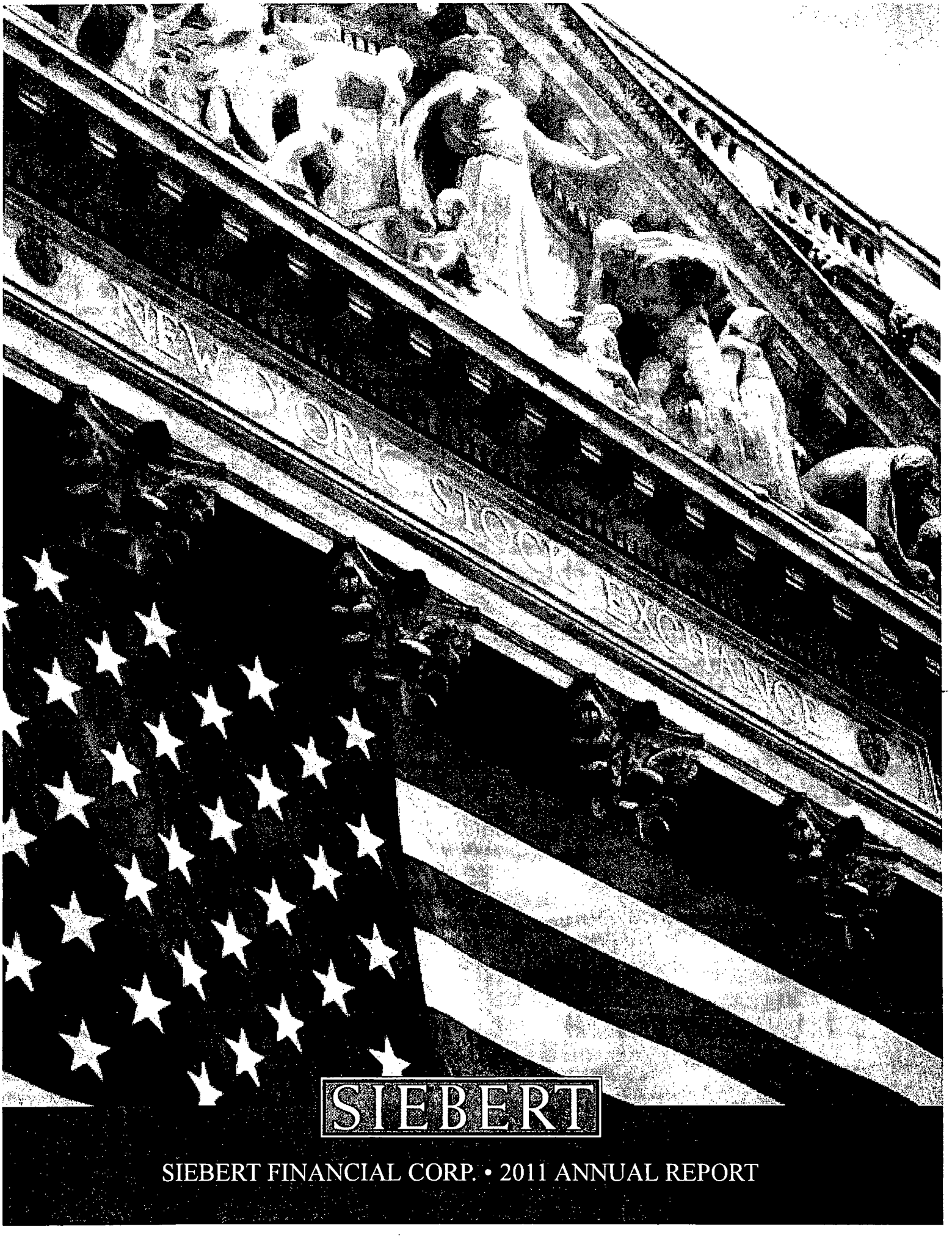
_____

_____

_____

Exhibit 1

Muriel F. Siebert	President, Chairwoman and Chief Executive Officer
Ameen Esmail	Executive V. P. and Director of Business Development
Joseph M. Ramos, Jr.	Executive V. P. and Chief Financial Officer
Jeanne Rosendale	Executive V. P. and General Counsel
Timothy O'Leary	Executive Vice President
Daniel Iesu	Secretary



SIEBERT

SIEBERT FINANCIAL CORP. • 2011 ANNUAL REPORT

SIEBERT

SIEBERT FINANCIAL CORP.

Stability, Quality and Value

For more than 40 years, the Siebert name has stood for integrity, innovation and customer service in the financial services industry. Founded in 1969 by Muriel Siebert, who in 1967 became the first woman member of the New York Stock Exchange, our firm became a discount broker on May 1, 1975, the first day NYSE members were allowed to negotiate commissions. Ms. Siebert, along with a few other pioneers, made front-page history that day. Siebert was also one of the earliest providers of online brokerage services.

In 1977, Ms. Siebert was named New York State's Superintendent of Banks with responsibility for the safety and soundness of banks and other state chartered financial institutions, at the time the highest position in banking supervision or regulation ever achieved by a woman. This required that she place the firm in a blind trust for five years. During these years as a regulator, she experienced first-hand the considerable responsibility involved in protecting other people's money. When she returned to her firm, that experience became the standard by which we do business at Siebert.

Our firm is characterized by conservative business principles and a policy of putting safety first, building solid relationships with corporate, institutional and retail clients through exceptional personal service and proven performance. At Siebert, our mission is the pursuit and delivery of value – both for shareholders and clients. We drive growth by playing to our strengths in select areas of activity, while making continual advancements in our approach to take advantage of ever-evolving opportunities in the brokerage and capital markets areas.

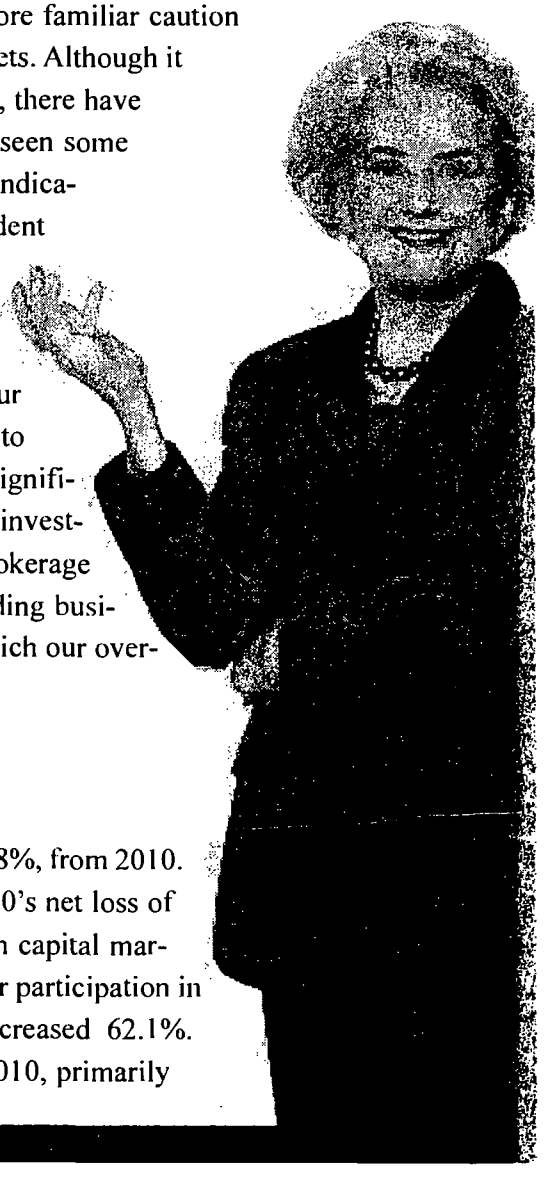
Cover photo printed with permission of New York Stock Exchange.

May 2012

Dear Fellow Shareholders:

If there is one word that describes the state of the financial markets in 2011, it is volatility. Even as the economy in the U.S. seemed to be recovering slowly, 2011's markets rose and fell precipitously, driven by anxieties about the euro zone sovereign debt crisis, the downgrade of the United States' credit rating and its gridlocked political process, Japan's tsunami and nuclear disaster and other forces over which we had no influence. Our Company's historically conservative customer was understandably apprehensive about the level of uncertainty in the markets and the economy, both at home and abroad. While we believe our retail clients' underlying commitment to the value and wisdom of investing in the financial markets remains strong, last year's dizzying price swings on top of the unprecedented economic events of the last four years have led some to stay on the sidelines awaiting a greater degree of market and economic stability.

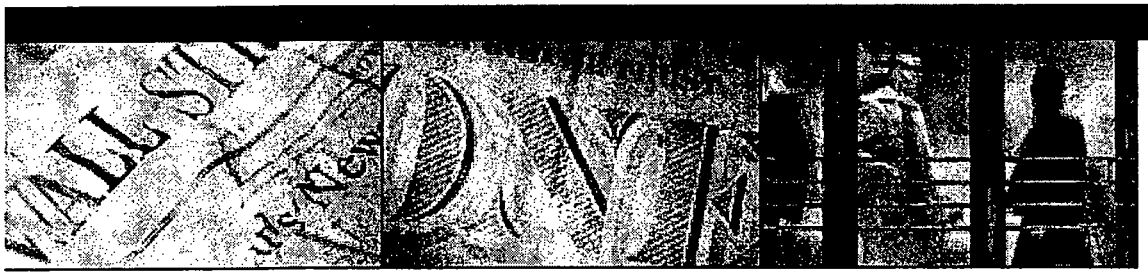
Fortunately, as we see it early in 2012, the perspective among investors may be shifting – from a loss of confidence fueled by an unprecedented global financial crisis to a more familiar caution related to the strength and sustainability of the recovering financial markets. Although it is not possible to predict when a more stable environment will take hold, there have been some encouraging signs. In the first quarter of this year, we have seen some growth in revenues from increased retail trading, which we take as an indication that some of our customers are beginning to become more confident about the markets' prospects for the future.



Throughout the year, we continued to streamline operations to be in line with existing economic conditions and maintained and improved upon our technological platform and our customer-focused policies and services to ensure that our retail brokerage offering remains strong. And we made significant progress in the other major revenue producing area of business – investment banking. This combination of continual refinement of our core brokerage business and growth in our corporate underwriting and institutional trading businesses has allowed us to make meaningful progress even in a year in which our overall results were disappointing.

Financial Performance

Total revenues for 2011 were $20.2 million, a decrease of $571,000, or 2.8%, from 2010. The net loss was $5.379 million, or $0.24 per share, compared with 2010's net loss of $2.64 million, or $0.12 per share. Reflecting our Company's strength in capital markets, investment banking revenues increased 69.8% over 2010, due to our participation in more new debt and equity issues, and associated trading profits increased 62.1%. Commission and fee income declined by $2.8 million compared with 2010, primarily



because in 2010 our income was increased by the one-time receipt of $3 million as a result of signing a new three year fully-disclosed clearing agreement with our primary clearing firm. Among reasons for the net loss were a $1 million provision related to the settlement of litigation and, separately, substantial professional expenses, predominantly legal fees resulting from an as yet-unresolved arbitration proceeding begun by a former employee following the termination of his employment. We believe this action against us is without merit, but the costs of defense have adversely affected the Company's results.

We continue to reap the benefits of a conservative approach to our business. Our balance sheet remains strong with no debt. Sixty percent of our firm's assets are highly liquid, in cash or cash equivalents. With our working capital invested primarily in money market funds, our liquidity has not been materially affected. We have no investments in collateralized debt obligations, exotic derivatives or structured products. As of December 31, 2011, our net capital was more than 71 times greater than our required regulatory minimum.

Business Unit Highlights

As has been the case throughout the economic downturn, in 2011 we continued to have bright spots to report.

Retail Brokerage Services – On the retail brokerage side last year, we continued to strive for improvement, even in the most basic areas. For example, we upgraded monthly statements to make them more concise and easier to understand, with key information displayed in a comprehensive, at-a-glance format with enhanced charts and tables. We also introduced new self-service functionality allowing clients to update their mailing addresses and phone numbers online should they so desire.

In this era of smart phones and tablets, our focus for much of the year was on development of new online platforms for 2012. We worked closely with National Financial Services LLC, our clearing firm, on plans to launch new mobile applications and a revised SiebertNet.com Web site for retail clients. The mobile applications for iPhones, Androids and other Web-enabled phones were recently introduced and the Web site is expected to be launched in early May 2012.

Our policy on negotiating pricing and margin interest rates; the high level of excess-SIPC protection we offer in concert with our clearing firm; our ability to provide clients with select fixed-income offerings; and our choice not to affiliate with a market maker or take positions against customer orders continue to differentiate us from our competitors. In 2011, these efforts underscored our com-

mitment to maintaining our status as a client-focused, boutique discount brokerage firm providing self-directed retail investors with exceptional personal service, security, stability, a wide array of investment products and extensive online third-party research and analytic tools.

Siebert Capital Markets – The Siebert Capital Markets (SCM) division provides high-quality brokerage services to institutional clients and investment banking services to corporations. Backed by the latest information, technology and systems, our traders and investment bankers offer value-added services to some of the nation's largest investment managers, corporations and public retirement systems. In 2011, the division continued to expand its business, acting as co-manager or underwriter in approximately $80 billion of global debt and equity offerings. As a result of our status as a woman-owned business enterprise, we are often chosen to underwrite transactions by issuers that have diversity initiatives. SCM participated in debt and equity transactions for dozens of U.S. companies in 2011, including Ally Financial Inc., AT&T Inc., MetLife, Inc., The Goldman Sachs Group, Inc., Lowe's Companies, Inc., Time Warner Inc., and Verizon Communications Inc., to name a few. As our underwriting activity grows, Siebert retail clients have ever-increasing access to new-issue products. The division continued to add seasoned professionals during the year to grow its business. On the institutional brokerage side, the trading department bolstered its electronic execution capabilities and continued to demonstrate that specialized broker-dealers, regardless of size, can achieve superior results in executing share repurchase programs. Our Fortune-rated clients value our proven ability to expertly facilitate their rule 10b-18 and 10b5-1 trading plans.

Municipal Underwriting – Despite the fact that 2011 was the weakest year in the last ten for negotiated municipal bond issuance, our Company's 49 percent-owned affiliate Siebert Brandford Shank & Co., L.L.C. (SBS) continued to be a market leader in what was a smaller universe of offerings, once again ranking among the nation's top ten senior-managing underwriters of negotiated municipal new issues. SBS has been the top-ranked minority/woman-owned municipal bond underwriter since 1998, and its ongoing presence as one of the top ten among the total universe of all such underwriters is unique.*

Providing municipal underwriting and financial advisory services to state and local governments across the country, SBS in 2011 senior-managed over $5.8 billion in municipal financings and co-managed over $7.4 billion. It had Member's Capital of approximately $16.8 million at the end of 2011. Income from our equity investment in the firm was $8,000 compared with $4.1 million in 2010, due to the sharp decline in the number of municipalities offering bonds and the expiration of the Build America Bonds program.

*Thomson Reuters and Securities Data Corporation: January 2012

Optimism

As 2012 unfolds, we are encouraged that, in very challenging times, our Company has continued to make progress, although we are disappointed that our financial results do not yet reflect these developments. However, the commitment and dedication of our people throughout our organization during this period is something we can be proud of.

We steered clear of the exotic financial instruments that helped bring about the global financial crisis (and the demise of some big participants in our industry) four years ago. The conservative business principles that are the foundation of our strategy remain valid and fundamental to our approach. Initiatives and ventures we have embarked upon over the years are prospering, growing and contributing to the bottom line. Like many in the financial services industry, we face challenges in a changed landscape. We are working to meet them.

As a Company, we believe in the financial services industry, in the long-term value of investing and in the resilience and wealth-creation potential of the markets. In 2008, the excesses of many years took their toll on the global financial system. It may take more time for the fallout from the meltdown to fully resolve. There may be setbacks as we move forward. But we are encouraged, as American consumers, corporations and small businesses reemerge and work to reignite the economy. We have faith in their unwavering optimism and aspiration. If the last recession came from the top down, this recovery may well come from the bottom up.

Our Company remains grateful for the hard work of our employees, the loyalty of our clients and customers, and the confidence of our shareholders.

Thank you for your support,

Muriel Siebert

Muriel Siebert
Chairwoman and Chief Executive Officer

P.S. We encourage all shareholders to take advantage of the Shareholder Discount Program through which holders of at least 100 Siebert shares can receive five commission-free trades per year plus a special shareholder commission discount. For specific details, contact James Burzynski, Manager, New Accounts, at 800-872-0711 and identify yourself as a shareholder. The New Accounts Department is open from 7:30 a.m. to 7:30 p.m. ET, Monday – Friday.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended: December 31, 2011

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from_____to_____

Commission file number 0-5703

Siebert Financial Corp.

(Exact name of registrant as specified in its charter)

New York	**11-1796714**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
885 Third Avenue, New York, New York	**10022**
(Address of principal executive offices)	**(Zip Code)**

(212) 644-2400
Registrant's telephone number

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Name of each exchange on which registered
COMMON STOCK, PAR VALUE $.01 PER SHARE	**THE NASDAQ CAPITAL MARKET**

Securities registered under Section 12(g) of the Exchange Act:

NONE
(Title of class)

Indicate by check mark if the registrant is a well- known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☐ NO ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES ☐ NO ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES ☒ NO ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

The aggregate market value of the Common Stock held by non-affiliates of the registrant (based upon the last sale price of the Common Stock reported on the NASDAQ Capital Market as of the last business day of the registrant's most recently completed second fiscal quarter (June 30, 2011)), was $3,641,491.

The number of shares of the registrant's outstanding Common Stock, as of March 13, 2012, was 22,103,176 shares.

Documents Incorporated by Reference: Definitive Proxy Statement to be filed pursuant to Regulation 14A of the Exchange Act on or before April 29, 2012 is incorporated by reference into Part III.

Special Note Regarding Forward-Looking Statements

Statements in this Annual Report on Form 10-K, as well as oral statements that may be made by the Company or by officers, directors or employees of the Company acting on the Company's behalf, that are not statements of historical or current fact constitute "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward looking statements involve risks and uncertainties and known and unknown factors that could cause the actual results of the Company to be materially different from historical results or from any future results expressed or implied by such forward looking statements, including without limitation: changes in general economic and market conditions; changes and prospects for changes in interest rates; fluctuations in volume and prices of securities; demand for brokerage and investment banking services; competition within and without the discount brokerage business, including the offer of broader services; competition from electronic discount brokerage firms offering greater discounts on commissions than the Company; the prevalence of a flat fee environment; decline in participation in corporate or municipal finance underwritings; limited trading opportunities; the method of placing trades by the Company's customers; computer and telephone system failures; the level of spending by the Company on advertising and promotion; trading errors and the possibility of losses from customer non-payment of amounts due; other increases in expenses and changes in net capital or other regulatory requirements. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date when such statements were made or to reflect the occurrence of unanticipated events. An investment in us involves various risks, including those mentioned above and those which are detailed from time to time in our Securities and Exchange Commission filings.

PART I

Item 1. BUSINESS

General

Siebert Financial Corp. is a holding company that conducts its retail discount brokerage and investment banking business through its wholly-owned subsidiary, Muriel Siebert & Co., Inc., a Delaware corporation. Muriel F. Siebert, the first woman member of the New York Stock Exchange, is our Chairwoman, Chief Executive Officer and President and owns approximately 90% of our outstanding common stock, par value $.01 per share (the "Common Stock"). For purposes of this Annual Report, the terms "Siebert," "Company," "we," "us" and "our" refer to Siebert Financial Corp. and its consolidated subsidiaries, unless the context otherwise requires.

Our principal offices are located at 885 Third Avenue, New York, New York 10022, and our phone number is (212) 644-2400. Our Internet address is www.siebertnet.com. Our SEC filings are available through our website at www.siebertnet.com, where you are able to obtain copies of the Company's public filings free of charge. Our Common Stock trades on the NASDAQ Capital Market under the symbol "SIEB".

Business Overview

Siebert's principal activity is providing Internet and traditional discount brokerage and related services to retail investors and, through its wholly owned subsidiary, Siebert Women's Financial Network, Inc. ("WFN"), providing products, services and information devoted to women's financial needs. Through its Capital Markets division, Siebert also offers institutional clients equity execution services on an agency basis, as well as equity and fixed income underwriting and investment banking services. We believe that we are the largest Woman-Owned Business Enterprise ("WBE") in the capital markets business in the United States. In addition, Siebert, Brandford, Shank & Co., L.L.C. ("SBS"), a company in which Siebert holds a 49% ownership interest, is the largest Minority and Women's Business Enterprise ("MWBE") in the tax-exempt underwriting business in the United States.

The Retail Division

Discount Brokerage and Related Services. Siebert became a discount broker on May 1, 1975. Siebert believes that it has been in business and a member of The New York Stock Exchange, Inc. (the "NYSE") longer than any other discount broker. In 1998, Siebert began to offer its customers access to their accounts through SiebertNet, its Internet website. Siebert's focus in its discount brokerage business is to serve retail clients seeking a wide selection of quality investment services, including trading through a broker on the telephone, through a wireless device or via the Internet, at commissions that are substantially lower than those of full-commission firms. Siebert clears its securities transactions on a fully disclosed basis through National Financial Services Corp. ("NFS"), a wholly owned subsidiary of Fidelity Investments.

Siebert serves investors who make their own investment decisions. Siebert seeks to assist its customers in their investment decisions by offering a number of value added services, including easy access to account information. Siebert's representatives are available to assist customers with information via toll-free 800 service Monday through Friday between 7:30 a.m. and 7:30 p.m. Eastern Time. Through its SiebertNet, Mobile Broker, inter-active voice recognition and Siebert MarketPhone services, 24-hour access is available to customers.

Independent Retail Execution Services. Siebert and our clearing agent monitor order flow in an effort to ensure that we are getting the best possible trade executions for customers. Siebert does not make markets in securities, nor does it take positions against customer orders.

Siebert's equity orders are routed by its clearing agent in a manner intended to afford its customers the opportunity for price improvement on all orders. The firm also offers customers execution services through various electronic communication networks ("ECNs") for an additional fee. These systems give customers access to numerous ECNs before and after regular market hours. Siebert believes that its over-the counter executions consistently afford its customers the opportunity for price improvement.

Customers may also indicate online interest in buying or selling fixed income securities, including municipal bonds, corporate bonds, mortgage-backed securities, government sponsored enterprises, unit investment trusts or certificates of deposit. These transactions are serviced by registered representatives.

Retail Customer Service. Siebert believes that superior customer service enhances its ability to compete with larger discount brokerage firms and therefore provides retail customers, at no additional charge, with personal service via toll-free access to dedicated customer support personnel for all of its products and services. Customer service personnel are located in each of Siebert's branch offices. Siebert has retail offices in New York, New York; Jersey City, New Jersey; Boca Raton, and West Palm Beach, Florida; and Beverly Hills, California. Siebert uses a proprietary Customer Relationship Management System that enables representatives, no matter where located, to view a customer's service requests and the response thereto. Siebert's telephone system permits the automatic routing of calls to the next available agent having the appropriate skill set.

Retirement Accounts. Siebert offers customers a variety of self-directed retirement accounts for which it acts as agent on all transactions. Custodial services are provided through an affiliate of NFS, the firm's clearing agent, which also serves as trustee for such accounts. Each IRA, SEP IRA, ROTH IRA, 401(k) and KEOGH account can be invested in mutual funds, stocks, bonds and other investments in a consolidated account.

Customer Financing. Customers margin accounts are carried through Siebert's clearing agent which lends customers a portion of the market value of certain securities held in the customer's account. Margin loans are collateralized by these securities. Customers also may sell securities short in a margin account, subject to minimum equity and applicable margin requirements, and the availability of such securities to be borrowed. In permitting customers to engage in margin, short sale or any other transaction, Siebert assumes the risk of its customers' failure to meet their obligations in the event of adverse changes in the market value of the securities positions. Both Siebert and its clearing agents reserve the right to set margin requirements higher than those established by the Federal Reserve Board.

Siebert has established policies with respect to maximum purchase commitments for new customers or customers with inadequate collateral to support a requested purchase. Managers have some flexibility in the allowance of certain transactions. When transactions occur outside normal guidelines, Siebert monitors accounts closely until their payment obligations are completed; if the customer does not meet the commitment, Siebert takes steps to close out the position and minimize any loss. Siebert has not had significant credit losses in the last five years.

Information and Communications Systems. Siebert relies heavily on the data technology platform provided by its clearing agent, NFS LLC ("NFS"). This platform offers an interface to NFS' main frame computing system where all customer account records are kept and is accessible by Siebert's network. Siebert's systems also utilize browser based access and other types of data communications. Siebert's representatives use NFS systems, by way of Siebert's technology platform, to perform daily operational functions which include trade entry, trade reporting, clearing related activities, risk management and account maintenance.

Siebert's data technology platform offers services used in direct relation to customer related activities as well as support for corporate use. Some of these services include email and messaging, market data systems and third party trading systems, business productivity tools and customer relationship management systems. Siebert's branch offices are connected to the main offices in New York, New York and Jersey City, New Jersey via a virtual private network. Siebert's data network is designed with redundancy in case a significant business disruption occurs.

Siebert's voice network offers a call center feature that can route and queue calls for certain departments within the organization. Additionally, the systems call manager offers reporting and tracking features which enable staff to determine how calls are being managed, such as time on hold, call duration and total calls by agent.

To ensure reliability and to conform to regulatory requirements related to business continuity, Siebert maintains backup systems and backup data. However, in the event of a wide-spread disruption, such as a massive natural disaster, Siebert's ability to satisfy the obligations to customers and other securities firms could be significantly hampered or completely disrupted. For more information regarding Siebert's Business Continuity Plan, please visit our website at www.siebertnet.com or write to us at Muriel Siebert & Co., Inc., Compliance Department, 885 Third Avenue, Suite 1720, New York, NY 10022.

Our website has design, navigation, and functionality features such as:

- Informative trading screens: Customers can stay in touch while trading, double-check balances, positions and order status, see real time quotes, intraday and annual charts and news headlines – automatically – as they place orders.
- Multiple orders: Customers can place as many as 10 orders at one time.
- Tax-lot trading: Our online equity order entry screen allows customers to specify tax lots which display with cost basis and current gain/loss on a real-time positions page.
- Trailing stop orders: Customers can enter an order that trails the market as a percentage of share price or with a flat dollar value and the system will execute their instructions automatically.
- Contingent orders: Customers can place One-Triggers-Two Bracket and One-Cancels-Other Bracket orders.
- Options Wizard and Strategy Builder: Customers can review single and complex options combinations and components of each along with profit/risk potential and impact of time. The Strategy Builder presents real-time debit/credit amounts, potential maximum gain/loss and potential breakeven points by strike price.
- An easy-to-install desktop security program that may be installed to help protect against certain types of online fraud such as "keylogging" and "phishing."

The Capital Markets Division

Siebert's Capital Markets Group ("SCM") division serves as a co-manager, underwriting syndicate member, or selling group member on a wide spectrum of securities offerings for corporations and Federal agencies. The principal activities of the Capital Markets Division are investment banking and institutional equity execution services. SCM provides high-quality brokerage service to both institutional investors and issuers of equity and fixed-income securities.

Siebert, Brandford, Shank & Co., L.L.C.

Muriel Siebert & Co., Inc. ("Siebert") owns 49% of Siebert, Brandford, Shank & Co., L.L.C. ("SBS"). The remaining 51% is owned by Napoleon Brandford III and Suzanne F. Shank. SBS has been serving the public sector and growing the firm since 1996. SBS provides municipal underwriting and financial advisory services to state and local governments across the nation for the funding of education, housing, health services, transportation, utilities, capital facilities, redevelopment and general infrastructure projects, serving important issuers across the nation. SBS has offices across the nation.

Effective April 19, 2005, Siebert Financial Corp. ("SFC") entered into an Operating Agreement with Suzanne Shank and Napoleon Brandford III, the two individual principals (the "Principals") of SBS Financial Products Company, LLC, a Delaware limited liability company ("SBSFPC"). Pursuant to the terms of the Operating Agreement, SFC and each of the Principals made an initial capital contribution of 33.33% initial interest in SBSFPC. SBSFPC engages in derivatives transactions related to the municipal underwriting business.

Certain risks are involved in the underwriting of securities. Underwriting syndicates agree to purchase securities at a discount from the initial public offering price. An underwriter is exposed to losses on the securities that it has committed to purchase if the securities must be sold below the cost to the syndicate. In the last several years, investment banking firms have increasingly underwritten corporate and municipal offerings with fewer syndicate participants or, in some cases, without an underwriting syndicate. In these cases, the underwriter assumes a larger part or all of the risk of an underwriting transaction. Under Federal securities laws, other laws and court decisions, an underwriter is exposed to substantial potential liability for material misstatements or omissions of fact in the prospectus used to describe the securities being offered.

Advertising, Marketing and Promotion

Siebert develops and maintains its retail customer base through printed advertising in financial publications, broadcast commercials over national and local cable TV channels, as well as promotional efforts and public appearances by Ms. Siebert. Additionally, a significant number of the firm's new accounts are developed directly from referrals by satisfied customers.

Competition

Siebert encounters significant competition from full-commission, online and discount brokerage firms, as well as from financial institutions, mutual fund sponsors and other organizations, many of which are significantly larger and better capitalized than Siebert. Although there has been consolidation in the industry in both the online and traditional brokerage business during recent years, Siebert believes that additional competitors such as banks, insurance companies, providers of online financial and information services and others will continue to be attracted to the online brokerage industry. Many of these competitors are larger, more diversified, have greater capital resources, and offer a wider range of services and financial products than Siebert. Some of these firms are offering their services over the Internet and have devoted more resources to and have more elaborate websites than Siebert. Siebert competes with a wide variety of vendors of financial services for the same customers. Siebert believes that its main competitive advantages are high quality customer service, responsiveness, cost and products offered, the breadth of product line and excellent executions.

Regulation

The securities industry in the United States is subject to extensive regulation under both Federal and state laws. The Securities and Exchange Commission ("SEC") is the Federal agency charged with administration of the Federal securities laws. Siebert is registered as a broker-dealer with the SEC, and is a member of the New York Stock Exchange ("NYSE") and the Financial Industry Regulatory Authority ("FINRA"). Much of the regulation of broker-dealers has been delegated to self-regulatory organizations, principally FINRA and national securities exchanges such as the NYSE, which is Siebert's primary regulator with respect to financial and operational compliance. These self-regulatory organizations adopt rules (subject to approval by the SEC) governing the industry and conduct periodic examinations of broker-dealers. Securities firms are also subject to regulation by state securities authorities in the states in which they do business. Siebert is registered as a broker-dealer in 50 states, the District of Columbia and Puerto Rico.

The principal purpose of regulation and discipline of broker-dealers is the protection of customers and the securities markets, rather than protection of creditors and stockholders of broker-dealers. The regulations to which broker-dealers are subject cover all aspects of the securities business, including training of personnel, sales methods, trading practices among broker-dealers, uses and safekeeping of customers' funds and securities, capital structure of securities firms, record keeping, fee arrangements, disclosure to clients, and the conduct of directors, officers and employees. Additional legislation, changes in rules promulgated by the SEC and by self-regulatory organizations or changes in the interpretation or enforcement of existing laws and rules may directly affect the method of operation and profitability of broker-dealers. The SEC, self-regulatory organizations and state securities authorities may conduct administrative proceedings which can result in censure, fine, cease and desist orders or suspension or expulsion of a broker-dealer, its officers or its employees.

As a registered broker-dealer and FINRA member organization, Siebert is required by Federal law to belong to the Securities Investor Protection Corporation ("SIPC") which provides, in the event of the liquidation of a broker-dealer, protection for securities held in customer accounts held by the firm of up to $500,000 per customer, subject to a limitation of $250,000 on claims for cash balances. SIPC is funded through assessments on registered broker-dealers. In addition, Siebert, through its clearing agent, has purchased from private insurers additional account protection in the event of liquidation up to the net asset value, as defined, of each account. Stocks, bonds, mutual funds and money market funds are included at net asset value for purposes of SIPC protection and the additional protection. Neither SIPC protection nor the additional protection insures against fluctuations in the market value of securities.

Siebert is also authorized by the Municipal Securities Rulemaking Board to effect transactions in municipal securities on behalf of its customers and has obtained certain additional registrations with the SEC and state regulatory agencies necessary to permit it to engage in certain other activities incidental to its brokerage business.

Margin lending arranged by Siebert is subject to the margin rules of the Board of Governors of the Federal Reserve System and the NYSE. Under such rules, broker-dealers are limited in the amount they may lend in connection with certain purchases and short sales of securities and are also required to impose certain maintenance requirements on the amount of securities and cash held in margin accounts. In addition, those rules and rules of the Chicago Board Options Exchange govern the amount of margin customers must provide and maintain in writing uncovered options.

Net Capital Requirements

As a registered broker-dealer, Siebert is subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1) (the "Net Capital Rule"), which has also been adopted by the NYSE. The Net Capital Rule specifies minimum net capital requirements for all registered broker-dealers and is designed to measure financial integrity and liquidity. Failure to maintain the required regulatory net capital may subject a firm to suspension or expulsion by the NYSE and FINRA, certain punitive actions by the SEC and other regulatory bodies and, ultimately, may require a firm's liquidation.

Regulatory net capital is defined as net worth (assets minus liabilities), plus qualifying subordinated borrowings, less certain deductions that result from excluding assets that are not readily convertible into cash and from conservatively valuing certain other assets. These deductions include charges that discount the value of security positions held by Siebert to reflect the possibility of adverse changes in market value prior to disposition.

The Net Capital Rule requires notice of equity capital withdrawals to be provided to the SEC prior to and subsequent to withdrawals exceeding certain sizes. The Net Capital Rule also allows the SEC, under limited circumstances, to restrict a broker-dealer from withdrawing equity capital for up to 20 business days. The Net Capital Rule of the NYSE also provides that equity capital may not be drawn or cash dividends paid if resulting net capital would be less than 5 percent of aggregate debits.

Under applicable regulations, Siebert is required to maintain regulatory net capital of at least $250,000. At December 31, 2011 and 2010, Siebert had net capital of $17.8 million and $20.4 million, respectively. Siebert claims exemption from the reserve requirement under Section 15c3-3(k)(2)(ii).

Employees

As of March 14, 2012, we had approximately 62 full-time employees, six of whom were corporate officers. None of our employees is represented by a union, and we believe that relations with our employees are good.

Item 1A. RISK FACTORS

Securities market volatility and other securities industry risk could adversely affect our business

Most of our revenues are derived from our securities brokerage business. Like other businesses operating in the securities industry, our business is directly affected by volatile trading markets, fluctuations in the volume of market activity, economic and political conditions, upward and downward trends in business and finance at large, legislation and regulation affecting the national and international business and financial communities, currency values, inflation, market conditions, the availability and cost of short-term or long-term funding and capital, the credit capacity or perceived credit-worthiness of the securities industry in the marketplace and the level and volatility of interest rates. We also face risks relating to trading losses, losses resulting from the ownership or underwriting of securities, counterparty failure to meet commitments, customer fraud, employee fraud, issuer fraud, errors and misconduct, failures in connection with the processing of securities transactions and litigation. A reduction in our revenues or a loss resulting from our underwriting or ownership of securities or sales or trading of securities could have a material adverse effect on our business, results of operations and financial condition. In addition, as a result of these risks, our revenues and operating results may be subject to significant fluctuations from quarter to quarter and from year to year.

Lower price levels in the securities markets may reduce our profitability.

Lower price levels of securities may result in (i) reduced volumes of securities, options and futures transactions, with a consequent reduction in our commission revenues, and (ii) losses from declines in the market value of securities we held in investment and underwriting positions. In periods of low volume, our levels of profitability are further adversely affected because certain of our expenses remain relatively fixed. Sudden sharp declines in market values of securities and the failure of issuers and counterparties to perform their obligations can result in illiquid markets which, in turn, may result in our having difficulty selling securities. Such negative market conditions, if prolonged, may also lower our revenues from investment banking and other activities. A reduction in our revenues from investment banking or other activities could have a material adverse affect on our business, results of operations and financial condition.

There is intense competition in the brokerage industry.

Siebert encounters significant competition from full-commission, online and other discount brokerage firms, as well as from financial institutions, mutual fund sponsors and other organizations many of which are significantly larger and better capitalized than Siebert. SBS also encounters significant competition from firms engaged in the municipal finance business. Over the past several years, price wars and lower commission rates in the discount brokerage business in general have strengthened our competitors. Siebert believes that such changes in the industry will continue to strengthen existing competitors and attract additional competitors such as banks, insurance companies, providers of online financial and information services, and others. Many of these competitors are larger, more diversified, have greater capital resources, and offer a wider range of services and financial products than Siebert. Siebert competes with a wide variety of vendors of financial services for the same customers. Siebert may not be able to compete effectively with current or future competitors.

Some competitors in the discount brokerage business offer services which we do not, including financial advice and investment management. In addition, some competitors have continued to offer lower flat rate execution fees that are difficult for any conventional discount firm to meet. Industry-wide changes in trading practices are expected to cause continuing pressure on fees earned by discount brokers for the sale of order flow. Many of the flat fee brokers impose charges for services such as mailing, transfers and handling exchanges which Siebert does not and also direct their execution to captive market makers. Continued or increased competition from ultra low cost, flat fee brokers and broader service offerings from other discount brokers could limit our growth or lead to a decline in Siebert's customer base which would adversely affect our business, results of operations and financial condition.

We are subject to extensive government regulation.

Our business is subject to extensive regulation in the United States, at both the Federal and state level. We are also subject to regulation by self–regulatory organizations and other regulatory bodies in the United States, such as the SEC, the NYSE, FINRA and the Municipal Securities Rulemaking Board (the "MSRB"). We are registered as a broker-dealer in 50 states, the District of Columbia and Puerto Rico. The regulations to which we are subject as a broker-dealer cover all aspects of the securities business including: training of personnel, sales methods, trading practices, uses and safe keeping of customers' funds and securities, capital structure, record keeping, fee arrangements, disclosure and the conduct of directors, officers and employees. Failure to comply with any of these laws, rules or regulations, which may be subject to the uncertainties of interpretation, could result in civil penalties, fines, suspension or expulsion and have a material adverse effect on our business, results of operations and financial condition.

The laws, rules and regulations, as well as governmental policies and accounting principles, governing our business and the financial services and banking industries generally have changed significantly over recent years and are expected to continue to do so. We cannot predict which changes in laws, rules, regulations, governmental policies or accounting principles will be adopted. Any changes in the laws, rules, regulations, governmental policies or accounting principles relating to our business could materially and adversely affect our business, results of operations and financial condition.

We are subject to net capital requirements.

The SEC, FINRA, and various other securities and commodities exchanges and other regulatory bodies in the United States have rules with respect to net capital requirements which affect us. These rules have the effect of requiring that at least a substantial portion of a broker-dealer's assets be kept in cash or highly liquid investments. Our compliance with the net capital requirements could limit operations that require intensive use of capital, such as underwriting or trading activities. These rules could also restrict our ability to withdraw our capital, even in circumstances where we have more than the minimum amount of required capital, which, in turn, could limit our ability to implement growth strategies. In addition, a change in such rules, or the imposition of new rules, affecting the scope, coverage, calculation or amount of such net capital requirements, or a significant operating loss or any unusually large charge against net capital, could have similar adverse effects.

Our customers may fail to pay us.

A principal credit risk to which we are exposed on a regular basis is that our customers may fail to pay for their purchases or fail to maintain the minimum required collateral for amounts borrowed against securities positions maintained by them. We cannot assure you that the policies and procedures we have established will be adequate to prevent a significant credit loss.

We face risks relating to our investment banking activities.

Certain risks are involved in the underwriting of securities. Investment banking and underwriting syndicates agree to purchase securities at a discount from the public offering price. If the securities must be sold below the syndicate cost, an underwriter is exposed to losses on the securities that it has committed to purchase. In the last several years, investment banking firms increasingly have underwritten corporate and municipal offerings with fewer syndicate participants or, in some cases, without an underwriting syndicate. In these cases, the underwriter assumes a larger part or all of the risk of an underwriting transaction.

Under Federal securities laws, other laws and court decisions, an underwriter is exposed to substantial potential liability for material misstatements or omissions of fact in the prospectus used to describe the securities being offered. While municipal securities are exempt from the registration requirements of the Securities Act of 1933, underwriters of municipal securities are exposed to substantial potential liability for material misstatements or omissions of fact in the offering documents prepared for these offerings.

An increase in volume on our systems or other events could cause them to malfunction.

During 2011, we received and processed up to 60% of our trade orders electronically. This method of trading is heavily dependent on the integrity of the electronic systems supporting it. While we have never experienced a significant failure of our trading systems, heavy stress placed on our systems during peak trading times could cause our systems to operate at unacceptably low speeds or fail altogether. Any significant degradation or failure of our systems or the systems of third parties involved in the trading process (e.g., online and Internet service providers, record keeping and data processing functions performed by third parties, and third party software), even for a short time, could cause customers to suffer delays in trading. These delays could cause substantial losses for customers and could subject us to claims from these customers for losses. There can be no assurance that our network structure will operate appropriately in the event of a subsystem, component or software failure. In addition, we cannot assure you that we will be able to prevent an extended systems failure in the event of a power or telecommunications failure, an earthquake, terrorist attack, fire or any act of God. Any systems failure that causes interruptions in our operations could have a material adverse effect on our business, financial condition and operating results.

We rely on information processing and communications systems to process and record our transactions.

Our operations rely heavily on information processing and communications systems. Our system for processing securities transactions is highly automated. Failure of our information processing or communications systems for a significant period of time could limit our ability to process a large volume of transactions accurately and rapidly. This could cause us to be unable to satisfy our obligations to customers and other securities firms, and could result in regulatory violations. External events, such as an earthquake, terrorist attack or power failure, loss of external information feeds, such as security price information, as well as internal malfunctions such as those that could occur during the implementation of system modifications, could render part or all of these systems inoperative.

We may not be able to keep up pace with continuing changes in technology.

Our market is characterized by rapidly changing technology. To be successful, we must adapt to this rapidly changing environment by continually improving the performance, features and reliability of our services. We could incur substantial costs if we need to modify our services or infrastructure or adapt our technology to respond to these changes. A delay or failure to address technological advances and developments or an increase in costs resulting from these changes could have a material and adverse effect on our business, financial condition and results of operations.

We depend on our ability to attract and retain key personnel.

Our continued success is principally dependent on our founder, Muriel F. Siebert, Chairwoman, Chief Executive Officer and President, and our senior management. In addition, the continued success of SBS may be dependent on the services of Napoleon Brandford III and Suzanne Shank. The loss of the services of any of these individuals could significantly harm our business, financial condition and operating results.

Our principal shareholder may control many key decisions.

Ms. Muriel F. Siebert currently owns approximately 90% of our outstanding common stock. Ms. Siebert will have the power to elect the entire Board of Directors and, except as otherwise provided by law or our Certificate of Incorporation or by-laws, to approve any action requiring shareholder approval without a shareholders meeting.

There may be no public market for our common stock.

Only approximately 2,200,000 shares, or approximately 10% of our shares outstanding, are currently held by the public. Although our common stock is traded in The NASDAQ Capital Market, there can be no assurance that an active public market will continue.

Item 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

Item 2. PROPERTIES

Siebert currently maintains five retail discount brokerage offices. Customers can visit the offices to obtain market information, place orders, open accounts, deliver and receive checks and securities, and obtain related customer services in person. Nevertheless, most of Siebert's activities are conducted on the Internet or by telephone and mail.

Siebert operates its business out of the following five leased offices:

Location	Approximate Office Area in Square Feet	Expiration Date of Current Lease	Renewal Terms
Corporate Headquarters, Retail and Investment Banking Office			
885 Third Ave. New York, NY 10022	8,514	1/14/13	None
Retail Offices			
9701 Wilshire Boulevard, Suite 1111 Beverly Hills, CA 90212	1,189	Month to Month	None
4400 North Federal Highway Boca Raton, FL 33431	2,438	Month to Month	None
111 Pavonia Avenue[1] Jersey City, NJ 07310	8,141	6/30/12	None
1217 South Flagler Drive, 3rd Floor West Palm Beach, FL 33401	3,000	9/30/12	None

(1) Certain of our administrative and back office functions are performed at this location. We believe that our properties are in good condition and are suitable for our operations.

Item 3. LEGAL PROCEEDINGS

In a prior year, Siebert had been named as one of the defendants in a class action pending in the United States District Court, Southern District of New York. Among other claims, the third amended complaint in the action asserted on behalf of a class of purchases in a public offering of $1,500,000,000, 6.75% Subordinated Notes due 2017 (the "Notes"), issued by Lehman Brothers Holdings, Inc., ("LBHI") and certain smaller issuances of other securities that Siebert and other underwriters of the Notes violated Section 11 of the Securities Act of 1933, and other applicable law in that relevant offering materials were false and misleading. Siebert had purchased $15 million of the Notes and $462,953 of other securities as an underwriter in the offerings. Siebert and other underwriters moved to dismiss the third amended complaint on various grounds. The Court granted in part and denied in part the motion by an order dated July 27, 2011. On November 3, 2011, Siebert and the plaintiffs class agreed to resolve all claims against Siebert in consideration of a $1 million payment by Siebert. The settlement is subject to court approval. As certain defendants did not agree to a settlement, additional liability to the Company is possible. At present, we are uncertain as to the potential liability, if any, in connection with the non-settling defendants.

Siebert is party to certain claims, suits and complaints arising in the ordinary course of business including individual actions related to various offerings of notes by LBHI. In the opinion of management, all such claims, suits and complaints are without merit, or involve amounts which would not have a significant effect on the financial position or results of operations of the Company.

Item 4. MINE SAFETY DISCLOSURES

Not applicable

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock traded on the NASDAQ Global Market until June 29, 2011 when our common stock started trading on the NASDAQ Capital Market, under the symbol "SIEB". The high and low sales prices of our common stock reported by NASDAQ during the following calendar quarters were:

	High	Low
First Quarter - 2010	$ 2.49	$ 2.25
Second Quarter - 2010	$ 2.37	$ 2.12
Third Quarter - 2010	$ 2.20	$ 1.31
Fourth Quarter - 2010	$ 2.49	$ 1.59
First Quarter – 2011	$ 1.99	$ 1.70
Second Quarter – 2011	$ 1.94	$ 1.52
Third Quarter – 2011	$ 1.84	$ 1.26
Fourth Quarter – 2011	$ 1.69	$ 1.32

On March 14, 2012, the closing price of our common stock on the NASDAQ Capital Market was $1.77 per share. There were 130 holders of record of our common stock and more than 1,500 beneficial owners of our common stock on March 14, 2012.

On January 4, 2011, we received notice from The NASDAQ Stock Market stating that for more than 30 consecutive business days, the market value of publicly held shares closed below the minimum $5 million required for continued listing on The NASDAQ Global Market under NASDAQ Rule 5450(b)(1)(C). Market value of publicly held shares is calculated by multiplying the publicly held shares, which is total shares outstanding less any shares held by officers, directors, or beneficial owners of more than 10%, by the closing bid price. Ms. Muriel F. Siebert owns approximately 90% of our outstanding common stock. The value of shares beneficially owned by Ms. Siebert, and the value of shares beneficially owned by other officers and directors of the Company, is therefore excluded from the market value of publicly held shares of the Company.

NASDAQ Rule 5810(c)(3)(D) provided the Company a grace period of 180 calendar days, or until July 5, 2011, to regain compliance with The NASDAQ Stock Market requirement. As the market value of publicly held shares did not reach the required value during the grace period, our common stock was transferred to the NASDAQ Capital Market on June 29, 2011.

Dividend Policy

Our Board of Directors periodically considers whether to declare dividends. In considering whether to pay such dividends, our Board of Directors will review our earnings capital requirements, economic forecasts and such other factors as are deemed relevant. Some portion of our earnings will be retained to provide capital for the operation and expansion of our business.

Issuer Purchases Of Equity Securities

On January 23, 2008, our Board of Directors authorized the repurchase of up to 300,000 shares of our common stock. We will purchase shares from time to time, in our discretion, in the open market and in private transactions. We purchased 1,018 shares at an average price of $1.51 in the fourth quarter of 2011.

A summary of our repurchase activity for the three months ended December 31, 2011 is as follows:

Period	Total Number Of Shares Purchased	Average Price Paid Per Share	Cumulative Number of Shares Purchased as Part of Publicly Announced Plans	Maximum Number of Shares That May Yet Be Purchased Under The Plan
October 2011	231	$ 1.62	107,977	192,023
November 2011	—	$ —	107,977	192,023
December 2011	787	$ 1.47	108,764	191,236
Total	1,018	$ 1.51	108,764	191,236

Equity Compensation Plan Information

The following table sets forth information as of December 31, 2011 with respect to our equity compensation plans.

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Securities remaining available for issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders[1]	1,228,200	$ 3.88	1,700,000
Equity compensation plans not approved by security holders[2]	41,400	—	—
Total	1,269,600	$ 3.88	1,700,000

(1) Consists of our 2007 Long-Term Incentive Plan.

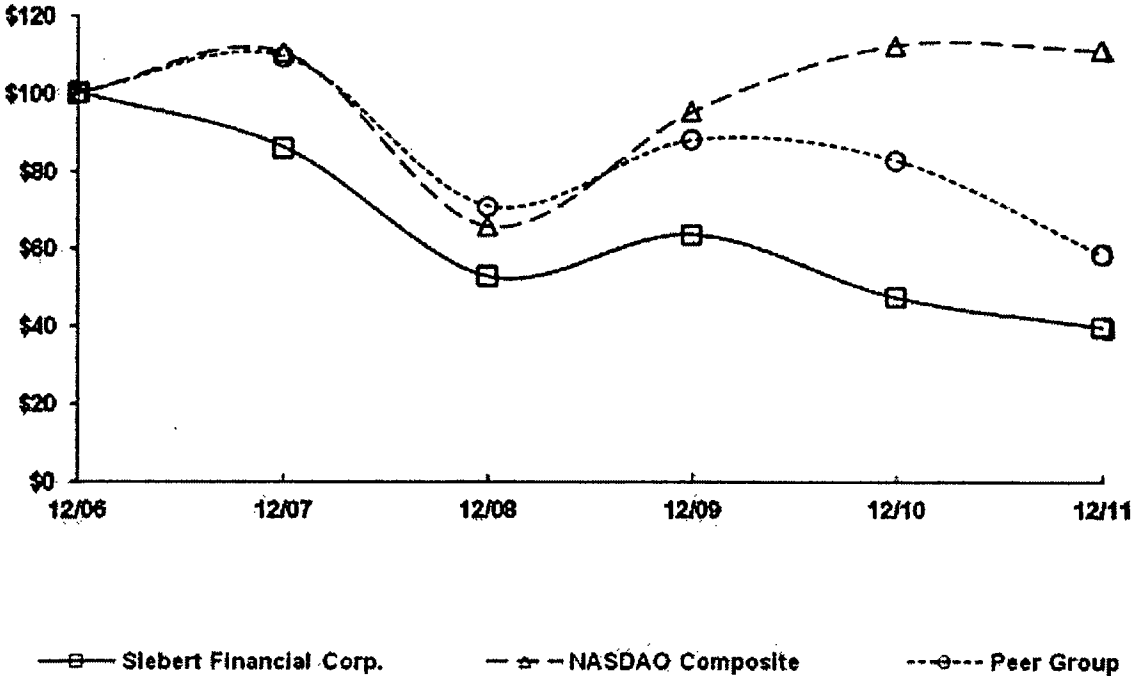
(2) Consists of our 1998 Restricted Stock Award Plan.

Material Terms of the 1998 Restricted Stock Award Plan

Our 1998 Restricted Stock Award Plan provides for awards to key employees of not more than an aggregate of 60,000 shares of our common stock, subject to adjustments for stock splits, stock dividends and other changes in our capitalization, to be issued either immediately after the award or at a future date. As of December 31, 2011, 41,400 shares of our common stock under the Restricted Stock Award Plan had been awarded and were outstanding. As provided in the plan and subject to restrictions, shares awarded may not be disposed of by the recipients for a period of one year from the date of the award. Cash dividends on shares awarded are held by us for the benefit of the recipients, subject to the same restrictions as the award. These dividends, without interest, are paid to the recipients upon lapse of the restrictions.

Our Performance: The graph below compares our performance from December 31, 2006 through December 31, 2011 against the performance of the NASDAQ Composite Index and a peer group. The peer group consists of A.B. Watley Group Inc., Ameritrade Holding Corporation, E*Trade Financial Corporation and The Charles Schwab Corporation.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*
Among Siebert Financial Corp., the NASDAQ Composite Index, and a Peer Group



*$100 invested on 12/31/06 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

Item 6. SELECTED FINANCIAL DATA

(In thousands except share and per share data)

The Following Selected Financial Information Should Be Read In Conjunction With Our Consolidated Financial Statements And The Related Notes Thereto.

	2011	2010	2009	2008	2007
Income statement data:					
Total Revenues	$ 20,199	$ 20,770	$ 25,390	$ 29,750	$ 31,890
Net (loss) income	$ (5,379)	$ (2,640)	$ (1,183)	$ (1,760)	$ 2,258
Net (loss) income per share of common stock					
Basic	$ (0.24)	$ (0.12)	$ (0.05)	$ (0.08)	$ 0.10
Diluted	$ (0.24)	$ (0.12)	$ (0.05)	$ (0.08)	$ 0.10
Weighted average shares outstanding (basic)	22,114,121	22,167,218	22,193,845	22,208,372	22,206,346
Weighted average shares outstanding (diluted)	22,114,121	22,167,218	22,193,845	22,208,372	22,273,550
Statement of financial condition data (at year- end):					
Total assets	$ 34,823	$ 40,103	$ 44,083	$ 45,579	$ 47,924
Total liabilities excluding subordinated borrowings	$ 3,599	$ 3,477	$ 4,695	$ 4,995	$ 5,704
Stockholders' equity	$ 31,224	$ 36,626	$ 39,388	$ 40,584	$ 42,220
Cash dividends declared on common shares (1)	$ 0	$ 0	$ 0	$ 466	$ 559

(1) The Chief Executive Officer of the Company waived the right to receive the dividend in excess of the aggregate amount paid to other shareholders

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion should be read in conjunction with our audited Consolidated Financial Statements and the Notes thereto contained elsewhere in this Annual Report.

Our working capital is invested primarily in money market funds, so that liquidity has not been materially affected. The crisis did have the effect of reducing participation in the securities market by our retail and institutional customers, which has had an adverse effect on our revenues. Income of our affiliate, Siebert, Brandford, Shank & Co., L.L.C. ("SBS"), decreased in 2011 to $17,000 as a result of a sharp decline in the number of offerings by municipalities due to investor concerns over defaults by municipalities at the state and local level and the expiration of the Build America Bonds program. As a result, the Company's income from SBS decreased in 2011 to $8,000. The Company's expenses during 2011, 2010 and 2009 include the costs of an arbitration proceeding commenced by a former employee following the termination of his employment, which remains unresolved. The Company believes that the action is without merit, but the costs of defense, which are included as professional expenses, have adversely affected the Company's results of operations and may continue to affect the results of operations until the action is completed. Competition in the brokerage industry remains intense.

The following table sets forth certain metrics as of December 31, 2011 and 2010 and for the twelve months ended December 31, 2011 and 2010, respectively, which we use in evaluating our business.

Retail Customer Activity:	For the Twelve Months ended December 31, 2011	2010
Total retail trades:	423,501	414,485
Average commission per retail trade:	$ 20.71	$ 20.92

	As of December 31, 2011	2010
Retail customer balances:		
Retail customer net worth (in billions):	$ 6.3	$ 6.7
Retail customer money market fund value (in billions):	$ 1.0	$ 1.0
Retail customer margin debit balances (in millions):	$ 243.5	$ 204.8
Retail customer accounts with positions:	44,834	49,296

Description:

- Total retail trades represents retail trades that generate commissions.
- Average commission per retail trade represents the average commission generated for all types of retail customer trades.
- Retail customer net worth represents the total value of securities and cash in the retail customer accounts before deducting margin debits.
- Retail customer money market fund value represents all retail customers accounts invested in money market funds.
- Retail customer margin debit balances represents credit extended to our customers to finance their purchases against current positions.
- Retail customer accounts with positions represents retail customers with cash and/or securities in their accounts.

We, like other securities firms, are directly affected by general economic and market conditions including fluctuations in volume and prices of securities, changes and the prospect of changes in interest rates, and demand for brokerage and investment banking services, all of which can affect our profitability. In addition, in periods of reduced financial market activity, profitability is likely to be adversely affected because certain expenses remain relatively fixed, including salaries and related costs, portions of communications costs and occupancy expenses. Accordingly, earnings for any period should not be considered representative of earnings to be expected for any other period.

Competition continues to intensify among all types of brokerage firms, including established discount brokers and new firms entering the on-line brokerage business. Electronic trading continues to account for an increasing amount of trading activity, with some firms charging very low trading execution fees that are difficult for any conventional discount firm to meet. Some of these brokers, however, impose asset based charges for services such as mailing, transfers and handling exchanges which we do not currently impose, and also direct their orders to market makers where they have a financial interest. Continued competition could limit our growth or even lead to a decline in our customer base, which would adversely affect our results of operations. Industry-wide changes in trading practices, such as the continued use of Electronic Communications Networks, are expected to put continuing pressure on commissions/fees earned by brokers while increasing volatility.

We are a party to an Operating Agreement (the "Operating Agreement"), with Suzanne Shank and Napoleon Brandford III, the two individual principals (the "Principals") of SBS Financial Products Company, LLC, a Delaware limited liability company ("SBSFPC"). Pursuant to the terms of the Operating Agreement, the Company and each of the Principals made an initial capital contribution of $400,000 in exchange for a 33.33% initial interest in SBSFPC. SBSFPC engages in derivatives transactions related to the municipal underwriting business. The Operating Agreement provides that profit and loss will be shared 66.66% by the Principals and 33.33% by us. Operations from SBSFPC is considered to be integral to our operations.

On January 23, 2008, our Board of Directors authorized a buy back of up to 300,000 shares of our common stock. Under this program, shares are purchased from time to time, at our discretion, in the open market and in private transactions. During 2011 we repurchased 17,179 shares of common stock for an average price of $1.68.

Critical Accounting Policies

We generally follow accounting policies standard in the brokerage industry and believe that our policies appropriately reflect our financial position and results of operations. Our management makes significant estimates that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosure of contingent assets and liabilities included in the financial statements. The estimates relate primarily to revenue and expense items in the normal course of business as to which we receive no confirmations, invoices, or other documentation, at the time the books are closed for a period. We use our best judgment, based on our knowledge of revenue transactions and expenses incurred, to estimate the amount of such revenue and expenses. We are not aware of any material differences between the estimates used in closing our books for the last five years and the actual amounts of revenue and expenses incurred when we subsequently receive the actual confirmations, invoices or other documentation. Estimates are also used in determining the useful lives of intangibles assets, and the fair market value of intangible assets. Our management believes that its estimates are reasonable.

Results of Operations

Year Ended December 31, 2011 Compared To Year Ended December 31, 2010

Revenues. Total revenues for 2011 were $20.2 million, a decrease of $571,000, or 2.8%, from 2010. Commission and fee income decreased $2.8 million, or 16.5%, from the prior year to $14.3 million primarily due to recording $3 million as commission and fee income as part of our negotiations with our primary clearing firm for a three year Fully disclosed Clearing Agreement in the second quarter of 2010.

Investment banking revenues increased $1.6 million, or 69.8%, from the prior year to $3.8 million in 2011 due to our participation in more new issues in the equity and debt capital markets.

Trading profits increased $768,000, or 62.1%, from the prior year to $2.0 million primarily due to an increase in trading volume primarily in the debt markets and the addition of debt sales-traders in the first quarter of 2011.

Income from interest and dividends decreased $72,000, or 47.7%, from the prior year to $79,000 primarily due to lower yields on investments in money market funds and lower cash balances and interest earned in 2010 for a subordinated loan that was provided to an affiliate.

Expenses. Total expenses for 2011 were $25.6 million, a decrease of $295,000, or 1.1%, from the prior year.

Employee compensation and benefit costs increased $804,000, or 8.8%, from the prior year to $10.0 million. This increase was due to increases in commissions paid based on production and the cost of health insurance offset by an across the board reduction in headcount.

Clearing and floor brokerage fees decreased $297,000, or 9.5%, from the prior year to $2.8 million primarily due to the execution of a Fully Disclosed Clearing Agreement with our primary clearing firm in the second quarter of 2010 which reduced our fees for clearing costs.

Professional fees decreased $1.5 million, or 22.4% from the prior year to $5.1 million in 2011 primarily due to a decrease in legal fees relating to a dispute with a former employee and consulting fees relating to Sarbanes-Oxley compliance offset by an increase in consulting fees relating to commission recapture business.

Advertising and promotion expense increased $2,000, or 0.5%, from the prior year to $402,000 due to an increase in online advertising.

Communications expense decreased $215,000, or 9.1%, from the prior year to $2.1 million primarily due to a decrease in hosting and communication costs associated with our website.

Occupancy costs decreased $179,000, or 14.1%, from the prior year to $1.1 million due to a decrease in rents in the New York and New Jersey offices and the closing of our Boston office in 2010.

Impairment of intangibles were the result of the Company writing down the carrying value of its unamortized intangible assets to fair value and recording a related impairment loss in 2010.

Other general and administrative expenses increased $200,000, or 7.0%, from the prior year to $3.1 million primarily due to a reserve accrued for relating to any additional loss due to settlement of litigation offset by a decrease in office expense, placement fees, depreciation, registration fees, travel and entertainment, supplies and transportation.

Provision for loss related to settlement of litigation for the year ended December 31, 2011 amounted to $1 million. In a prior year, Siebert had been named as one of the defendants in a class action pending in the United States District Court, Southern District of New York. Among other claims, the third amended complaint in the action asserted on behalf of a class of purchasers in a public offering of $1,500,000,000, 6.75% Subordinated Notes due 2017 (the "Notes"), issued by Lehman Brothers Holdings, Inc., and certain smaller issuances of other securities that Siebert and other underwriters of the Notes violated Section 11 of the Securities Act of 1933 and other applicable law in that relevant offering materials were false and misleading. Siebert had purchased $15 million of the Notes and $462,953 of other securities as an underwriter in the offerings. Siebert and the other underwriters moved to dismiss the third amended complaint on various grounds. The Court granted in part and denied in part the motion by an order dated July 27, 2011. On November 3, 2011, Siebert and the plaintiffs class agreed to resolve all claims against Siebert in consideration of a $1 million payment by Siebert. The settlement is subject to court approval. As of December 31, 2011, the Company had accrued a $1 million provision for loss to reflect the settlement. As certain defendants did not agree to a settlement, additional liability to the Company is possible. At present, we are uncertain as to the potential liability, if any, in connection with the non-settling defendants.

Income from our equity investment in Siebert, Brandford, Shank & Co., L.L.C., an entity in which Siebert holds a 49% equity interest ("SBS"), for 2011 was $8,000 compared to income of $4.1 million for 2010, a decrease of $4.0 million, primarily due to SBS participating in fewer municipal bond offerings as senior- and co-manager. This decrease was attributable to a sharp decline in the number of offerings by municipalities due to investor concerns over defaults by municipalities at the state and local level and the expiration of the Build America Bonds program. Income from our equity investment in SBS

Financial Products Company, LLC, an entity in which we hold a 33% equity interest ("SBSFPC"), for 2011 was $21,000 as compared to a loss of $24,000 from the same period in 2010. This increase was principally due to a gain recorded by SBSFPC on termination of a swap position. Results of operations of equity investees is considered to be integral to our operations and material to the results of operations.

Taxes. The tax provision for the year ended December 31, 2011 and 2010 was $23,000 and $1.6 million, respectively. The tax provision for 2011 of $23,000 represents various minimum state income taxes. The Company increased its valuation allowance in 2011 by $2.2 million to fully offset any tax benefit resulting from the 2011 loss before benefit of $5.4 million. The tax provision for the year ended December 31, 2010 was incurred due to the recording of a full valuation allowance on deferred taxes of $2.1 million based on recent losses and the likelihood of realization.

Year Ended December 31, 2010 Compared To Year Ended December 31, 2009

Revenues. Total revenues for 2010 were $20.8 million, a decrease of $4.6 million, or 18.2%, from 2009. Commission and fee income decreased $1.1 million, or 6.0%, from the prior year to $17.1 million due to a decrease in revenues from institutional trading, commission recapture and retail customer trading. Institutional equity trading decreased due to a reduction of institutional customers participating in fewer buyback programs and an overall decrease in institutional customer transactions. Retail customer volumes decreased as well as the average retail commission charged per trade due to price compression to maintain and attract new retail customers offset by an increase in fees from margin debits due to increased customer margin debits balances and 12b-1 fees and due to recording $3 million as commission and fee income as part of our negotiations with our primary clearing firm for a three year Fully Disclosed Clearing Agreement in the second quarter of 2010.

Investment banking revenues decreased $3.2 million, or 58.5%, from the prior year to $2.2 million in 2010 due to our participation in fewer new issues in the equity and debt capital markets and the loss of a debt investment banker.

Trading profits decreased $399,000, or 24.4%, from the prior year to $1.2 million primarily due to the loss of a debt sales-trader and an overall decrease in customer trading volume in the debt markets.

Income from interest and dividends increased $28,000, or 22.8%, from the prior year to $151,000 primarily due to slightly higher yields on investments in money market funds.

Expenses. Total expenses for 2010 were $25.9 million, a decrease of $6.2 million, or 19.4%, from the prior year.

Employee compensation and benefit costs decreased $3.0 million, or 24.8%, from the prior year to $9.2 million. This decrease was due to decreases in commissions paid based on production, a reduction in headcount for registered representatives and staff and the elimination of the staff bonus program.

Clearing and floor brokerage fees decreased $2.4 million, or 43.4%, from the prior year to $3.1 million primarily due to the execution of a Fully Disclosed Clearing Agreement with our primary clearing firm in the second quarter of 2010 which reduced our fees for clearing costs as well as a decrease in volume of trade executions for retail customers and a decrease in execution charges for institutional debt and equity customers.

Professional fees decreased $209,000, or 3.1%, from the prior year to $6.5 million primarily due to a decrease in consulting fees relating to the commission recapture business and Sarbanes-Oxley compliance.

Advertising and promotion expense decreased $413,000, or 50.8%, from the prior year to $400,000 primarily due to a decrease in print advertising, production and airing of television commercials in the Florida region.

Communications expense decreased $247,000, or 9.5%, from the prior year to $2.4 million primarily due to a decrease in hosting and communication costs associated with our website.

Occupancy costs decreased $5,000 from the prior year to $1.3 million due to a decrease in rents in the New Jersey office and electric costs offset by an increase in rents in our Florida branches.

Impairment of intangibles were the result of the Company writing down the carrying value of its unamortized intangible assets to fair value and recorded a related impairment loss in 2010.

Other general and administrative expenses decreased $75,000, or 2.6%, from the prior year to $2.9 million primarily due to an increase in office expense, computer costs, placement fees, depreciation, registration fees and dues relating to the Securities Investor Protection Corporation offset by decreases in travel and entertainment, supplies and transportation.

Income from our equity investment in Siebert, Brandford, Shank & Co., L.L.C., an entity in which Siebert holds a 49% equity interest ("SBS"), for 2010 was $4.1 million compared to income of $4.3 million for 2009, a decrease of $185,000, or 4.3%, primarily due to increased employee compensation offset by increased revenues as SBS participated in more and larger municipal bond offerings as senior- and co-manager. Loss from our equity investment in SBS Financial Products Company, LLC, an entity in

which we hold a 33% equity interest ("SBSFPC"), for 2010 was $24,000 as compared to a loss of $63,000 from the same period in 2009. This decrease was due to a change in mark to market loss in positions in 2010. Results of operations of equity investees is considered to be integral to our operations and material to the results of operations.

Taxes. The tax provision for the year ended December 31, 2010 was $1.6 million and a tax benefit for the year ended December 31, 2009 was $1.3 million. The tax provision for the year ended December 31, 2010 was incurred due to the recording of a full valuation allowance on deferred taxes of $2,140,000 based on recent losses and the likelihood of realization. The tax benefit for the year ended December 31, 2009 was due to our loss before benefit of $2.5 million. Such benefits represented effective tax rates of 53% in 2009, primarily due to the recording of a tax benefit of $330,000 for the adjustment of prior year accruals.

Liquidity and Capital Resources

Our assets are highly liquid, consisting generally of cash, money market funds, municipal securities and securities freely saleable in the open market. Our total assets at December 31, 2011 were $35 million, of which we regarded $22.2 million, or 64%, as highly liquid.

Siebert is subject to the net capital requirements of the SEC, the NYSE and other regulatory authorities. At December 31, 2011, Siebert's regulatory net capital was $17.8 million, which was $17.6 million in excess of its minimum capital requirement of $250,000.

Siebert has entered into a Secured Demand Note Collateral Agreement with SBS under which it is obligated to loan to SBS up to $1.2 million on a subordinated basis collateralized by cash equivalents of approximately $1.5 million as of December 31, 2011. Amounts obligated to be loaned by Siebert under the facility are reflected on our balance sheet as "cash equivalents - restricted". SBS pays Siebert interest on this amount at the rate of 4% per annum. The facility expires on August 31, 2013 at which time SBS is obligated to repay to Siebert any amounts borrowed by SBS thereunder.

Contractual Obligations

Below is a table that presents our obligations and commitments at December 31, 2011:

	Payment Due By Period				
Contractual Obligations	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than Five Years
Operating lease obligations	$ 710,000	$ 642,000	$ 68,000	$ 0	$ 0

Off-Balance Sheet Arrangements

Retail customer transactions are cleared through clearing brokers on a fully disclosed basis. If customers do not fulfill their contractual obligations, the clearing broker may charge Siebert for any loss incurred in connection with the purchase or sale of securities at prevailing market prices to satisfy the customer obligations. Siebert regularly monitors the activity in its customer accounts for compliance with its margin requirements. Siebert is exposed to the risk of loss on unsettled customer transactions if customers and other counterparties are unable to fulfill their contractual obligations. There were no material losses for unsettled customer transactions in 2011.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Financial Instruments Held For Trading Purposes:

Through Siebert, we maintain inventories in exchange-listed equity securities and municipal securities on both a long and short basis. We did not have any short positions at December 31, 2011. The Company does not directly engage in derivative transactions, has no interest in any special purpose entity and has no liabilities, contingent or otherwise, for the debt of another entity except for Siebert's obligation under its Secured Demand Note Collateral Agreement of $1.2 million executed in favor of SBS. SBS pays Siebert interest on this amount at the rate of 4% per annum. Siebert earned interest of $48,000 in each of 2011 and 2010 from SBS.

Financial Instruments Held For Purposes Other Than Trading:

We generally invest working capital temporarily in dollar denominated money market funds and commercial paper. These investments are not subject to material changes in value due to interest rate movements.

Retail customer transactions are cleared through clearing brokers on a fully disclosed basis. If customers do not fulfill their contractual obligations, the clearing broker may charge Siebert for any loss incurred in connection with the purchase or sale of securities at prevailing market prices to satisfy the customers' obligations. Siebert regularly monitors the activity in its customer accounts for compliance with its margin requirements. Siebert is exposed to the risk of loss on unsettled customer transactions if

customers and other counterparties are unable to fulfill their contractual obligations. There were no material losses for unsettled customer transactions in 2011.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See financial statements and supplementary data required pursuant to this item beginning on page F-1 of this Annual Report on Form 10-K.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

We carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report pursuant to Rule 13a-15 of Securities Exchange of 1934, as amended. Based on that evaluation, our management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures are effective to ensure that the information we are required to disclose in reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and to ensure that information required to be disclosed is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding timely disclosure.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as that term is defined in Exchange Act Rule 13a-15(f)). To evaluate the effectiveness of our internal control over financial reporting, we use the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO Framework"). Using the COSO Framework, our management, including our Chief Executive Officer and Chief Financial Officer, evaluated our internal control over financial reporting and concluded that our internal control over financial reporting was effective as of December 31, 2011.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the most recently completed fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitation of the Effectiveness of Internal Controls

None

Item 9B. OTHER INFORMATION

None

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

(a) Identification of Directors

This information is incorporated by reference from our definitive proxy statement to be filed by the Company pursuant to Regulation 14A on or prior to April 29, 2012.

(b) Identification of Executive Officers

Name	Age	Position
Muriel F. Siebert	79	Chairwoman, Chief Executive Officer and President
Ameen Esmail	53	Executive Vice President and Director of Business Development
Joseph M. Ramos, Jr.	53	Executive Vice President and Chief Financial Officer
Jeanne Rosendale	47	Executive Vice President and General Counsel
Timothy O' Leary	49	Executive Vice President
Daniel Iesu	52	Secretary

Certain information regarding each executive officer's business experience is set forth below.

Muriel F. Siebert has been Chairwoman, Chief Executive Officer, President and a director of Muriel Siebert & Co., Inc. since 1969 and of Siebert Financial Corp. (the "Company") since November 8, 1996. She is a director of the New York State Business Council, and the Greater New York Council of the Boy Scouts of America. On December 28, 1967, Ms. Siebert became the first woman member of the New York Stock Exchange. Ms. Siebert served as Superintendent of Banks of the State of New York from 1977 to 1982. In March 2009, Ms. Siebert was inducted into the U.S. Business Hall of Fame. Ms. Siebert previously served on the executive committee of the Economic Club of New York, of which she is still a member, and formerly served on the New York State Commission on Judicial Nomination, which is involved in the selection of Associate Judges for the Court of Appeals. She is a member of the Council on Foreign Relations, Committee of 200 (an international organization of pre-eminent businesswomen), the International Women's Forum and the New York Women's Forum of which she was a founder and former president. Ms. Siebert provides expertise on financial brokerage matters, and is a sought-after speaker on current financial matters and a frequent commentator on the major financial news networks.

Ameen Esmail has been Executive Vice President and Director of Business Development since July 3, 2003. From 1984 to 1996, Mr. Esmail served as an Executive Vice President of Siebert. From 1996 to 2003, Mr. Esmail worked as an independent consultant servicing the financial securities industry. Mr. Esmail earned a MBA from New York University's Stern's Graduate School of Business in 2000.

Joseph M. Ramos, Jr. has been Executive Vice President, Chief Financial Officer and Assistant Secretary of Siebert since February 10, 2003 and Chief Financial Officer of Siebert, Brandford, Shank, & Co., L.L.C. since April 20, 2009. From May 1999 to February 2002, Mr. Ramos served as Chief Financial Officer of Internet Financial Services, Inc. From November 1996 to May 1999, Mr. Ramos served as Chief Financial Officer of Nikko Securities International, Inc. From September 1987 to March 1996, Mr. Ramos worked at Cantor Fitzgerald and held various accounting and management positions, the last as Chief Financial Officer of their registered broker-dealer based in Los Angeles. From October 1982 to September 1987, Mr. Ramos was an audit manager for Deloitte & Touche LLP, a public accounting firm. Mr. Ramos is a Certified Public Accountant licensed in the State of New York.

Jeanne M. Rosendale has been Executive Vice President and General Counsel of Siebert since May 3, 2004. From February 2003 to April 2004, Ms. Rosendale served as Global Director Compliance for Knight Equity Markets. From 2001 through the end of 2002, Ms. Rosendale served as Managing Director, General Counsel and Chief Compliance Officer for TD Securities (USA) Inc. Ms. Rosendale's background includes senior level legal positions with Citigroup and the law firm Weil, Gotshal & Manges, LLP. Ms. Rosendale received both her B.A. and J.D., with honors, from Fordham University. She is active in various industry groups such as the SIA, the Bond Market Association, the LSTA and ISDA.

Timothy O' Leary joined Siebert on June 6, 2007 and was appointed an Executive Vice President in April 2008. Mr. O'Leary oversees Capital Markets, Retail and Branch Operations, Marketing, Business Development and the Technology group. From March 2006 to June 2007, Mr. O'Leary was a financial consultant with Smith Barney and from January 2003 to January 2006, Mr. O'Leary was the President/Owner of Ironvilla Development Corporation, a residual real estate development company. From November 2001 to January 2003, Mr. O'Leary was the Senior Vice President at Datek Online, Inc. From October 2000 to November 2001, Mr. O'Leary was the Managing Director of Operations at Josephthal & Co., Inc. where he was responsible for all facets of the brokerage operations. From March 1985 to October 2000, Mr. O'Leary was with TD Waterhouse, Inc., the last five years as the Senior Vice President of Retail Management.

Daniel Iesu has been Secretary of Siebert since October 1996 and the Company since November 8, 1996. He has been Controller of Siebert since 1989.

(c) Compliance with Section 16(a) of the Exchange Act

This information is incorporated by reference from our definitive proxy statement to be filed pursuant to Regulation 14A on or prior to April 29, 2012.

(d) Code of Ethics

We have adopted a financial code of ethics that applies to our principal executive officer, principal financial officer, principal accounting officer and all other employees performing similar functions. This financial code of ethics is posted on our website. The Internet address for our website is http://www.siebertnet.com. We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of this code of ethics by either filing a Form 8-K or posting such information on our website, at the address and location specified above, within four business days following the date of such amendment or waiver.

The information required by this item not set forth herein is incorporated by reference to our definitive proxy statement to be filed pursuant to Regulation 14A on or prior to April 29, 2012.

Item 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated by reference from our definitive proxy statement to be filed pursuant to Regulation 14A on or prior to April 29, 2012.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated by reference from our definitive proxy statement to be filed pursuant to Regulation 14A on or prior to April 29, 2012.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item is incorporated by reference from our definitive proxy statement to be filed pursuant to Regulation 14A on or prior to April 29, 2012.

Item 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required in this item is incorporated by reference from our definitive proxy statement to be filed pursuant to Regulation 14A on or prior to April 29, 2012.

PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The exhibits required by Item 601 of Regulation S-K filed as part of, or incorporated by reference in, this Annual Report are listed in the accompanying Exhibit Index.

(a) The following documents are filed as part of this report:

1. Financial Statements

The consolidated Financial statements for the year ended December 31, 2011 commence on page F-1 of this Annual Report on Form 10-K.

2. Financial Statement Schedules

None.

3. Exhibits

The exhibits required by Item 601 of Regulation S-K filed as part of, or incorporated by reference in, this report are listed in the accompanying Exhibit Index. Exhibit Numbers 10.1, 10.2 and 10.6 are management contracts, compensatory plans or arrangements.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
Siebert Financial Corp.

We have audited the accompanying consolidated balance sheets of Siebert Financial Corp. and subsidiaries (the "Company") as of December 31, 2011 and 2010, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Siebert Financial Corp. and subsidiaries as of December 31, 2011 and 2010, and the consolidated results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

/s/ EisnerAmper LLP

New York, New York
March 29, 2012

SIEBERT FINANCIAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	December 31, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	$ 21,167,000	$ 22,646,000
Cash equivalents - restricted	1,532,000	1,532,000
Receivable from brokers	1,033,000	1,563,000
Securities owned, at fair value	250,000	1,116,000
Furniture, equipment and leasehold improvements, net	757,000	1,246,000
Investments in and advances to affiliates	8,619,000	9,816,000
Income tax refund receivable	—	795,000
Prepaid expenses and other assets	827,000	741,000
Intangibles, net	638,000	648,000
	$ 34,823,000	$ 40,103,000
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and accrued liabilities	$ 3,599,000	$ 3,477,000
Commitments and contingent liabilities - Note I		
Stockholders' equity:		
Common stock, $.01 par value; 49,000,000 shares authorized, 23,211,846 shares issued, 22,105,499 and 22,122,678 shares outstanding at December 31, 2011 and 2010, respectively	232,000	232,000
Additional paid-in capital	19,490,000	19,484,000
Retained earnings	16,230,000	21,609,000
Less: 1,106,347 and 1,089,168 shares of treasury stock, at cost, at December 31, 2011 and 2010, respectively	(4,728,000)	(4,699,000)
	31,224,000	36,626,000
	$ 34,823,000	$ 40,103,000

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2011	2010	2009
Revenue:			
Commissions and fees	$ 14,314,000	$ 17,144,000	$ 18,244,000
Investment banking	3,801,000	2,238,000	5,387,000
Trading profits	2,005,000	1,237,000	1,636,000
Interest and dividends	79,000	151,000	123,000
	20,199,000	20,770,000	25,390,000
Expenses:			
Employee compensation and benefits	9,993,000	9,189,000	12,219,000
Clearing fees, including floor brokerage	2,842,000	3,139,000	5,545,000
Professional fees	5,057,000	6,517,000	6,726,000
Advertising and promotion	402,000	400,000	813,000
Communications	2,144,000	2,359,000	2,606,000
Occupancy	1,095,000	1,274,000	1,279,000
Impairment of intangibles	—	150,000	—
Other general and administrative	3,051,000	2,851,000	2,926,000
Provision for loss related to settlement of litigation	1,000,000	—	—
	25,584,000	25,879,000	32,114,000
Income from equity investees	29,000	4,078,000	4,224,000
Loss before income taxes	(5,356,000)	(1,031,000)	(2,500,000)
Income tax expense (benefit)	23,000	1,609,000	(1,317,000)
Net loss	$ (5,379,000)	$ (2,640,000)	$ (1,183,000)
Net loss per share of common stock – basic and diluted	$ (0.24)	$ (0.12)	$ (0.05)
Weighted average shares outstanding – basic and diluted	22,114,121	22,167,218	22,193,845

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock				Treasury Stock		
	Number Of Shares	$.01 Par Value	Additional Paid-In Capital	Retained Earnings	Number Of Shares	Amount	Total
Balance - January 1, 2009	23,211,846	$ 232,000	$ 19,454,000	$ 25,432,000	1,009,731	$ (4,534,000)	$ 40,584,000
Net loss				(1,183,000)			(1,183,000)
Treasury share purchases					16,790	(33,000)	(33,000)
Stock based compensation			20,000				20,000
Balance - December 31, 2009	23,211,846	232,000	19,474,000	24,249,000	1,026,521	(4,567,000)	39,388,000
Net loss				(2,640,000)			(2,640,000)
Treasury share purchases					62,647	(132,000)	(132,000)
Stock based compensation			10,000				10,000
Balance - December 31, 2010	23,211,846	232,000	19,484,000	21,609,000	1,089,168	(4,699,000)	36,626,000
Net loss				(5,379,000)			(5,379,000)
Treasury share purchases					17,179	(29,000)	(29,000)
Stock based compensation			6,000				6,000
Balance - December 31, 2011	23,211,846	$ 232,000	$ 19,490,000	$ 16,230,000	1,106,347	$ (4,728,000)	$ 31,224,000

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2011	2010	2009
Cash Flows From Operating Activities:			
Net loss	$ (5,379,000)	$ (2,640,000)	$ (1,183,000)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	520,000	525,000	482,000
Income from equity investees	(29,000)	(4,078,000)	(4,224,000)
Distributions from equity investees	1,185,000	3,346,000	1,539,000
Impairment of intangibles		150,000	
Deferred taxes		1,323,000	(175,000)
Stock based compensation	6,000	10,000	20,000
Changes in:			
Cash and cash equivalents – restricted			(232,000)
Securities owned, at fair value	866,000	491,000	(849,000)
Receivable from clearing broker	530,000	391,000	(272,000)
Income tax refund receivable	795,000	279,000	238,000
Prepaid expenses and other assets	(86,000)	309,000	(24,000)
Accounts payable and accrued liabilities	122,000	(1,218,000)	(300,000)
Net cash used in operating activities	(1,470,000)	(1,112,000)	(4,980,000)
Cash Flows From Investing Activities:			
Purchase of customer list		(50,000)	
Purchase of furniture, equipment and leasehold improvements	(21,000)	(200,000)	(545,000)
Subordinated loan to investee		(10,000,000)	
Repayment of subordinated loan to investee		10,000,000	
(Payment) collection of advances made to equity investees	41,000	(44,000)	125,000
Net cash provided by (used in) investing activities	20,000	(294,000)	(420,000)
Cash Flows From Financing Activities:			
Purchase of treasury shares	(29,000)	(132,000)	(33,000)
Net cash used in financing activities	(29,000)	(132,000)	(33,000)
Net decrease in cash and cash equivalents	(1,479,000)	(1,538,000)	(5,433,000)
Cash and cash equivalents - beginning of year	22,646,000	24,184,000	29,617,000
Cash and cash equivalents - end of year	$ 21,167,000	$ 22,646,000	$ 24,184,000
Supplemental Cash Flow Disclosures:			
Cash for:			
Income taxes (received) paid, net	$ (717,000)	$ 16,000	$ 239,000

See notes to consolidated financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Business and Principles of Consolidation:

Siebert Financial Corp. ("Financial"), through its wholly owned subsidiary, Muriel Siebert & Co., Inc. ("Siebert"), engages in the business of providing discount brokerage services for customers, investment banking services for institutional clients and trading securities for its own account, and, through its wholly owned subsidiary, Siebert Women's Financial Network, Inc. ("WFN"), engages in providing products, services and information devoted to women's financial needs. The accompanying consolidated financial statements includes the accounts of Financial and its subsidiaries. All significant intercompany accounts and transactions have been eliminated. Financial, Siebert and WFN collectively are referred to herein as the "Company".

The municipal bond investment banking business is conducted by Siebert, Brandford, Shank & Co., L.L.C. ("SBS"), and related derivatives transactions are conducted by SBS Financial Products Company, LLC ("SBSFP"), investees not controlled or majority-owned, which are accounted for by the equity method of accounting (see Note B). The equity method provides that the Company records its share of the investees' earnings or losses in its results of operations with a corresponding adjustment to the carrying value of its investment. In addition, the investment is adjusted for capital contributions to and distributions from the investees. Operations of equity investees are considered integral to Siebert's operations.

[2] Cash Equivalents:

Cash equivalents consist of highly liquid investments purchased with an original maturity of three months or less. Cash equivalents are carried at fair value and amounted to $19,726,000 and $20,896,000 at December 31, 2011 and 2010, respectively, consisting of money market funds.

Cash equivalents – restricted represents $1,532,000 of cash invested in a money market account which serves as collateral for a secured demand note payable in the amount of $1,200,000 to SBS (see Note I).

[3] Securities:

Securities owned are carried at fair value with realized and unrealized gains and losses reflected in trading profits. Siebert clears all its security transactions through unaffiliated clearing firms on a fully disclosed basis. Accordingly, Siebert does not hold funds or securities for, or owe funds or securities to, its customers. Those functions are performed by the clearing firms.

[4] Fair value of financial instruments:

Authoritative accounting guidance defines fair value, establishes a framework for measuring fair value and establishes a fair value hierarchy. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants at the measurement date. Fair value measurements are not adjusted for transaction costs. The fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value into three levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted market prices that are observable, either directly or indirectly, and reasonably available.

Level 3 – Unobservable inputs reflect the assumptions that management develops based on available information about the assumptions market participants would use in valuing the asset or liability.

The classification of financial instruments valued at fair value as of December 31, 2011 and 2010 is as follows:

	2011		
Financial Instrument	Level 1	Level 2	Total
Cash equivalents	$ 19,726,000	—	$ 19,726,000
Securities	250,000	$ —	$ 250,000
	$ 19,976,000	$ —	$ 19,976,000

	2010		
	Level 1	Level 2	Total
Cash equivalents	$ 20,896,000	—	$ 20,896,000
Securities	242,000	$ 874,000	1,116,000
	$ 21,138,000	$ 874,000	$ 22,012,000

At December 31, 2011 and 2010 respectively, securities include common stock of $250,000 and $242,000 valued on the last business day of the year at the last available reported sales price on the primary securities exchange (Level 1) and at December 31, 2010 also includes municipal bonds of $874,000 valued based on prices obtained from pricing sources, which derive values from observable inputs (Level 2).

[5] **Income Taxes:**

The Company accounts for income taxes utilizing the asset and liability approach requiring the recognition of deferred tax assets and liabilities for the expected future tax consequences of net operating loss carryforwards and temporary differences between the basis of assets and liabilities for financial reporting purposes and tax purposes.

[6] **Furniture, Equipment and Leasehold Improvements:**

Furniture, equipment and leasehold improvements are stated at cost, net of accumulated depreciation and amortization. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally five years. Leasehold improvements are amortized over the shorter of the estimated useful life of the improvements or period of the lease.

[7] **Advertising Costs:**

Advertising costs are charged to expense as incurred.

[8] **Use of Estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

[9] **Per Share Data:**

Basic earnings (loss) per share is calculated by dividing net income (loss) by the weighted average outstanding common shares during the year. Diluted earnings per share is calculated by dividing net income by the number of shares outstanding under the basic calculation and adding all dilutive securities, which consist of options. The Company incurred a net loss for each of the years ended December 31, 2011, 2010 and 2009. Accordingly, basic and diluted net loss per common share are the same for each year as the effect of stock options is anti-dilutive. In 2011, 2010 and 2009, 1,228,200, 1,503,200 and 1,719,700 common shares, respectively, issuable upon the exercise of options were not included in the computation.

[10] **Revenue:**

Commission revenues and related clearing expenses are recorded on a trade-date basis. Fees, consisting principally of revenue participation with the Company's clearing broker in distribution fees and interest, are recorded as earned.

Investment banking revenue includes gains and fees, net of syndicate expenses, arising from underwriting syndicates in which the Company participates. Investment banking management fees are recorded on the offering date, sales concessions on the settlement date and underwriting fees at the time the underwriting is completed and the income is reasonably determinable.

Trading profits are also recorded on a trade-date basis.

Interest is recorded on an accrual basis and dividends are recorded on the ex-dividend date.

[11] Stock-Based Compensation:

Share-based payments to employees, including grants of employee stock options, are recognized in the statement of operations as an operating expense, based on their fair values on the grant date.

Share-based compensation costs are recognized on a straight-line basis over the requisite service periods of awards which would normally be the vesting period of the options.

Cash flows resulting from the tax benefits of the tax deduction in excess of the compensation cost recognized for these options are classified as financing cash flows.

[12] Intangibles:

Purchased intangibles which have finite useful lives are principally being amortized using the straight-line method over estimated useful lives of three to five years (see Note D). Domain names and other intellectual property which are deemed to have an indefinite useful life are not amortized but are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment test for indefinite-lived intangibles consists of a comparison of their fair value with their carrying amount.

[13] Valuation of Long-Lived Assets:

The Company evaluates the recoverability of its long-lived assets including amortizable intangibles and recognizes an impairment loss in the event the carrying value of these assets exceeds the estimated future undiscounted cash flows attributable to these assets. The Company assesses potential impairment to its long-lived assets when events or changes in circumstances indicate that its carrying value may not be recoverable. Should impairment exist, the impairment loss would be measured based on the excess of the carrying value of the assets over their fair value.

[14] New Accounting Standards:

In June 2009, the Financial Accounting Standards Board ("FASB") finalized guidance in determining whether an enterprise has a controlling financial interest in a variable interest entity. This determination identifies the primary beneficiary of a variable interest entity as the enterprise that has both the power to direct the activities of a variable interest entity that most significantly impacts the entity's economic performance, and the obligation to absorb losses or the right to receive benefits of the entity that could potentially be significant to the variable interest entity. This guidance also requires ongoing reassessments of whether an enterprise is the primary beneficiary and eliminates the quantitative approach previously required for determining the primary beneficiary. New provisions of this guidance were effective January 1, 2010. The adoption of the new guidance did not have any impact on the Company's financial statements.

In June 2009, the FASB issued guidance to improve transparency about transfers of financial assets and a transferor's continuing involvement, if any, with transferred financial assets. This guidance removes the concept of a qualifying special-purpose entity and removes the exception from applying previous guidance to variable interest entities that are qualifying special-purpose entities; limits the circumstances in which a transferor derecognizes a portion or component of a financial asset; defines a participating interest; requires a transferor to recognize and initially measure at fair value all assets obtained and liabilities incurred as a result of a transfer accounted for as a sale; and requires enhanced disclosures. This guidance was adopted by the Company beginning January 1, 2010 and did not have any impact on the Company's financial statements.

In January 2010, the FASB issued guidance that requires some new disclosures and clarifies some existing disclosure requirements about fair value measurements which is effective for interim and annual reporting periods beginning after December 15, 2009. The guidance was adopted by the Company as of January 1, 2010 and did not have any impact on the Company's disclosures. Additionally, these amended standards require presentation of disaggregated activity within the reconciliation for fair value measurements using significant unobservable inputs (Level 3) and is effective for fiscal years beginning after December 15, 2010. The guidance was adopted by the Company on January 1, 2011 and did not have any impact on its disclosures.

In May 2011, the FASB issued guidance to expand disclosures for Level 3 measurements based on unobservable inputs. The guidance is effective for fiscal years beginning after December 15, 2011. The Company will adopt this standard in January 2012, and does not expect the adoption of this standard to have a material impact on the Company's disclosures.

NOTE B - INVESTMENT IN AFFILIATES

Investment in and advances to, equity in income of, and distributions received from, affiliates consist of the following:

December 31, 2011	SBS	SBSFPC	TOTAL
Investment and advances	$ 8,295,000	$ 324,000	$ 8,619,000
Income from equity investees	$ 8,000	$ 21,000	$ 29,000
Distributions	$ 1,185,000	$ —	$ 1,185,000

December 31, 2010	SBS	SBSFPC	TOTAL
Investment and advances	$ 9,512,000	$ 304,000	$ 9,816,000
Income (loss) from equity investees	$ 4,102,000	$ (24,000)	$ 4,078,000
Distributions	$ 3,344,000	$ 2,000	$ 3,346,000

December 31, 2009	SBS	SBSFPC	TOTAL
Income (loss) from equity investees	$ 4,287,000	$ (63,000)	$ 4,224,000
Distributions	$ 1,539,000	$ —	$ 1,539,000

Siebert and two individuals (the "Principals") formed SBS to succeed to the tax-exempt underwriting business of the Siebert Brandford Shank division of Siebert. The agreements with the Principals provide that profits will be shared 51% to the Principals and 49% to Siebert.

Pursuant to the terms of the Operating Agreement, Financial and each of the Principals own a 33.33% initial interest in SBSFPC which engages in derivatives transactions related to the municipal underwriting business. The Operating Agreement provides that income/(loss) be shared 66.66% by the Principals and 33.33% by Financial.

Summarized financial data of SBS is as follows:

	2011	2010	2009
Total assets, including secured demand note of 1,200,000 in each year due from Siebert	$31,403,000	$37,741,000	
Total liabilities, including subordinated liabilities $1,200,000 in each year due to Siebert	14,592,000	18,530,000	
Total members' capital	16,811,000	19,211,000	
Regulatory minimum net capital requirement	493,000	1,122,000	
Total revenue	26,441,000	48,769,000	$45,391,000
Net income	17,000	8,372,000	8,749,000

During 2011, 2010 and 2009, Siebert charged SBS $75,000 for each year, respectively for general and administrative services, which Siebert believes approximates the cost of furnishing such services. In addition, during each of the years 2011, 2010 and 2009, Siebert earned interest income of $48,000 from SBS in connection with Siebert's obligation to make a subordinated loan for up to $1,200,000 available to SBS and Siebert paid SBS interest earned on the restricted cash equivalents of $4,000, $4,000 and $10,000, respectively (see Note I). Further, on November 1, 2010, Siebert entered into a temporary subordinated loan agreement with SBS in the amount of $10 million bearing interest at 2% and maturing on December 15, 2010. The note was repaid in December 2010 and interest received from SBS amounted to $25,000.

Siebert's share of undistributed earnings from SBS amounted to $7,845,000 and $9,021,000 at December 31, 2011 and 2010, respectively. Such amounts may not be immediately available for distribution to Siebert for various reasons including the amount of SBS's available cash, the provisions of the agreement between Siebert and the Principals and SBS's continued compliance with its regulatory net capital requirements.

Summarized financial data of SBSFPC is as follows:

	2011	2010	2009
Total assets	$ 238,290,000	$ 165,308,000	
Total liabilities	237,317,000	164,396,000	
Total members' capital	974,000	913,000	
Total revenue	610,000	124,000	$ 23,000
Net income (loss)	61,000	(72,000)	(188,000)

At December 31, 2011 and 2010, SBSFPC had an accumulated loss of $226,000 and $287,000, respectively of which Siebert's share was $75,000 and $96,000, respectively.

NOTE C - FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, NET

Furniture, equipment and leasehold improvements consist of the following:

	December 31, 2011	December 31, 2010
Equipment	$ 2,307,000	$ 2,524,000
Leasehold improvements	29,000	36,000
Furniture and fixtures	23,000	28,000
	2,359,000	2,588,000
Less accumulated depreciation and amortization	(1,602,000)	(1,342,000)
	$ 757,000	$ 1,246,000

Depreciation and amortization expense for the years ended December 31, 2011, 2010 and 2009 amounted to $510,000, $523,000 and $457,000, respectively.

NOTE D - INTANGIBLE ASSETS

In 2000, WFN acquired the stock of WFN Women's Financial Network, Inc. ("WFNI") and HerDollar.com, Inc., respectively, companies in the development stage which had yet to commence principal operations, had no significant revenue and had assets consisting principally of websites, content and domain names, for aggregate consideration of $2,310,000, including costs. The transactions have been accounted for as purchases of assets consisting of domain name, website and content, and a non-compete agreement (the "Acquired Intangible Assets"). Related deferred tax assets attributable to net operating loss carryforwards of the acquired companies and deferred tax liabilities attributable to the excess of the statement bases of the acquired assets over their tax bases have been reflected in the accompanying consolidated financial statements as an adjustment to the carrying amount of such intangibles (see Note E).

Intangible assets consist of the following:

	December 31, 2011		December 31, 2010	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Amortization Accumulated
Amortizable assets:				
Website, content and non-compete	$ 1,850,000	$ 1,850,000	$ 1,850,000	$ 1,850,000
Retail brokerage accounts	2,638,000	2,600,000	2,638,000	2,590,000
	$ 4,488,000	$ 4,450,000	$ 4,488,000	$ 4,440,000
Unamortized intangible assets:				
Domain name/intellectual property	$ 600,000		$ 600,000	
Amortization expense		$ 10,000		$ 2,000

During 2010, the Company recorded an impairment charge and wrote down the carrying value of its unamortized intangible assets by $150,000 representing the excess of carrying value over its fair value. Such write down was due to a continuing decline in the Company's revenue. The Company valued the domain name using the income approach methodology known as the relief from royalty method. The premise behind the valuation of these assets is that a buyer would be willing to pay a royalty for the right to use an established or recognized trade name in order to gain market acceptance, which a product or service otherwise might not enjoy.

NOTE E - INCOME TAXES

The Company files a consolidated federal income tax return with its subsidiaries.

Income tax expense (benefit) provision consists of the following:

	Year Ended December 31,		
	2011	2010	2009
Federal income tax provision (benefit):			
Current	$ —	$ 286,000	$ (656,000)
Deferred	—	731,000	85,000
	—	1,017,000	(571,000)
State and local:			
Current	23,000	—	(486,000)
Deferred	—	592,000	(260,000)
	23,000	592,000	(746,000)
Total:			
Current	23,000	286,000	(1,142,000)
Deferred	—	1,323,000	(175,000)
	$ 23,000	$ 1,609,000	$ (1,317,000)

A reconciliation between the income tax expense (benefit) and income taxes computed by applying the statutory Federal income tax rate to loss before income taxes is as follows:

	Year Ended December 31,		
	2011	2010	2009
Expected income tax benefit at statutory Federal tax rate (34%)	$ (1,812,000)	$ (351,000)	$ (850,000)
State and local taxes, net of Federal tax effect	(406,000)	(67,000)	(163,000)
Reversal of overaccrual of prior years' taxes	—	—	(330,000)
Increase in valuation allowance	2,177,000	1,980,000	—
Permanent difference	36,000	47,000	51,000
Other	28,000	—	(25,000)
Income tax expense (benefit)	$ 23,000	$ 1,609,000	$ (1,317,000)

NOTE E - INCOME TAXES (CONTINUED)

Deferred income taxes reflect the impact of temporary differences between the amounts of assets and liabilities for financial reporting purposes and their tax basis. The principal items giving rise to deferred tax assets (liabilities) are as follows:

	December 31,	
	2011	2010
Deferred tax asset:		
Net operating loss carryforwards	$ 3,060,000	$ 1,592,000
Employee stock based compensation	231,000	234,000
Retail brokerage accounts	430,000	515,000
Contribution carryover	252,000	162,000
Furniture, equipment and leasehold improvements	68,000	—
Accrued expenses	400,000	—
Accrued compensation and other	59,000	47,000
	4,500,000	2,550,000
Valuation allowance	(4,260,000)	(2,083,000)
	240,000	467,000
Deferred tax liability:		
Acquired intangible assets	(240,000)	(243,000)
Furniture, equipment and leasehold improvements	—	(224,000)
	$ 0	$ 0

Due to cumulative losses incurred by the Company during the current and prior two years, the Company is unable to conclude that it is more likely than not that it will realize its net deferred tax asset and, accordingly, has recorded a valuation allowance to fully offset its deferred tax asset at December 31, 2011 and 2010.

At December 31, 2011, the Company has state net operating loss carryforwards aggregating $13.6 million, which expire through 2031 in various states. In addition, the Company has federal net operating loss carryforwards of $5.7 million at December 31, 2011, which expire through 2031. The Company also has additional federal net operating loss carryforwards of $775,000 at December 31, 2011 which is attributable to WFN and expires through 2020. Utilization of WFN's federal net operating loss carryforwards is subject to annual limitations under Section 382 of the Internal Revenue Code.

The Company applied the "more-likely-than not" recognition threshold to all tax positions taken or expected to be taken in a tax return which resulted in no unrecognized tax benefits reflected in the financial statements as of December 31, 2011. The Company classifies interest and penalties that would accrue according to the provisions of relevant tax law as income taxes.

For federal and certain state and local jurisdictions, the 2008 through 2011 tax years remain open for examination by the taxing authorities. For other states the 2007 through 2011 tax years remain open for examination. The Company is currently under tax examinations by New York State for the years 2007 to 2009.

NOTE F - STOCKHOLDERS' EQUITY

Siebert is subject to the SEC's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. Siebert has elected to use the alternative method, permitted by the rule, which requires that Siebert maintain minimum net capital, as defined, equal to the greater of $250,000 or 2 percent of aggregate debit balances arising from customer transactions, as defined. The Net Capital Rule of the New York Stock Exchange also provides that equity capital may not be withdrawn or cash dividends paid if resulting net capital would be less than 5% of aggregate debits. At December 31, 2011 and 2010, Siebert had net capital of approximately $17,814,000 and $20,352,000, respectively, as compared with net capital requirements of $250,000. Siebert claims exemption from the reserve requirement under Section 15c3-3(k)(2)(ii).

On January 23, 2008, the Board of Directors of the Company authorized a buy back of up to 300,000 shares of common stock. Shares will be purchased from time to time in the open market and in private transactions. During 2009, 2010 and 2011, the Company repurchased 16,790, 62,647 and 17,179 shares of common stock at an average price of $1.99, $2.10 and $1.68, respectively.

NOTE G - OPTIONS

The Company's 2007 Long-Term Incentive Plan (the "Plan") authorizes the grant of options to purchase up to an aggregate of 2,000,000 shares, subject to adjustment in certain circumstances. Both non-qualified options and options intended to qualify as "Incentive Stock Options" under Section 422 of the Internal Revenue Code may be granted under the Plan. A Stock Option Committee of the Board of Directors administers the Plan. The committee has the authority to determine when options are granted, the term during which an option may be exercised (provided no option has a term exceeding 10 years), the exercise price and the exercise period. The exercise price shall not be less than the fair market value on the date of grant. No option may be granted under the Plan after December 2017. Generally, employee options vest 20% per year for five years and expire ten years from the date of grant. At December 31, 2011, options for 1,700,000 shares of common stock are available for grant under the Plan.

A summary of the Company's stock option transactions for the three years ended December 31, 2011 is presented below:

		2011		2010		2009	
		Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding - beginning of the year		1,503,200	$ 4.14	1,719,700	$ 4.00	1,767,200	$ 4.07
Forfeited		(275,000)	$ 5.33	(216,500)	$ 2.98	(47,500)	$ 6.91
Outstanding - end of year	(a)	1,228,200	$ 3.88	1,503,200	$ 4.14	1,719,700	$ 4.00
Fully vested at year end	(a)	1,228,200	$ 3.88				
Exercisable at end of year	(a)	1,228,200	$ 3.88	1,498,200	$ 4.15	1,709,700	$ 4.00

(a) Weighted average remaining contractual terms of one year and no aggregate intrinsic value.

As of December 31, 2011, there was no unrecognized compensation cost.

NOTE H – NEW CLEARING AGREEMENT

As part of the negotiations with one of the Company's clearing brokers on a fully disclosed clearing agreement which was entered into on May 5, 2010, the Company resolved at $3 million the amount due to the Company from the clearing firm on past transactions cleared by the Company. This amount is included in commissions and fees revenue for the year ended December 31, 2010.

NOTE I - COMMITMENTS, CONTINGENCIES AND OTHER

Retail customer transactions are cleared through clearing brokers on a fully disclosed basis. If customers do not fulfill their contractual obligations, the clearing broker may charge Siebert for any loss incurred in connection with the purchase or sale of securities at prevailing market prices to satisfy the customer obligations. Siebert regularly monitors the activity in its customer accounts for compliance with its margin requirements. Siebert is exposed to the risk of loss on unsettled customer transactions if customers are unable to fulfill their contractual obligations. There were no material losses for unsettled customer transactions in 2011, 2010 or 2009.

In a prior year, Siebert had been named as one of the defendants in a class action pending in the United States District Court, Southern District of New York. Among other claims, the third amended complaint in the action asserted on behalf of a class of purchases in a public offering of $1,500,000,000, 6.75% Subordinated Notes due 2017 (the "Notes"), issued by Lehman Brothers Holdings, Inc., ("LBHI") and certain smaller issuances of other securities that Siebert and other underwriters of the Notes violated Section 11 of the Securities Act of 1933, and other applicable law in that relevant offering materials were false and misleading. Siebert had purchased $15 million of the Notes and $462,953 of other securities as an underwriter in the offerings. Siebert and other underwriters moved to dismiss the third amended complaint on various grounds. The Court granted in part and denied in part the motion by an order dated July 27, 2011. On November 3, 2011, Siebert and the plaintiffs class agreed to resolve all claims against Siebert in consideration of a $1 million payment by Siebert. The settlement is subject to court approval. As of December 31, 2011, the Company had accrued a $1 million provision for loss to reflect the settlement. As certain defendants did not agree to a settlement, additional liability to the Company is possible. At present, the Company is uncertain as to the potential liability, if any, in connection with the non-settling defendants.

NOTE I - COMMITMENTS, CONTINGENCIES AND OTHER (CONTINUED)

Siebert is party to certain claims, suits and complaints arising in the ordinary course of business including individual actions related to various offerings of notes by LBHI. In the opinion of management, all such claims, suits and complaints are without merit, or involve amounts which would not have a significant effect on the financial position or results of operations of the Company.

The Company rents discount retail brokerage and other office space under long-term operating leases expiring in various periods through 2013. These leases call for base rent plus escalations for taxes and operating expenses.

Future minimum base rental payments under these operating leases are as follows:

Year Ending December 31,	Amount
2012	642,000
2013	68,000
	$ 710,000

Rent expense, including escalations for operating costs, amounted to approximately $1,095,000, $1,274,000 and $1,279,000 for the years ended December 31, 2011, 2010 and 2009, respectively. Rent is being charged to expense over the entire lease term on a straight-line basis.

Siebert sponsors a defined contribution retirement plan under Section 401(k) of the Internal Revenue Code that covers substantially all employees. Participant contributions to the plan are voluntary and are subject to certain limitations. Siebert may also make discretionary contributions to the plan. No contributions were made by Siebert in 2011, 2010 and 2009.

Siebert is party to a Secured Demand Note Collateral Agreement with SBS which obligates Siebert to lend SBS, on a subordinated basis, up to $1,200,000. The secured demand note payable held by SBS and a related $1,200,000 receivable due from SBS are included in investments in and advances to equity investees in the accompanying consolidated statement of financial condition. Amounts that Siebert is obligated to lend under this arrangement are collateralized by cash equivalents of $1,532,000. Any amounts loaned will bear interest at 4% per annum and are repayable on August 31, 2013.

NOTE J - SUMMARIZED QUARTERLY FINANCIAL DATA (UNAUDITED)

	2011				2010			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenue	$ 5,503,000	$ 4,498,000	$ 5,857,000	$ 4,341,000	$ 4,313,000	$ 7,396,000	$ 3,742,000	$ 5,319,000
Net (loss) income	$ (2,004,000)	$ (1,790,000)	$ (591,000)	$ (994,000)	$ (1,194,000)	$ 782,000	$ (3,558,000)	$ 1,330,000
Earnings (loss) per share								
Basic	$ (0 09)	$ (0 08)	$ (0.03)	$ (0.04)	$ (0 05)	$ 0 04	$ (0 16)	$ 0 06
Diluted	$ (0 09)	$ (0.08)	$ (0 03)	$ (0.04)	$ (0 05)	$ 0.04	$ (0 16)	$ 0.06

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Managers
Siebert, Brandford, Shank & Co., L.L.C.
New York, New York

We have audited the accompanying statements of financial condition of Siebert, Brandford, Shank & Co., L.L.C. (the "Company") as of December 31, 2011 and 2010, and the related statements of operations, changes in members' capital, changes in subordinated borrowings and cash flows for each of the years in the three-year period ended December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Siebert, Brandford, Shank & Co., L.L.C. as of December 31, 2011 and 2010, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2011 in conformity with accounting principles generally accepted in the United States of America.

New York, New York
February 28, 2012

SIEBERT, BRANDFORD, SHANK & CO., L.L.C.

Statements of Financial Condition

	December 31, 2011	December 31, 2010
ASSETS		
Cash and cash equivalents	$ 27,881,153	$ 19,859,779
Accounts receivable	218,522	2,478,545
Securities owned, at fair value		11,816,604
Due from broker	3,125	
Receivable from affiliate	33,595	25,354
Secured demand note	1,200,000	1,200,000
Furniture, equipment and leasehold improvements, net	1,227,240	1,418,348
Other assets	839,561	942,464
	$ 31,403,196	$ 37,741,094
LIABILITIES AND MEMBERS' CAPITAL		
Liabilities:		
Payable to affiliate	$ 52,436	$ 93,627
Due to broker		505,605
Accounts payable and accrued expenses	6,652,981	15,989,159
Deferred rent	686,663	741,551
	7,392,080	17,329,942
Subordinated debt	7,200,000	1,200,000
Total liabilities	14,592,080	18,529,942
Members' capital	16,811,116	19,211,152
	$ 31,403,196	$ 37,741,094

See notes to financial statements

SIEBERT, BRANDFORD, SHANK & CO., L.L.C.

Statements of Operations

	December 31,		
	2011	2010	2009
Revenues:			
Investment banking	**$ 20,625,468**	$ 41,275,623	$ 36,666,383
Trading profits	**5,811,327**	7,488,092	8,672,233
Interest and other	**4,278**	5,429	52,765
	26,441,073	48,769,144	45,391,381
Expenses:			
Employee compensation and benefits	**19,878,202**	33,076,985	30,660,150
Clearing fees	**142,648**	194,957	235,091
Communications	**940,907**	880,792	772,021
Occupancy	**1,065,030**	1,020,409	757,778
Professional fees	**623,415**	680,673	344,838
Interest - related party	**59,290**	73,000	48,000
State and local income tax	**120,907**	435,187	225,363
General and administrative	**3,593,466**	4,035,029	3,599,343
	26,423,865	40,397,032	36,642,584
Net income	**$ 17,208**	$ 8,372,112	$ 8,748,797

See notes to financial statements

SIEBERT, BRANDFORD, SHANK & CO., L.L.C.

Statements of Changes in Members' Capital

Balance - January 1, 2009	$ 12,055,310
Distributions to members	(3,140,888)
Net income	8,748,797
Balance - December 31, 2009	17,663,219
Distributions to members	(6,824,179)
Net income	8,372,112
Balance - December 31, 2010	19,211,152
Distributions to members	(2,417,244)
Net income	17,208
Balance - December 31, 2011	**$ 16,811,116**

See notes to financial statements

SIEBERT, BRANDFORD, SHANK & CO., L.L.C.

Statements of Changes in Subordinated Borrowings

Balance - January 1, 2009	$ 1,200,000
Borrowings	
Repayments	
Balance - December 31, 2009	1,200,000
Borrowings	10,000,000
Repayments	(10,000,000)
Balance - December 31, 2010	1,200,000
Borrowings	6,000,000
Repayments	
Balance - December 31, 2011	**$ 7,200,000**

See notes to financial statements

SIEBERT, BRANDFORD, SHANK & CO., L.L.C.

Statements of Cash Flows

	December 31,		
	2011	2010	2009
Cash flows from operating activities:			
Net income	**$ 17,208**	$ 8,372,112	$ 8,748,797
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	**256,161**	237,045	99,962
Changes in:			
Accounts receivable	**2,260,023**	(142,013)	(920,947)
Due to/from broker	**(508,730)**	1,948,895	2,324,508
Securities owned, at fair value	**11,816,604**	(11,816,604)	161,873
Other receivable		491,441	
Other assets	**102,903**	107,658	(448,440)
Payable to (receivable from) affiliate	**(49,432)**	43,429	(97,690)
Accounts payable and accrued expenses	**(9,336,178)**	(623,750)	8,514,989
Deferred rent	**(54,888)**	250,110	
Net cash provided by (used in) operating activities	**4,503,671**	(1,131,677)	18,383,052
Cash flows from investing activities:			
Purchase of leasehold improvements and equipment	**(65,053)**	(381,046)	(1,175,059)
Cash flows from financing activities:			
Distributions to members	**(2,417,244)**	(6,824,179)	(3,140,888)
Subordinated borrowings	**6,000,000**	10,000,000	
Subordinated repayments		(10,000,000)	
Net cash provided by (used in) financing activities	**3,582,756**	(6,824,179)	(3,140,888)
Net increase (decrease) in cash and cash equivalents	**8,021,374**	(8,336,902)	14,067,105
Cash and cash equivalents - beginning of year	**19,859,779**	28,196,681	14,129,576
Cash and cash equivalents - end of year	**$ 27,881,153**	$ 19,859,779	$ 28,196,681
Supplemental disclosures of cash flow information:			
Taxes paid	**$ 154,726**	$ 404,483	$ 231,230
Interest paid	**$ 48,000**	$ 73,000	$ 48,000
Non-cash investing activity:			
Receivable from landlord for reimbursement of leasehold improvements and corresponding deferred rent liability			$ 491,441

See notes to financial statements

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] **Organization:**

Siebert, Brandford, Shank & Co., L.L.C. ("SBS" or the "Company") engages in the business of tax-exempt underwriting and related trading activities. The Company qualifies as a Minority and Women Owned Business Enterprise in certain municipalities.

[2] **Investment banking:**

Investment banking revenues include gains and fees, net of syndicate expenses, arising primarily from municipal bond offerings in which the Company acts as an underwriter or agent. Investment banking management fees are recorded on the offering date, sales concessions on the settlement date, and underwriting fees at the time the underwriting is completed and the income is reasonably determinable.

[3] **Cash equivalents:**

Cash equivalents represent short-term, highly liquid investments which are readily convertible to cash and have maturities of three months or less at time of purchase. Cash equivalents, which are valued at fair value, consist of money market funds which amounted to $27,881,153 and $19,845,425 at December 31, 2011 and 2010, respectively.

[4] **Investments:**

Security transactions are recorded on a trade-date basis. Securities owned are valued at fair value. The resulting realized and unrealized gains and losses are reflected as trading profits.

Dividends are recorded on the ex-dividend date, and interest income is recognized on an accrual basis.

[5] **Fair value:**

Authoritative accounting guidance defines fair value, establishes a framework for measuring fair value and establishes a fair value hierarchy. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are not adjusted for transaction costs. The fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value into three levels:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted market prices that are observable, either directly or indirectly, and reasonably available.
Level 3	Unobservable inputs reflect the assumptions that the managing members develop based on available information about the assumptions market participants would use in valuing the asset or liability.

The classification of financial instruments valued at fair value as of December 31, 2011 and 2010 is as follows:

	December 31, 2011		
	Level 1	**Level 2**	**Total**
Cash equivalents	**$ 27,881,153**		**$ 27,881,153**

	December 31, 2010		
	Level 1	**Level 2**	**Total**
Cash equivalents	$ 19,845,425		$ 19,845,425
Municipal bonds		$ 11,816,604	$ 11,816,604

Municipal bonds are valued based on prices obtained from pricing sources, which derive values from observable inputs.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] **Furniture, equipment and leasehold improvements, net:**

Furniture, equipment and leasehold improvements are stated at cost, net of accumulated depreciation and amortization. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, generally five years. Leasehold improvements are amortized over the period of the lease.

[7] **Use of estimates:**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

[8] **Income taxes:**

The Company is not subject to federal income taxes. Instead, the members are required to include in their income tax returns their respective share of the Company's income. The Company is subject to tax in certain state and local jurisdictions. Deferred taxes are not significant.

NOTE B - SUBORDINATED BORROWINGS AND SECURED DEMAND NOTE RECEIVABLE

The subordinated debt consists of the following:

	December 31,	
	2011	2010
Payable to member (a)	**$ 1,200,000**	$ 1,200,000
Payable to clearing broker (b)	**6,000,000**	
	$ 7,200,000	$ 1,200,000

(a) Consists of a Secured Demand Note Collateral Agreement payable to Muriel Siebert & Co., Inc. ("Siebert"), a member of the Company, in the amount of $1,200,000 bearing 4% interest and due August 31, 2013. On November 1, 2010, the Company entered into a temporary subordinated loan agreement with Siebert in the amount of $10,000,000 bearing interest at 2% and maturing on December 15, 2010. The note was repaid in December 2010. Interest expense paid to Siebert for each of the years ended December 31, 2011, 2010 and 2009 amounted to $48,000, $73,000 and $48,000, respectively.

(b) On December 14, 2011, the Company entered into a temporary subordinated loan agreement with National Financial Services, its clearing broker, in the amount of $6,000,000, bearing interest at the federal funds rate plus 4% (4.04% at December 31, 2011) and maturing January 27, 2012. The note was repaid on January 27, 2012. Interest expense accrued in 2011 amounted to approximately $11,000.

The subordinated borrowings are available in computing net capital under the Securities and Exchange Commission's ("SEC") Uniform Net Capital Rule. To the extent that such borrowing is required for the Company's continued compliance with minimum net capital requirements, it may not be repaid.

The secured demand note receivable of $1,200,000 is collateralized by cash equivalents of Siebert of approximately $1,538,000 at December 31, 2011 and $1,536,000 at December 31, 2010. Interest earned on the collateral paid by Siebert to SBS amounted to approximately $2,500, $3,500 and $10,000 in 2011, 2010 and 2009, respectively.

NOTE C - FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, NET

Furniture, equipment, and leasehold improvements consist of the following:

	December 31, 2011	December 31, 2010
Equipment	$ 821,463	$ 788,635
Furniture and leasehold improvements	1,623,513	1,591,288
	2,444,976	2,379,923
Less accumulated depreciation and amortization	1,217,736	961,575
	$ 1,227,240	$ 1,418,348

NOTE D - NET CAPITAL

The Company is subject to the SEC's Uniform Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2011 and 2010, the Company had net capital of $21,353,097 and $16,842,830, respectively, which was $20,860,291 and $15,721,207, respectively, in excess of its required net capital and its ratio of aggregate indebtedness to net capital was 0.35 and 1.00 to 1, respectively. The Company claims exemption from the reserve requirements under Section 15c-3-3(k)(2)(ii).

NOTE E - COMMITMENTS

The Company rents office space under long-term operating leases expiring through 2020. These leases call for base rent plus escalations for property taxes and other operating expenses. Future minimum base rent under these operating leases as of December 31, 2011 are as follows:

Year Ending	Amount
2012	$ 908,000
2013	806,000
2014	661,000
2015	564,000
2016	479,000
Thereafter	1,497,000
	$ 4,915,000

Rent expense including taxes and operating expenses for 2011, 2010 and 2009 amounted to $1,065,030, $1,020,409 and $757,778, respectively.

During 2010, the Company purchased leasehold improvements of approximately $129,000 which were reimbursed by the landlord. The Company recorded such reimbursement as a credit to deferred rent liability. Such amount, along with approximately $491,000 recorded in 2009 (together an aggregate amount of $620,000), is being recognized as a reduction of rental expense on a straight-line basis over the term of the lease.

Rent expense is being charged to operations on a straight-line basis resulting in a deferred rent liability which, together with the deferred rent discussed above, amounted to $686,663 at December 31, 2011 and $741,551 at December 31, 2010.

NOTE F - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following:

	December 31,	
	2011	2010
Accounts payable	**$ 1,488,400**	$ 184,934
Accrued bonus and other employee compensation	**5,037,575**	15,341,035
Other accrued expenses	**127,006**	463,190
	$ 6,652,981	$ 15,989,159

NOTE G - OTHER

During each of 2011, 2010 and 2009, the Company was charged $75,000 by Siebert for general and administrative services.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SIEBERT FINANCIAL CORP.

By: /s/ MURIEL F. SIEBERT
Muriel F. Siebert
Chair, Chief Executive Officer and President

Date: March 30, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ Muriel F. Siebert Muriel F. Siebert	Chair, Chief Executive Officer, President and Director (principal executive officer)	March 30, 2012
/s/ Jeanne Rosendale Jeanne Rosendale	Executive Vice President and General Counsel	March 30, 2012
/s/ Joseph M. Ramos, Jr. Joseph M. Ramos, Jr.	Chief Financial Officer and Assistant Secretary (principal financial and accounting officer)	March 30, 2012
/s/ Patricia L. Francy Patricia L. Francy	Director	March 30, 2012
/s/ Leonard M. Leiman Leonard M. Leiman	Director	March 30, 2012
/s/ Jane H. Macon Jane H. Macon	Director	March 30, 2012
/s/ Robert P. Mazzarella Robert P. Mazzarella	Director	March 30, 2012
/s/ Nancy Peterson Hearn Nancy Peterson Hearn	Director	March 30, 2012

EXHIBIT INDEX

Exhibit No.	Description Of Document
2.1	Plan and Agreement of Merger between J. Michaels, Inc. ("JMI") and Muriel Siebert Capital Markets Group, Inc. ("MSCMG"), dated as of April 24, 1996 ("Merger Agreement") (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
2.2	Amendment No. 1 to Merger Agreement, dated as of June 28, 1996 (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
2.3	Amendment No. 2 to Merger Agreement, dated as of September 30, 1996 (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
2.4	Amendment No. 3 to Merger Agreement, dated as of November 7, 1996 (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
3.1	Certificate of Incorporation of Siebert Financial Corp., formerly known as J. Michaels, Inc. originally filed on April 9, 1934, as amended and restated to date (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1997)
3.2	By-laws of Siebert Financial Corp. (incorporated by reference to Siebert Financial Corp.'s Registration Statement on Form S- 1 (File No. 333-49843) filed with the Securities and Exchange Commission on April 10, 1998)
10.1**	Siebert Financial Corp. 1998 Restricted Stock Award Plan (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1997)
10.2**	Siebert Financial Corp. 1997 Stock Option Plan (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
10.3	Siebert, Brandford, Shank & Co., LLC Operating Agreement, among Siebert, Brandford, Shank & Co., L.L.C., Muriel Siebert & Co., Inc., Napoleon Brandford III and Suzanne F. Shank, dated as of March 10, 1997 (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
10.4	Services Agreement, between Siebert, Brandford, Shank & Co., L.L.C. and Muriel Siebert & Co., Inc., dated as of March 10, 1997 (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the fiscal year ended December 31, 1996)
10.5	Operating Agreement of SBS Financial Products Company, LLC, dated effective as of April 19, 2005, by and among Siebert Financial Corp., Napoleon Brandford III and Suzanne Shank. (incorporated by reference to Siebert Financial Corp.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 17, 2005)
10.6**	Siebert Financial Corp. 2007 Long-Term Incentive Plan (incorporated by reference to Siebert Financial Corp.'s Registration Statement on Form S-8 (File No. 333-144680) filed with the Securities and Exchange Commission on July 18, 2007)
10.7*	Fully Disclosed Clearing Agreement, by and between National Financial Services LLC and Muriel Siebert & Co., Inc. dated May 5, 2010. (incorporated by reference to Siebert Financial Corp.'s Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 16, 2010)
21	Subsidiaries of the registrant (incorporated by reference to Siebert Financial Corp.'s Annual Report on Form 10-K for the year ended December 31, 2001)
23	Consent of Independent Auditors
31.1	Certification of Muriel F. Siebert pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Joseph M. Ramos, Jr. pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley act of 2002.

32.1	Certification of Muriel F. Siebert of Periodic Financial Report under Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Joseph M. Ramos, Jr. of Periodic Financial Report under Section 906 of the Sarbanes-Oxley Act of 2002

* Portions of the indicated document have been afforded confidential treatment and have been filed separately with the Securities and Exchange Commission pursuant to Rule 24b-2 of the General Rules and Regulations promulgated under the Securities Exchange Act of 1934, as amended.

** Management contract or compensatory plan or arrangement.

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements (Form S-8 No. 333-144680, No. 333-43837, No. 333-43839, No. 333-72939 and No. 333-102701, and Form S-3 No. 333-81037) of Siebert Financial Corp. and in the related prospectus of our report dated March 29, 2012 with respect to the consolidated financial statements of Siebert Financial Corp. and our report dated February 28, 2012 with respect to the financial statements of Siebert, Brandford, Shank & Co., L.L.C. included in this Annual Report on Form 10-K for the year ended December 31, 2011.

/s/ EisnerAmper LLP

New York, New York
March 29, 2012

Exhibit 31.1

CERTIFICATION
PURSUANT TO EXCHANGE ACT RULE 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Muriel F. Siebert, certify that:

1. I have reviewed this annual report on Form 10-K of Siebert Financial Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Muriel F. Siebert
Muriel F. Siebert
Chair, Chief Executive Officer and President
(principal executive officer)

Date: March 30, 2012

Exhibit 31.2

CERTIFICATION
PURSUANT TO EXCHANGE ACT RULE 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph M. Ramos, Jr., certify that:

1. I have reviewed this annual report on Form 10-K of Siebert Financial Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Joseph M. Ramos, Jr. Date: March 30, 2012
Joseph M. Ramos, Jr.
Chief Financial Officer
(principal financial and accounting officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Siebert Financial Corp. (the "Company") on Form 10-K for the year ended December 31, 2011, as filed with the Securities and Exchange Commission (the "Report"), I, Muriel F. Siebert, in my capacity as Chair, Chief Executive Officer and President of the Company, hereby certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the Report filed by the Company with the Securities and Exchange Commission fully complies with the requirements of Section 13(a) of the Securities and Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by the report.

/s/ Muriel F. Siebert Date: March 30, 2012
Muriel F. Siebert
Chair, Chief Executive Officer and President

A signed original of this written statement required by Section 906, or other documents authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by section 906, has been provided to Siebert Financial Corp. and will be retained by Siebert Financial Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Siebert Financial Corp. (the "Company") on Form 10-K for the year ended December 31, 2011, as filed with the Securities and Exchange Commission (the "Report"), I, Joseph M. Ramos, Jr., in my capacity as Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) the Report filed by the Company with the Securities and Exchange Commission fully complies with the requirements of Section 13(a) of the Securities and Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by the report.

/s/ Joseph M. Ramos, Jr. Date: March 30, 2012
Joseph M. Ramos, Jr.
Chief Financial Officer

A signed original of this written statement required by Section 906, or other documents authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by section 906, has been provided to Siebert Financial Corp. and will be retained by Siebert Financial Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

OFFICERS

Muriel F. Siebert
Chairwoman & President
Chief Executive Officer

Ameen Esmail
Executive Vice President
Director of Business Development

Timothy A. O'Leary
Executive Vice President

Joseph M. Ramos, Jr.
Executive Vice President
Chief Financial Officer

Jeanne M. Rosendale
Executive Vice President
General Counsel

Daniel Iesu
Secretary

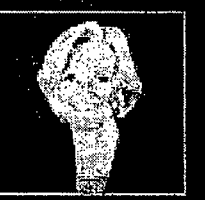
Transfer Agent
American Stock Transfer
& Trust Company

Independent Auditor
Eisner LLP

DIRECTORS

Muriel F. Siebert
Chairwoman & President
Chief Executive Officer

Patricia L. Francy
Retired Treasurer & Controller
Columbia University



Leonard M. Leiman
Counsel
Fulbright & Jaworski L.L.P.

Jane H. Macon, Esq.
Partner
Fulbright & Jaworski L.L.P.

Robert P. Mazzarella
Chairman and CEO, Pyxis Mobile
Former President, Fidelity Investments
Brokerage Services LLC

Nancy Peterson Hearn
President and Chief
Executive Officer
Peterson Tool Company, Inc.

New York Headquarters
885 Third Avenue, 17th Floor, New York, NY 10022
Telephone: 877.327.8379 Fax: 212.486.2784

Offices In:

Beverly Hills
9701 Wilshire Boulevard, Beverly Hills, CA 90212
Telephone: 800.995.7880 Fax: 310.788.7888

Boca Raton
400 North Federal Highway, Suite 152, Boca Raton, FL 33431
Telephone: 800.728.3352 Fax: 561.368.9750

Jersey City
111 Town Square Place, Jersey City, NJ 07310
Telephone: 800.872.0711 Fax: 201.239.5741

West Palm Beach
1217 South Flagler Drive, West Palm Beach, FL 33401
Telephone: 800.909.4503 Fax: 561.802.4444

Women's Financial Network at Siebert
885 Third Avenue, 17th Floor, New York, NY 10022
Telephone: 877.936.4968 Fax: 212.486.2784

Siebert Brandford Shank & Co., L.L.C. offices located in:
Anchorage • Atlanta • Chicago • Dallas • Detroit • Fort Lauderdale
Honolulu • Houston • Los Angeles • Miami • New York • Oakland
San Antonio • San Diego • Seattle • St. Louis • Washington, D.C.

www.siebertnet.com

SIEBERT

MURIEL SIEBERT & CO., INC.

Member NYSE/FINRA/SIPC • Established 1967 • NASDAQ Symbol SIEB

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Barclays Capital Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: Barclays Capital, Inc.
190 S LaSalle Street, 27th Floor Chicago IL 60603

C. Telephone: (312) 609-8508 Fax: (212) 520-0818 Email: carole.L.brown@barclays.com

D. Name of contact person: Carole L. Brown

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City of Chicago - O'Hare International Airport General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[x] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

State of Incorporation is Connecticut

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment I	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Barclays Group US, Inc.	100 South West Street Wilmington DE 19801	100% Direct
Barclays Bank PLC	745 Seventh Avenue New York, NY 10019	100% Indirect
Barclays PLC	745 Seventh Avenue New York, NY 10019	100% Indirect

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N/A

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 E Monroe ST FL 37 Chicago IL 60603	Attorney	estimated $100,000
McGaugh Law Group LLC	233 S Wacker DR STE 5450 Chicago IL 60606	Attorney	estimated $45,000

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

"Given the global and diverse nature of the operations of Barclays PLC and its subsidiaries, including the Applicant, and the period covered by the warranty, the Applicant may from time to time have been informed of, or subject to:

(a) ~~legal proceedings; and~~

(b) censures and/or fines by regulators for breaches of regulatory requirements, in the jurisdictions in which it operates.

We are nevertheless not aware of any instances directly applicable to this application or that would affect the fit and proper standing of the Applicant or its ability to perform its obligations under the contract."

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__x__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
See Attachment II which reflects findings to date.

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):
N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[x] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[x] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[x] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[x] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Barclays Capital, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Carole L. Brown
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013
at Cook County, Illinois (state).

Rosemary F. Backes Notary Public.

Commission expires: 06/16/2013.

OFFICIAL SEAL
ROSEMARY F. BACKES
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 06/16/2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment I

BARCLAYS CAPITAL, INC

(Directors and Officers)

DIRECTORS

Name	Position
Alter, Bryan	Assistant Secretary
Blackwell, Alastair	Director
Donini, Gerald	Director
Foxx, Teresa	Assistant Secretary
Ganis, Bret	Assistant Secretary
Guy, Lee	Director
Harrison, Michael John Harry	Director
Kalaris, Thomas Llewellyn	Director
Kaplan, Alan B.	Secretary
LaRocca, Gerard Sebastian	Chairman
	Director
McGee, Hugh	Director
Trohan, John	Director
Weidler, Christopher Michael	Director

OFFICERS

Name	Position
Blackwell, Alastair	Chief Operation Officer
Byrne, Mary A.	Vice President
Crowl, Michael Lee	Chief Legal Officer
Donini, Gerald	Chief Executive Officer
Gershuny, Donald	Chief Legal Officer
Gordon, Richard J	Vice President
	Controller
Guest, Alexandra	Chief Compliance Officer
Guy, Lee	Chief Risk Officer
Jacobs, Philip	Vice President
	Tax Director
Keller, Barbara	Chief Compliance Officer
LaRocca, Gerard Sebastian	President
McGee, Hugh	Chief Executive Officer
McLoughlin, Alysse	Vice President
O'Brien, Barry	Vice President
Ostergaard, Jill	Chief Compliance Officer
Riley, Theresa	Vice President
Tellgmann, Bonnie	Vice President
Trohan, John	Treasurer and Vice President
Weidler, Christopher Michael	Chief Financial Officer

Attachment II

BARCLAYS CAPITAL, INC.

(Certification Statement)

"Barclays Bank" was founded in 1690 by John Freame and Thomas Gould as a trading company under the name "Goldsmith" in London, England. Through the process of acquisitions, the trading company evolved into a bank. In 1736, James Barclay, the son-in-law of John Freame, became a partner in the business. Eventually, in the second half of the 18th century, David Barclay the Younger joined the partnership as well. Research of certain Applicant records, supplemented by the work of a newly-retained third-party historical research firm, shows that David Barclay the Younger acquired a plantation in payment for a debt in Jamaica and became the owner of thirty-two slaves. In anticipation of their emancipation, Mr. Barclay sent the slaves to Philadelphia, Pennsylvania, where they were given crafts training. A record of the names of twenty-eight of the freed slaves has been found and contained the following references:

London (age 40-45), Bacchus (age 20-25), Simon (age 24-26), John (age 30-35), Kingston (age 23-25), Mintas (age 32-36), Nancy (approximate age 24), Dido (age 24), Bathsheba (age 34-36), Patience (age 30-34), Amelia (age 26-30), Clarissa (approximate age 35), Nancy (age 26), Sabina (age 40), Juba (age 14), Phillis (age 22), Charles (age 15), Prince (age 14), Yano (age 14), Toby (age 14), Wiltshire (age 11), Sancho (age 10), Mingo (age 10), October (age 8), Quashie (age 7), Caesar (age 6), Charlotte (age 4), and Sukey (age 3).

There is also historical evidence that during the 1700s, David Barclay the Younger, a Quaker, formed a committee of London Quakers to oppose the slave trade and subsequently became involved with the committee in taking the Quaker anti-slave trade message rationale within the United Kingdom. In a 1795 manumission document the aforementioned slaves were "liberated, enfranchised, manumitted and forever set free".

In 1896, the company became Barclay and Company Limited which subsequently became Barclays Bank PLC. Barclays has been in existence for in excess of 318 years and thus, part of its existence would have been during the slavery era. In this historical context, entities acquired during this period may have had investments or profits from the slave industry. Slavery was a heinous period in the history of both the United States and United Kingdom and, indeed, the whole world. Without reservation, Barclays condemns this industry. A third party historical research firm has been hired to assist in record research. If additional records indicating the identities of entities or persons with whom predecessor entities or owners conducted slave related business in the United States are discovered by our historical consultant, a supplement to this Economic Disclosure Statement and Affidavit regarding such information will be filed.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Barclays Group US, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [x] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Barclays Capital, Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 100 South West Street Wilmington, DE 19801

C. Telephone: (312) 609-8508 Fax: (212) 520-0818 Email: carole.L.brown@barclays.com

D. Name of contact person: Carole L. Brown

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City of Chicago - O'Hare International Airport General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[x] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

State of Incorporation is Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment I	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Barclays Bank PLC	745 Seventh Ave New York, NY 10019	100% Direct
Barclays PLC	745 Seventh Ave New York, NY 10019	100% Indirect

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N/A

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Given the global and diverse nature of the operations of Barclays PLC and its subsidiaries, including the Disclosing Party, and the period covered by the warranty, the Disclosing Party may from time to time have been informed of, or subject to:

(a) legal proceedings; and

(b) censures and/or fines by regulators for breaches of regulatory requirements, in the jurisdictions in which it operates.

We are nevertheless not aware of any instances directly applicable to this application or that would affect the fit and proper standing of the Applicant or its ability to perform its obligations under the contract.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

See Attachment II which reflects findings to date.

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [x] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Barclays Group US Inc
(Print or type name of Disclosing Party)

By: _____
(Sign here)

John Trohan
(Print or type name of person signing)

Managing Director, Head of Americas Treasury
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013
at New York County, New York (state).

Lori Ann Strocchia Notary Public.

Commission expires: 8/29/15.

LORI ANN STROCCHIA
Notary Public - State of New York
NO. 01ST6247382
Qualified in Westchester County
My Commission Expires 8/29/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment I

BARCLAYS GROUP US, INC

(Directors and Officers)

DIRECTORS

Name	Position
Ganis, Bret	Assistant Secretary
Jacobs, Philip	Director
Kaplan, Alan B.	Director
	Secretary
LaRocca, Gerard Sebastian	Chairman
	Director
Montgomery, Michael	Director
Trohan, John	Director
Weidler, Christopher Michael	Director

OFFICERS

Name	Position
Alter, Bryan	Assistant Secretary
Byrne, Mary A.	Officer
	Vice President
Gordon, Richard J	Vice President
	Controller
Jacobs, Philip	Vice President
	Tax Director
Kaplan, Alan B.	Assistant Secretary
LaRocca, Gerard Sebastian	Chief Executive Officer
McLoughlin, Alysse	Vice President
Montgomery, Michael	Officer
	President
O'Brien, Barry	Vice President
Riley, Theresa	Vice President
Tellgmann, Bonnie	Vice President
Trohan, John	Vice President
	Treasurer
Weidler, Christopher Michael	Chief Financial Officer
	Vice President

Attachment II

BARCLAYS CAPITAL, INC.

(Certification Statement)

"Barclays Bank" was founded in 1690 by John Freame and Thomas Gould as a trading company under the name "Goldsmith" in London, England. Through the process of acquisitions, the trading company evolved into a bank. In 1736, James Barclay, the son-in-law of John Freame, became a partner in the business. Eventually, in the second half of the 18th century, David Barclay the Younger joined the partnership as well. Research of certain Applicant records, supplemented by the work of a newly-retained third-party historical research firm, shows that David Barclay the Younger acquired a plantation in payment for a debt in Jamaica and became the owner of thirty-two slaves. In anticipation of their emancipation, Mr. Barclay sent the slaves to Philadelphia, Pennsylvania, where they were given crafts training. A record of the names of twenty-eight of the freed slaves has been found and contained the following references:

London (age 40-45), Bacchus (age 20-25), Simon (age 24-26), John (age 30-35), Kingston (age 23-25), Mintas (age 32-36), Nancy (approximate age 24), Dido (age 24), Bathsheba (age 34-36), Patience (age 30-34), Amelia (age 26-30), Clarissa (approximate age 35), Nancy (age 26), Sabina (age 40), Juba (age 14), Phillis (age 22), Charles (age 15), Prince (age 14), Yano (age 14), Toby (age 14), Wiltshire (age 11), Sancho (age 10), Mingo (age 10), October (age 8), Quashie (age 7), Caesar (age 6), Charlotte (age 4), and Sukey (age 3).

There is also historical evidence that during the 1700s, David Barclay the Younger, a Quaker, formed a committee of London Quakers to oppose the slave trade and subsequently became involved with the committee in taking the Quaker anti-slave trade message rationale within the United Kingdom. In a 1795 manumission document the aforementioned slaves were "liberated, enfranchised, manumitted and forever set free".

In 1896, the company became Barclay and Company Limited which subsequently became Barclays Bank PLC. Barclays has been in existence for in excess of 318 years and thus, part of its existence would have been during the slavery era. In this historical context, entities acquired during this period may have had investments or profits from the slave industry. Slavery was a heinous period in the history of both the United States and United Kingdom and, indeed, the whole world. Without reservation, Barclays condemns this industry. A third party historical research firm has been hired to assist in record research. If additional records indicating the identities of entities or persons with whom predecessor entities or owners conducted slave related business in the United States are discovered by our historical consultant, a supplement to this Economic Disclosure Statement and Affidavit regarding such information will be filed.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Barclays Bank PLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Barclays Capital Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 745 Seventh Avenue New York, NY 10019
c/o Public Finance at Barclays Capital

C. Telephone: (312) 609-8508 Fax: (212) 520-0818 Email: carole.L.brown@barclays.com

D. Name of contact person: Carole L. Brown

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City of Chicago - O'Hare International Airport General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
Public Limited Company registered under England and Wales

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

See A1 above

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment 1	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Barclays PLC	745 Seventh Avenue New York NY 10019	100% Direct

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

"Given the global and diverse nature of the operations of Barclays PLC and its subsidiaries, including the Disclosing Party, and the period covered by the warranty, the Disclosing Party may from time to time have been informed of, or subject to:

(a) legal proceedings; and
(b) censures and/or fines by regulators for breaches of regulatory requirements, in the jurisdictions in which it operates.

We are nevertheless not aware of any instances directly applicable to this application or that would affect the fit and proper standing of the Applicant or its ability to perform its obligations under the contract."

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__x__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

See Attachment II which reflects findings to date.

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [x] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.,

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Barclays Bank PLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

John Trohan
(Print or type name of person signing)

Managing Director, Head of Americas Treasury
(Print or type title of person signing)

Signed and sworn to before me on (date) January 16, 2013,
at New York County, New York (state).

Lori Ann Strocchia Notary Public.

Commission expires: 8/29/15.

LORI ANN STROCCHIA
Notary Public - State of New York
NO. 01ST6247362
Qualified in Westchester County
My Commission Expires 8/29/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment I

BARCLAYS BANK PLC

(Directors and Officers)

DIRECTORS

Name	Position
Jenkins, Antony Peter	Director
Lucas, Christopher George	Director
Booth, David George	Director
Breedon, Timothy James	Director
Conti, Fulvio	Director
Fraser, Simon John	Director
Jeffery III, Reuben	Director
Likierman, John Andrew	Director
Moyo, Dambisa Felicia	Director
Rake, Michael Derek Vaughan	Director
Sunderland, John Michael	Director
Walker, David Alan	Director

OFFICERS

Name	Position
Jenkins, Antony Peter	Chief Executive Officer
Walker, David Alan	Chairman
Dickinson, Lawrence Charles	Joint Secretary
Gonsalves, Patrick Anthony	Joint Secretary

Attachment II

BARCLAYS BANK PLC

(Certification Statement)

"Barclays Bank" was founded in 1690 by John Freame and Thomas Gould as a trading company under the name "Goldsmith" in London, England. Through the process of acquisitions, the trading company evolved into a bank. In 1736, James Barclay, the son-in-law of John Freame, became a partner in the business. Eventually, in the second half of the 18th century, David Barclay the Younger joined the partnership as well. Research of certain Applicant records, supplemented by the work of a newly-retained third-party historical research firm, shows that David Barclay the Younger acquired a plantation in payment for a debt in Jamaica and became the owner of thirty-two slaves. In anticipation of their emancipation, Mr. Barclay sent the slaves to Philadelphia, Pennsylvania, where they were given crafts training. A record of the names of twenty-eight of the freed slaves has been found and contained the following references:

London (age 40-45), Bacchus (age 20-25), Simon (age 24-26), John (age 30-35), Kingston (age 23-25), Mintas (age 32-36), Nancy (approximate age 24), Dido (age 24), Bathsheba (age 34-36), Patience (age 30-34), Amelia (age 26-30), Clarissa (approximate age 35), Nancy (age 26), Sabina (age 40), Juba (age 14), Phillis (age 22), Charles (age 15), Prince (age 14), Yano (age 14), Toby (age 14), Wiltshire (age 11), Sancho (age 10), Mingo (age 10), October (age 8), Quashie (age 7), Caesar (age 6), Charlotte (age 4), and Sukey (age 3).

There is also historical evidence that during the 1700s, David Barclay the Younger, a Quaker, formed a committee of London Quakers to oppose the slave trade and subsequently became involved with the committee in taking the Quaker anti-slave trade message rationale within the United Kingdom. In a 1795 manumission document the aforementioned slaves were "liberated, enfranchised, manumitted and forever set free".

In 1896, the company became Barclay and Company Limited which subsequently became Barclays Bank PLC. Barclays has been in existence for in excess of 318 years and thus, part of its existence would have been during the slavery era. In this historical context, entities acquired during this period may have had investments or profits from the slave industry. Slavery was a heinous period in the history of both the United States and United Kingdom and, indeed, the whole world. Without reservation, Barclays condemns this industry. A third party historical research firm has been hired to assist in record research. If additional records indicating the identities of entities or persons with whom predecessor entities or owners conducted slave related business in the United States are discovered by our historical consultant, a supplement to this Economic Disclosure Statement and Affidavit regarding such information will be filed.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Barclays PLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [x] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Barclays Capital, Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 745 Seventh Avenue, New York, NY 10019
C/O Public Finance at Barclays Capital

C. Telephone: (312) 609-8508 Fax: (212) 520-0818 Email: carole.L.brown@barclays.com

D. Name of contact person: Carole L. Brown

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City of Chicago - O'Hare International Airport General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[x] Other (please specify)
Public Limited Company registered under England and Wales

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

See A1 above

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment 1	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
NONE		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N/A

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

"Given the global and diverse nature of the operations of the Disclosing Party and the period covered by the warranty, the Disclosing Party may from time to time have been informed of, or subject to:
(a) legal proceedings; and
(b) censures and/or fines by regulators for breaches of regulatory requirements, in the jurisdictions in which it operates.

We are nevertheless not aware of any instances directly applicable to this application or that would affect the fit and proper standing of the Applicant or its ability to perform its obligations under the contract."

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
See Attachment II which reflect findings to date

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):
N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [x] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Barclays PLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Robert M. Taylor, as agent
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 16, 2013
at New York County, New York (state).

Lori Ann Strocchia Notary Public.

Commission expires: 8/29/15.

LORI ANN STROCCHIA
Notary Public - State of New York
NO. 01ST6247362
Qualified in Westchester County
My Commission Expires 8/29/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment I

BARCLAYS PLC

(Directors and Officers)

DIRECTORS

Name	Position
Jenkins, Antony Peter	Director
Lucas, Christopher George	Director
Booth, David George	Director
Breedon, Timothy James	Director
Conti, Fulvio	Director
Fraser, Simon John	Director
Jeffery III, Reuben	Director
Likierman, John Andrew	Director
Moyo, Dambisa Felicia	Director
Rake, Michael Derek Vaughan	Director
Sunderland, John Michael	Director
Walker, David Alan	Director

OFFICERS

Name	Position
Jenkins, Antony Peter	Chief Executive Officer
Walker, David Alan	Chairman
Dickinson, Lawrence Charles	Secretary

Attachment II

BARCLAYS CAPITAL, INC.

(Certification Statement)

"Barclays Bank" was founded in 1690 by John Freame and Thomas Gould as a trading company under the name "Goldsmith" in London, England. Through the process of acquisitions, the trading company evolved into a bank. In 1736, James Barclay, the son-in-law of John Freame, became a partner in the business. Eventually, in the second half of the 18th century, David Barclay the Younger joined the partnership as well. Research of certain Applicant records, supplemented by the work of a newly-retained third-party historical research firm, shows that David Barclay the Younger acquired a plantation in payment for a debt in Jamaica and became the owner of thirty-two slaves. In anticipation of their emancipation, Mr. Barclay sent the slaves to Philadelphia, Pennsylvania, where they were given crafts training. A record of the names of twenty-eight of the freed slaves has been found and contained the following references:

London (age 40-45), Bacchus (age 20-25), Simon (age 24-26), John (age 30-35), Kingston (age 23-25), Mintas (age 32-36), Nancy (approximate age 24), Dido (age 24), Bathsheba (age 34-36), Patience (age 30-34), Amelia (age 26-30), Clarissa (approximate age 35), Nancy (age 26), Sabina (age 40), Juba (age 14), Phillis (age 22), Charles (age 15), Prince (age 14), Yano (age 14), Toby (age 14), Wiltshire (age 11), Sancho (age 10), Mingo (age 10), October (age 8), Quashie (age 7), Caesar (age 6), Charlotte (age 4), and Sukey (age 3).

There is also historical evidence that during the 1700s, David Barclay the Younger, a Quaker, formed a committee of London Quakers to oppose the slave trade and subsequently became involved with the committee in taking the Quaker anti-slave trade message rationale within the United Kingdom. In a 1795 manumission document the aforementioned slaves were "liberated, enfranchised, manumitted and forever set free".

In 1896, the company became Barclay and Company Limited which subsequently became Barclays Bank PLC. Barclays has been in existence for in excess of 318 years and thus, part of its existence would have been during the slavery era. In this historical context, entities acquired during this period may have had investments or profits from the slave industry. Slavery was a heinous period in the history of both the United States and United Kingdom and, indeed, the whole world. Without reservation, Barclays condemns this industry. A third party historical research firm has been hired to assist in record research. If additional records indicating the identities of entities or persons with whom predecessor entities or owners conducted slave related business in the United States are discovered by our historical consultant, a supplement to this Economic Disclosure Statement and Affidavit regarding such information will be filed.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Citigroup Financial Products Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Citigroup Global Markets Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 390 Greenwich Street, 2nd Floor
New York, NY 10013

C. Telephone: (312)876-3550 Fax: (312) 876-3551 Email: rade.kljajic@citi.com

D. Name of contact person: Ray Kljajic

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A for a list of Citigroup Financial Products Inc. Officers and Directors.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
See Attachment B for a list of Direct and Indirect owners of Citigroup Financial Products Inc.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment C in support of the above.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

Not Applicable

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None.

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:
Citigroup Financial Products Inc. is a legal entity holding an interest in Citigroup Global Markets Inc. (The Applicant).

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City*

Citigroup Financial Products Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

David Brownstein
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) JANUARY 24, 2013,
at NEW YORK County, NEW YORK (state).

Yesenia Morillo Notary Public.

Commission expires: 06-01-14.

YESENIA MORILLO
Notary Public - State of New York
NO. 01MO6070654
Qualified in New York County
My Commission Expires 06-01-14

*Based upon a reasonable and diligent search.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP FINANCIAL PRODUCTS INC.

ATTACHMENT A - LIST OF CORPORATE OFFICERS

PRINCIPALS:

James A. Forese	Director and President
Cliff Verron	Chief Financial Officer
Ardavan Nozari	Treasurer
Scott L. Flood & Karen Kirchen	General Counsel and Secretary announcement)

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP FINANCIAL PRODUCTS INC.

ATTACHMENT B - DIRECT AND INDIRECT OWNERS OF CITIGROUP GLOBAL MARKETS INC.

- Citigroup Financial Products Inc. is a wholly-owned subsidiary of Citigroup Global Markets Holdings Inc.

- Citigroup Global Markets Holdings Inc. is a wholly-owned subsidiary of Citigroup Inc.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP FINANCIAL PRODUCTS INC.

ATTACHMENT C - FURTHER CERTIFICATION

In the ordinary course of business, Citigroup Inc. ("Citi"), which holds an indirect interest in the Applicant, and its subsidiaries are defendants or co-defendants in various litigation matters incidental to and typical of the broad range of businesses in which they are engaged. For example, typical actions in broker-dealer subsidiaries are civil suits, arbitration proceedings, and other matters related to activities occurring in the normal course of business as a broker and dealer in securities, as an underwriter of securities, as an investment banker or otherwise. From time to time Citi, and certain affiliated entities, are the subjects of inquiries and investigations conducted by federal or state regulatory agencies. Citi and its affiliated entities routinely cooperate with such investigations.

To the best of our knowledge, information and belief, we are not aware of any threatened or pending proceedings, investigations or litigation concerning Citi or its subsidiaries. which could reasonably be expected to have a material adverse effect on Citi's ability to perform the services contemplated by the Economic Disclosure Form.

Citi is a public company and as such files periodic and current reports with the U.S. Securities and Exchange Commission (SEC) as required by the Securities Exchange Act of 1934 that include current descriptions of material regulatory proceedings, investigations and litigation. Copies of Citi's periodic reports are on file with the SEC, which can be located at the SEC's website (www.sec.gov).

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Citigroup Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Citigroup Global Markets Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 399 Park AVenue
New York, NY 10043

C. Telephone: (312) 876-3550 Fax: (312) 876-3551 Email: rade.kljajic@citi.com

D. Name of contact person: Ray Kljajic

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A for a list of Citigroup Inc. Officers and Directors.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment B in support of the above.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

Not Applicable

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

Not Applicable

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:
Citigroup Inc. is a legal entity holding an interest in Citigroup Global Markets Inc. (The Applicant).

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City*

Citigroup Inc.
(Print or type name of Disclosing Party)

By: J. B. Wollard
(Sign here)

Joseph B. Wollard
(Print or type name of person signing)

Assistant Secretary
(Print or type title of person signing)

Signed and sworn to before me on (date) January 28, 2013
at New York County, New York (state).

Jacqueline Wood Notary Public

Commission expires: 6-2-2016.

JACQUELINE WOOD
Notary Public, State of New York
No. 01WO6188144
Qualified in New York County
Commission Expires 6-2-2016

* based upon a reasonable and diligent search.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

ATTACHMENT A:
CITIGROUP INC.
DIRECTORS & OFFICERS
As of January 15, 2013

DIRECTORS:

Michael L. Corbat
Franz B. Humer
Robert L. Joss
Michael E. O'Neill, Chairman of the Board
Lawrence R. Ricciardi
Dr. Judith Rodin
Robert L. Ryan
Anthony M. Santomero
Joan E. Spero
Diana L. Taylor
William S. Thompson, Jr.
Ernesto Zedillo Ponce de Leon

OFFICERS*

Michael L. Corbat	Chief Executive Officer
James Forese	Co-President
Manuel Medina-Mora	Co-President
Eric Aboaf	Treasurer
John C. Gerspach	Chief Financial Officer
Rohan Weerasinghe	General Counsel and Corporate Secretary

* As defined in Appendix A of the City of Chicago Economic Disclosure Statement and Affidavit.

ATTACHMENT B

CITIGROUP INC. AND ITS AFFILIATES:
LITIGATION AND REGULATORY MATTERS

In the ordinary course of business, Citigroup Inc. ("Citigroup") and its subsidiaries and affiliates are defendants or co-defendants in various litigation matters incidental to and typical of the broad range of businesses in which they are engaged. For example, typical actions in broker-dealer subsidiaries are civil suits, arbitration proceedings, and other matters related to activities occurring in the normal course of business as a broker and dealer in securities, as an underwriter of securities, as an investment banker or otherwise. From time to time Citigroup, and certain affiliated entities, are the subjects of inquiries and investigations conducted by federal or state regulatory agencies. Citigroup and its affiliated entities routinely cooperate with such investigations.

Citigroup is a public company, and as such files periodic and current reports with the U.S. Securities and Exchange Commission as required by the Securities Exchange Act of 1934 that include current descriptions of material regulatory proceedings, investigations and litigation. Copies of Citigroup's periodic reports are on file with the SEC, which can be located at the SEC's website (www.sec.gov).

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Citigroup Global Markets Holdings Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Citigroup Global Markets Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 390 Greenwich Street, 2nd Floor
New York, NY 10013

C. Telephone: (312)876-3550 Fax: (312) 876-3551 Email: rade.kljajic@citi.com

D. Name of contact person: Ray Kljajic

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A for a list of Citigroup Global Markets Holdings Inc. Officers and Directors.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
See Attachment B for a list of Direct and Indirect owners of Citigroup Global Markets Holdings Inc.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment C in support of the above.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

Not Applicable

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

Not Applicable

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [X] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:
Citigroup Global Markets Holdings Inc. is a legal entity holding an interest in Citigroup Global Markets Inc. (The Applicant).

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City*

Citigroup Global Markets Holdings Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

YESENIA MORILLO
Notary Public - State of New York
NO. 01MO6070654
Qualified in New York County
My Commission Expires 06-01-14

Eugene Kwon
(Print or type name of person signing)

Authorized Signatory
(Print or type title of person signing)

Signed and sworn to before me on (date) JANUARY 24, 2013,
at NEW YORK County, NEW YORK (state).

_____ Notary Public.

Commission expires: 06-01-14.

*based upon a reasonable and diligent search.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP GLOBAL MARKETS HOLDINGS INC.

ATTACHMENT A - LIST OF CORPORATE OFFICERS

PRINCIPALS:

James A. Forese	Director and President
Cliff Verron	Chief Financial Officer
Ardavan Nozari	Treasurer
Scott L. Flood & Karen Kirchen	GC and Secretary

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP GLOBAL MARKETS HOLDINGS INC.

ATTACHMENT B - DIRECT AND INDIRECT OWNERS OF CITIGROUP GLOBAL MARKETS INC.

- Citigroup Global Markets Holdings Inc. is a wholly-owned subsidiary of Citigroup Inc.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP GLOBAL MARKETS HOLDINGS INC.

ATTACHMENT C - FURTHER CERTIFICATION

In the ordinary course of business, Citigroup Inc. ("Citi"), which holds an indirect interest in the Applicant, and its subsidiaries are defendants or co-defendants in various litigation matters incidental to and typical of the broad range of businesses in which they are engaged. For example, typical actions in broker-dealer subsidiaries are civil suits, arbitration proceedings, and other matters related to activities occurring in the normal course of business as a broker and dealer in securities, as an underwriter of securities, as an investment banker or otherwise. From time to time Citi, and certain affiliated entities, are the subjects of inquiries and investigations conducted by federal or state regulatory agencies. Citi and its affiliated entities routinely cooperate with such investigations.

To the best of our knowledge, information and belief, we are not aware of any threatened or pending proceedings, investigations or litigation concerning Citi or its subsidiaries. which could reasonably be expected to have a material adverse effect on Citi's ability to perform the services contemplated by the Economic Disclosure Form.

Citi is a public company and as such files periodic and current reports with the U.S. Securities and Exchange Commission (SEC) as required by the Securities Exchange Act of 1934 that include current descriptions of material regulatory proceedings, investigations and litigation. Copies of Citi's periodic reports are on file with the SEC, which can be located at the SEC's website (www.sec.gov).

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Citigroup Global Markets Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 390 Greenwich Street, 2nd Floor
New York, NY 10013

C. Telephone: (312)876-3550 Fax: (312) 876-3551 Email: rade.kljajic@citi.com

D. Name of contact person: Ray Kljajic

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A for a list of Citigroup Global Market Inc. Officers and Directors.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
See Attachment B for a list of Direct and Indirect owners of Citigroup Global Markets Inc.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Attorney: Thompson Coburn LLP	55 East Monroe Street, Chicago, IL 60603		$101,250 Estimated Fees
Attorney: McGaugh Law Group, LLC.	1233 South Wacker Drive, Suite 5450, Chicago, IL 60602		$43,425 Estimated Fees

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment C in support of the above.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

Not Applicable

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City*

Citigroup Global Markets Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Ray Kljajic
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) 2/5/2013,
at Illinois County, Cook (state).

_____ Notary Public.

Commission expires: 11-16-2013.

OFFICIAL SEAL
EVA VICENS FUSTE
Notary Public - State of Illinois
My Commission Expires Nov 16, 2013

*based upon a reasonable and diligent search.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP GLOBAL MARKETS INC.

ATTACHMENT A - LIST OF CORPORATE OFFICERS

PRINCIPALS:

James A. Forese	Director
John P. Davidson	Director
William J Mills	Director

James A. Forese	Chairman/CEO/President
Cliff Verron	Chief Financial Officer
Ardavan Nozari	Treasurer
Scott L. Flood	GC and Secretary

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP GLOBAL MARKETS INC.

ATTACHMENT B - DIRECT AND INDIRECT OWNERS OF CITIGROUP GLOBAL MARKETS INC.

- Citigroup Global Markets Inc. is a wholly-owned subsidiary of Citigroup Financial Products Inc.
- Citigroup Financial Products Inc. is a wholly-owned subsidiary of Citigroup Global Markets Holdings Inc.
- Citigroup Global Markets Holdings Inc. is a wholly-owned subsidiary of Citigroup Inc.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

ATTACHMENTS FOR CITIGROUP GLOBAL MARKETS INC.

ATTACHMENT C - FURTHER CERTIFICATION

In the ordinary course of business, Citigroup Inc. ("Citi"), which holds an indirect interest in the Applicant, and its subsidiaries are defendants or co-defendants in various litigation matters incidental to and typical of the broad range of businesses in which they are engaged. For example, typical actions in broker-dealer subsidiaries are civil suits, arbitration proceedings, and other matters related to activities occurring in the normal course of business as a broker and dealer in securities, as an underwriter of securities, as an investment banker or otherwise. From time to time Citi, and certain affiliated entities, are the subjects of inquiries and investigations conducted by federal or state regulatory agencies. Citi and its affiliated entities routinely cooperate with such investigations.

To the best of our knowledge, information and belief, we are not aware of any threatened or pending proceedings, investigations or litigation concerning Citi or its subsidiaries. which could reasonably be expected to have a material adverse effect on Citi's ability to perform the services contemplated by the Economic Disclosure Form.

Citi is a public company and as such files periodic and current reports with the U.S. Securities and Exchange Commission (SEC) as required by the Securities Exchange Act of 1934 that include current descriptions of material regulatory proceedings, investigations and litigation. Copies of Citi's periodic reports are on file with the SEC, which can be located at the SEC's website (www.sec.gov).

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Drexel Hamilton, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 30 South Wacker Drive, Suite 2200
Chicago, IL 60606

C. Telephone: 312-466-5510 Fax: 312-466-5601 Email: jolvany@drexelhamilton.com

D. Name of contact person: John Olvany

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Pennsylvania

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Lawrence K Doll	Managing Member & Chairman
Harry J Gobora	Member Partner
James W Cahill	President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Lawrence K Doll	2000 Market Street, Philadelphia, PA 19103	51%
Harry J Gobora	2000 Market Street, Philadelphia, PA 19103	11%
Eugene O'Brien	2000 Market Street, Philadelphia, PA 19103	10%
S. Brooks Hulitt	2000 Market Street, Philadelphia, PA 19103	8%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP (anticipated to be retained)	55 East Monroe Street, Chicago, IL 60603		est. $101,250 (allocated among underwriters)
McGaugh Law Group, LLC (anticipated to be retained)	233 South Wacker Drive, Suite 5450, Chicago, IL 60606		est. $43,425 (allocated among underwriters)

(Add sheets if necessary)

☐ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes ☑ No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below.

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

☑ is ☐ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

☑ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

☐ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Drexel Hamilton, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Colleen Lindh
(Print or type name of person signing)

Chief Compliance Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/18/2013,
at Philadelphia County, PA (state).

_____ Notary Public.

Commission expires: 10/29/16.

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
MARIA BOWDREN, Notary Public
City of Philadelphia, Phila. County
My Commission Expires October 29, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Lebenthal & Co., LLC d/b/a Lebenthal & Company, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 521 Fifth Avenue, 15th Floor
New York, NY 10175

C. Telephone: (212)(97-3286 Fax: (646)(26-5592 Email: public.finance@lebenthal.com

D. Name of contact person: Gregory Anderson

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprictorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Alexandra Lebenthal	Chief Executive Officer
James B. Lebenthal	Chief Financial Officer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Alexandra Lebenthal	NY, NY	61%
Lebenthal Family Trust	NY, NY	21%
(Beneficiaries: Alexandra Lebenthal, James B. Lebenthal, Claudia Lebenthal — 7% Each)		
All Other Ownership Under 7.5%		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 East Monroe St. Chicago, IL 60603	Attorney	Est. $101,250
McGrath Law Group, LLC	233 South Wacker Dr., Suite 5450 Chicago, IL 60606	Attorney	Est. $43,425

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[✓] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Lebenthal + Co., LLC
(Print or type name of Disclosing Party)

By: James B. Lebenthal
(Sign here)

James B. Lebenthal
(Print or type name of person signing)

Chief Financial Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 14TH JANUARY 2013,
at NEW YORK County, NEW YORK (state).

Notary Public.

Commission expires: .

LEONARD SCHLANGEL
Notary Public, State of New York
No. 60-4798755
Qualified in Westchester County
Commission Expires Sept. 30, 2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Janney Montgomery Scott LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 1717 Arch Street
Philadelphia PA 19103

C. Telephone: 215-665-6000 Fax: 215-587-9943 Email: valtman@janney.com

D. Name of contact person: Vivian Altman

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Exhibit A attached	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Independence Square Properties LLC	600 Dresher Rd Horsham PA	100%
* Independence Square Properties LLC, in turn, is owned by Penn Mutual Life Insurance Co.	600 Dresher Rd Horsham PA	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
* Thompson Coburn LLP	55 East Monroe St. Chicago IL 60603	attorney,	est. $101,950
* McCaugh Law Group LLC	233 South Wacker Dr, Ste 5450 Chicago IL, 60606	attorney,	est. $43,425
* expected to retain *			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [✓] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

See Exhibit B attached

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Sunray Montgomery Scott LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Vivian Altman
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 31, 2013,
at Philadelphia County, Pennsylvania (state).

Brigid E. Lau Notary Public.

Commission expires: August 23, 2015.

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
BRIGID E. LAU, Notary Public
City of Philadelphia, Phila. County
My Commission Expires August 23, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

EXHIBIT A

Direct Owners/Executive Officers

Organization CRD#: 463 Organization Name: JANNEY MONTGOMERY SCOTT LLC

Organization SEC#: 8-482 Applicant Name: JANNEY MONTGOMERY SCOTT LLC

View IA Record

Full Legal Name	Domestic, Foreign, Individual	Status	Date Status Acquired	Ownership Code	Control person	Public Reporting Company	CRD#, EIN, SSN, IRS#
INDEPENDENCE SQUARE PROPERTIES LLC	Domestic Entity	LLC MEMBER	07/1982	75% or more	Y	N	23-1918844
MILLER, ANTHONY MATHEW	Individual	SENIOR VICE PRESIDENT, TREASURER, FINANCIAL OPERATIONS PRINCIPAL	12/2007	Less than 5%	Y	N	4597116
LOMBARD, JEROME FRANCIS JR	Individual	MANAGER & EXECUTIVE VICE PRESIDENT	07/2003	Less than 5%	Y	N	1066832
LYDZINSKI, PETER PAUL III	Individual	CHIEF COMPLIANCE OFFICER OF INVESTMENT ADVISOR	12/2005	Less than 5%	N	N	4459773
SLOMIN, ROBERT PAUL	Individual	ROSFP	01/2006	Less than 5%	N	N	3043306
ESKIN, MARK RICHARD	Individual	MANAGER	12/2006	Less than 5%	N	N	3199452
SINGER, STUART MICHAEL	Individual	VICE PRESIDENT, MANAGER	12/2006	Less than 5%	N	N	870079
CROONQUIST, GEORGE THOMAS JR	Individual	SENIRO VICE PRESIDENT, MANAGER	12/2006	Less than 5%	N	N	1166411
SCHEVE, TIMOTHY CHARLES	Individual	PRESIDENT/CEO/MANAGER	08/2007	Less than 5%	Y	N	1319072
MAINE, JOHN DAVENPORT JR	Individual	EXECUTIVE VICE PRESIDENT MANAGER	01/2009	Less than 5%	N	N	1235490
HALLIDAY, MARION STARK	Individual	CO-CHIEF COMPLIANCE OFFICER-PRIVATE CLIENT	04/2009	Less than 5%	N	N	4599762
HYDE, GINA ELIZABETH	Individual	CO CHIEF COMPLIANCE OFFICER-CAPITAL MARKETS	11/2009	Less than 5%	N	N	2812761
MCDONNELL, EILEEN CLAIRE	Individual	MANAGER	01/2010	Less than 5%	N	N	2483683
HENDERSON, MARK ANDREW	Individual	MANAGER	01/2012	Less than 5%	N	N	4255993
NASH, SCOTT MICHAEL	Individual	MANAGER	01/2012	Less than 5%	N	N	1126026
SHAFFER, SHEILA SPAINHOUR	Individual	MANAGER	01/2012	Less than 5%	N	N	1230244
WALES, WAYNE WESLEY	Individual	MANAGER	01/2012	Less than 5%	N	N	2101522
MCSHEA, GREGORY BURNS	Individual	GENERAL COUNSEL	12/2012	Less than 5%	N	N	2870963

CERTIFICATE OF INCUMBENCY

The undersigned, Carrie L. Chelko, of Janney Montgomery Scott LLC, hereby certifies that the following named officer is duly appointed, qualified and acting in the capacity set forth opposite his/her name, and the following signature is the true and genuine signature of said officer.

Name	Title	Signature
Vivian Altman	Managing Director	

IN WITNESS WHEREOF, Janney Montgomery Scott LLC, has caused this Certificate of Incumbency to be executed by its officer duly authorized this 30th day of January, 2013.

Janney Montgomery Scott LLC

By _____
Name: Carrie L. Chelko
Title: Assistant Secretary

EXHIBIT B

COMMONWEALTH OF PENNSYLVANIA :
:
COUNTY OF MONTGOMERY :

AFFIDAVIT OF FRANKLIN BEST

I, Franklin Best, hereby declare and state as follows:

1. I am competent and authorized to make this Affidavit.

2. I am the Managing Corporate Counsel and Secretary of Penn Mutual Life Insurance Company (Penn Mutual), the parent company of Janney Montgomery Scott LLC, and have a business address of 600 Dresher Road, Horsham, PA 19044-2204.

3. I verify that the statements made herein are true and correct to the best of my knowledge, information and belief and understand that the statements herein are made pursuant to penalties of law relating to false swearing under 18 PA. CONS. STAT. ANN. § 4903.

4. I submit this affidavit in connection with the Janney Montgomery Scott LLC RFP9421 relating to the Community College of Philadelphia and in compliance with Philadelphia Code § 17-104 (Prerequisites to the Execution of City Contracts).

5. Penn Mutual was founded in 1847 and is the nation's second oldest mutual life insurer.

6. Penn Mutual's record retention policy provides for the destruction of insurance policy records ten (10) years after an insurance policy terminates. Penn Mutual has searched its historical records and was unable to find any evidence or documents which demonstrate that Penn Mutual issued life insurance policies to slaveholders.

7. However, Penn Mutual did find two (2) documents regarding rates for policies to be issued to slaveholders providing coverage on the lives of slaves under the name of "Franklin Slaughter," underwriter and general insurance agent for an unidentified insurance company.

8. The documents provide no indication of the identity of the insurance company that issued those policies and no indication of how or why Penn Mutual had acquired the documents in its historical archive. Copies of the documents are attached to this Affidavit as Exhibit "A."

I hereby state that the foregoing facts are true and correct.

Franklin Best, Esquire
Managing Corporate Counsel and Secretary
Penn Mutual Life Insurance Company

Executed on February 11, 2008

Sworn to and subscribed before
me this 11th day of February, 2008

Notary Public
My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Debbi L. Warriner, Notary Public
Horsham Twp., Montgomery County
My Commission Expires Oct. 16, 2008
Member, Pennsylvania Association Of Notaries

FRANKLIN SLAUGHTER,

Underwriter & General Insurance Agent,

FREDERICKSBURG, VA.

SLAVE RATES.

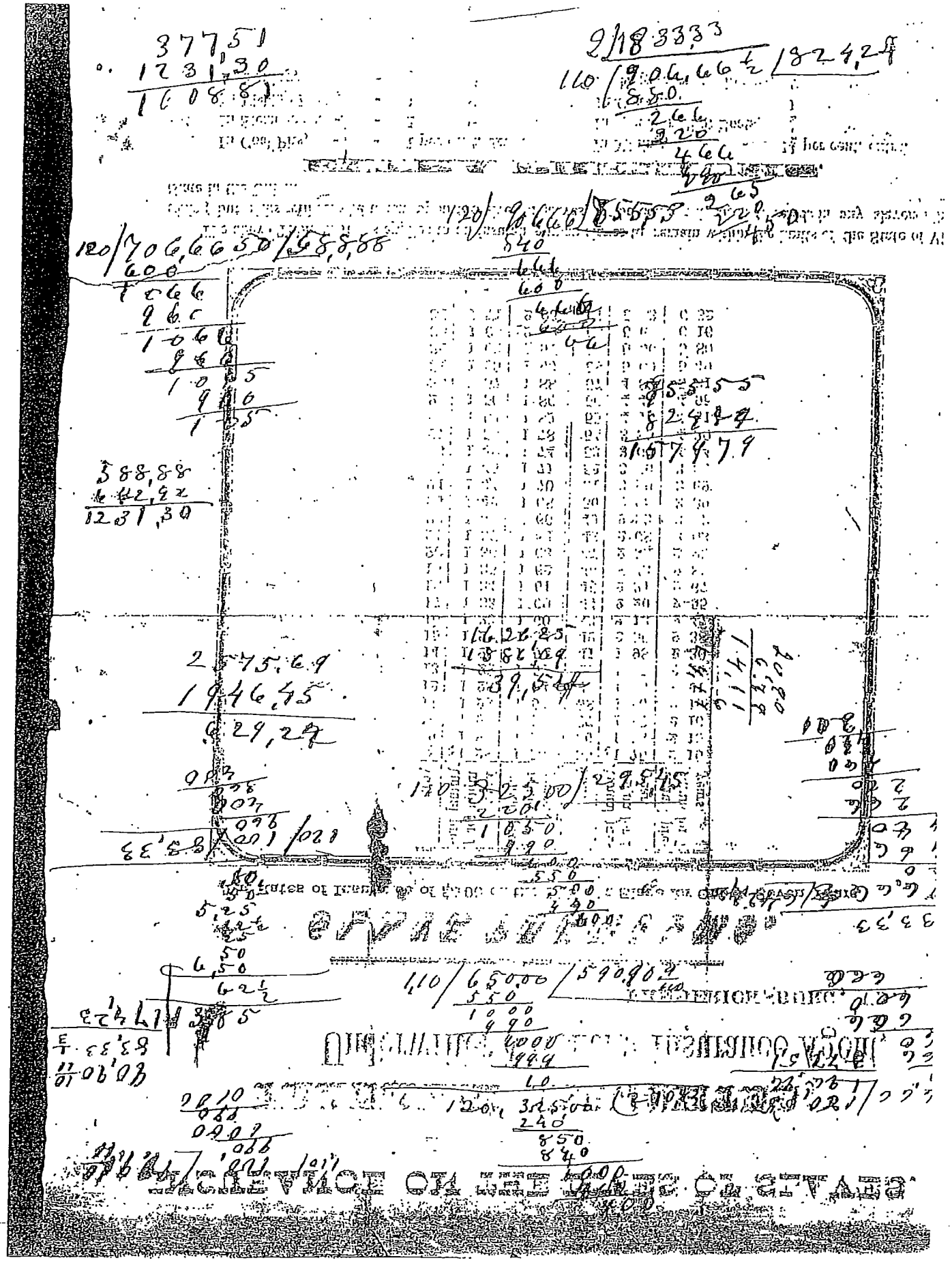
The Rates of Insurance of $100 on the Life of a Slave for One & Seven Years.

Age.	Annual premium for 1 year.	Annual premium for 7 years.	Age.	Annual premium for 1 year.	Annual premium for 7 years.
8	$1 28	1 54	35	$1 75	2 10
9	1 28	1 54	36	1 78	2 13
10	1 28	1 54	37	1 83	2 16
11	1 28	1 54	38	1 86	2 19
12	1 28	1 54	39	1 90	2 21
13	1 28	1 54	40	1 95	2 25
14	1 28	1 54	41	1 98	2 30
15	1 28	1 54	42	2 05	2 38
16	1 33	1 60	43	2 13	2 47
17	1 33	1 60	44	2 20	2 56
18	1 34	1 61	45	2 31	2 67
19	1 35	1 62	46	2 43	2 80
20	1 36	1 63	47	2 55	2 93
21	1 37	1 64	48	2 68	3 03
22	1 40	1 66	49	2 83	3 33
23	1 42	1 68	50	2 98	3 39
24	1 44	1 70	51	3 20	3 62
25	1 45	1 71	52	3 40	3 83
26	1 48	1 74	53	3 60	4 04
27	1 50	1 78	54	3 85	4 30
28	1 53	1 82	55	4 15	4 61
29	1 56	1 86	56	4 48	4 95
30	1 57	1 88	57	4 83	5 31
31	1 60	1 93	58	5 00	5 49
32	1 63	1 97	59	5 30	5 80
33	1 68	2 02	60	5 65	6 16
34	1 71	2 06	61	5 83	6 32

The above Table of Rates applies to an insurance upon slaves to remain within the limits of the State of Virginia; but risks will also be taken upon the lives of slaves, to be conveyed to, or to *reside* in any slaveholding State in the Union.

EXTRA PREMIUMS.

In Coal Pits,	1 per cent. extra.	In Mining,	1½ per cent. extra.
In Steamboats,	1 "	In Canal or Pilot Boats,	½ "
In Fishing Boats,	1 "	In Coasting,	1 "
In Rafting,	½ "	As Engineers or Firemen,	2 "



	1 yr.		2 yrs.	
age 20	.91	1.36	.95	1.63
age 25	1.00	1.45	1.12	1.71
age 30	1.31	1.57	1.36	1.88
age 35	1.36	1.75	1.53	2.10
age 40	1.69	1.95	1.83	2.25
age 50	1.96	2.98	2.09	3.39
age 60	4.35	5.65	4.91	6.16

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Independence Square Properties LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [✓] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Janney Montgomery Scott LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 600 Dresher Road
Horsham PA 19044

C. Telephone: 215-956-7754 Fax: _____ Email: best frankc@pennmutual.com

D. Name of contact person: Frank Best

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [✓] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached Exhibit A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [✓] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [✓] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI – CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Independence Square Properties LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Frank Best
(Print or type name of person signing)

_____
(Print or type title of person signing)

Signed and sworn to before me on (date) February 11, 2013
at Montgomery County, Pennsylvania (state).

Donna L Beath Notary Public.

Commission expires: May 4 2015

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Donna L. Beath, Notary Public
Horsham Twp., Montgomery County
My Commission Expires May 4, 2015
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

EXHIBIT A - Managers and officers of Independence Square Properties

Managers:

David M. O'Malley
Eileen C. McDonnell
Timothy C. Scheve

Officers:

President	David M. O'Malley
Vice President and Controller	Bethanne D. Adamsky
Treasurer	Patricia M. Chiarlanza
Secretary and Counsel	Franklin L. Best, Jr.
Tax Director	James G. Murray

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Penn Mutual Life Insurance Company

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [✓] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Janney Montgomery Scott LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 600 Dresher Rd
Horsham PA 19044

C. Telephone: 215-956-7754 Fax: _____ Email: best.frank@pennmutual.com

D. Name of contact person: Frank Best

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[✓] Other (please specify)
Mutual Company

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

_____

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached Exhibit A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [✓] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [✓] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

_X_2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

See attached Exhibit B

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Penn Mutual Life Insurance Company
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Frank Best
(Print or type name of person signing)

Vice President, General Counsel, Insurance Operations and Corporate Secretary
(Print or type title of person signing)

Signed and sworn to before me on (date) February 11, 2013,
at Montgomery County, Pennsylvania (state).

Donna L Beath Notary Public.

Commission expires: May 4, 2015.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Donna L. Beath, Notary Public
Horsham Twp., Montgomery County
My Commission Expires May 4, 2015
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Loop Capital Markets LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 111 W. Jackson Boulevard; Suite 1901
Chicago, IL 60604

C. Telephone: 312-356-5009 Fax: 312-922-7137 Email: clarence.bourne@loopcapital.com

D. Name of contact person: Clarence Bourne

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[x] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
James Reynolds, Jr.	Chairman and CEO/Managing Member
Albert R. Grace, Jr.	President/Managing Member
Sandra M. Reynolds	Secretary/Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Loop Capital Holdings LLC	111 W. Jackson Boulevard; Ste 1901	77.05%
Albert R. Grace, Jr.	Chicago, IL 60604	8.90%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP (Anticipated to be retained)	55 East Monroe Chicago, IL 60603	Underwriter's Counsel	Estimated Fee: $101,250
McGaugh Law Group, LLC (Anticipated to be retained)	233 South Wacker Drive Suite 5450 Chicago, IL 60606	Underwriter's Counsel	Estimated Fee: $43,425

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

Loop Capital

111 West Jackson Blvd.
Suite 1901
Chicago, IL 60604
T 312.913.4900 F 312.913.4928
Toll Free 888.294.8898
www.loopcapital.com

Attachment 1

City of Chicago
Economic Disclosure Statement

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Alderman Jason Ervin attended Sinai Community Institute Gala 2012 Charitable Event as a guest of Loop Capital Markets LLC, a sponsor of the event. Sinai Health systems is the largest employer in Alderman Ervin's Ward.

The following people attended Loop Capital's Anniversary/Open House Celebration on September 13, 2012:

Felicia Davis (Mayors Office)
Mark Myslinski (City Treasurer)
Rahm Emanuel (Mayors Office)
Danielle Mostert (City Treasurer)

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Please see Attachment 1.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Loop Capital Markets LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

James Reynolds, Jr.
(Print or type name of person signing)

Chairman & CEO
(Print or type title of person signing)

Official Seal
Nancy Anne Zlagos
Notary Public, State of Illinois
My Commission Expires 01/27/2015

Signed and sworn to before me on (date) 01/11/2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 01/27/2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Loop Capital Holdings LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [x] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Loop Capital Markets LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 111 W. Jackson Boulevard; Suite 1901
Chicago, IL 60604

C. Telephone: 312-913-4900 Fax: 312-922-7137 Email: jim.reynolds@loopcapital.com

D. Name of contact person: James Reynolds, Jr.

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[x] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
James Reynolds, Jr.	Manager
Sandra M. Reynolds	Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
James Reynolds, Jr.	111 W. Jackson Boulevard Suite 1901 Chicago, IL 60604	98%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Loop Capital Holdings LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

James Reynolds, Jr.
(Print or type name of person signing)

Managing Member
(Print or type title of person signing)

Official Seal
Nancy Anne Ziagos
Notary Public, State of Illinois
My Commission Expires 01/27/2015

Signed and sworn to before me on (date) 01/11/2013,
at Cook County, Illinois (state).

Nancy Anne Ziagos Notary Public.

Commission expires: 01/27/2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

PNC Capital Markets LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 225 Fifth Avenue
Pittsburgh, PA 15222

C. Telephone: 412-762-2617 Fax: 412-705-2682 Email: amy.march@pnc.com

D. Name of contact person: Amy March

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Pennsylvania

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
PNC Holding, LLC	222 Delaware Ave.	100%
	Wilmington, DE 19801	

All of the equity in the disclosing party is owned by PNC Holding, LLC, a Delaware limited liability company.

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No See Attachment B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
Thompson Coburn LLP	55 E Monroe Chicago, IL 60603	Attorney-retained	est. $101,250
McGaugh Law Group LLC	233 S Wacker Dr, Suite 5450 Chicago, IL 60606	Attorney-retained	est. $43,425

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No See Attachment B

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee. See Attachment B

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

[X] 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
See Attachment B

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. See Attachment B

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

PNC Capital Markets LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Walter Stock
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) 6 February 2013,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 2-2-2016.

OFFICIAL SEAL
JEREMY DELLINGER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:02/02/16

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CERTIFICATION

The undersigned, being the Secretary of PNC Capital Markets LLC, a Pennsylvania limited liability company (the "Company"), hereby certifies as follows:

1. Attached hereto as Annex A is a copy of Sections 4.8 and 4.9 of the Operating Agreement of the Company, dated as of November 1, 2005, which agreement has not been amended, modified, supplemented or terminated as of the date hereof.

2. The person listed below holds the office set forth opposite his name.

   Walter Stock — Managing Director

3. As such officer, in accordance with such Sections of the afore-mentioned agreement, the person listed above is authorized, in the name and on behalf of the Company, to execute any and all agreements, certifications and other documents as he may deem necessary or appropriate in connection with the business of the Company.

4 February 2013
(Date)

Leonard S. Ferleger
Secretary and Chief Counsel

[Remainder of page intentionally left blank.]

4.8 General Powers of Officers.

(a) Signatures with Attestation. The President, any Vice President, any Managing Director, any Director and any other officer or agent authorized by the Board of Managers or the President are, and each of them acting alone is, hereby authorized and empowered:

(i) To sell, assign and transfer any and all shares of stock or other personal property standing in the name of the Company or held by the Company either in its own name or in any fiduciary capacity or as agent;

(ii) To sell, assign and transfer any and all bonds, notes or other evidences of indebtedness of the United States or its instrumentalities, any state, city, county, borough or other municipality or any instrumentality of any of them, or any corporation or other private issuer thereof and to execute requests for payment or reissuance of any such bonds, notes or other evidences of indebtedness that may be issued now or hereafter standing in the name of the Company or held by the Company either in its own name or in any fiduciary capacity or as agent;

(iii) To sell at public or private sale, lease, mortgage or otherwise dispose of, for such price or prices and upon such terms and conditions as may be deemed advisable, any real estate or any interest therein now held or which may be hereafter acquired or held by the Company either in its own name or in any fiduciary capacity or as agent; and for and on behalf of the Company and as its act and deed to execute and deliver any conveyances of any such real estate, agreements, contracts, bills of sale, assignments of mortgages, judgments, claims, powers of attorney or other instruments which may be necessary in relation to any estate or property, real or personal, standing in the name of the Company either in its own right or in any fiduciary capacity or as agent and to acknowledge the same before any person having authority to take such acknowledgments on such instruments to the intent that they may be duly recorded;

(iv) To receive and receipt for any sums of money or property due or owing to the Company either in its own name or in any fiduciary capacity or as agent and to execute any instrument of satisfaction therefor or of any mortgage, judgment or other lien of record in the Office of the Recorder of Deeds, the Prothonotary or other office or court of record in Allegheny County, the Commonwealth of Pennsylvania, or elsewhere; and

(v) To execute and deliver any and all deeds, contracts, agreements, leases, conveyances, bills of sale, petitions, writings, instruments, releases, acquittances and obligations necessary in the exercise of the powers of the Company.

(b) Signatures without Attestation. The President, any Vice President, any Managing Director, any Director and any other officer or agent authorized by the Board of Managers or the President are, and each of them acting alone is, hereby authorized and empowered:

(i) To sign or countersign checks, drafts, acceptances, guarantees of signatures on assignments of stocks and bonds, promissory notes, correspondence and other papers or documents; and

(ii) To receive and receipt for any sums of money or property due or owing to the Company either in its own name or in any fiduciary capacity or as agent and, either as attorney-in-fact for the Company or otherwise, to execute any instrument of satisfaction therefor or of any mortgage, judgment or other lien in the Office of the Recorder of Deeds, the Prothonotary or other office or court of record in Allegheny County, the Commonwealth of Pennsylvania, or elsewhere.

4.9 Authorization to Transact Business.

(a) General Powers. The President, the Chief Financial Officer, the Chief Compliance Officer, the Secretary and any other officer authorized by the Board of Managers or the President are, and each of them acting alone is, hereby authorized and empowered:

(i) To file applications, notices and other documents with any federal, state, local or foreign government authorities and any self-regulatory organizations as are necessary or expedient so that the Company can engage in the business of purchasing, selling and offering securities and other financial products and related services and, in connection therewith, to seek such approvals from any such authorities and organizations as any such officer of the Company deems necessary or expedient;

(ii) For the purpose of authorizing the Company to do business in any state, territory or dependency of the United States or any Province of Canada or any foreign country in which it is necessary or expedient for the Company to transact business, to appoint and substitute all necessary agents or attorneys for service of process, to designate and change the location of all necessary statutory offices and, under the Company's seal or otherwise, to make and file all necessary certificate, reports, powers of attorney and other instruments as may be required by the laws of such state, territory, dependency, province or country and, whenever it is expedient for the Company to cease doing business therein and withdraw therefrom, to revoke any such appointment and to file any document or instrument as may be necessary to terminate the authority of the Company to do business in such state, territory, dependency, province or country; and

(iii) To execute and deliver applications, notices, instruments and other documents with any bank, broker, dealer or other financial institution so that the Company may open accounts with such financial institutions to transact business.

(b) Power to Adopt Resolutions. The Member hereby authorizes and empowers the Board of Managers to adopt any form of resolutions requested by any third party in connection with the actions authorized by Section 4.9(a) of this Agreement. The Board of Managers hereby adopts and approves any such form of resolution as is deemed necessary or appropriate by the President, the Chief Financial Officer, the Chief Financial Officer or the Secretary and delegates to the Secretary and any other officer authorized by the Board of Managers or the President from time to time the authority to certify to any third party that any such form of resolution has been approved and adopted by the Board of Managers. The Secretary or any such other officer shall evidence the approval and adoption of such resolutions by inserting a copy thereof in the minute books of the Company.

Attachment A
To
City of Chicago
Economic Disclosure Statement and Affidavit
Filed by
PNC Capital Markets, LLC

Executive Officers as of January 11, 2013

Executive Officer	Title
Terrence Patrick Begley	Executive Officer
Brian G Derespiris	Board Member
David Robert Dwyer	Chief Financial Officer
Mark Stephen Evanco	Board Member
Leonard Ferleger	Chief Counsel & Secretary
Charlotte Behm McLaughlin	Chief Executive Officer
E. William Parsley	Chairman
Douglas Edward Shaffer	Executive Officer
Andrew David Tino	Chief Compliance Officer
Charlene Faith Wilson	Treasurer and FINOP

Attachment B
To
City of Chicago
Economic Disclosure Statement and Affidavit
Filed by
PNC Capital Markets LLC

This Attachment B modifies and supplements the information provided in the City of Chicago Economic Disclosure Statement and Affidavit executed by the Disclosing Party as of February 6, 2013 (the "EDS"). Any capitalized term used in this Attachment B will have the definition set forth in the EDS, except as provided below.

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

To the best knowledge of the Disclosing Party, after reasonable inquiry, the Disclosing Party has not had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months ending on the date that the Disclosing Party executed the EDS. For purposes of this certification, the term "City elected official" is treated as including only the City's Mayor, Aldermen, Treasurer and Clerk and not including their spouses, domestic partners (as defined in Chapter 2-156 of the Municipal Code) or any entity in which any such person has an interest.

SECTION V – CERTIFICATIONS

B. FURTHER CERTIFICATIONS

The Disclosing Party certifies that, as of the date that the Disclosing Party executed the EDS, to the best of its knowledge, after reasonable inquiry, (x) the statement contained in Section V, paragraph B.2.d is accurate with respect to itself; and (y) the statements contained in Section V, paragraphs B.1 and B.2.a through and including B.2.e are accurate with respect to the executive officers and managers of the Disclosing Party. With respect to Section V, paragraphs B.2.b, c and e, the Disclosing Party hereby makes reference to the information on legal proceedings set forth in the filings made by its ultimate parent company, The PNC Financial Services Group, Inc., with the Securities and Exchange Commission, which may be found at www.sec.gov or www.pnc.com/secfilings. Copies of the most current such disclosures are attached as Annex I to this Attachment B. The Disclosing Party certifies that none of the judgments set forth therein, individually or in the aggregate, would have a material adverse effect on its ability to perform with respect to the Matter.

The Disclosing Party certifies that, as of the date that the Disclosing Party executed the EDS, to the best of its knowledge, after reasonable inquiry, the statements contained in Section V, paragraphs B.3.a through and including B.3.d and B.4 are accurate with respect to any Affiliated Entity of the Disclosing Party or any responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity or any other official or employee of the Disclosing Party or any such Affiliated Entity acting in

such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity. The Disclosing Party makes no certification concerning (x) any Contractor, any Affiliated Entity of a Contractor or any Agent of any such Contractor or Affiliated Entity; or (y) any agent of the Disclosing Party or any Affiliated Entity of the Disclosing Party. With respect to the statements contained in Section V, paragraph B.5, the Disclosing Party is only certifying with respect to the Disclosing Party or any Affiliated Entity of the Disclosing Party.

For purposes of the certifications contained in the EDS as modified in this Attachment B: The term "Affiliated Entity" does not include BlackRock, Inc. or any of its subsidiaries or other affiliates (as such term is defined for purposes of the Securities Exchange Act of 1934, as amended), except to the extent that such entity would be an Affiliated Entity of the Disclosing Party for any other reason.

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best knowledge of the Disclosing Party, after reasonable inquiry, no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Disclosing Party only certifies that no official or employee of the City of Chicago will acquire a prohibited financial interest in the Matter from the Disclosing Party, any Affiliated Entity of the Disclosing Party or any responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity or any other official or employee of the Disclosing Party or any such Affiliated Entity acting in such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The PNC Financial Services Group, Inc. extensively reviewed the historical records of banks it has acquired and has discovered two instances in the records of the National Bank of Kentucky, a predecessor of PNC Bank, National Association, an Affiliated Entity of the Disclosing Party.

In 1836, the National Bank of Kentucky loaned $200,000 to the City of Louisville. Records indicate the City then invested in the Lexington & Ohio Railroad Company

In 1852, the National Bank of Kentucky loaned $135,000 to the Louisville & Nashville Railroad Company.

Research indicates that both railroads employed forced labor. There is no evidence that the National Bank of Kentucky accepted individuals as collateral for either loan, or otherwise directly profited from slavery.

Any questions regarding this statement should be directed to the following PNC executive:

Thomas F. Lamb, Jr.
Senior Vice President, Government Affairs
The PNC Financial Services Group, Inc.
249 Fifth Avenue
Pittsburgh, PA 15222
412-762-7558
thomas.lamb@pnc.com

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INFORMATION, COMPLIANCE, PENALTIES, DISCLOSURE

With respect to the statements contained in Section VII, paragraph F.1, the Disclosing Party certifies, to the best of its knowledge, after reasonable inquiry, that neither the Disclosing Party nor any Affiliated Entity of the Disclosing Party is delinquent in paying any fine, fee, tax or other charge owed to the City other than fines, fees, taxes or other charges that are being contested in good faith by the Disclosing Party or such Affiliated Entity by appropriate legal proceedings.

Annex I to Attachment B

To

City of Chicago

Economic Disclosure Statement and Affidavit

Filed by

PNC Capital Markets LLC

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2011
Commission file number 001-09718

THE PNC FINANCIAL SERVICES GROUP, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza
249 Fifth Avenue
Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code - (412) 762-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value $5.00	New York Stock Exchange
Depositary Shares Each Representing 1/4000 Interest in a Share of 9.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series L, par value $1.00	New York Stock Exchange
12.000% Fixed-to-Floating Rate Normal Automatic Preferred Enhanced Capital Securities (issued by National City Preferred Capital Trust I)	New York Stock Exchange
6.625% Trust Preferred Securities (issued by National City Capital Trust III)	New York Stock Exchange
8.000% Trust Preferred Securities (issued by National City Capital Trust IV)	New York Stock Exchange
6.125% Capital Securities (issued by PNC Capital Trust D)	New York Stock Exchange
7 3/4% Trust Preferred Securities (issued by PNC Capital Trust E)	New York Stock Exchange
Warrants (expiring December 31, 2018) to purchase Common Stock	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
$1.80 Cumulative Convertible Preferred Stock - Series B, par value $1.00

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes X No __

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes __ No X

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No __

Indicate by check mark if the disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer X Accelerated filer __ Non-accelerated filer __ Smaller reporting company __

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes __ No X

The aggregate market value of the registrant's outstanding voting common stock held by nonaffiliates on June 30, 2011, determined using the per share closing price on that date on the New York Stock Exchange of $59.61, was approximately $31.3 billion. There is no non-voting

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NOTE 21 REGULATORY MATTERS

We are subject to the regulations of certain federal, state, and foreign agencies and undergo periodic examinations by such regulatory authorities.

The ability to undertake new business initiatives (including acquisitions), the access to and cost of funding for new business initiatives, the ability to pay dividends or repurchase shares, the level of deposit insurance costs, and the level and nature of regulatory oversight depend, in large part, on a financial institution's capital strength. The minimum US regulatory capital ratios under Basel I are 4% for Tier 1 risk-based, 8% for total risk-based and 4% for leverage. To qualify as "well capitalized," regulators require banks to maintain capital ratios of at least 6% for Tier 1 risk-based, 10% for total risk-based and 5% for leverage. To be "well capitalized," a bank holding company must maintain capital ratios of at least 6% Tier 1 risk-based and 10% for total risk-based. At December 31, 2011 and December 31, 2010, PNC and PNC Bank, N.A. met the "well capitalized" capital ratio requirements based on US regulatory capital ratio requirements under Basel I.

The following table sets forth regulatory capital ratios for PNC and its bank subsidiary, PNC Bank, N.A.

Regulatory Capital

	Amount		Ratios	
December 31 Dollars in millions	2011	2010	2011	2010
Risk-based capital				
Tier 1				
PNC	$29,073	$26,092	12.6%	12.1%
PNC Bank, N.A.	25,536	24,722	11.4	11.8
Total				
PNC	36,548	33,724	15.8	15.6
PNC Bank, N.A.	32,322	31,662	14.4	15.1
Leverage				
PNC	29,073	26,092	11.1	10.2
PNC Bank, N.A.	25,536	24,722	10.0	10.0

The principal source of parent company cash flow is the dividends it receives from its subsidiary bank, which may be impacted by the following:

- Capital needs,
- Laws and regulations,
- Corporate policies,
- Contractual restrictions, and
- Other factors.

Also, there are statutory and regulatory limitations on the ability of national banks to pay dividends or make other capital distributions. The amount available for dividend payments to the parent company by PNC Bank, N.A. without prior regulatory approval was approximately $1.7 billion at December 31, 2011.

Under federal law, a bank subsidiary generally may not extend credit to the parent company or its non-bank subsidiaries on terms and under circumstances that are not substantially the same as comparable extensions of credit to nonaffiliates. No extension of credit may be made to the parent company or a non-bank subsidiary which is in excess of 10% of the capital stock and surplus of such bank subsidiary or in excess of 20% of the capital and surplus of such bank subsidiary as to aggregate extensions of credit to the parent company and its non-bank subsidiaries. Such extensions of credit, with limited exceptions, must be fully collateralized by certain specified assets. In certain circumstances, federal regulatory authorities may impose more restrictive limitations.

Federal Reserve Board regulations require depository institutions to maintain cash reserves with a Federal Reserve Bank (FRB). At December 31, 2011, the balance outstanding at the FRB was $407 million.

NOTE 22 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 22). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of December 31, 2011, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $550 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including,

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among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

Securities and State Law Fiduciary Cases against National City

- In January 2008, a lawsuit (*In re National City Corporation Securities, Derivative & ERISA Litigation (The Securities Case)* (MDL No. 2003, Case No: 1:08-nc-70004-SO)) was filed in the United States District Court for the Northern District of Ohio against National City and certain officers and directors of National City. As amended, this lawsuit was brought as a class action on behalf of purchasers of National City's stock during the period April 30, 2007 to April 21, 2008 and also on behalf of everyone who acquired National City stock pursuant to a registration statement filed in connection with its acquisition of MAF Bancorp in 2007. The amended complaint alleges violations of federal securities laws regarding public statements and disclosures relating to, among other things, the nature, quality, performance, and risks of National City's non-prime, residential construction, and National Home Equity portfolios, its loan loss reserves, its financial condition, and related allegedly false and misleading financial statements. In the amended complaint, the plaintiffs seek, among other things, unspecified damages and attorneys' fees. A motion to dismiss the amended complaint is pending. A magistrate judge has recommended dismissal of the lawsuit without prejudice, with a right for the plaintiffs to file a further amended complaint within 30 days. The magistrate's recommendation is subject to adoption by the district court. The plaintiffs have filed objections to that recommendation. In August 2011, the parties entered into a memorandum of understanding providing for the settlement of the lawsuit for $168 million and in November filed formal settlement papers with the district court. The settlement is conditioned on, among other things, final court approval. The court has scheduled a hearing in March 2012 to determine if it will grant final approval to the settlement. As a result of existing accruals and recorded probable insurance recoveries, PNC expects the impact of this settlement on our future results of operations to be immaterial.
- In May 2008, a lawsuit (*The Dispatch Printing Company, et al. v. National City Corporation, et al.* (Case No. 08CVH-6506)) was filed on behalf of an individual plaintiff in the Franklin County, Ohio, Court of Common Pleas against National City, certain directors of National City, and Corsair Co-Invest, L.P. and unnamed other investors participating in the April 2008 capital infusion into National City, alleging that National City's directors breached their fiduciary duties by entering into this capital infusion transaction. A motion to dismiss the case as originally filed was denied. After the initial filing, two additional plaintiffs were added. The plaintiffs filed an amended complaint in December 2010. The amended complaint adds PNC as a defendant as successor in interest to National City. In the amended complaint, which included some additional allegations, the plaintiffs seek, among other things, unspecified actual and punitive damages, and attorneys' fees. In December 2011, we filed a motion for summary judgment. The court has not yet ruled on this motion. The court has currently scheduled the trial to begin in July 2012.

Interchange Litigation

Beginning in June 2005, a series of antitrust lawsuits were filed against Visa®, MasterCard®, and several major financial institutions, including cases naming National City (since merged into PNC) and its subsidiary, National City Bank of Kentucky (since merged into National City Bank which in

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turn was merged into PNC Bank, N.A.). The cases have been consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO). Those cases naming National City were brought as class actions on behalf of all persons or business entities who have accepted Visa® or MasterCard®. The plaintiffs, merchants operating commercial businesses throughout the US and trade associations, allege, among other things, that the defendants conspired to fix the prices for general purpose card network services and otherwise imposed unreasonable restraints on trade, resulting in the payment of inflated interchange fees, in violation of the antitrust laws. In January 2009, the plaintiffs filed amended and supplemental complaints adding, among other things, allegations that the restructuring of Visa and MasterCard, each of which included an initial public offering, violated the antitrust laws. In their complaints, the plaintiffs seek, among other things, injunctive relief, unspecified damages (trebled under the antitrust laws) and attorneys' fees. In January 2008, the district court dismissed the plaintiffs' claims for damages incurred prior to January 1, 2004. In April 2009, the defendants filed a motion to dismiss the amended and supplemental complaints. In May 2009, class plaintiffs filed a motion for class certification. Both of these motions were argued in November 2009. In February 2011, the defendants filed a motion for summary judgment, which was argued in November 2011. The court has not yet ruled on any of these motions.

National City and National City Bank entered into judgment and loss sharing agreements with Visa and certain other banks with respect to all of the above referenced litigation. All of the litigation against Visa is also subject to the indemnification obligations described in Note 23 Commitments and Guarantees. PNC Bank, N.A. is not named a defendant in any of the Visa or MasterCard related antitrust litigation nor was it initially a party to the judgment or loss sharing agreements, but it has been subject to these indemnification obligations and became responsible for National City Bank's position in the litigation and responsibilities under the agreements upon completion of the merger of National City Bank into PNC Bank, N.A. In March 2011, we entered into a MasterCard Settlement and Judgment Sharing Agreement with MasterCard and other financial institution defendants and an Omnibus Agreement Regarding Interchange Litigation Sharing and Settlement Sharing with Visa, MasterCard and other financial institution defendants. If there is a resolution of all claims against all defendants, the Omnibus Agreement, in substance, apportions that resolution into a Visa portion and a MasterCard portion, with the Visa portion being two-thirds and the MasterCard portion being one-third. This apportionment only applies in the case of either a global settlement involving all defendants or an adverse judgment against the defendants, to the extent that damages either are related to the merchants' inter-network conspiracy claims or are otherwise not attributed to specific MasterCard or Visa conduct or damages. The MasterCard portion (or any MasterCard-related liability not subject to the Omnibus Agreement) will then be apportioned under the MasterCard Settlement and Judgment Sharing Agreement among MasterCard and PNC and the other financial institution defendants that are parties to this agreement. The responsibility for the Visa portion (or any Visa-related liability not subject to the Omnibus Agreement) will be apportioned under the pre-existing indemnification responsibilities and judgment and loss sharing agreements.

CBNV Mortgage Litigation

Between 2001 and 2003, on behalf of either individual plaintiffs or proposed classes of plaintiffs, several separate lawsuits were filed in state and federal courts against Community Bank of Northern Virginia (CBNV) and other defendants asserting claims arising from second mortgage loans made to the plaintiffs. CBNV was merged into one of Mercantile Bankshares Corporation's banks before PNC acquired Mercantile in 2007. The state lawsuits were removed to federal court and, with the lawsuits that had been filed in federal court, were consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in the United States District Court for the Western District of Pennsylvania, currently under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674). In January 2008, the Pennsylvania district court issued an order sending back to the General Court of Justice, Superior Court Division, for Wake County, North Carolina the claims of two proposed class members. These claims are asserted in a case originally filed in 2001 and captioned *Bumpers, et al. v. Community Bank of Northern Virginia* (01-CVS-011342).

MDL Proceedings in Pennsylvania. In August 2006, a proposed settlement agreement covering some of the class members was submitted to the district court handling the MDL proceedings for its approval, which it granted in August 2008. The class covered by this settlement is referred to as the *Kessler* class.

Some objecting members of the *Kessler* class appealed the final approval order to the United States Court of Appeals for the Third Circuit. In their appeal, the objecting *Kessler* class members had asserted that CBNV's annual percentage rate disclosures violated the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA), that those claims are very valuable, and that the settling plaintiffs should have asserted those claims. The settling plaintiffs advanced a number of reasons why they had not asserted TILA/HOEPA claims. In September 2010, the court of appeals vacated the district court's class certification decision and approval of the class settlement and remanded the case to the district court for further proceedings. As a result of the settling plaintiffs' decision not to continue to pursue the settlement and instead participate in the joint amended consolidated class action complaint described below, however, there will be no proceedings in the district court on the remand relating to the settlement.

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In October 2011, the plaintiffs filed a joint consolidated amended class action complaint covering all of the class action lawsuits pending in this proceeding. The amended complaint names CBNV, another bank, and purchasers of loans originated by CBNV and the other bank (including the Residential Funding Company, LLC) as defendants. The principal allegations in the amended complaint are that a group of persons and entities collectively characterized as the "Shumway/Bapst Organization" referred prospective second residential mortgage loan borrowers to CBNV and the other bank, that CBNV and the other bank charged these borrowers improper title and loan fees at loan closings, that the disclosures provided to the borrowers at loan closings were inaccurate, and that CBNV and the other bank paid some of the loan fees to the Shumway/Bapst Organization as purported "kickbacks" for the referrals. The amended complaint asserts claims for violations of the Real Estate Settlement Procedures Act (RESPA), TILA, as amended by HOEPA, and the Racketeer Influenced and Corrupt Organizations Act (RICO).

The amended complaint seeks to certify a class of all borrowers who obtained a second residential non-purchase money mortgage loan, secured by their principal dwelling, from either CBNV or the other defendant bank, the terms of which made the loan subject to HOEPA. The plaintiffs allege that there are approximately 50,000 members of this class. They seek, among other things, unspecified damages (including treble damages under RICO and RESPA), rescission of loans, declaratory and injunctive relief, interest, and attorneys' fees. In November 2011 the defendants filed a motion to dismiss the amended complaint. The court has not yet ruled on this motion.

North Carolina Proceedings. The plaintiffs in *Bumpers* make similar allegations to those included in the amended complaint in the MDL proceedings. Following the remand to North Carolina state court, the plaintiffs in *Bumpers* sought to represent a class of North Carolina borrowers in state court proceedings in North Carolina. The plaintiffs claim that this class consists of approximately 650 borrowers. The district court in Pennsylvania handling the MDL proceedings enjoined class proceedings in *Bumpers* in March 2008. In April 2008, the North Carolina superior court granted the *Bumpers* plaintiffs' motion for summary judgment on their individual claims and awarded them approximately $11,000 each plus interest. CBNV appealed the grant of the motion for summary judgment. In September 2011, the North Carolina Court of Appeals affirmed in part and reversed in part the granting of the plaintiffs' motion for summary judgment. The court affirmed the plaintiffs' judgment on their claim that they paid a loan discount fee but were not provided a loan discount. It reversed the plaintiffs' judgment on their claim that they were overcharged for settlement services and remanded that claim for trial. The court also held that, on remand, the trial court may consider the issue of class certification. Thereafter, we petitioned the North Carolina Supreme Court for discretionary review of the decision of the North Carolina Court of Appeals and for a stay of proceedings pending the decision on this petition and, if granted, the decision on the appeal. The North Carolina Supreme Court thereafter granted a temporary stay and, in October 2011, denied the plaintiffs' motion to dissolve the stay.

Overdraft Litigation
Beginning in October 2009, PNC Bank and National City Bank have been named in six lawsuits brought as class actions relating to the manner in which they charged overdraft fees on ATM and debit transactions to customers. Three lawsuits naming PNC Bank and one naming National City Bank, along with similar lawsuits against numerous other banks, have been consolidated for pre-trial proceedings in the United States District Court for the Southern District of Florida (the "MDL Court") under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK). The first of these cases (*Casayuran, et al. v. PNC Bank, National Association* (Case No. 10-cv-20496-JLK)) was originally filed against PNC Bank in October 2009 in the United States District Court for the District of New Jersey, and an amended complaint was filed in June 2010 in the MDL Court. The other cases that have been consolidated were filed in June 2010 in the United States District Court for the Southern District of Florida (*Cowen, et al. v. PNC Bank, National Association* (Case No. 10-CV-21869-JLK), *Hernandez, et al. v. PNC Bank, National Association* (Case No. 10-CV-21868-JLK), and *Matos v. National City Bank* (Case No. 10-cv-21771-JLK). A consolidated amended complaint was filed in December 2010 that consolidated all of the claims in these four MDL Court cases. It seeks to certify multi-state classes of customers for the common law claims described below (covering all states in which PNC and National City had retail branch operations during the class period), and subclasses of PNC Bank customers with accounts in Pennsylvania and New Jersey branches and of National City Bank customers with accounts in Illinois branches, with each subclass being asserted for purposes of claims under those states' consumer protection statutes. No class periods are stated in any of the complaints, other than for the applicable statutes of limitations, which vary by state and claim. Our motion to dismiss the consolidated amended complaint was denied in March 2011.

In December 2011, the plaintiffs in the MDL Court moved for class certification. In light of the Trombley settlement described below, the National City plaintiffs did not move for class certification on behalf of National City customers. As to PNC, the plaintiffs moved for class certification in accordance with their consolidated amended complaint, except that they are not seeking a class as to the conversion claims. The court has not yet ruled on this motion. The MDL Court has scheduled trial for January 2013 for the cases that will be tried in that court.

In December 2010, an additional lawsuit (*Henry v. PNC Bank, National Association* (No. GD-10-022974)) was filed in the Court of Common Pleas of Allegheny County, Pennsylvania

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on behalf of all current citizens of Pennsylvania who are domiciled in Pennsylvania who had or have a PNC checking or debit account used primarily for personal, family or household purposes and who incurred overdraft and related fees on transactions resulting from the methodology of posting transactions from December 8, 2004 through August 14, 2010. We filed preliminary objections seeking dismissal of each of the claims in this lawsuit in March 2011. In January 2012, the court ruled on our preliminary objections, dismissing several claims but overruling our objections with respect to claims for breach of contract and the duty of good faith and fair dealing and for violation of Pennsylvania's consumer protection statute.

The sixth lawsuit (*Trombley, et al. v. National City Bank* (Civil Action No. 10-00232 (JDB)) was brought as a class action against National City Bank in the United States District Court for the District of Columbia. In July 2010, the parties reached a tentative settlement of this lawsuit. The settlement class included all National City customers who incurred during the period July 1, 2004 to August 15, 2010 overdraft fees that had not been reversed or refunded. Several members of the proposed settlement class, including the named plaintiff in another lawsuit filed in the MDL Court, filed objections to approval of this settlement. Following a hearing in July 2011, the court granted final approval in December 2011. In granting final approval, the court shortened the ending date for the class period to June 21, 2010. One of the objectors appealed the court's order approving the settlement to the United States Court of Appeals for the District of Columbia Circuit. In February 2012, this objector moved to voluntarily dismiss the appeal, and the court of appeals dismissed it, thereby making the settlement final. The amount of the settlement is not material to PNC and has been accrued.

The complaints in each of these lawsuits allege that the banks engaged in unlawful practices in assessing overdraft fees arising from electronic point-of-sale and ATM debits. The principal practice challenged in these lawsuits is the banks' purportedly common policy of posting debit transactions on a daily basis from highest amount to lowest amount, thereby allegedly inflating the number of overdraft fees assessed. Other practices challenged include the failure to decline to honor debit card transactions where the account has insufficient funds to cover the transactions.

In the consolidated amended complaint in the MDL Court, the plaintiffs assert claims for breach of the covenant of good faith and fair dealing; unconscionability; conversion, unjust enrichment; and violation of the consumer protection statutes of Pennsylvania, Illinois and New Jersey. In the *Henry* case, the remaining claims are for breach of contract and the duty of good faith and fair dealing and for violation of Pennsylvania's consumer protection statute. The action against National City in the District of Columbia added claims under the Ohio and Michigan consumer protection statutes and the federal Electronic Funds Transfer Act. In their complaints, the plaintiffs seek, among other things, restitution of overdraft fees paid, unspecified actual and punitive damages (with actual damages, in some cases, trebled under state law), pre-judgment interest, attorneys' fees, and declaratory relief finding the overdraft policies to be unfair and unconscionable.

Fulton Financial

In 2009, Fulton Financial Advisors, N.A. filed lawsuits against PNC Capital Markets, LLC and NatCity Investments, Inc. in the Court of Common Pleas of Lancaster County, Pennsylvania arising out of Fulton's purchase of auction rate certificates (ARCs) through PNC and NatCity. Each of the lawsuits alleges violations of the Pennsylvania Securities Act, negligent misrepresentation, negligence, breach of fiduciary duty, common law fraud, and aiding and abetting common law fraud in connection with the purchase of the ARCs by Fulton. Specifically, Fulton alleges that, as a result of the decline of financial markets in 2007 and 2008, the market for ARCs became illiquid; that PNC and NatCity knew or should have known of the increasing threat of the ARC market becoming illiquid; and that PNC and NatCity did not inform Fulton of this increasing threat, but allowed Fulton to continue to purchase ARCs, to Fulton's detriment. In its complaints, Fulton alleges that it then held ARCs purchased through PNC for a price of more than $123 million and purchased through NatCity for a price of more than $175 million. In each complaint, Fulton seeks, among other things, unspecified actual and punitive damages, rescission, attorneys' fees and interest.

In the case against PNC (*Fulton Financial Advisors, N.A. v. PNC Capital Markets, LLC* (CI 09-10838)), PNC filed preliminary objections to Fulton's complaint, which were denied. NatCity removed the case against it to the United States District Court for the Eastern District of Pennsylvania (*Fulton Financial Advisors, N.A. v. NatCity Investments, Inc.* (No. 5:09-cv-04855)), and in November 2009 filed a motion to dismiss the complaint. The court has not yet ruled on this motion.

FHLB

In October 2010, the Federal Home Loan Bank of Chicago brought a lawsuit in the Circuit Court of Cook County, Illinois, against numerous financial companies, including The PNC Financial Services Group, Inc., as successor in interest to National City Corporation, and PNC Investments LLC, as successor in interest to NatCity Investments, Inc. (*Federal Home Loan Bank of Chicago v. Bank of America Funding Corp., et al.* (Case No. 10CH45033)). The complaint alleges that the defendants have liability to the Federal Home Loan Bank of Chicago in a variety of capacities (in the case of the National City entities, as underwriters) under Illinois state securities law and common law in connection with the alleged purchase of private-label mortgage-backed securities by the Federal Home Loan Bank. According to the complaint, the Federal Home Loan Bank purchased approximately $3.3

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billion in mortgage-backed securities in total in transactions addressed by the complaint, approximately $345 million of which was allegedly in transactions involving the National City entities. The complaint alleges misrepresentations and omissions in connection with the sales of the mortgage-backed securities in question. In its complaint, the Federal Home Loan Bank seeks, among other things, rescission, unspecified damages, interest, and attorneys' fees. In November 2010, the defendants removed the case to the United States District Court for the Northern District of Illinois. In January 2011, the district court remanded the case to the Circuit Court of Cook County. The plaintiff amended its complaint in March 2011 and filed a corrected amended complaint in April 2011. The corrected amended complaint does not identify any additional transaction for which the plaintiff seeks recovery from PNC nor does it add any additional substantive allegations. In May 2011, the defendants filed a motion to dismiss the corrected amended complaint. The court has not yet ruled on this motion.

Weavering Macro Fixed Income Fund
In July 2010, PNC completed the sale of PNC Global Investment Servicing ("PNC GIS") to The Bank of New York Mellon Corporation ("BNY-Mellon"), pursuant to a stock purchase agreement dated February 1, 2010. In July 2009, the liquidators of the Weavering Macro Fixed Income Fund Limited ("Weavering") issued a Plenary Summons in the High Court, Dublin, Ireland, in connection with a European subsidiary of PNC GIS's provision of administration services to Weavering. The Plenary Summons was served on the PNC GIS subsidiary (GIS Europe) on or about June 30, 2010. In May 2011, the liquidator served a Notice of Intention to Proceed and Statement of Claim, which alleges, among other things, that GIS Europe breached its contractual duties to Weavering as well as an alleged duty of care to Weavering, and investors in Weavering, and makes claims of breach of the administration and accounting services agreement, negligence, gross negligence, breach of duty, misrepresentation and negligent misstatement. The statement of claim further alleges that investors in Weavering lost approximately €282,000,000 and also expended approximately €98,000,000 in brokerage and exchange commissions, interest, and fees as a result of the transactions at issue. The statement of claim seeks, among other things, damages, costs, and interest. In January 2012, upon application by GIS Europe, the court issued a judgment ordering a hearing on certain preliminary issues (a "modular trial").

In May 2011, BNY-Mellon provided notice to PNC of an indemnification claim pursuant to the stock purchase agreement related to this litigation.

365/360 Litigation
PNC Bank and National City Bank have been named as defendants in three lawsuits seeking to certify classes of commercial borrowers bringing claims for breach of contract arising from the use of the 365/360 method of interest computation in certain commercial promissory notes. The first of these cases (*DK&D Properties, LLC v. National City Bank* (Case no. 08 cv 680078)), was filed in December 2008 against National City Bank in the Court of Common Pleas of Cuyahoga County, Ohio. It seeks to certify a class consisting of certain Ohio commercial borrowers of National City Bank for these claims. In July 2009, the court denied National City Bank's motion to dismiss the complaint. In December 2011, plaintiff filed a motion for class certification. The court has not yet ruled on this motion. Also in December 2011, the court granted National City Bank's motion to stay the case pending the decision of the Ohio Supreme Court in *JNT Properties, LLC v. KeyBank National Association* (Case No. 11-1392), which, although neither PNC Bank nor National City Bank are parties, presents many of the same issues as those in *DK&D Properties*.

The second case (*Kreisler & Kreisler, LLC v. National City Bank, et al.* (Case no. 4:10-cv-00956)) was filed in the United States District Court for the Eastern District of Missouri in May 2010 against National City Bank and also purported to name "PNC Bank Corp." as a defendant. It sought to certify a national class of commercial borrowers for these claims. In March 2011, the district court granted the defendants' motion to dismiss the complaint. In October 2011, the United States Court of Appeals for the Eighth Circuit affirmed the dismissal by the district court. In the third case (*PNC Bank, National Association v. St. Louis PET Centers, LLC, et al.* (Case no. 10SL-CC01076)), a borrower filed a counterclaim, brought as a class action, against PNC Bank in the Circuit Court of County of St. Louis, Missouri in November 2010. The claims and proposed class set forth in this complaint are similar to those in *Kreisler & Kreisler*. In March 2011, the court denied our motion to dismiss the counterclaim.

Plaintiffs in these cases allege generally that they obtained fixed or variable rate commercial loans from PNC Bank or National City Bank pursuant to promissory notes or loan agreements setting forth annual or per annum interest rates, that the bank's use of the 365/360 method of calculation of interest caused the borrower to pay interest over a calendar year at a higher rate than the per annum rate stated in the promissory notes, and that this was a breach of the terms of the promissory notes. Plaintiffs in each of these cases seek declaratory and injunctive relief, compensatory damages, prejudgment interest, and attorneys' fees.

False Claims Act Lawsuit
PNC Bank has been named as a defendant, along with other lenders, in a qui tam lawsuit brought in the U.S. District Court for the Northern District of Georgia by two individuals on behalf of the United States under the federal False Claims Act (*United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT)). The lawsuit was originally filed under seal, with a second amended complaint filed in June 2011. The second amended complaint was unsealed by the district court

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in October 2011. In the second amended complaint, the plaintiffs, who allege that they are officers of a mortgage broker, allege that several mortgage originators, including entities affiliated with PNC Bank's predecessor, National City Bank, made false statements to the U.S. Department of Veterans Affairs in order to obtain loan guarantees by the VA under its Interest Rate Reduction Refinancing Loans (IRRRL) program. Under that program, the VA guarantees refinancing loans made to veterans if the loans meet program requirements, one of which limits the type and amount of fees that can be charged to borrowers by lenders. The plaintiffs allege, among other things, that the defendants charged impermissible fees to borrowers under the VA program and then made false statements to the VA concerning such fees in violation of the civil False Claims Act. The plaintiffs allege that, by doing so, National City Bank and the other defendants caused the VA to pay, among other costs, amounts in respect of the loan guarantees to which the defendants were not entitled. On their behalf and on behalf of the United States, the plaintiffs seek, among other things, unspecified damages equal to the loss the defendants allegedly caused the United States (including treble damages under the False Claims Act), statutory civil penalties between $5,500 and $11,000 per false claim made by the defendants, injunctive relief against submission of false claims to the United States and imposing unallowable charges against veterans participating in the IRRRL program, and attorneys' fees. To date, the United States has not joined in the prosecution of the plaintiffs' lawsuit. In December 2011, PNC moved to dismiss the action. A number of the other defendants have also filed motions to dismiss. The court has not yet ruled on these motions.

Captive Mortgage Reinsurance Litigation

In December 2011, a lawsuit (*White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928)) was filed against PNC (as successor in interest to National City Corporation and several of its subsidiaries) and several mortgage insurance companies in the United States District Court for the Eastern District of Pennsylvania. This lawsuit, which was brought as a class action, alleges that National City structured its program of reinsurance of private mortgage insurance in such a way as to avoid a true transfer of risk from the mortgage insurers to National City's captive reinsurer. The plaintiffs allege that the payments from the mortgage insurers to the captive reinsurer constitute kickbacks, referral payments, or unearned fee splits prohibited under the Real Estate Settlement Procedures Act (RESPA), as well as common law unjust enrichment. The plaintiffs claim, among other things, that from the beginning of 2004 until the end of 2010 National City's captive reinsurer collected from the mortgage insurance company defendants at least $219 million as its share of borrowers' private mortgage insurance premiums and that during the same period its share of paid claims was approximately $12 million. The plaintiffs seek to certify a nationwide class of all persons who obtained residential mortgage loans originated, funded or originated through correspondent lending by National City or any of its subsidiaries or affiliates between January 1, 2004 and the present and, in connection with these mortgage loans, purchased private mortgage insurance and whose residential mortgage loans were included within National City's captive mortgage reinsurance arrangements. Plaintiffs seek, among other things, statutory damages under RESPA (which include treble damages), restitution of reinsurance premiums collected, disgorgement of profits, and attorneys' fees.

Residential Mortgage-Backed Securities Indemnification Demands

We have received indemnification demands from several entities sponsoring residential mortgage-backed securities and their affiliates where purchasers of the securities have brought litigation against the sponsors and other parties involved in the securitization transactions. National City Mortgage had sold whole loans to the sponsors or their affiliates that were allegedly included in certain of these securitization transactions. According to the indemnification demands, the plaintiffs' claims in these lawsuits are based on alleged misstatements and omissions in the offering documents for these transactions. The indemnification demands assert that agreements governing the sale of these loans or the securitization transactions to which National City Mortgage is a party require us to indemnify the sponsors and their affiliates for losses suffered in connection with these lawsuits. At present, there has been no determination that the parties seeking indemnification have any liability to the plaintiffs in these lawsuits.

Other Regulatory and Governmental Inquiries

PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of regulatory reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described below, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs.

- One area of significant regulatory and governmental focus has been mortgage lending and servicing. Numerous federal and state governmental, legislative and regulatory authorities are investigating practices in this area. PNC has received inquiries from, or is the subject of investigations by, a broad range of governmental, legislative and regulatory authorities relating to our activities in this area and is cooperating with these investigations and inquiries.

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As a result of the number and range of authorities conducting the investigations and inquiries, as well as the nature of these types of investigations and inquiries, among other factors, PNC cannot at this time predict the ultimate overall cost to or effect on PNC from potential governmental, legislative or regulatory actions arising out of these investigations and inquiries.

- In April 2011, as a result of a publicly-disclosed interagency horizontal review of residential mortgage servicing operations at fourteen federally regulated mortgage servicers, PNC entered into a consent order with the Board of Governors of the Federal Reserve System and PNC Bank entered into a consent order with the Office of the Comptroller of the Currency. Collectively, these consent orders describe certain foreclosure-related practices and controls that the regulators found to be deficient and require PNC and PNC Bank to, among other things, develop and implement plans and programs to enhance PNC's residential mortgage servicing and foreclosure processes, retain an independent consultant to review certain residential mortgage foreclosure actions, take certain remedial actions, and oversee compliance with the orders and the new plans and programs. The two orders do not foreclose the potential for civil money penalties from either of these regulators.

In connection with these orders, PNC has established a Compliance Committee of the Boards of PNC and PNC Bank to monitor and coordinate PNC's and PNC Bank's implementation of the commitments under the orders. PNC and PNC Bank are executing Action Plans designed to meet the requirements of the orders. Consistent with the orders, PNC has also engaged an independent consultant to conduct a review of certain residential foreclosure actions, including those identified through borrower complaints, and identify whether any remedial actions for borrowers are necessary. The consultant's review is underway. PNC expects to take any required remedial actions coming out of this review, although the full scope and nature of any such remedial actions is not currently known.

- On February 9, 2012, the Department of Justice, other federal regulators and 49 state attorneys general announced agreements with the five largest mortgage servicers. Under these agreements, which remain subject to, among other things, definitive documentation and court approval, the mortgage servicers will make cash payments to federal and state governments, provide various forms of financial relief to borrowers, and implement new mortgage servicing standards. These governmental authorities are continuing their review of, and have engaged in discussions with, other mortgage servicers, including PNC, that were subject to the interagency horizontal review, which could result in the imposition of substantial payments and other forms of relief (similar to that agreed to by the five largest servicers) on some or all of these mortgage servicers, including PNC. Whether and to what extent any such relief may be imposed on PNC and other smaller servicers is not yet known.
- PNC has received subpoenas from the U.S. Attorney's Office for the Southern District of New York concerning National City Bank's lending practices in connection with loans insured by the Federal Housing Administration (FHA) as well as certain non-FHA-insured loan origination, sale and securitization practices. The U.S. Attorney's Office inquiry is in its early stage and PNC is cooperating with the investigation.
- The SEC previously commenced investigations of activities of National City prior to its acquisition by PNC. The SEC has requested, and we have provided to the SEC, documents concerning, among other things, National City's capital-raising activities, loan underwriting experience, allowance for loan losses, marketing practices, dividends, bank regulatory matters and the sale of First Franklin Financial Corporation.
- The SEC has been conducting an investigation into events at Equipment Finance LLC (EFI), a subsidiary of Sterling Financial Corporation, which PNC acquired in April 2008. The United States Attorney's Office for the Eastern District of Pennsylvania has also been investigating the EFI situation.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in this Note 22.

Other

In addition to the proceedings or other matters described above, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine

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whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

See Note 23 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 23 COMMITMENTS AND GUARANTEES

EQUITY FUNDING AND OTHER COMMITMENTS

Our unfunded commitments at December 31, 2011 included private equity investments of $247 million, and other investments of $3 million.

STANDBY LETTERS OF CREDIT

We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Net Outstanding Standby Letters of Credit

Dollars in billions	December 31 2011	December 31 2010
Net outstanding standby letters of credit	$ 10.8	$ 10.1
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	90%
Below pass (b)	6%	10%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on December 31, 2011 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.4 billion at December 31, 2011, of which $7.4 billion support remarketing programs.

As of December 31, 2011, assets of $2.0 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.6 billion were also available for this purpose as of December 31, 2011. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $247 million at December 31, 2011.

STANDBY BOND PURCHASE AGREEMENTS AND OTHER LIQUIDITY FACILITIES

We enter into standby bond purchase agreements to support municipal bond obligations. At December 31, 2011, the aggregate of our commitments under these facilities was $543 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At December 31, 2011, our total commitments under these facilities were $199 million.

INDEMNIFICATIONS

We are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements can cover the purchase or sale of:

- Entire businesses,
- Loan portfolios,
- Branch banks,
- Partial interests in companies, or
- Other types of assets.

These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering and, if there are other underwriters, indemnification to the other underwriters intended to result in an appropriate sharing of the risk of participating in the offering. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

In the ordinary course of business, we enter into certain types of agreements that include provisions for indemnifying third

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2012

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 2, 2012, there were 528,783,529 shares of the registrant's common stock ($5 par value) outstanding.

NOTE 16 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 16 and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K (such prior disclosure referred to as "Prior Disclosure") that are still pending). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of March 31, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $550 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

SECURITIES AND STATE LAW FIDUCIARY CASES AGAINST NATIONAL CITY

- In January 2008, a lawsuit (*In re National City Corporation Securities, Derivative & ERISA Litigation (The Securities Case)* (MDL No. 2003, Case No: 1:08-pc-70004-SO)) was filed in the United States District Court for the Northern District of Ohio against National City and certain officers and directors of National City. As amended, this lawsuit was brought as a class action on behalf of purchasers of National City's stock during the period April 30, 2007 to April 21, 2008 and also on behalf of everyone who acquired National City stock pursuant to a registration statement filed in connection with its acquisition of MAF Bancorp in 2007. The amended complaint alleged violations of federal securities laws regarding public statements and disclosures relating to, among other things, the nature, quality, performance, and risks of National City's non-prime, residential construction, and National Home Equity portfolios, its loan loss reserves, its financial condition, and related allegedly false and misleading financial statements. In the amended complaint, the plaintiffs sought, among other things, unspecified damages and attorneys' fees. In August 2011, the parties entered into a memorandum of understanding providing for the settlement of the lawsuit for $168 million and in November filed formal settlement papers with the district court. In March 2012, the court granted final approval of the settlement. The expected financial impact of this settlement has been fully accrued.

Overdraft Litigation
As a result of the acquisition of RBC Bank (USA), we are subject to two additional pending lawsuits brought as class actions relating to the manner in which overdraft fees were charged on ATM and debit transactions to customers and related matters. Together with other similar lawsuits pending against PNC Bank, National City Bank and other banks, these lawsuits have been consolidated for pre-trial proceedings in the United States District Court for the Southern District of Florida (the "MDL Court") under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK). One of these cases (*Dasher v. RBC Bank* (10-cv-22190-JLK)) was filed in July 2010 in the United States District Court for the Southern District of Florida. The other case (*Avery v. RBC Bank* (Case No. 1-cv-329)) was originally filed in North Carolina state court in July 2010 and was removed to the United States District Court for the Eastern District of North Carolina before being transferred to the MDL Court. An amended complaint was filed in *Avery* in August 2010.

The customer agreements with the RBC Bank (USA) plaintiffs contain arbitration provisions. RBC Bank (USA)'s original motion in *Dasher* to compel arbitration under these provisions was denied by the MDL Court. This denial was appealed to the United States Court of Appeals for the Eleventh Circuit. While this appeal was pending, the United States Supreme Court issued its decision in *AT&T Mobility v. Concepcion*, following which the court of appeals vacated the MDL Court's denial of the arbitration motion and remanded to the MDL Court for further consideration in light of the *Concepcion* decision. RBC Bank (USA) has renewed its motion to compel arbitration, now covering both *Dasher* and *Avery*. This motion is still pending.

The complaints in these cases generally make the same allegations as made in the other cases against PNC Bank and National City Bank pending in the MDL Court, as described in Prior Disclosure, except that the state consumer protection statutory claims relate to the North Carolina statute and the *Avery* complaint does not make claims for breach of the covenant of good faith and fair dealing or for conversion. These cases seek to certify multi-state classes of customers for the common law claims described in Prior Disclosure (covering all states in which RBC Bank (USA) had retail branch operations during the class period), and subclasses of RBC Bank (USA) customers with accounts in North Carolina branches, with the subclass being asserted for purposes of claims under that state's consumer protection statute. No class periods are stated in either of the complaints, other than for the applicable statutes of limitations, which vary by state and claim.

In their complaints, the plaintiffs in *Dasher* and *Avery* seek substantially similar relief to that described in Prior Disclosure with respect to the other cases pending in the MDL Court.

Weavering Macro Fixed Income Fund
In March 2012, the plaintiff in the lawsuit pending in the High Court, Dublin, Ireland against a European subsidiary of PNC Global Investment Servicing (sold to Bank of New York Mellon Corporation in July 2010) appealed the judgment of the court ordering a hearing on certain preliminary issues (a "modular trial") to the Supreme Court of Ireland.

365/360 Litigation
In *PNC Bank, National Association v. St. Louis PET Centers, LLC, et al.* (Case no. 10SL-CC01076), pending in the Circuit Court of the County of St. Louis, Missouri, the borrower dismissed its counterclaim against PNC Bank without prejudice in April 2012.

False Claims Act Lawsuit
PNC Bank has reached an agreement in principle with the plaintiffs to settle *United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT), pending in the U.S. District Court for the Northern District of Georgia. This settlement is subject to, among other things, final documentation and the consent of the United States. The amount of the settlement is not material to PNC.

Captive Mortgage Reinsurance Litigation
In *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928)), pending in the United States District Court for the Eastern District of Pennsylvania, the court granted a stay of proceedings in March 2012 pending the decision of the United States Supreme Court in *First American Financial Corporation v. Edwards*, which could address issues related to the standing of plaintiffs to pursue their claims.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described in Prior Disclosure. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs. Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in this paragraph or in Prior Disclosure.

Other
In addition to the proceedings or other matters described above and in Prior Disclosure, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or in Prior Disclosure or in other legal proceedings, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

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See Note 17 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 17 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at March 31, 2012 included private equity investments of $234 million, and other investments of $4 million.

Standby Letters of Credit
We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Net Outstanding Standby Letters of Credit

Dollars in billions	March 31 2012	December 31 2011
Net outstanding standby letters of credit	$ 10.9	$ 10.8
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	94%
Below pass (b)	6%	6%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on March 31, 2012 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.3 billion at March 31, 2012, of which $7.1 billion support remarketing programs.

As of March 31, 2012, assets of $1.7 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.4 billion were also available for this purpose as of March 31, 2012. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $248 million at March 31, 2012.

Standby Bond Purchase Agreements and Other Liquidity Facilities
We enter into standby bond purchase agreements to support municipal bond obligations. At March 31, 2012, the aggregate of our commitments under these facilities was $705 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At March 31, 2012, our total commitments under these facilities were $199 million.

Indemnifications
As further described in our 2011 Form 10-K, we are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 1, 2012, there were 529,405,539 shares of the registrant's common stock ($5 par value) outstanding.

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Examinations are complete for PNC's consolidated federal income tax returns through 2006 having no outstanding unresolved issues. The Internal Revenue Service (IRS) is currently examining PNC's 2007 and 2008 returns. National City's consolidated federal income tax returns through 2007 have been audited by the IRS. Certain adjustments remain under review by the IRS Appeals division for years 2003 through 2007. The IRS is currently examining National City's 2008 return. PNC also continues to be under examination with several state taxing authorities.

We had unrecognized tax benefits of $231 million at June 30, 2012 and $209 million at December 31, 2011. At June 30, 2012, $107 million of unrecognized tax benefits, if recognized, would favorably impact the effective income tax rate.

It is reasonably possible that the liability for unrecognized tax benefits could increase or decrease in the next twelve months due to completion of tax authorities' exams or the expiration of statutes of limitations. Management estimates that the liability for unrecognized tax benefits could decrease by $88 million within the next twelve months.

NOTE 17 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 17 and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K and in Note 16 Legal Proceedings in Part I, Item 1 of our first quarter 2012 Form 10-Q (such prior disclosure referred to as "Prior Disclosure")). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of June 30, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $475 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability and damages, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us as alleged in the plaintiff's pleadings or other public filings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

Securities and State Law Fiduciary Cases against National City
In May 2008, a lawsuit (*The Dispatch Printing Company, et al. v. National City Corporation, et al.* (Case No. 08CVH-6506)) was filed on behalf of an individual plaintiff in the Franklin County, Ohio, Court of Common Pleas against National City, certain directors of National City, and Corsair Co-Invest, L.P. and unnamed other investors participating in

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the April 2008 capital infusion into National City, alleging that National City's directors breached their fiduciary duties by entering into this capital infusion transaction. A motion to dismiss the case as originally filed was denied. After the initial filing, two additional plaintiffs were added. The plaintiffs filed an amended complaint in December 2010. The amended complaint added PNC as a defendant as successor in interest to National City. In the amended complaint, which included some additional allegations, the plaintiffs sought, among other things, unspecified actual and punitive damages, and attorneys' fees. In July 2012, the parties reached an agreement to settle this case. The amount of the settlement is not material to PNC.

Interchange Litigation
In July 2012, the parties entered into a memorandum of understanding with the class plaintiffs and an agreement in principle with certain individual plaintiffs with respect to a settlement of the cases that have been consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO), under which the defendants will collectively pay approximately $6.6 billion to the class and individual settling plaintiffs and have agreed to changes in the terms applicable to their respective card networks. The settlement is subject to, among other things, final documentation and court approval. As a result of the previously funded litigation escrow (described in Note 23 Commitments and Guarantees in Part II, Item 8 of our 2011 Form 10-K), which will cover substantially all of our share of the Visa portion, the impact to our second quarter results was not material and we anticipate no material financial impact from the monetary amount of this settlement.

CBNV Mortgage Litigation
In May 2012, the Residential Funding Company, LLC, one of our co-defendants in the multidistrict litigation currently pending in the United States District Court for the Western District of Pennsylvania under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674), filed for bankruptcy protection under Chapter 11.

Overdraft Litigation
In May 2012, in the lawsuits consolidated for pre-trial proceedings under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK), the United States District Court for the Southern District of Florida granted plaintiffs' motion for class certification in the cases captioned *Casayuran, et al. v. PNC Bank, National Association* (Case No. 10-cv-20496-JLK), *Cowen, et al. v. PNC Bank, National Association* (Case No. 10-CV-21869-JLK), and *Hernandez, et al. v. PNC Bank, National Association* (Case No. 10-CV-21868-JLK). In June 2012, PNC Bank reached an agreement in principle to settle the three cases listed above in which class certification had been granted against PNC Bank in the MDL Court. As previously reported, this agreement in principle provides for settlement of these cases for $90 million. This settlement is subject to, among other things, final documentation, notice to the class, and court approval.

Weavering Macro Fixed Income Fund
The modular trial in the matter currently pending in High Court, Dublin, Ireland is scheduled for December 2012. In July 2012 the plaintiff in that matter moved in the Supreme Court of Ireland to stay the modular trial pending its appeal to the Supreme Court of the judgment of the High Court ordering that trial. The appeal and the motion to stay are pending, and the Supreme Court has adjourned the hearing on the motion to stay so that it can heard at the same time as the hearing on the appeal. The Supreme Court has indicated that it will schedule the hearing on both for November 2012.

Captive Mortgage Reinsurance Litigation
In June 2012, the United States Supreme Court dismissed its prior grant of a writ of certiorari in *First American Financial Corporation v. Edwards*. In August 2012, the United States District Court for the Eastern District of Pennsylvania lifted its stay in *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928), granted in March 2012 pending the decision in *First American*, and directed the plaintiffs to file an amended complaint.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in Prior Disclosure.

Other
In addition to the proceedings or other matters described above, PNC and persons to whom we may have

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indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

* * *

See Note 18 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 18 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at June 30, 2012 included private equity investments of $215 million, and other investments of $3 million.

Standby Letters of Credit
We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Table 130: Net Outstanding Standby Letters of Credit

Dollars in billions	June 30 2012	December 31 2011
Net outstanding standby letters of credit	$11.3	$ 10.8
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	94%
Below pass (b)	6%	6%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on June 30, 2012 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.8 billion at June 30, 2012, of which $7.3 billion support remarketing programs.

As of June 30, 2012, assets of $1.7 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.5 billion were also available for this purpose as of June 30, 2012. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $250 million at June 30, 2012.

Standby Bond Purchase Agreements and Other Liquidity Facilities
We enter into standby bond purchase agreements to support municipal bond obligations. At June 30, 2012, the aggregate of our commitments under these facilities was $635 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At June 30, 2012, our total commitments under these facilities were $145 million.

Indemnifications
As further described in our 2011 Form 10-K, we are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering and, if there are other underwriters, indemnification to the

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2012

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 31, 2012, there were 528,863,145 shares of the registrant's common stock ($5 par value) outstanding.

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We had unrecognized tax benefits of $178 million at September 30, 2012 and $209 million at December 31, 2011. At September 30, 2012, $100 million of unrecognized tax benefits, if recognized, would favorably impact the effective income tax rate.

It is reasonably possible that the liability for unrecognized tax benefits could increase or decrease in the next twelve months due to completion of tax authorities' exams or the expiration of statutes of limitations. Management estimates that the liability for unrecognized tax benefits could decrease by $78 million within the next twelve months.

NOTE 17 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 17, and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K, in Note 16 Legal Proceedings in Part I, Item 1 of our first quarter 2012 Form 10-Q, and in Note 17 Legal Proceedings in Part I, Item 1 of our second quarter 2012 Form 10-Q (such prior disclosure referred to as "Prior Disclosure")). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of September 30, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $425 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how damages or liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us as alleged in the plaintiff's pleadings or other public filings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

The following descriptions update our disclosure of pending legal proceedings provided in Prior Disclosure.

Interchange Litigation
In October 2012, the defendants in the cases consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO) entered into a definitive agreement relating to a settlement with the class plaintiffs.

CBNV Mortgage Litigation
MDL Proceedings in Pennsylvania. In the cases consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in the United States District Court for the Western

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District of Pennsylvania, currently under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674), the defendants' motion to dismiss the amended complaint was argued in October 2012. The court has not yet ruled on this motion.

North Carolina Proceedings. In *Bumpers, et al. v. Community Bank of Northern Virginia* (01-CVS-011342), pending in the General Court of Justice, Superior Court Division, for Wake County, North Carolina, in August 2012 the North Carolina Supreme Court granted our petition for discretionary review of the decision of the North Carolina Court of Appeals.

FHLB
In *Federal Home Loan Bank of Chicago v. Bank of America Funding Corp., et al.* (Case No. 10CH45033), pending in the Circuit Court of Cook County, Illinois, the court denied the defendants' motion to dismiss the corrected amended complaint in September 2012.

Captive Mortgage Reinsurance Litigation
In September 2012, the plaintiffs filed an amended complaint in *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928), pending in the United States District Court for the Eastern District of Pennsylvania.

Weavering Macro Fixed Income Fund
The Supreme Court of Ireland has scheduled the hearing on the motion to stay the modular trial pending in the High Court, Dublin, Ireland and the appeal of the judgment of the High Court ordering that trial for November 2012.

False Claims Act Lawsuit
In October 2012, the United States provided its consent to the settlement agreed to by PNC Bank and the plaintiffs in *United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT), pending in the United States District Court for the Northern District of Georgia. PNC Bank had previously entered into final settlement agreements with the plaintiffs. PNC expects the settlement to become final in the fourth quarter of 2012, subject to receipt of a court approval. The amount of the settlement had been previously fully reserved.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, or alterations in our business practices, and in additional expenses and collateral costs.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in Prior Disclosure.

Other
In addition to the proceedings or other matters described above and in Prior Disclosure, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

See Note 18 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 18 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at September 30, 2012 included private equity investments of $201 million, and other investments of $4 million.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

PNC Holding, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: PNC Capital Markets LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 222 Delaware Avenue
Wilmington, DE 19801

C. Telephone: 412-762-2617 Fax: 412-705-2682 Email: amy.march@pnc.com

D. Name of contact person: Amy March

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
The PNC Financial Services Group, Inc.		100%
249 Fifth Ave., One PNC Plaza		
Pittsburgh, PA 15222		
All of the equity of the disclosing party is owned by The PNC Financial Services Group, Inc. a Pennsylvania corporation.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No See Attachment B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No See Attachment B

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

[X] 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
See Attachment B

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded,** complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. See Attachment B

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

PNC Holding, LLC
(Print or type name of Disclosing Party)

By: George P. Long, III
(Sign here)

George P. Long, III
(Print or type name of person signing)

Assistant Secretary
(Print or type title of person signing)

Signed and sworn to before me on (date) February 7th, 2013
at Allegheny County, Pennsylvania (state).

Lois M. Perlik Notary Public.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Lois M. Perlik, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Aug. 14, 2014
Member, Pennsylvania Association of Notaries

Commission expires: August 14, 2014.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Attachment A
To
City of Chicago
Economic Disclosure Statement and Affidavit
Filed by
PNC Holding, LLC

Managers and Officers as of February 5, 2013

Managers

Richard J. Johnson
Deborah L. Falkowski
Nicholas M. Marsini, Jr.

Officers	Title
Richard J. Johnson	Chairman and President
Deborah L. Falkowski	Secretary, Controller and Treasurer
Paula Sue Denny	Vice President
Dewolfe Turpeau, III	Vice President
Janet L. Deringer	Assistant Secretary
George P. Long, III	Assistant Secretary
Laura L. Long	Assistant Secretary
Dale F. Marrison	Assistant Secretary
Jeffrey J. Martin	Assistant Secretary
Kelli Peterson	Assistant Secretary

Attachment B
To
City of Chicago
Economic Disclosure Statement and Affidavit
Filed by
PNC Holding, LLC

This Attachment B modifies and supplements the information provided in the City of Chicago Economic Disclosure Statement and Affidavit executed by the Disclosing Party as of February 7, 2013 (the "EDS"). Any capitalized term used in this Attachment B will have the definition set forth in the EDS, except as provided below.

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

To the best knowledge of the Disclosing Party, after reasonable inquiry, the Disclosing Party has not had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months ending on the date that the Disclosing Party executed the EDS. For purposes of this certification, the term "City elected official" is treated as including only the City's Mayor, Aldermen, Treasurer and Clerk and not including their spouses, domestic partners (as defined in Chapter 2-156 of the Municipal Code) or any entity in which any such person has an interest.

SECTION V – CERTIFICATIONS

B. FURTHER CERTIFICATIONS

The Disclosing Party certifies that, as of the date that the Disclosing Party executed the EDS, to the best of its knowledge, after reasonable inquiry, the statements contained in Section V, paragraphs B.2.a through and including B.2.e are accurate with respect to the officers and managers of the Disclosing Party. With respect to Section V, paragraphs B.2.b, c and e, the Disclosing Party hereby makes reference to the information on legal proceedings set forth in the filings made by its parent company, The PNC Financial Services Group, Inc., with the Securities and Exchange Commission, which may be found at www.sec.gov or www.pnc.com/secfilings. Copies of the most current such disclosures are attached as Annex I to this Attachment B. The Disclosing Party certifies that none of the judgments set forth therein, individually or in the aggregate, would have a material adverse effect on the Applicant's ability to perform with respect to the Matter.

The Disclosing Party certifies that, as of the date that the Disclosing Party executed the EDS, to the best of its knowledge, after reasonable inquiry, the statements contained in Section V, paragraphs B.3.a through and including B.3.d and B.4 are accurate with respect to any Affiliated Entity of the Disclosing Party or any responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity or any other official or employee of the Disclosing Party or any such Affiliated Entity acting in such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party

or any such Affiliated Entity acting in such capacity. The Disclosing Party makes no certification concerning any agent of the Disclosing Party or any Affiliated Entity of the Disclosing Party.

For purposes of the certifications contained in the EDS as modified in this Attachment B: The term "Affiliated Entity" does not include BlackRock, Inc. or any of its subsidiaries or other affiliates (as such term is defined for purposes of the Securities Exchange Act of 1934, as amended), except to the extent that such entity would be an Affiliated Entity of the Disclosing Party for any other reason.

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best knowledge of the Disclosing Party, after reasonable inquiry, no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Disclosing Party only certifies that no official or employee of the City of Chicago will acquire a prohibited financial interest in the Matter from the Disclosing Party, any Affiliated Entity of the Disclosing Party or any responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity or any other official or employee of the Disclosing Party or any such Affiliated Entity acting in such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The PNC Financial Services Group, Inc. extensively reviewed the historical records of banks it has acquired and has discovered two instances in the records of the National Bank of Kentucky, a predecessor of PNC Bank, National Association, an Affiliated Entity of the Disclosing Party.

In 1836, the National Bank of Kentucky loaned $200,000 to the City of Louisville. Records indicate the City then invested in the Lexington & Ohio Railroad Company

In 1852, the National Bank of Kentucky loaned $135,000 to the Louisville & Nashville Railroad Company.

Research indicates that both railroads employed forced labor. There is no evidence that the National Bank of Kentucky accepted individuals as collateral for either loan, or otherwise directly profited from slavery.

Any questions regarding this statement should be directed to the following PNC executive:

Thomas F. Lamb, Jr.
Senior Vice President, Government Affairs
The PNC Financial Services Group, Inc.
249 Fifth Avenue
Pittsburgh, PA 15222
412-762-7558

thomas.lamb@pnc.com

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INFORMATION, COMPLIANCE, PENALTIES, DISCLOSURE

With respect to the statements contained in Section VII, paragraph F.1, the Disclosing Party certifies, to the best of its knowledge, after reasonable inquiry, that neither the Disclosing Party nor any Affiliated Entity of the Disclosing Party is delinquent in paying any fine, fee, tax or other charge owed to the City other than fines, fees, taxes or other charges that are being contested in good faith by the Disclosing Party or such Affiliated Entity by appropriate legal proceedings.

Annex I to Attachment B

To

City of Chicago

Economic Disclosure Statement and Affidavit

Filed by

PNC Holding, LLC

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2011
Commission file number 001-09718

THE PNC FINANCIAL SERVICES GROUP, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza
249 Fifth Avenue
Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code - (412) 762-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value $5.00	New York Stock Exchange
Depositary Shares Each Representing 1/4000 Interest in a Share of 9.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series L, par value $1.00	New York Stock Exchange
12.000% Fixed-to-Floating Rate Normal Automatic Preferred Enhanced Capital Securities (issued by National City Preferred Capital Trust I)	New York Stock Exchange
6.625% Trust Preferred Securities (issued by National City Capital Trust III)	New York Stock Exchange
8.000% Trust Preferred Securities (issued by National City Capital Trust IV)	New York Stock Exchange
6.125% Capital Securities (issued by PNC Capital Trust D)	New York Stock Exchange
7 3/4% Trust Preferred Securities (issued by PNC Capital Trust E)	New York Stock Exchange
Warrants (expiring December 31, 2018) to purchase Common Stock	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
$1.80 Cumulative Convertible Preferred Stock - Series B, par value $1.00

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes X No __

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes __ No X

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No __

Indicate by check mark if the disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer X Accelerated filer __ Non-accelerated filer __ Smaller reporting company __

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes __ No X

The aggregate market value of the registrant's outstanding voting common stock held by nonaffiliates on June 30, 2011, determined using the per share closing price on that date on the New York Stock Exchange of $59.61, was approximately $31.3 billion. There is no non-voting

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NOTE 21 REGULATORY MATTERS

We are subject to the regulations of certain federal, state, and foreign agencies and undergo periodic examinations by such regulatory authorities.

The ability to undertake new business initiatives (including acquisitions), the access to and cost of funding for new business initiatives, the ability to pay dividends or repurchase shares, the level of deposit insurance costs, and the level and nature of regulatory oversight depend, in large part, on a financial institution's capital strength. The minimum US regulatory capital ratios under Basel I are 4% for Tier 1 risk-based, 8% for total risk-based and 4% for leverage. To qualify as "well capitalized," regulators require banks to maintain capital ratios of at least 6% for Tier 1 risk-based, 10% for total risk-based and 5% for leverage. To be "well capitalized," a bank holding company must maintain capital ratios of at least 6% Tier 1 risk-based and 10% for total risk-based. At December 31, 2011 and December 31, 2010, PNC and PNC Bank, N.A. met the "well capitalized" capital ratio requirements based on US regulatory capital ratio requirements under Basel I.

The following table sets forth regulatory capital ratios for PNC and its bank subsidiary, PNC Bank, N.A.

Regulatory Capital

	Amount		Ratios	
December 31 Dollars in millions	2011	2010	2011	2010
Risk-based capital				
Tier 1				
PNC	$29,073	$26,092	12.6%	12.1%
PNC Bank, N.A.	25,536	24,722	11.4	11.8
Total				
PNC	36,548	33,724	15.8	15.6
PNC Bank, N.A.	32,322	31,662	14.4	15.1
Leverage				
PNC	29,073	26,092	11.1	10.2
PNC Bank, N.A.	25,536	24,722	10.0	10.0

The principal source of parent company cash flow is the dividends it receives from its subsidiary bank, which may be impacted by the following:

- Capital needs,
- Laws and regulations,
- Corporate policies,
- Contractual restrictions, and
- Other factors.

Also, there are statutory and regulatory limitations on the ability of national banks to pay dividends or make other capital distributions. The amount available for dividend payments to the parent company by PNC Bank, N.A. without prior regulatory approval was approximately $1.7 billion at December 31, 2011.

Under federal law, a bank subsidiary generally may not extend credit to the parent company or its non-bank subsidiaries on terms and under circumstances that are not substantially the same as comparable extensions of credit to nonaffiliates. No extension of credit may be made to the parent company or a non-bank subsidiary which is in excess of 10% of the capital stock and surplus of such bank subsidiary or in excess of 20% of the capital and surplus of such bank subsidiary as to aggregate extensions of credit to the parent company and its non-bank subsidiaries. Such extensions of credit, with limited exceptions, must be fully collateralized by certain specified assets. In certain circumstances, federal regulatory authorities may impose more restrictive limitations.

Federal Reserve Board regulations require depository institutions to maintain cash reserves with a Federal Reserve Bank (FRB). At December 31, 2011, the balance outstanding at the FRB was $407 million.

NOTE 22 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 22). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of December 31, 2011, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $550 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including,

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among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

Securities and State Law Fiduciary Cases against National City

- In January 2008, a lawsuit (*In re National City Corporation Securities, Derivative & ERISA Litigation (The Securities Case)* (MDL No. 2003, Case No: 1:08-nc-70004-SO)) was filed in the United States District Court for the Northern District of Ohio against National City and certain officers and directors of National City. As amended, this lawsuit was brought as a class action on behalf of purchasers of National City's stock during the period April 30, 2007 to April 21, 2008 and also on behalf of everyone who acquired National City stock pursuant to a registration statement filed in connection with its acquisition of MAF Bancorp in 2007. The amended complaint alleges violations of federal securities laws regarding public statements and disclosures relating to, among other things, the nature, quality, performance, and risks of National City's non-prime, residential construction, and National Home Equity portfolios, its loan loss reserves, its financial condition, and related allegedly false and misleading financial statements. In the amended complaint, the plaintiffs seek, among other things, unspecified damages and attorneys' fees. A motion to dismiss the amended complaint is pending. A magistrate judge has recommended dismissal of the lawsuit without prejudice, with a right for the plaintiffs to file a further amended complaint within 30 days. The magistrate's recommendation is subject to adoption by the district court. The plaintiffs have filed objections to that recommendation. In August 2011, the parties entered into a memorandum of understanding providing for the settlement of the lawsuit for $168 million and in November filed formal settlement papers with the district court. The settlement is conditioned on, among other things, final court approval. The court has scheduled a hearing in March 2012 to determine if it will grant final approval to the settlement. As a result of existing accruals and recorded probable insurance recoveries, PNC expects the impact of this settlement on our future results of operations to be immaterial.
- In May 2008, a lawsuit (*The Dispatch Printing Company, et al. v. National City Corporation, et al.* (Case No. 08CVH-6506)) was filed on behalf of an individual plaintiff in the Franklin County, Ohio, Court of Common Pleas against National City, certain directors of National City, and Corsair Co-Invest, L.P. and unnamed other investors participating in the April 2008 capital infusion into National City, alleging that National City's directors breached their fiduciary duties by entering into this capital infusion transaction. A motion to dismiss the case as originally filed was denied. After the initial filing, two additional plaintiffs were added. The plaintiffs filed an amended complaint in December 2010. The amended complaint adds PNC as a defendant as successor in interest to National City. In the amended complaint, which included some additional allegations, the plaintiffs seek, among other things, unspecified actual and punitive damages, and attorneys' fees. In December 2011, we filed a motion for summary judgment. The court has not yet ruled on this motion. The court has currently scheduled the trial to begin in July 2012.

Interchange Litigation

Beginning in June 2005, a series of antitrust lawsuits were filed against Visa®, MasterCard®, and several major financial institutions, including cases naming National City (since merged into PNC) and its subsidiary, National City Bank of Kentucky (since merged into National City Bank which in

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turn was merged into PNC Bank, N.A.). The cases have been consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO). Those cases naming National City were brought as class actions on behalf of all persons or business entities who have accepted Visa® or MasterCard®. The plaintiffs, merchants operating commercial businesses throughout the US and trade associations, allege, among other things, that the defendants conspired to fix the prices for general purpose card network services and otherwise imposed unreasonable restraints on trade, resulting in the payment of inflated interchange fees, in violation of the antitrust laws. In January 2009, the plaintiffs filed amended and supplemental complaints adding, among other things, allegations that the restructuring of Visa and MasterCard, each of which included an initial public offering, violated the antitrust laws. In their complaints, the plaintiffs seek, among other things, injunctive relief, unspecified damages (trebled under the antitrust laws) and attorneys' fees. In January 2008, the district court dismissed the plaintiffs' claims for damages incurred prior to January 1, 2004. In April 2009, the defendants filed a motion to dismiss the amended and supplemental complaints. In May 2009, class plaintiffs filed a motion for class certification. Both of these motions were argued in November 2009. In February 2011, the defendants filed a motion for summary judgment, which was argued in November 2011. The court has not yet ruled on any of these motions.

National City and National City Bank entered into judgment and loss sharing agreements with Visa and certain other banks with respect to all of the above referenced litigation. All of the litigation against Visa is also subject to the indemnification obligations described in Note 23 Commitments and Guarantees. PNC Bank, N.A. is not named a defendant in any of the Visa or MasterCard related antitrust litigation nor was it initially a party to the judgment or loss sharing agreements, but it has been subject to these indemnification obligations and became responsible for National City Bank's position in the litigation and responsibilities under the agreements upon completion of the merger of National City Bank into PNC Bank, N.A. In March 2011, we entered into a MasterCard Settlement and Judgment Sharing Agreement with MasterCard and other financial institution defendants and an Omnibus Agreement Regarding Interchange Litigation Sharing and Settlement Sharing with Visa, MasterCard and other financial institution defendants. If there is a resolution of all claims against all defendants, the Omnibus Agreement, in substance, apportions that resolution into a Visa portion and a MasterCard portion, with the Visa portion being two-thirds and the MasterCard portion being one-third. This apportionment only applies in the case of either a global settlement involving all defendants or an adverse judgment against the defendants, to the extent that damages either are related to the merchants' inter-network conspiracy claims or are otherwise not attributed to specific MasterCard or Visa conduct or damages. The MasterCard portion (or any MasterCard-related liability not subject to the Omnibus Agreement) will then be apportioned under the MasterCard Settlement and Judgment Sharing Agreement among MasterCard and PNC and the other financial institution defendants that are parties to this agreement. The responsibility for the Visa portion (or any Visa-related liability not subject to the Omnibus Agreement) will be apportioned under the pre-existing indemnification responsibilities and judgment and loss sharing agreements.

CBNV Mortgage Litigation

Between 2001 and 2003, on behalf of either individual plaintiffs or proposed classes of plaintiffs, several separate lawsuits were filed in state and federal courts against Community Bank of Northern Virginia (CBNV) and other defendants asserting claims arising from second mortgage loans made to the plaintiffs. CBNV was merged into one of Mercantile Bankshares Corporation's banks before PNC acquired Mercantile in 2007. The state lawsuits were removed to federal court and, with the lawsuits that had been filed in federal court, were consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in the United States District Court for the Western District of Pennsylvania, currently under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674). In January 2008, the Pennsylvania district court issued an order sending back to the General Court of Justice, Superior Court Division, for Wake County, North Carolina the claims of two proposed class members. These claims are asserted in a case originally filed in 2001 and captioned *Bumpers, et al. v. Community Bank of Northern Virginia* (01-CVS-011342).

MDL Proceedings in Pennsylvania. In August 2006, a proposed settlement agreement covering some of the class members was submitted to the district court handling the MDL proceedings for its approval, which it granted in August 2008. The class covered by this settlement is referred to as the *Kessler* class.

Some objecting members of the *Kessler* class appealed the final approval order to the United States Court of Appeals for the Third Circuit. In their appeal, the objecting *Kessler* class members had asserted that CBNV's annual percentage rate disclosures violated the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA), that those claims are very valuable, and that the settling plaintiffs should have asserted those claims. The settling plaintiffs advanced a number of reasons why they had not asserted TILA/HOEPA claims. In September 2010, the court of appeals vacated the district court's class certification decision and approval of the class settlement and remanded the case to the district court for further proceedings. As a result of the settling plaintiffs' decision not to continue to pursue the settlement and instead participate in the joint amended consolidated class action complaint described below, however, there will be no proceedings in the district court on the remand relating to the settlement.

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In October 2011, the plaintiffs filed a joint consolidated amended class action complaint covering all of the class action lawsuits pending in this proceeding. The amended complaint names CBNV, another bank, and purchasers of loans originated by CBNV and the other bank (including the Residential Funding Company, LLC) as defendants. The principal allegations in the amended complaint are that a group of persons and entities collectively characterized as the "Shumway/Bapst Organization" referred prospective second residential mortgage loan borrowers to CBNV and the other bank, that CBNV and the other bank charged these borrowers improper title and loan fees at loan closings, that the disclosures provided to the borrowers at loan closings were inaccurate, and that CBNV and the other bank paid some of the loan fees to the Shumway/Bapst Organization as purported "kickbacks" for the referrals. The amended complaint asserts claims for violations of the Real Estate Settlement Procedures Act (RESPA), TILA, as amended by HOEPA, and the Racketeer Influenced and Corrupt Organizations Act (RICO).

The amended complaint seeks to certify a class of all borrowers who obtained a second residential non-purchase money mortgage loan, secured by their principal dwelling, from either CBNV or the other defendant bank, the terms of which made the loan subject to HOEPA. The plaintiffs allege that there are approximately 50,000 members of this class. They seek, among other things, unspecified damages (including treble damages under RICO and RESPA), rescission of loans, declaratory and injunctive relief, interest, and attorneys' fees. In November 2011 the defendants filed a motion to dismiss the amended complaint. The court has not yet ruled on this motion.

North Carolina Proceedings. The plaintiffs in *Bumpers* make similar allegations to those included in the amended complaint in the MDL proceedings. Following the remand to North Carolina state court, the plaintiffs in *Bumpers* sought to represent a class of North Carolina borrowers in state court proceedings in North Carolina. The plaintiffs claim that this class consists of approximately 650 borrowers. The district court in Pennsylvania handling the MDL proceedings enjoined class proceedings in *Bumpers* in March 2008. In April 2008, the North Carolina superior court granted the *Bumpers* plaintiffs' motion for summary judgment on their individual claims and awarded them approximately $11,000 each plus interest. CBNV appealed the grant of the motion for summary judgment. In September 2011, the North Carolina Court of Appeals affirmed in part and reversed in part the granting of the plaintiffs' motion for summary judgment. The court affirmed the plaintiffs' judgment on their claim that they paid a loan discount fee but were not provided a loan discount. It reversed the plaintiffs' judgment on their claim that they were overcharged for settlement services and remanded that claim for trial. The court also held that, on remand, the trial court may consider the issue of class certification. Thereafter, we petitioned the North Carolina Supreme Court for discretionary review of the decision of the North Carolina Court of Appeals and for a stay of proceedings pending the decision on this petition and, if granted, the decision on the appeal. The North Carolina Supreme Court thereafter granted a temporary stay and, in October 2011, denied the plaintiffs' motion to dissolve the stay.

Overdraft Litigation

Beginning in October 2009, PNC Bank and National City Bank have been named in six lawsuits brought as class actions relating to the manner in which they charged overdraft fees on ATM and debit transactions to customers. Three lawsuits naming PNC Bank and one naming National City Bank, along with similar lawsuits against numerous other banks, have been consolidated for pre-trial proceedings in the United States District Court for the Southern District of Florida (the "MDL Court") under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK). The first of these cases (*Casayuran, et al. v. PNC Bank, National Association* (Case No. 10-cv-20496-JLK)) was originally filed against PNC Bank in October 2009 in the United States District Court for the District of New Jersey, and an amended complaint was filed in June 2010 in the MDL Court. The other cases that have been consolidated were filed in June 2010 in the United States District Court for the Southern District of Florida (*Cowen, et al. v. PNC Bank, National Association* (Case No. 10-CV-21869-JLK), *Hernandez, et al. v. PNC Bank, National Association* (Case No. 10-CV-21868-JLK), and *Matos v. National City Bank* (Case No. 10-cv-21771-JLK). A consolidated amended complaint was filed in December 2010 that consolidated all of the claims in these four MDL Court cases. It seeks to certify multi-state classes of customers for the common law claims described below (covering all states in which PNC and National City had retail branch operations during the class period), and subclasses of PNC Bank customers with accounts in Pennsylvania and New Jersey branches and of National City Bank customers with accounts in Illinois branches, with each subclass being asserted for purposes of claims under those states' consumer protection statutes. No class periods are stated in any of the complaints, other than for the applicable statutes of limitations, which vary by state and claim. Our motion to dismiss the consolidated amended complaint was denied in March 2011.

In December 2011, the plaintiffs in the MDL Court moved for class certification. In light of the Trombley settlement described below, the National City plaintiffs did not move for class certification on behalf of National City customers. As to PNC, the plaintiffs moved for class certification in accordance with their consolidated amended complaint, except that they are not seeking a class as to the conversion claims. The court has not yet ruled on this motion. The MDL Court has scheduled trial for January 2013 for the cases that will be tried in that court.

In December 2010, an additional lawsuit (*Henry v. PNC Bank, National Association* (No. GD-10-022974)) was filed in the Court of Common Pleas of Allegheny County, Pennsylvania

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on behalf of all current citizens of Pennsylvania who are domiciled in Pennsylvania who had or have a PNC checking or debit account used primarily for personal, family or household purposes and who incurred overdraft and related fees on transactions resulting from the methodology of posting transactions from December 8, 2004 through August 14, 2010. We filed preliminary objections seeking dismissal of each of the claims in this lawsuit in March 2011. In January 2012, the court ruled on our preliminary objections, dismissing several claims but overruling our objections with respect to claims for breach of contract and the duty of good faith and fair dealing and for violation of Pennsylvania's consumer protection statute.

The sixth lawsuit (*Trombley, et al. v. National City Bank* (Civil Action No. 10-00232 (JDB)) was brought as a class action against National City Bank in the United States District Court for the District of Columbia. In July 2010, the parties reached a tentative settlement of this lawsuit. The settlement class included all National City customers who incurred during the period July 1, 2004 to August 15, 2010 overdraft fees that had not been reversed or refunded. Several members of the proposed settlement class, including the named plaintiff in another lawsuit filed in the MDL Court, filed objections to approval of this settlement. Following a hearing in July 2011, the court granted final approval in December 2011. In granting final approval, the court shortened the ending date for the class period to June 21, 2010. One of the objectors appealed the court's order approving the settlement to the United States Court of Appeals for the District of Columbia Circuit. In February 2012, this objector moved to voluntarily dismiss the appeal, and the court of appeals dismissed it, thereby making the settlement final. The amount of the settlement is not material to PNC and has been accrued.

The complaints in each of these lawsuits allege that the banks engaged in unlawful practices in assessing overdraft fees arising from electronic point-of-sale and ATM debits. The principal practice challenged in these lawsuits is the banks' purportedly common policy of posting debit transactions on a daily basis from highest amount to lowest amount, thereby allegedly inflating the number of overdraft fees assessed. Other practices challenged include the failure to decline to honor debit card transactions where the account has insufficient funds to cover the transactions.

In the consolidated amended complaint in the MDL Court, the plaintiffs assert claims for breach of the covenant of good faith and fair dealing; unconscionability; conversion, unjust enrichment; and violation of the consumer protection statutes of Pennsylvania, Illinois and New Jersey. In the *Henry* case, the remaining claims are for breach of contract and the duty of good faith and fair dealing and for violation of Pennsylvania's consumer protection statute. The action against National City in the District of Columbia added claims under the Ohio and Michigan consumer protection statutes and the federal Electronic Funds Transfer Act. In their complaints, the plaintiffs seek, among other things, restitution of overdraft fees paid, unspecified actual and punitive damages (with actual damages, in some cases, trebled under state law), pre-judgment interest, attorneys' fees, and declaratory relief finding the overdraft policies to be unfair and unconscionable.

Fulton Financial

In 2009, Fulton Financial Advisors, N.A. filed lawsuits against PNC Capital Markets, LLC and NatCity Investments, Inc. in the Court of Common Pleas of Lancaster County, Pennsylvania arising out of Fulton's purchase of auction rate certificates (ARCs) through PNC and NatCity. Each of the lawsuits alleges violations of the Pennsylvania Securities Act, negligent misrepresentation, negligence, breach of fiduciary duty, common law fraud, and aiding and abetting common law fraud in connection with the purchase of the ARCs by Fulton. Specifically, Fulton alleges that, as a result of the decline of financial markets in 2007 and 2008, the market for ARCs became illiquid; that PNC and NatCity knew or should have known of the increasing threat of the ARC market becoming illiquid; and that PNC and NatCity did not inform Fulton of this increasing threat, but allowed Fulton to continue to purchase ARCs, to Fulton's detriment. In its complaints, Fulton alleges that it then held ARCs purchased through PNC for a price of more than $123 million and purchased through NatCity for a price of more than $175 million. In each complaint, Fulton seeks, among other things, unspecified actual and punitive damages, rescission, attorneys' fees and interest.

In the case against PNC (*Fulton Financial Advisors, N.A. v. PNC Capital Markets, LLC* (CI 09-10838)), PNC filed preliminary objections to Fulton's complaint, which were denied. NatCity removed the case against it to the United States District Court for the Eastern District of Pennsylvania (*Fulton Financial Advisors, N.A. v. NatCity Investments, Inc.* (No. 5:09-cv-04855)), and in November 2009 filed a motion to dismiss the complaint. The court has not yet ruled on this motion.

FHLB

In October 2010, the Federal Home Loan Bank of Chicago brought a lawsuit in the Circuit Court of Cook County, Illinois, against numerous financial companies, including The PNC Financial Services Group, Inc., as successor in interest to National City Corporation, and PNC Investments LLC, as successor in interest to NatCity Investments, Inc. (*Federal Home Loan Bank of Chicago v. Bank of America Funding Corp., et al.* (Case No. 10CH45033)). The complaint alleges that the defendants have liability to the Federal Home Loan Bank of Chicago in a variety of capacities (in the case of the National City entities, as underwriters) under Illinois state securities law and common law in connection with the alleged purchase of private-label mortgage-backed securities by the Federal Home Loan Bank. According to the complaint, the Federal Home Loan Bank purchased approximately $3.3

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billion in mortgage-backed securities in total in transactions addressed by the complaint, approximately $345 million of which was allegedly in transactions involving the National City entities. The complaint alleges misrepresentations and omissions in connection with the sales of the mortgage-backed securities in question. In its complaint, the Federal Home Loan Bank seeks, among other things, rescission, unspecified damages, interest, and attorneys' fees. In November 2010, the defendants removed the case to the United States District Court for the Northern District of Illinois. In January 2011, the district court remanded the case to the Circuit Court of Cook County. The plaintiff amended its complaint in March 2011 and filed a corrected amended complaint in April 2011. The corrected amended complaint does not identify any additional transaction for which the plaintiff seeks recovery from PNC nor does it add any additional substantive allegations. In May 2011, the defendants filed a motion to dismiss the corrected amended complaint. The court has not yet ruled on this motion.

Weavering Macro Fixed Income Fund
In July 2010, PNC completed the sale of PNC Global Investment Servicing ("PNC GIS") to The Bank of New York Mellon Corporation ("BNY-Mellon"), pursuant to a stock purchase agreement dated February 1, 2010. In July 2009, the liquidators of the Weavering Macro Fixed Income Fund Limited ("Weavering") issued a Plenary Summons in the High Court, Dublin, Ireland, in connection with a European subsidiary of PNC GIS's provision of administration services to Weavering. The Plenary Summons was served on the PNC GIS subsidiary (GIS Europe) on or about June 30, 2010. In May 2011, the liquidator served a Notice of Intention to Proceed and Statement of Claim, which alleges, among other things, that GIS Europe breached its contractual duties to Weavering as well as an alleged duty of care to Weavering, and investors in Weavering, and makes claims of breach of the administration and accounting services agreement, negligence, gross negligence, breach of duty, misrepresentation and negligent misstatement. The statement of claim further alleges that investors in Weavering lost approximately €282,000,000 and also expended approximately €98,000,000 in brokerage and exchange commissions, interest, and fees as a result of the transactions at issue. The statement of claim seeks, among other things, damages, costs, and interest. In January 2012, upon application by GIS Europe, the court issued a judgment ordering a hearing on certain preliminary issues (a "modular trial").

In May 2011, BNY-Mellon provided notice to PNC of an indemnification claim pursuant to the stock purchase agreement related to this litigation.

365/360 Litigation
PNC Bank and National City Bank have been named as defendants in three lawsuits seeking to certify classes of commercial borrowers bringing claims for breach of contract arising from the use of the 365/360 method of interest computation in certain commercial promissory notes. The first of these cases (*DK&D Properties, LLC v. National City Bank* (Case no. 08 cv 680078)), was filed in December 2008 against National City Bank in the Court of Common Pleas of Cuyahoga County, Ohio. It seeks to certify a class consisting of certain Ohio commercial borrowers of National City Bank for these claims. In July 2009, the court denied National City Bank's motion to dismiss the complaint. In December 2011, plaintiff filed a motion for class certification. The court has not yet ruled on this motion. Also in December 2011, the court granted National City Bank's motion to stay the case pending the decision of the Ohio Supreme Court in *JNT Properties, LLC v. KeyBank National Association* (Case No. 11-1392), which, although neither PNC Bank nor National City Bank are parties, presents many of the same issues as those in *DK&D Properties*.

The second case (*Kreisler & Kreisler, LLC v. National City Bank, et al.* (Case no. 4:10-cv-00956)) was filed in the United States District Court for the Eastern District of Missouri in May 2010 against National City Bank and also purported to name "PNC Bank Corp." as a defendant. It sought to certify a national class of commercial borrowers for these claims. In March 2011, the district court granted the defendants' motion to dismiss the complaint. In October 2011, the United States Court of Appeals for the Eighth Circuit affirmed the dismissal by the district court. In the third case (*PNC Bank, National Association v. St. Louis PET Centers, LLC, et al.* (Case no. 10SL-CC01076)), a borrower filed a counterclaim, brought as a class action, against PNC Bank in the Circuit Court of County of St. Louis, Missouri in November 2010. The claims and proposed class set forth in this complaint are similar to those in *Kreisler & Kreisler*. In March 2011, the court denied our motion to dismiss the counterclaim.

Plaintiffs in these cases allege generally that they obtained fixed or variable rate commercial loans from PNC Bank or National City Bank pursuant to promissory notes or loan agreements setting forth annual or per annum interest rates, that the bank's use of the 365/360 method of calculation of interest caused the borrower to pay interest over a calendar year at a higher rate than the per annum rate stated in the promissory notes, and that this was a breach of the terms of the promissory notes. Plaintiffs in each of these cases seek declaratory and injunctive relief, compensatory damages, prejudgment interest, and attorneys' fees.

False Claims Act Lawsuit
PNC Bank has been named as a defendant, along with other lenders, in a qui tam lawsuit brought in the U.S. District Court for the Northern District of Georgia by two individuals on behalf of the United States under the federal False Claims Act (*United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT)). The lawsuit was originally filed under seal, with a second amended complaint filed in June 2011. The second amended complaint was unsealed by the district court

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in October 2011. In the second amended complaint, the plaintiffs, who allege that they are officers of a mortgage broker, allege that several mortgage originators, including entities affiliated with PNC Bank's predecessor, National City Bank, made false statements to the U.S. Department of Veterans Affairs in order to obtain loan guarantees by the VA under its Interest Rate Reduction Refinancing Loans (IRRRL) program. Under that program, the VA guarantees refinancing loans made to veterans if the loans meet program requirements, one of which limits the type and amount of fees that can be charged to borrowers by lenders. The plaintiffs allege, among other things, that the defendants charged impermissible fees to borrowers under the VA program and then made false statements to the VA concerning such fees in violation of the civil False Claims Act. The plaintiffs allege that, by doing so, National City Bank and the other defendants caused the VA to pay, among other costs, amounts in respect of the loan guarantees to which the defendants were not entitled. On their behalf and on behalf of the United States, the plaintiffs seek, among other things, unspecified damages equal to the loss the defendants allegedly caused the United States (including treble damages under the False Claims Act), statutory civil penalties between $5,500 and $11,000 per false claim made by the defendants, injunctive relief against submission of false claims to the United States and imposing unallowable charges against veterans participating in the IRRRL program, and attorneys' fees. To date, the United States has not joined in the prosecution of the plaintiffs' lawsuit. In December 2011, PNC moved to dismiss the action. A number of the other defendants have also filed motions to dismiss. The court has not yet ruled on these motions.

Captive Mortgage Reinsurance Litigation

In December 2011, a lawsuit (*White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928)) was filed against PNC (as successor in interest to National City Corporation and several of its subsidiaries) and several mortgage insurance companies in the United States District Court for the Eastern District of Pennsylvania. This lawsuit, which was brought as a class action, alleges that National City structured its program of reinsurance of private mortgage insurance in such a way as to avoid a true transfer of risk from the mortgage insurers to National City's captive reinsurer. The plaintiffs allege that the payments from the mortgage insurers to the captive reinsurer constitute kickbacks, referral payments, or unearned fee splits prohibited under the Real Estate Settlement Procedures Act (RESPA), as well as common law unjust enrichment. The plaintiffs claim, among other things, that from the beginning of 2004 until the end of 2010 National City's captive reinsurer collected from the mortgage insurance company defendants at least $219 million as its share of borrowers' private mortgage insurance premiums and that during the same period its share of paid claims was approximately $12 million. The plaintiffs seek to certify a nationwide class of all persons who obtained residential mortgage loans originated, funded or originated through correspondent lending by National City or any of its subsidiaries or affiliates between January 1, 2004 and the present and, in connection with these mortgage loans, purchased private mortgage insurance and whose residential mortgage loans were included within National City's captive mortgage reinsurance arrangements. Plaintiffs seek, among other things, statutory damages under RESPA (which include treble damages), restitution of reinsurance premiums collected, disgorgement of profits, and attorneys' fees.

Residential Mortgage-Backed Securities Indemnification Demands

We have received indemnification demands from several entities sponsoring residential mortgage-backed securities and their affiliates where purchasers of the securities have brought litigation against the sponsors and other parties involved in the securitization transactions. National City Mortgage had sold whole loans to the sponsors or their affiliates that were allegedly included in certain of these securitization transactions. According to the indemnification demands, the plaintiffs' claims in these lawsuits are based on alleged misstatements and omissions in the offering documents for these transactions. The indemnification demands assert that agreements governing the sale of these loans or the securitization transactions to which National City Mortgage is a party require us to indemnify the sponsors and their affiliates for losses suffered in connection with these lawsuits. At present, there has been no determination that the parties seeking indemnification have any liability to the plaintiffs in these lawsuits.

Other Regulatory and Governmental Inquiries

PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of regulatory reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described below, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs.

- One area of significant regulatory and governmental focus has been mortgage lending and servicing. Numerous federal and state governmental, legislative and regulatory authorities are investigating practices in this area. PNC has received inquiries from, or is the subject of investigations by, a broad range of governmental, legislative and regulatory authorities relating to our activities in this area and is cooperating with these investigations and inquiries.

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As a result of the number and range of authorities conducting the investigations and inquiries, as well as the nature of these types of investigations and inquiries, among other factors, PNC cannot at this time predict the ultimate overall cost to or effect on PNC from potential governmental, legislative or regulatory actions arising out of these investigations and inquiries.

- In April 2011, as a result of a publicly-disclosed interagency horizontal review of residential mortgage servicing operations at fourteen federally regulated mortgage servicers, PNC entered into a consent order with the Board of Governors of the Federal Reserve System and PNC Bank entered into a consent order with the Office of the Comptroller of the Currency. Collectively, these consent orders describe certain foreclosure-related practices and controls that the regulators found to be deficient and require PNC and PNC Bank to, among other things, develop and implement plans and programs to enhance PNC's residential mortgage servicing and foreclosure processes, retain an independent consultant to review certain residential mortgage foreclosure actions, take certain remedial actions, and oversee compliance with the orders and the new plans and programs. The two orders do not foreclose the potential for civil money penalties from either of these regulators.

In connection with these orders, PNC has established a Compliance Committee of the Boards of PNC and PNC Bank to monitor and coordinate PNC's and PNC Bank's implementation of the commitments under the orders. PNC and PNC Bank are executing Action Plans designed to meet the requirements of the orders. Consistent with the orders, PNC has also engaged an independent consultant to conduct a review of certain residential foreclosure actions, including those identified through borrower complaints, and identify whether any remedial actions for borrowers are necessary. The consultant's review is underway. PNC expects to take any required remedial actions coming out of this review, although the full scope and nature of any such remedial actions is not currently known.

- On February 9, 2012, the Department of Justice, other federal regulators and 49 state attorneys general announced agreements with the five largest mortgage servicers. Under these agreements, which remain subject to, among other things, definitive documentation and court approval, the mortgage servicers will make cash payments to federal and state governments, provide various forms of financial relief to borrowers, and implement new mortgage servicing standards. These governmental authorities are continuing their review of, and have engaged in discussions with, other mortgage servicers, including PNC, that were subject to the interagency horizontal review, which could result in the imposition of substantial payments and other forms of relief (similar to that agreed to by the five largest servicers) on some or all of these mortgage servicers, including PNC. Whether and to what extent any such relief may be imposed on PNC and other smaller servicers is not yet known.
- PNC has received subpoenas from the U.S. Attorney's Office for the Southern District of New York concerning National City Bank's lending practices in connection with loans insured by the Federal Housing Administration (FHA) as well as certain non-FHA-insured loan origination, sale and securitization practices. The U.S. Attorney's Office inquiry is in its early stage and PNC is cooperating with the investigation.
- The SEC previously commenced investigations of activities of National City prior to its acquisition by PNC. The SEC has requested, and we have provided to the SEC, documents concerning, among other things, National City's capital-raising activities, loan underwriting experience, allowance for loan losses, marketing practices, dividends, bank regulatory matters and the sale of First Franklin Financial Corporation.
- The SEC has been conducting an investigation into events at Equipment Finance LLC (EFI), a subsidiary of Sterling Financial Corporation, which PNC acquired in April 2008. The United States Attorney's Office for the Eastern District of Pennsylvania has also been investigating the EFI situation.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in this Note 22.

Other

In addition to the proceedings or other matters described above, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine

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whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

See Note 23 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 23 COMMITMENTS AND GUARANTEES

EQUITY FUNDING AND OTHER COMMITMENTS

Our unfunded commitments at December 31, 2011 included private equity investments of $247 million, and other investments of $3 million.

STANDBY LETTERS OF CREDIT

We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Net Outstanding Standby Letters of Credit

Dollars in billions	December 31 2011	December 31 2010
Net outstanding standby letters of credit	$ 10.8	$ 10.1
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	90%
Below pass (b)	6%	10%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on December 31, 2011 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.4 billion at December 31, 2011, of which $7.4 billion support remarketing programs.

As of December 31, 2011, assets of $2.0 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.6 billion were also available for this purpose as of December 31, 2011. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $247 million at December 31, 2011.

STANDBY BOND PURCHASE AGREEMENTS AND OTHER LIQUIDITY FACILITIES

We enter into standby bond purchase agreements to support municipal bond obligations. At December 31, 2011, the aggregate of our commitments under these facilities was $543 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At December 31, 2011, our total commitments under these facilities were $199 million.

INDEMNIFICATIONS

We are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements can cover the purchase or sale of:

- Entire businesses,
- Loan portfolios,
- Branch banks,
- Partial interests in companies, or
- Other types of assets.

These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering and, if there are other underwriters, indemnification to the other underwriters intended to result in an appropriate sharing of the risk of participating in the offering. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

In the ordinary course of business, we enter into certain types of agreements that include provisions for indemnifying third

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2012

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	**25-1435979**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 2, 2012, there were 528,783,529 shares of the registrant's common stock ($5 par value) outstanding.

NOTE 16 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 16 and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K (such prior disclosure referred to as "Prior Disclosure") that are still pending). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of March 31, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $550 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

SECURITIES AND STATE LAW FIDUCIARY CASES AGAINST NATIONAL CITY

- In January 2008, a lawsuit (*In re National City Corporation Securities, Derivative & ERISA Litigation (The Securities Case)* (MDL No. 2003, Case No: 1:08-nc-70004-SO)) was filed in the United States District Court for the Northern District of Ohio against National City and certain officers and directors of National City. As amended, this lawsuit was brought as a class action on behalf of purchasers of National City's stock during the period April 30, 2007 to April 21, 2008 and also on behalf of everyone who acquired National City stock pursuant to a registration statement filed in connection with its acquisition of MAF Bancorp in 2007. The amended complaint alleged violations of federal securities laws regarding public statements and disclosures relating to, among other things, the nature, quality, performance, and risks of National City's non-prime, residential construction, and National Home Equity portfolios, its loan loss reserves, its financial condition, and related allegedly false and misleading financial statements. In the amended complaint, the plaintiffs sought, among other things, unspecified damages and attorneys' fees. In August 2011, the parties entered into a memorandum of understanding providing for the settlement of the lawsuit for $168 million and in November filed formal settlement papers with the district court. In March 2012, the court granted final approval of the settlement. The expected financial impact of this settlement has been fully accrued.

Overdraft Litigation
As a result of the acquisition of RBC Bank (USA), we are subject to two additional pending lawsuits brought as class actions relating to the manner in which overdraft fees were charged on ATM and debit transactions to customers and related matters. Together with other similar lawsuits pending against PNC Bank, National City Bank and other banks, these lawsuits have been consolidated for pre-trial proceedings in the United States District Court for the Southern District of Florida (the "MDL Court") under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK). One of these cases (*Dasher v. RBC Bank* (10-cv-22190-JLK)) was filed in July 2010 in the United States District Court for the Southern District of Florida. The other case (*Avery v. RBC Bank* (Case No. 1-cv-329)) was originally filed in North Carolina state court in July 2010 and was removed to the United States District Court for the Eastern District of North Carolina before being transferred to the MDL Court. An amended complaint was filed in *Avery* in August 2010.

The customer agreements with the RBC Bank (USA) plaintiffs contain arbitration provisions. RBC Bank (USA)'s original motion in *Dasher* to compel arbitration under these provisions was denied by the MDL Court. This denial was appealed to the United States Court of Appeals for the Eleventh Circuit. While this appeal was pending, the United States Supreme Court issued its decision in *AT&T Mobility v. Concepcion*, following which the court of appeals vacated the MDL Court's denial of the arbitration motion and remanded to the MDL Court for further consideration in light of the *Concepcion* decision. RBC Bank (USA) has renewed its motion to compel arbitration, now covering both *Dasher* and *Avery*. This motion is still pending.

The complaints in these cases generally make the same allegations as made in the other cases against PNC Bank and National City Bank pending in the MDL Court, as described in Prior Disclosure, except that the state consumer protection statutory claims relate to the North Carolina statute and the *Avery* complaint does not make claims for breach of the covenant of good faith and fair dealing or for conversion. These cases seek to certify multi-state classes of customers for the common law claims described in Prior Disclosure (covering all states in which RBC Bank (USA) had retail branch operations during the class period), and subclasses of RBC Bank (USA) customers with accounts in North Carolina branches, with the subclass being asserted for purposes of claims under that state's consumer protection statute. No class periods are stated in either of the complaints, other than for the applicable statutes of limitations, which vary by state and claim.

In their complaints, the plaintiffs in *Dasher* and *Avery* seek substantially similar relief to that described in Prior Disclosure with respect to the other cases pending in the MDL Court.

Weavering Macro Fixed Income Fund
In March 2012, the plaintiff in the lawsuit pending in the High Court, Dublin, Ireland against a European subsidiary of PNC Global Investment Servicing (sold to Bank of New York Mellon Corporation in July 2010) appealed the judgment of the court ordering a hearing on certain preliminary issues (a "modular trial") to the Supreme Court of Ireland.

365/360 Litigation
In *PNC Bank, National Association v. St. Louis PET Centers, LLC, et al.* (Case no. 10SL-CC01076), pending in the Circuit Court of the County of St. Louis, Missouri, the borrower dismissed its counterclaim against PNC Bank without prejudice in April 2012.

False Claims Act Lawsuit
PNC Bank has reached an agreement in principle with the plaintiffs to settle *United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT), pending in the U.S. District Court for the Northern District of Georgia. This settlement is subject to, among other things, final documentation and the consent of the United States. The amount of the settlement is not material to PNC.

Captive Mortgage Reinsurance Litigation
In *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928)), pending in the United States District Court for the Eastern District of Pennsylvania, the court granted a stay of proceedings in March 2012 pending the decision of the United States Supreme Court in *First American Financial Corporation v. Edwards*, which could address issues related to the standing of plaintiffs to pursue their claims.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described in Prior Disclosure. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs. Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in this paragraph or in Prior Disclosure.

Other
In addition to the proceedings or other matters described above and in Prior Disclosure, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or in Prior Disclosure or in other legal proceedings, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

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See Note 17 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 17 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at March 31, 2012 included private equity investments of $234 million, and other investments of $4 million.

Standby Letters of Credit
We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Net Outstanding Standby Letters of Credit

Dollars in billions	March 31 2012	December 31 2011
Net outstanding standby letters of credit	$ 10.9	$ 10.8
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	94%
Below pass (b)	6%	6%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on March 31, 2012 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.3 billion at March 31, 2012, of which $7.1 billion support remarketing programs.

As of March 31, 2012, assets of $1.7 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.4 billion were also available for this purpose as of March 31, 2012. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $248 million at March 31, 2012.

Standby Bond Purchase Agreements and Other Liquidity Facilities
We enter into standby bond purchase agreements to support municipal bond obligations. At March 31, 2012, the aggregate of our commitments under these facilities was $705 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At March 31, 2012, our total commitments under these facilities were $199 million.

Indemnifications
As further described in our 2011 Form 10-K, we are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 1, 2012, there were 529,405,539 shares of the registrant's common stock ($5 par value) outstanding.

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Examinations are complete for PNC's consolidated federal income tax returns through 2006 having no outstanding unresolved issues. The Internal Revenue Service (IRS) is currently examining PNC's 2007 and 2008 returns. National City's consolidated federal income tax returns through 2007 have been audited by the IRS. Certain adjustments remain under review by the IRS Appeals division for years 2003 through 2007. The IRS is currently examining National City's 2008 return. PNC also continues to be under examination with several state taxing authorities.

We had unrecognized tax benefits of $231 million at June 30, 2012 and $209 million at December 31, 2011. At June 30, 2012, $107 million of unrecognized tax benefits, if recognized, would favorably impact the effective income tax rate.

It is reasonably possible that the liability for unrecognized tax benefits could increase or decrease in the next twelve months due to completion of tax authorities' exams or the expiration of statutes of limitations. Management estimates that the liability for unrecognized tax benefits could decrease by $88 million within the next twelve months.

NOTE 17 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 17 and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K and in Note 16 Legal Proceedings in Part I, Item 1 of our first quarter 2012 Form 10-Q (such prior disclosure referred to as "Prior Disclosure")). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of June 30, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $475 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability and damages, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us as alleged in the plaintiff's pleadings or other public filings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

Securities and State Law Fiduciary Cases against National City
In May 2008, a lawsuit (*The Dispatch Printing Company, et al. v. National City Corporation, et al.* (Case No. 08CVH-6506)) was filed on behalf of an individual plaintiff in the Franklin County, Ohio, Court of Common Pleas against National City, certain directors of National City, and Corsair Co-Invest, L.P. and unnamed other investors participating in

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the April 2008 capital infusion into National City, alleging that National City's directors breached their fiduciary duties by entering into this capital infusion transaction. A motion to dismiss the case as originally filed was denied. After the initial filing, two additional plaintiffs were added. The plaintiffs filed an amended complaint in December 2010. The amended complaint added PNC as a defendant as successor in interest to National City. In the amended complaint, which included some additional allegations, the plaintiffs sought, among other things, unspecified actual and punitive damages, and attorneys' fees. In July 2012, the parties reached an agreement to settle this case. The amount of the settlement is not material to PNC.

Interchange Litigation
In July 2012, the parties entered into a memorandum of understanding with the class plaintiffs and an agreement in principle with certain individual plaintiffs with respect to a settlement of the cases that have been consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO), under which the defendants will collectively pay approximately $6.6 billion to the class and individual settling plaintiffs and have agreed to changes in the terms applicable to their respective card networks. The settlement is subject to, among other things, final documentation and court approval. As a result of the previously funded litigation escrow (described in Note 23 Commitments and Guarantees in Part II, Item 8 of our 2011 Form 10-K), which will cover substantially all of our share of the Visa portion, the impact to our second quarter results was not material and we anticipate no material financial impact from the monetary amount of this settlement.

CBNV Mortgage Litigation
In May 2012, the Residential Funding Company, LLC, one of our co-defendants in the multidistrict litigation currently pending in the United States District Court for the Western District of Pennsylvania under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674), filed for bankruptcy protection under Chapter 11.

Overdraft Litigation
In May 2012, in the lawsuits consolidated for pre-trial proceedings under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK), the United States District Court for the Southern District of Florida granted plaintiffs' motion for class certification in the cases captioned *Casayuran, et al. v. PNC Bank, National Association* (Case No. 10-cv-20496-JLK), *Cowen, et al. v. PNC Bank, National Association* (Case No. 10-CV-21869-JLK), and *Hernandez, et al. v. PNC Bank, National Association* (Case No. 10-CV-21868-JLK).

In June 2012, PNC Bank reached an agreement in principle to settle the three cases listed above in which class certification had been granted against PNC Bank in the MDL Court. As previously reported, this agreement in principle provides for settlement of these cases for $90 million. This settlement is subject to, among other things, final documentation, notice to the class, and court approval.

Weavering Macro Fixed Income Fund
The modular trial in the matter currently pending in High Court, Dublin, Ireland is scheduled for December 2012. In July 2012 the plaintiff in that matter moved in the Supreme Court of Ireland to stay the modular trial pending its appeal to the Supreme Court of the judgment of the High Court ordering that trial. The appeal and the motion to stay are pending, and the Supreme Court has adjourned the hearing on the motion to stay so that it can heard at the same time as the hearing on the appeal. The Supreme Court has indicated that it will schedule the hearing on both for November 2012.

Captive Mortgage Reinsurance Litigation
In June 2012, the United States Supreme Court dismissed its prior grant of a writ of certiorari in *First American Financial Corporation v. Edwards*. In August 2012, the United States District Court for the Eastern District of Pennsylvania lifted its stay in *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928), granted in March 2012 pending the decision in *First American*, and directed the plaintiffs to file an amended complaint.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in Prior Disclosure.

Other
In addition to the proceedings or other matters described above, PNC and persons to whom we may have

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indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

* * *

See Note 18 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 18 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments

Our unfunded commitments at June 30, 2012 included private equity investments of $215 million, and other investments of $3 million.

Standby Letters of Credit

We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Table 130: Net Outstanding Standby Letters of Credit

Dollars in billions	June 30 2012	December 31 2011
Net outstanding standby letters of credit	$11.3	$ 10.8
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	94%
Below pass (b)	6%	6%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on June 30, 2012 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.8 billion at June 30, 2012, of which $7.3 billion support remarketing programs.

As of June 30, 2012, assets of $1.7 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.5 billion were also available for this purpose as of June 30, 2012. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $250 million at June 30, 2012.

Standby Bond Purchase Agreements and Other Liquidity Facilities

We enter into standby bond purchase agreements to support municipal bond obligations. At June 30, 2012, the aggregate of our commitments under these facilities was $635 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At June 30, 2012, our total commitments under these facilities were $145 million.

Indemnifications

As further described in our 2011 Form 10-K, we are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering and, if there are other underwriters, indemnification to the

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2012

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	**25-1435979**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 31, 2012, there were 528,863,145 shares of the registrant's common stock ($5 par value) outstanding.

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We had unrecognized tax benefits of $178 million at September 30, 2012 and $209 million at December 31, 2011. At September 30, 2012, $100 million of unrecognized tax benefits, if recognized, would favorably impact the effective income tax rate.

It is reasonably possible that the liability for unrecognized tax benefits could increase or decrease in the next twelve months due to completion of tax authorities' exams or the expiration of statutes of limitations. Management estimates that the liability for unrecognized tax benefits could decrease by $78 million within the next twelve months.

NOTE 17 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 17, and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K, in Note 16 Legal Proceedings in Part I, Item 1 of our first quarter 2012 Form 10-Q, and in Note 17 Legal Proceedings in Part I, Item 1 of our second quarter 2012 Form 10-Q (such prior disclosure referred to as "Prior Disclosure")). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of September 30, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $425 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how damages or liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us as alleged in the plaintiff's pleadings or other public filings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

The following descriptions update our disclosure of pending legal proceedings provided in Prior Disclosure.

Interchange Litigation

In October 2012, the defendants in the cases consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO) entered into a definitive agreement relating to a settlement with the class plaintiffs.

CBNV Mortgage Litigation

MDL Proceedings in Pennsylvania. In the cases consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in the United States District Court for the Western

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District of Pennsylvania, currently under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674), the defendants' motion to dismiss the amended complaint was argued in October 2012. The court has not yet ruled on this motion.

North Carolina Proceedings. In *Bumpers, et al. v. Community Bank of Northern Virginia* (01-CVS-011342), pending in the General Court of Justice, Superior Court Division, for Wake County, North Carolina, in August 2012 the North Carolina Supreme Court granted our petition for discretionary review of the decision of the North Carolina Court of Appeals.

FHLB
In *Federal Home Loan Bank of Chicago v. Bank of America Funding Corp., et al.* (Case No. 10CH45033), pending in the Circuit Court of Cook County, Illinois, the court denied the defendants' motion to dismiss the corrected amended complaint in September 2012.

Captive Mortgage Reinsurance Litigation
In September 2012, the plaintiffs filed an amended complaint in *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928), pending in the United States District Court for the Eastern District of Pennsylvania.

Weavering Macro Fixed Income Fund
The Supreme Court of Ireland has scheduled the hearing on the motion to stay the modular trial pending in the High Court, Dublin, Ireland and the appeal of the judgment of the High Court ordering that trial for November 2012.

False Claims Act Lawsuit
In October 2012, the United States provided its consent to the settlement agreed to by PNC Bank and the plaintiffs in *United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT), pending in the United States District Court for the Northern District of Georgia. PNC Bank had previously entered into final settlement agreements with the plaintiffs. PNC expects the settlement to become final in the fourth quarter of 2012, subject to receipt of a court approval. The amount of the settlement had been previously fully reserved.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, or alterations in our business practices, and in additional expenses and collateral costs.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in Prior Disclosure.

Other
In addition to the proceedings or other matters described above and in Prior Disclosure, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

See Note 18 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 18 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at September 30, 2012 included private equity investments of $201 million, and other investments of $4 million.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

The PNC Financial Services Group, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: PNC Capital Markets LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 249 Fifth Avenue, One PNC Plaza
Pittsburgh, PA 15222-2707

C. Telephone: 412-762-2617 Fax: 412-705-2682 Email: amy.march@pnc.com

D. Name of contact person: Amy March

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Pennsylvania

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No See Attachment B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").
None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.
None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No See Attachment B

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee. See Attachment B

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

[X] 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
See Attachment B

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes. See Attachment B

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The PNC Financial Services Group, Inc.
(Print or type name of Disclosing Party)

By: George R Whitmer
(Sign here)

George R. Whitmer
(Print or type name of person signing)

Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-29-2013,
at Allegheny County, Pennsylvania (state).

Notary Public.

Commission expires:

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Lisa A. Liscio, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Feb. 28, 2014
Member, Pennsylvania Association of Notaries

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

PNC

CERTIFICATE

The undersigned, Janet L. Deringer, Assistant Corporate Secretary of The PNC Financial Services Group, Inc. (the "Corporation"), does hereby certify that the following is a true and correct copy of Resolutions adopted by the Board of Directors of The PNC Financial Services Group, Inc. on November 13, 2008 and that said Resolutions are in full force and effect, and further that, George R. Whitmer is a duly appointed Vice President of The PNC Financial Services Group, Inc.

"RESOLVED, that the Chairman of the Board, each Vice Chairman, if any, the President, the Chief Executive Officer, each Executive, Senior or other Vice President and Assistant Vice President, Treasurer and each Assistant Treasurer, Corporate Secretary and each Assistant Corporate Secretary, the Chief Investment Officer and General Counsel of The PNC Financial Services Group, Inc. (the "Corporation") shall have authority to affix and attest the corporate seal of the Corporation;

"RESOLVED FURTHER, that the Chairman of the Board, each Vice Chairman, if any, the President, the Chief Executive Officer, each Executive, Senior or other Vice President or Assistant Vice President, Treasurer and each Assistant Treasurer, Corporate Secretary and each Assistant Corporate Secretary, the Chief Investment Officer and each General Counsel of the Corporation and any other officers acting at the discretion of any officer authorized to affix and attest the corporate seal are and each of them is hereby authorized and empowered in the name and on behalf of the Corporation to execute, acknowledge and deliver any and all agreements, instruments, or other documents relating to the property or rights of all kinds held or owned by the Corporation or to the operation of the Corporation, either for its own account or in any agency or fiduciary capacity. Notwithstanding the foregoing, any and all agreements of sale, contracts, deeds and other documentation pertaining to the purchase, sale or transfer of real estate or buildings occupied by the Corporation in the transaction of its business shall be executed in accordance with the terms of resolutions adopted from time to time in connection therewith and specifically designating the officer and/or officers authorized to execute the same;

"RESOLVED FURTHER, that any officer and any non-officer employee which employee may be designated in writing by a Senior Vice President or higher officer by precedence or rank are each hereby authorized and empowered:

a) To sign or countersign checks, drafts, acceptances, guaranties of signatures on assignments of stock and bonds, and to sign or countersign stock certificates or bonds of corporations for whom the Corporation is acting as Registrar, Transfer Agent or in any fiduciary or representative capacity, correspondence and other papers or documents not ordinarily requiring execution under the seal of the Corporation; and

b) To receive and receipt for any sums of money or property due or owing to this Corporation in its own right or in any fiduciary capacity or as agent and, either as Attorney-in-Fact for the Corporation or otherwise, to execute any instrument of satisfaction therefore or of

any mortgage, judgment or other lien in the Office of the Recorder of Deeds or the Prothonotary or other office or Court of Record in Allegheny County, Philadelphia County, or elsewhere, provided, however, that in respect to any mortgage or Deed of Trust made to this Corporation as trustee for bondholders, the foregoing authority shall be exercised only pursuant to specific authorization of the Board of Directors or a designated committee responsible for fiduciary and investment risk."

IN WITNESS WHEREOF, the undersigned has hereunto set her hand and affixed the corporate seal of the Corporation this 17th day of January, 2013.

Janet L. Deringer

The PNC Financial Services Group, Inc. CORPORATE Seal 1983 PENNSYLVANIA

Attachment A

PNC Financial Services Group, Inc., The

Directors/Officers Report

As of January 15, 2013

Directors

Richard O. Berndt	Director
Charles E. Bunch	Director
Paul W. Chellgren	Director
Kay Coles James	Director
Richard B. Kelson	Director
Bruce C. Lindsay	Director
Anthony A. Massaro	Director
Jane G. Pepper	Director
James E. Rohr	Director
Donald J. Shepard	Director
Lorene K. Steffes	Director
Dennis F. Strigl	Director
Thomas J. Usher	Director
George H. Walls, Jr.	Director
Helge H. Wehmeier	Director

Officers

James E. Rohr	Chairman Chief Executive Officer
Joseph C. Guyaux	Senior Vice Chairman and Chief Risk Officer
William S. Demchak	President
Thomas K. Whitford	Vice Chairman
Joan L. Gulley	Executive Vice President Chief Human Resources Officer
Neil F. Hall	Executive vice President
Michael J. Hannon	Executive Vice President Chief Credit Officer
Robert F. Hoyt	Executive Vice President, General Counsel and Chief Regulatory Affairs Officer
Richard J. Johnson	Executive Vice President Chief Financial Officer
E. William Parsley, III	Chief Investment Officer Executive Vice President Treasurer
Saiyid T. Naqvi	Executive Vice President
Michael P. Lyons	Executive Vice President
Robert Q. Reilly	Executive Vice President
Gregory H. Kozich	Controller Senior Vice President

Attachment B
To
City of Chicago
Economic Disclosure Statement and Affidavit
Filed by
The PNC Financial Services Group, Inc.

This Attachment B modifies and supplements the information provided in the City of Chicago Economic Disclosure Statement and Affidavit executed by the Disclosing Party as of January 29, 2013 (the "EDS"). Any capitalized term used in this Attachment B will have the definition set forth in the EDS, except as provided below.

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

To the best knowledge of the Disclosing Party, after reasonable inquiry, the Disclosing Party has not had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months ending on the date that the Disclosing Party executed the EDS. For purposes of this certification, the term "City elected official" is treated as including only the City's Mayor, Aldermen, Treasurer and Clerk and not including their spouses, domestic partners (as defined in Chapter 2-156 of the Municipal Code) or any entity in which any such person has an interest.

SECTION V – CERTIFICATIONS

B. FURTHER CERTIFICATIONS

The Disclosing Party certifies that, as of the date that the Disclosing Party executed the EDS, to the best of its knowledge, after reasonable inquiry, the statements contained in Section V, paragraphs B.2.a through and including B.2.e are accurate with respect to the executive officers and directors of the Disclosing Party. With respect to Section V, paragraphs B.2.b, c and e, the Disclosing Party hereby makes reference to the information on legal proceedings set forth in the filings made by it with the Securities and Exchange Commission, which may be found at www.sec.gov or www.pnc.com/secfilings. Copies of the most current such disclosures are attached as Annex I to this Attachment B. The Disclosing Party certifies that none of the judgments set forth therein, individually or in the aggregate, would have a material adverse effect on the Applicant's ability to perform with respect to the Matter.

The Disclosing Party certifies that, as of the date that the Disclosing Party executed the EDS, to the best of its knowledge, after reasonable inquiry, the statements contained in Section V, paragraphs B.3.a through and including B.3.d and B.4 are accurate with respect to any Affiliated Entity of the Disclosing Party or any responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity or any other official or employee of the Disclosing Party or any such Affiliated Entity acting in such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party

or any such Affiliated Entity acting in such capacity. The Disclosing Party makes no certification concerning any agent of the Disclosing Party or any Affiliated Entity of the Disclosing Party.

For purposes of the certifications contained in the EDS as modified in this Attachment B: The term "Affiliated Entity" does not include BlackRock, Inc. or any of its subsidiaries or other affiliates (as such term is defined for purposes of the Securities Exchange Act of 1934, as amended), except to the extent that such entity would be an Affiliated Entity of the Disclosing Party for any other reason.

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best knowledge of the Disclosing Party, after reasonable inquiry, no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Disclosing Party only certifies that no official or employee of the City of Chicago will acquire a prohibited financial interest in the Matter from the Disclosing Party, any Affiliated Entity of the Disclosing Party or any responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity or any other official or employee of the Disclosing Party or any such Affiliated Entity acting in such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party or any such Affiliated Entity acting in such capacity.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The PNC Financial Services Group, Inc. extensively reviewed the historical records of banks it has acquired and has discovered two instances in the records of the National Bank of Kentucky, a predecessor of PNC Bank, National Association, an Affiliated Entity of the Disclosing Party.

In 1836, the National Bank of Kentucky loaned $200,000 to the City of Louisville. Records indicate the City then invested in the Lexington & Ohio Railroad Company.

In 1852, the National Bank of Kentucky loaned $135,000 to the Louisville & Nashville Railroad Company.

Research indicates that both railroads employed forced labor. There is no evidence that the National Bank of Kentucky accepted individuals as collateral for either loan, or otherwise directly profited from slavery.

Any questions regarding this statement should be directed to the following PNC executive:

Thomas F. Lamb, Jr.
Senior Vice President, Government Affairs
The PNC Financial Services Group, Inc.
249 Fifth Avenue
Pittsburgh, PA 15222
412-762-7558

thomas.lamb@pnc.com

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INFORMATION, COMPLIANCE, PENALTIES, DISCLOSURE

With respect to the statements contained in Section VII, paragraph F.1, the Disclosing Party certifies, to the best of its knowledge, after reasonable inquiry, that neither the Disclosing Party nor any Affiliated Entity of the Disclosing Party is delinquent in paying any fine, fee, tax or other charge owed to the City other than fines, fees, taxes or other charges that are being contested in good faith by the Disclosing Party or such Affiliated Entity by appropriate legal proceedings.

Annex I to Attachment B

To

City of Chicago

Economic Disclosure Statement and Affidavit

Filed by

The PNC Financial Services Group, Inc.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2011
Commission file number 001-09718

THE PNC FINANCIAL SERVICES GROUP, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza
249 Fifth Avenue
Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code - (412) 762-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value $5.00	New York Stock Exchange
Depositary Shares Each Representing 1/4000 Interest in a Share of 9.875% Fixed-to-Floating Rate Non-Cumulative Preferred Stock, Series L, par value $1.00	New York Stock Exchange
12.000% Fixed-to-Floating Rate Normal Automatic Preferred Enhanced Capital Securities (issued by National City Preferred Capital Trust I)	New York Stock Exchange
6.625% Trust Preferred Securities (issued by National City Capital Trust III)	New York Stock Exchange
8.000% Trust Preferred Securities (issued by National City Capital Trust IV)	New York Stock Exchange
6.125% Capital Securities (issued by PNC Capital Trust D)	New York Stock Exchange
7¾% Trust Preferred Securities (issued by PNC Capital Trust E)	New York Stock Exchange
Warrants (expiring December 31, 2018) to purchase Common Stock	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
$1.80 Cumulative Convertible Preferred Stock - Series B, par value $1.00

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes X No __

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes __ No X

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No __

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes X No __

Indicate by check mark if the disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer X Accelerated filer __ Non-accelerated filer __ Smaller reporting company __

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes __ No X

The aggregate market value of the registrant's outstanding voting common stock held by nonaffiliates on June 30, 2011, determined using the per-share closing price on that date on the New York Stock Exchange of $59.61, was approximately $31.3 billion. There is no non-voting

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NOTE 21 REGULATORY MATTERS

We are subject to the regulations of certain federal, state, and foreign agencies and undergo periodic examinations by such regulatory authorities.

The ability to undertake new business initiatives (including acquisitions), the access to and cost of funding for new business initiatives, the ability to pay dividends or repurchase shares, the level of deposit insurance costs, and the level and nature of regulatory oversight depend, in large part, on a financial institution's capital strength. The minimum US regulatory capital ratios under Basel I are 4% for Tier 1 risk-based, 8% for total risk-based and 4% for leverage. To qualify as "well capitalized," regulators require banks to maintain capital ratios of at least 6% for Tier 1 risk-based, 10% for total risk-based and 5% for leverage. To be "well capitalized," a bank holding company must maintain capital ratios of at least 6% Tier 1 risk-based and 10% for total risk-based. At December 31, 2011 and December 31, 2010, PNC and PNC Bank, N.A. met the "well capitalized" capital ratio requirements based on US regulatory capital ratio requirements under Basel I.

The following table sets forth regulatory capital ratios for PNC and its bank subsidiary, PNC Bank, N.A.

Regulatory Capital

	Amount		Ratios	
December 31 Dollars in millions	2011	2010	2011	2010
Risk-based capital				
Tier 1				
PNC	$29,073	$26,092	12.6%	12.1%
PNC Bank, N.A.	25,536	24,722	11.4	11.8
Total				
PNC	36,548	33,724	15.8	15.6
PNC Bank, N.A.	32,322	31,662	14.4	15.1
Leverage				
PNC	29,073	26,092	11.1	10.2
PNC Bank, N.A.	25,536	24,722	10.0	10.0

The principal source of parent company cash flow is the dividends it receives from its subsidiary bank, which may be impacted by the following:

- Capital needs,
- Laws and regulations,
- Corporate policies,
- Contractual restrictions, and
- Other factors.

Also, there are statutory and regulatory limitations on the ability of national banks to pay dividends or make other capital distributions. The amount available for dividend payments to the parent company by PNC Bank, N.A. without prior regulatory approval was approximately $1.7 billion at December 31, 2011.

Under federal law, a bank subsidiary generally may not extend credit to the parent company or its non-bank subsidiaries on terms and under circumstances that are not substantially the same as comparable extensions of credit to nonaffiliates. No extension of credit may be made to the parent company or a non-bank subsidiary which is in excess of 10% of the capital stock and surplus of such bank subsidiary or in excess of 20% of the capital and surplus of such bank subsidiary as to aggregate extensions of credit to the parent company and its non-bank subsidiaries. Such extensions of credit, with limited exceptions, must be fully collateralized by certain specified assets. In certain circumstances, federal regulatory authorities may impose more restrictive limitations.

Federal Reserve Board regulations require depository institutions to maintain cash reserves with a Federal Reserve Bank (FRB). At December 31, 2011, the balance outstanding at the FRB was $407 million.

NOTE 22 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 22). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of December 31, 2011, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $550 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including,

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among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

Securities and State Law Fiduciary Cases against National City

- In January 2008, a lawsuit (*In re National City Corporation Securities, Derivative & ERISA Litigation (The Securities Case)* (MDL No. 2003, Case No: 1:08-nc-70004-SO)) was filed in the United States District Court for the Northern District of Ohio against National City and certain officers and directors of National City. As amended, this lawsuit was brought as a class action on behalf of purchasers of National City's stock during the period April 30, 2007 to April 21, 2008 and also on behalf of everyone who acquired National City stock pursuant to a registration statement filed in connection with its acquisition of MAF Bancorp in 2007. The amended complaint alleges violations of federal securities laws regarding public statements and disclosures relating to, among other things, the nature, quality, performance, and risks of National City's non-prime, residential construction, and National Home Equity portfolios, its loan loss reserves, its financial condition, and related allegedly false and misleading financial statements. In the amended complaint, the plaintiffs seek, among other things, unspecified damages and attorneys' fees. A motion to dismiss the amended complaint is pending. A magistrate judge has recommended dismissal of the lawsuit without prejudice, with a right for the plaintiffs to file a further amended complaint within 30 days. The magistrate's recommendation is subject to adoption by the district court. The plaintiffs have filed objections to that recommendation. In August 2011, the parties entered into a memorandum of understanding providing for the settlement of the lawsuit for $168 million and in November filed formal settlement papers with the district court. The settlement is conditioned on, among other things, final court approval. The court has scheduled a hearing in March 2012 to determine if it will grant final approval to the settlement. As a result of existing accruals and recorded probable insurance recoveries, PNC expects the impact of this settlement on our future results of operations to be immaterial.
- In May 2008, a lawsuit (*The Dispatch Printing Company, et al. v. National City Corporation, et al.* (Case No. 08CVH-6506)) was filed on behalf of an individual plaintiff in the Franklin County, Ohio, Court of Common Pleas against National City, certain directors of National City, and Corsair Co-Invest, L.P. and unnamed other investors participating in the April 2008 capital infusion into National City, alleging that National City's directors breached their fiduciary duties by entering into this capital infusion transaction. A motion to dismiss the case as originally filed was denied. After the initial filing, two additional plaintiffs were added. The plaintiffs filed an amended complaint in December 2010. The amended complaint adds PNC as a defendant as successor in interest to National City. In the amended complaint, which included some additional allegations, the plaintiffs seek, among other things, unspecified actual and punitive damages, and attorneys' fees. In December 2011, we filed a motion for summary judgment. The court has not yet ruled on this motion. The court has currently scheduled the trial to begin in July 2012.

Interchange Litigation

Beginning in June 2005, a series of antitrust lawsuits were filed against Visa®, MasterCard®, and several major financial institutions, including cases naming National City (since merged into PNC) and its subsidiary, National City Bank of Kentucky (since merged into National City Bank which in

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turn was merged into PNC Bank, N.A.). The cases have been consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO). Those cases naming National City were brought as class actions on behalf of all persons or business entities who have accepted Visa® or MasterCard®. The plaintiffs, merchants operating commercial businesses throughout the US and trade associations, allege, among other things, that the defendants conspired to fix the prices for general purpose card network services and otherwise imposed unreasonable restraints on trade, resulting in the payment of inflated interchange fees, in violation of the antitrust laws. In January 2009, the plaintiffs filed amended and supplemental complaints adding, among other things, allegations that the restructuring of Visa and MasterCard, each of which included an initial public offering, violated the antitrust laws. In their complaints, the plaintiffs seek, among other things, injunctive relief, unspecified damages (trebled under the antitrust laws) and attorneys' fees. In January 2008, the district court dismissed the plaintiffs' claims for damages incurred prior to January 1, 2004. In April 2009, the defendants filed a motion to dismiss the amended and supplemental complaints. In May 2009, class plaintiffs filed a motion for class certification. Both of these motions were argued in November 2009. In February 2011, the defendants filed a motion for summary judgment, which was argued in November 2011. The court has not yet ruled on any of these motions.

National City and National City Bank entered into judgment and loss sharing agreements with Visa and certain other banks with respect to all of the above referenced litigation. All of the litigation against Visa is also subject to the indemnification obligations described in Note 23 Commitments and Guarantees. PNC Bank, N.A. is not named a defendant in any of the Visa or MasterCard related antitrust litigation nor was it initially a party to the judgment or loss sharing agreements, but it has been subject to these indemnification obligations and became responsible for National City Bank's position in the litigation and responsibilities under the agreements upon completion of the merger of National City Bank into PNC Bank, N.A. In March 2011, we entered into a MasterCard Settlement and Judgment Sharing Agreement with MasterCard and other financial institution defendants and an Omnibus Agreement Regarding Interchange Litigation Sharing and Settlement Sharing with Visa, MasterCard and other financial institution defendants. If there is a resolution of all claims against all defendants, the Omnibus Agreement, in substance, apportions that resolution into a Visa portion and a MasterCard portion, with the Visa portion being two-thirds and the MasterCard portion being one-third. This apportionment only applies in the case of either a global settlement involving all defendants or an adverse judgment against the defendants, to the extent that damages either are related to the merchants' inter-network conspiracy claims or are otherwise not attributed to specific MasterCard or Visa conduct or damages. The MasterCard portion (or any MasterCard-related liability not subject to the Omnibus Agreement) will then be apportioned under the MasterCard Settlement and Judgment Sharing Agreement among MasterCard and PNC and the other financial institution defendants that are parties to this agreement. The responsibility for the Visa portion (or any Visa-related liability not subject to the Omnibus Agreement) will be apportioned under the pre-existing indemnification responsibilities and judgment and loss sharing agreements.

CBNV Mortgage Litigation

Between 2001 and 2003, on behalf of either individual plaintiffs or proposed classes of plaintiffs, several separate lawsuits were filed in state and federal courts against Community Bank of Northern Virginia (CBNV) and other defendants asserting claims arising from second mortgage loans made to the plaintiffs. CBNV was merged into one of Mercantile Bankshares Corporation's banks before PNC acquired Mercantile in 2007. The state lawsuits were removed to federal court and, with the lawsuits that had been filed in federal court, were consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in the United States District Court for the Western District of Pennsylvania, currently under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674). In January 2008, the Pennsylvania district court issued an order sending back to the General Court of Justice, Superior Court Division, for Wake County, North Carolina the claims of two proposed class members. These claims are asserted in a case originally filed in 2001 and captioned *Bumpers, et al. v. Community Bank of Northern Virginia* (01-CVS-011342).

MDL Proceedings in Pennsylvania. In August 2006, a proposed settlement agreement covering some of the class members was submitted to the district court handling the MDL proceedings for its approval, which it granted in August 2008. The class covered by this settlement is referred to as the *Kessler* class.

Some objecting members of the *Kessler* class appealed the final approval order to the United States Court of Appeals for the Third Circuit. In their appeal, the objecting *Kessler* class members had asserted that CBNV's annual percentage rate disclosures violated the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA), that those claims are very valuable, and that the settling plaintiffs should have asserted those claims. The settling plaintiffs advanced a number of reasons why they had not asserted TILA/HOEPA claims. In September 2010, the court of appeals vacated the district court's class certification decision and approval of the class settlement and remanded the case to the district court for further proceedings. As a result of the settling plaintiffs' decision not to continue to pursue the settlement and instead participate in the joint amended consolidated class action complaint described below, however, there will be no proceedings in the district court on the remand relating to the settlement.

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In October 2011, the plaintiffs filed a joint consolidated amended class action complaint covering all of the class action lawsuits pending in this proceeding. The amended complaint names CBNV, another bank, and purchasers of loans originated by CBNV and the other bank (including the Residential Funding Company, LLC) as defendants. The principal allegations in the amended complaint are that a group of persons and entities collectively characterized as the "Shumway/Bapst Organization" referred prospective second residential mortgage loan borrowers to CBNV and the other bank, that CBNV and the other bank charged these borrowers improper title and loan fees at loan closings, that the disclosures provided to the borrowers at loan closings were inaccurate, and that CBNV and the other bank paid some of the loan fees to the Shumway/Bapst Organization as purported "kickbacks" for the referrals. The amended complaint asserts claims for violations of the Real Estate Settlement Procedures Act (RESPA), TILA, as amended by HOEPA, and the Racketeer Influenced and Corrupt Organizations Act (RICO).

The amended complaint seeks to certify a class of all borrowers who obtained a second residential non-purchase money mortgage loan, secured by their principal dwelling, from either CBNV or the other defendant bank, the terms of which made the loan subject to HOEPA. The plaintiffs allege that there are approximately 50,000 members of this class. They seek, among other things, unspecified damages (including treble damages under RICO and RESPA), rescission of loans, declaratory and injunctive relief, interest, and attorneys' fees. In November 2011 the defendants filed a motion to dismiss the amended complaint. The court has not yet ruled on this motion.

North Carolina Proceedings. The plaintiffs in *Bumpers* make similar allegations to those included in the amended complaint in the MDL proceedings. Following the remand to North Carolina state court, the plaintiffs in *Bumpers* sought to represent a class of North Carolina borrowers in state court proceedings in North Carolina. The plaintiffs claim that this class consists of approximately 650 borrowers. The district court in Pennsylvania handling the MDL proceedings enjoined class proceedings in *Bumpers* in March 2008. In April 2008, the North Carolina superior court granted the *Bumpers* plaintiffs' motion for summary judgment on their individual claims and awarded them approximately $11,000 each plus interest. CBNV appealed the grant of the motion for summary judgment. In September 2011, the North Carolina Court of Appeals affirmed in part and reversed in part the granting of the plaintiffs' motion for summary judgment. The court affirmed the plaintiffs' judgment on their claim that they paid a loan discount fee but were not provided a loan discount. It reversed the plaintiffs' judgment on their claim that they were overcharged for settlement services and remanded that claim for trial. The court also held that, on remand, the trial court may consider the issue of class certification. Thereafter, we petitioned the North Carolina Supreme Court for discretionary review of the decision of the North Carolina Court of Appeals and for a stay of proceedings pending the decision on this petition and, if granted, the decision on the appeal. The North Carolina Supreme Court thereafter granted a temporary stay and, in October 2011, denied the plaintiffs' motion to dissolve the stay.

Overdraft Litigation
Beginning in October 2009, PNC Bank and National City Bank have been named in six lawsuits brought as class actions relating to the manner in which they charged overdraft fees on ATM and debit transactions to customers. Three lawsuits naming PNC Bank and one naming National City Bank, along with similar lawsuits against numerous other banks, have been consolidated for pre-trial proceedings in the United States District Court for the Southern District of Florida (the "MDL Court") under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK). The first of these cases (*Casayuran, et al. v. PNC Bank, National Association* (Case No. 10-cv-20496-JLK)) was originally filed against PNC Bank in October 2009 in the United States District Court for the District of New Jersey, and an amended complaint was filed in June 2010 in the MDL Court. The other cases that have been consolidated were filed in June 2010 in the United States District Court for the Southern District of Florida (*Cowen, et al. v. PNC Bank, National Association* (Case No. 10-CV-21869-JLK), *Hernandez, et al. v. PNC Bank, National Association* (Case No. 10-CV-21868-JLK), and *Matos v. National City Bank* (Case No. 10-cv-21771-JLK). A consolidated amended complaint was filed in December 2010 that consolidated all of the claims in these four MDL Court cases. It seeks to certify multi-state classes of customers for the common law claims described below (covering all states in which PNC and National City had retail branch operations during the class period), and subclasses of PNC Bank customers with accounts in Pennsylvania and New Jersey branches and of National City Bank customers with accounts in Illinois branches, with each subclass being asserted for purposes of claims under those states' consumer protection statutes. No class periods are stated in any of the complaints, other than for the applicable statutes of limitations, which vary by state and claim. Our motion to dismiss the consolidated amended complaint was denied in March 2011.

In December 2011, the plaintiffs in the MDL Court moved for class certification. In light of the Trombley settlement described below, the National City plaintiffs did not move for class certification on behalf of National City customers. As to PNC, the plaintiffs moved for class certification in accordance with their consolidated amended complaint, except that they are not seeking a class as to the conversion claims. The court has not yet ruled on this motion. The MDL Court has scheduled trial for January 2013 for the cases that will be tried in that court.

In December 2010, an additional lawsuit (*Henry v. PNC Bank, National Association* (No. GD-10-022974)) was filed in the Court of Common Pleas of Allegheny County, Pennsylvania

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on behalf of all current citizens of Pennsylvania who are domiciled in Pennsylvania who had or have a PNC checking or debit account used primarily for personal, family or household purposes and who incurred overdraft and related fees on transactions resulting from the methodology of posting transactions from December 8, 2004 through August 14, 2010. We filed preliminary objections seeking dismissal of each of the claims in this lawsuit in March 2011. In January 2012, the court ruled on our preliminary objections, dismissing several claims but overruling our objections with respect to claims for breach of contract and the duty of good faith and fair dealing and for violation of Pennsylvania's consumer protection statute.

The sixth lawsuit (*Trombley, et al. v. National City Bank* (Civil Action No. 10-00232 (JDB)) was brought as a class action against National City Bank in the United States District Court for the District of Columbia. In July 2010, the parties reached a tentative settlement of this lawsuit. The settlement class included all National City customers who incurred during the period July 1, 2004 to August 15, 2010 overdraft fees that had not been reversed or refunded. Several members of the proposed settlement class, including the named plaintiff in another lawsuit filed in the MDL Court, filed objections to approval of this settlement. Following a hearing in July 2011, the court granted final approval in December 2011. In granting final approval, the court shortened the ending date for the class period to June 21, 2010. One of the objectors appealed the court's order approving the settlement to the United States Court of Appeals for the District of Columbia Circuit. In February 2012, this objector moved to voluntarily dismiss the appeal, and the court of appeals dismissed it, thereby making the settlement final. The amount of the settlement is not material to PNC and has been accrued.

The complaints in each of these lawsuits allege that the banks engaged in unlawful practices in assessing overdraft fees arising from electronic point-of-sale and ATM debits. The principal practice challenged in these lawsuits is the banks' purportedly common policy of posting debit transactions on a daily basis from highest amount to lowest amount, thereby allegedly inflating the number of overdraft fees assessed. Other practices challenged include the failure to decline to honor debit card transactions where the account has insufficient funds to cover the transactions.

In the consolidated amended complaint in the MDL Court, the plaintiffs assert claims for breach of the covenant of good faith and fair dealing; unconscionability; conversion, unjust enrichment; and violation of the consumer protection statutes of Pennsylvania, Illinois and New Jersey. In the *Henry* case, the remaining claims are for breach of contract and the duty of good faith and fair dealing and for violation of Pennsylvania's consumer protection statute. The action against National City in the District of Columbia added claims under the Ohio and Michigan consumer protection statutes and the federal Electronic Funds Transfer Act. In their complaints, the plaintiffs seek, among other things, restitution of overdraft fees paid, unspecified actual and punitive damages (with actual damages, in some cases, trebled under state law), pre-judgment interest, attorneys' fees, and declaratory relief finding the overdraft policies to be unfair and unconscionable.

Fulton Financial

In 2009, Fulton Financial Advisors, N.A. filed lawsuits against PNC Capital Markets, LLC and NatCity Investments, Inc. in the Court of Common Pleas of Lancaster County, Pennsylvania arising out of Fulton's purchase of auction rate certificates (ARCs) through PNC and NatCity. Each of the lawsuits alleges violations of the Pennsylvania Securities Act, negligent misrepresentation, negligence, breach of fiduciary duty, common law fraud, and aiding and abetting common law fraud in connection with the purchase of the ARCs by Fulton. Specifically, Fulton alleges that, as a result of the decline of financial markets in 2007 and 2008, the market for ARCs became illiquid; that PNC and NatCity knew or should have known of the increasing threat of the ARC market becoming illiquid; and that PNC and NatCity did not inform Fulton of this increasing threat, but allowed Fulton to continue to purchase ARCs, to Fulton's detriment. In its complaints, Fulton alleges that it then held ARCs purchased through PNC for a price of more than $123 million and purchased through NatCity for a price of more than $175 million. In each complaint, Fulton seeks, among other things, unspecified actual and punitive damages, rescission, attorneys' fees and interest.

In the case against PNC (*Fulton Financial Advisors, N.A. v. PNC Capital Markets, LLC* (CI 09-10838)), PNC filed preliminary objections to Fulton's complaint, which were denied. NatCity removed the case against it to the United States District Court for the Eastern District of Pennsylvania (*Fulton Financial Advisors, N.A. v. NatCity Investments, Inc.* (No. 5:09-cv-04855)), and in November 2009 filed a motion to dismiss the complaint. The court has not yet ruled on this motion.

FHLB

In October 2010, the Federal Home Loan Bank of Chicago brought a lawsuit in the Circuit Court of Cook County, Illinois, against numerous financial companies, including The PNC Financial Services Group, Inc., as successor in interest to National City Corporation, and PNC Investments LLC, as successor in interest to NatCity Investments, Inc. (*Federal Home Loan Bank of Chicago v. Bank of America Funding Corp., et al.* (Case No. 10CH45033)). The complaint alleges that the defendants have liability to the Federal Home Loan Bank of Chicago in a variety of capacities (in the case of the National City entities, as underwriters) under Illinois state securities law and common law in connection with the alleged purchase of private-label mortgage-backed securities by the Federal Home Loan Bank. According to the complaint, the Federal Home Loan Bank purchased approximately $3.3

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billion in mortgage-backed securities in total in transactions addressed by the complaint, approximately $345 million of which was allegedly in transactions involving the National City entities. The complaint alleges misrepresentations and omissions in connection with the sales of the mortgage-backed securities in question. In its complaint, the Federal Home Loan Bank seeks, among other things, rescission, unspecified damages, interest, and attorneys' fees. In November 2010, the defendants removed the case to the United States District Court for the Northern District of Illinois. In January 2011, the district court remanded the case to the Circuit Court of Cook County. The plaintiff amended its complaint in March 2011 and filed a corrected amended complaint in April 2011. The corrected amended complaint does not identify any additional transaction for which the plaintiff seeks recovery from PNC nor does it add any additional substantive allegations. In May 2011, the defendants filed a motion to dismiss the corrected amended complaint. The court has not yet ruled on this motion.

Weavering Macro Fixed Income Fund
In July 2010, PNC completed the sale of PNC Global Investment Servicing ("PNC GIS") to The Bank of New York Mellon Corporation ("BNY-Mellon"), pursuant to a stock purchase agreement dated February 1, 2010. In July 2009, the liquidators of the Weavering Macro Fixed Income Fund Limited ("Weavering") issued a Plenary Summons in the High Court, Dublin, Ireland, in connection with a European subsidiary of PNC GIS's provision of administration services to Weavering. The Plenary Summons was served on the PNC GIS subsidiary (GIS Europe) on or about June 30, 2010. In May 2011, the liquidator served a Notice of Intention to Proceed and Statement of Claim, which alleges, among other things, that GIS Europe breached its contractual duties to Weavering as well as an alleged duty of care to Weavering, and investors in Weavering, and makes claims of breach of the administration and accounting services agreement, negligence, gross negligence, breach of duty, misrepresentation and negligent misstatement. The statement of claim further alleges that investors in Weavering lost approximately €282,000,000 and also expended approximately €98,000,000 in brokerage and exchange commissions, interest, and fees as a result of the transactions at issue. The statement of claim seeks, among other things, damages, costs, and interest. In January 2012, upon application by GIS Europe, the court issued a judgment ordering a hearing on certain preliminary issues (a "modular trial").

In May 2011, BNY-Mellon provided notice to PNC of an indemnification claim pursuant to the stock purchase agreement related to this litigation.

365/360 Litigation
PNC Bank and National City Bank have been named as defendants in three lawsuits seeking to certify classes of commercial borrowers bringing claims for breach of contract arising from the use of the 365/360 method of interest computation in certain commercial promissory notes. The first of these cases (*DK&D Properties, LLC v. National City Bank* (Case no. 08 cv 680078)), was filed in December 2008 against National City Bank in the Court of Common Pleas of Cuyahoga County, Ohio. It seeks to certify a class consisting of certain Ohio commercial borrowers of National City Bank for these claims. In July 2009, the court denied National City Bank's motion to dismiss the complaint. In December 2011, plaintiff filed a motion for class certification. The court has not yet ruled on this motion. Also in December 2011, the court granted National City Bank's motion to stay the case pending the decision of the Ohio Supreme Court in *JNT Properties, LLC v. KeyBank National Association* (Case No. 11-1392), which, although neither PNC Bank nor National City Bank are parties, presents many of the same issues as those in *DK&D Properties*.

The second case (*Kreisler & Kreisler, LLC v. National City Bank, et al.* (Case no. 4:10-cv-00956)) was filed in the United States District Court for the Eastern District of Missouri in May 2010 against National City Bank and also purported to name "PNC Bank Corp." as a defendant. It sought to certify a national class of commercial borrowers for these claims. In March 2011, the district court granted the defendants' motion to dismiss the complaint. In October 2011, the United States Court of Appeals for the Eighth Circuit affirmed the dismissal by the district court. In the third case (*PNC Bank, National Association v. St. Louis PET Centers, LLC, et al.* (Case no. 10SL-CC01076)), a borrower filed a counterclaim, brought as a class action, against PNC Bank in the Circuit Court of County of St. Louis, Missouri in November 2010. The claims and proposed class set forth in this complaint are similar to those in *Kreisler & Kreisler*. In March 2011, the court denied our motion to dismiss the counterclaim.

Plaintiffs in these cases allege generally that they obtained fixed or variable rate commercial loans from PNC Bank or National City Bank pursuant to promissory notes or loan agreements setting forth annual or per annum interest rates, that the bank's use of the 365/360 method of calculation of interest caused the borrower to pay interest over a calendar year at a higher rate than the per annum rate stated in the promissory notes, and that this was a breach of the terms of the promissory notes. Plaintiffs in each of these cases seek declaratory and injunctive relief, compensatory damages, prejudgment interest, and attorneys' fees.

False Claims Act Lawsuit
PNC Bank has been named as a defendant, along with other lenders, in a qui tam lawsuit brought in the U.S. District Court for the Northern District of Georgia by two individuals on behalf of the United States under the federal False Claims Act (*United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT)). The lawsuit was originally filed under seal, with a second amended complaint filed in June 2011. The second amended complaint was unsealed by the district court

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in October 2011. In the second amended complaint, the plaintiffs, who allege that they are officers of a mortgage broker, allege that several mortgage originators, including entities affiliated with PNC Bank's predecessor, National City Bank, made false statements to the U.S. Department of Veterans Affairs in order to obtain loan guarantees by the VA under its Interest Rate Reduction Refinancing Loans (IRRRL) program. Under that program, the VA guarantees refinancing loans made to veterans if the loans meet program requirements, one of which limits the type and amount of fees that can be charged to borrowers by lenders. The plaintiffs allege, among other things, that the defendants charged impermissible fees to borrowers under the VA program and then made false statements to the VA concerning such fees in violation of the civil False Claims Act. The plaintiffs allege that, by doing so, National City Bank and the other defendants caused the VA to pay, among other costs, amounts in respect of the loan guarantees to which the defendants were not entitled. On their behalf and on behalf of the United States, the plaintiffs seek, among other things, unspecified damages equal to the loss the defendants allegedly caused the United States (including treble damages under the False Claims Act), statutory civil penalties between $5,500 and $11,000 per false claim made by the defendants, injunctive relief against submission of false claims to the United States and imposing unallowable charges against veterans participating in the IRRRL program, and attorneys' fees. To date, the United States has not joined in the prosecution of the plaintiffs' lawsuit. In December 2011, PNC moved to dismiss the action. A number of the other defendants have also filed motions to dismiss. The court has not yet ruled on these motions.

Captive Mortgage Reinsurance Litigation
In December 2011, a lawsuit (*White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928)) was filed against PNC (as successor in interest to National City Corporation and several of its subsidiaries) and several mortgage insurance companies in the United States District Court for the Eastern District of Pennsylvania. This lawsuit, which was brought as a class action, alleges that National City structured its program of reinsurance of private mortgage insurance in such a way as to avoid a true transfer of risk from the mortgage insurers to National City's captive reinsurer. The plaintiffs allege that the payments from the mortgage insurers to the captive reinsurer constitute kickbacks, referral payments, or unearned fee splits prohibited under the Real Estate Settlement Procedures Act (RESPA), as well as common law unjust enrichment. The plaintiffs claim, among other things, that from the beginning of 2004 until the end of 2010 National City's captive reinsurer collected from the mortgage insurance company defendants at least $219 million as its share of borrowers' private mortgage insurance premiums and that during the same period its share of paid claims was approximately $12 million. The plaintiffs seek to certify a nationwide class of all persons who obtained residential mortgage loans originated, funded or originated through correspondent lending by National City or any of its subsidiaries or affiliates between January 1, 2004 and the present and, in connection with these mortgage loans, purchased private mortgage insurance and whose residential mortgage loans were included within National City's captive mortgage reinsurance arrangements. Plaintiffs seek, among other things, statutory damages under RESPA (which include treble damages), restitution of reinsurance premiums collected, disgorgement of profits, and attorneys' fees.

Residential Mortgage-Backed Securities Indemnification Demands
We have received indemnification demands from several entities sponsoring residential mortgage-backed securities and their affiliates where purchasers of the securities have brought litigation against the sponsors and other parties involved in the securitization transactions. National City Mortgage had sold whole loans to the sponsors or their affiliates that were allegedly included in certain of these securitization transactions. According to the indemnification demands, the plaintiffs' claims in these lawsuits are based on alleged misstatements and omissions in the offering documents for these transactions. The indemnification demands assert that agreements governing the sale of these loans or the securitization transactions to which National City Mortgage is a party require us to indemnify the sponsors and their affiliates for losses suffered in connection with these lawsuits. At present, there has been no determination that the parties seeking indemnification have any liability to the plaintiffs in these lawsuits.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of regulatory reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described below, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs.

- One area of significant regulatory and governmental focus has been mortgage lending and servicing. Numerous federal and state governmental, legislative and regulatory authorities are investigating practices in this area. PNC has received inquiries from, or is the subject of investigations by, a broad range of governmental, legislative and regulatory authorities relating to our activities in this area and is cooperating with these investigations and inquiries.

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As a result of the number and range of authorities conducting the investigations and inquiries, as well as the nature of these types of investigations and inquiries, among other factors, PNC cannot at this time predict the ultimate overall cost to or effect on PNC from potential governmental, legislative or regulatory actions arising out of these investigations and inquiries.

- In April 2011, as a result of a publicly-disclosed interagency horizontal review of residential mortgage servicing operations at fourteen federally regulated mortgage servicers, PNC entered into a consent order with the Board of Governors of the Federal Reserve System and PNC Bank entered into a consent order with the Office of the Comptroller of the Currency. Collectively, these consent orders describe certain foreclosure-related practices and controls that the regulators found to be deficient and require PNC and PNC Bank to, among other things, develop and implement plans and programs to enhance PNC's residential mortgage servicing and foreclosure processes, retain an independent consultant to review certain residential mortgage foreclosure actions, take certain remedial actions, and oversee compliance with the orders and the new plans and programs. The two orders do not foreclose the potential for civil money penalties from either of these regulators.

In connection with these orders, PNC has established a Compliance Committee of the Boards of PNC and PNC Bank to monitor and coordinate PNC's and PNC Bank's implementation of the commitments under the orders. PNC and PNC Bank are executing Action Plans designed to meet the requirements of the orders. Consistent with the orders, PNC has also engaged an independent consultant to conduct a review of certain residential foreclosure actions, including those identified through borrower complaints, and identify whether any remedial actions for borrowers are necessary. The consultant's review is underway. PNC expects to take any required remedial actions coming out of this review, although the full scope and nature of any such remedial actions is not currently known.

- On February 9, 2012, the Department of Justice, other federal regulators and 49 state attorneys general announced agreements with the five largest mortgage servicers. Under these agreements, which remain subject to, among other things, definitive documentation and court approval, the mortgage servicers will make cash payments to federal and state governments, provide various forms of financial relief to borrowers, and implement new mortgage servicing standards. These governmental authorities are continuing their review of, and have engaged in discussions with, other mortgage servicers, including PNC, that were subject to the interagency horizontal review, which could result in the imposition of substantial payments and other forms of relief (similar to that agreed to by the five largest servicers) on some or all of these mortgage servicers, including PNC. Whether and to what extent any such relief may be imposed on PNC and other smaller servicers is not yet known.
- PNC has received subpoenas from the U.S. Attorney's Office for the Southern District of New York concerning National City Bank's lending practices in connection with loans insured by the Federal Housing Administration (FHA) as well as certain non-FHA-insured loan origination, sale and securitization practices. The U.S. Attorney's Office inquiry is in its early stage and PNC is cooperating with the investigation.
- The SEC previously commenced investigations of activities of National City prior to its acquisition by PNC. The SEC has requested, and we have provided to the SEC, documents concerning, among other things, National City's capital-raising activities, loan underwriting experience, allowance for loan losses, marketing practices, dividends, bank regulatory matters and the sale of First Franklin Financial Corporation.
- The SEC has been conducting an investigation into events at Equipment Finance LLC (EFI), a subsidiary of Sterling Financial Corporation, which PNC acquired in April 2008. The United States Attorney's Office for the Eastern District of Pennsylvania has also been investigating the EFI situation.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in this Note 22.

Other

In addition to the proceedings or other matters described above, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine

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whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

See Note 23 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 23 COMMITMENTS AND GUARANTEES

EQUITY FUNDING AND OTHER COMMITMENTS

Our unfunded commitments at December 31, 2011 included private equity investments of $247 million, and other investments of $3 million.

STANDBY LETTERS OF CREDIT

We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Net Outstanding Standby Letters of Credit

Dollars in billions	December 31 2011	December 31 2010
Net outstanding standby letters of credit	$ 10.8	$ 10.1
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	90%
Below pass (b)	6%	10%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on December 31, 2011 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.4 billion at December 31, 2011, of which $7.4 billion support remarketing programs.

As of December 31, 2011, assets of $2.0 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.6 billion were also available for this purpose as of December 31, 2011. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $247 million at December 31, 2011.

STANDBY BOND PURCHASE AGREEMENTS AND OTHER LIQUIDITY FACILITIES

We enter into standby bond purchase agreements to support municipal bond obligations. At December 31, 2011, the aggregate of our commitments under these facilities was $543 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At December 31, 2011, our total commitments under these facilities were $199 million.

INDEMNIFICATIONS

We are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements can cover the purchase or sale of:

- Entire businesses,
- Loan portfolios,
- Branch banks,
- Partial interests in companies, or
- Other types of assets.

These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering and, if there are other underwriters, indemnification to the other underwriters intended to result in an appropriate sharing of the risk of participating in the offering. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

In the ordinary course of business, we enter into certain types of agreements that include provisions for indemnifying third

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2012

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 2, 2012, there were 528,783,529 shares of the registrant's common stock ($5 par value) outstanding.

NOTE 16 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 16 and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K (such prior disclosure referred to as "Prior Disclosure") that are still pending). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of March 31, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $550 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us alleged in the plaintiff's pleadings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

SECURITIES AND STATE LAW FIDUCIARY CASES AGAINST NATIONAL CITY

- In January 2008, a lawsuit (*In re National City Corporation Securities, Derivative & ERISA Litigation (The Securities Case)* (MDL No. 2003, Case No: 1:08-nc-70004-SO)) was filed in the United States District Court for the Northern District of Ohio against National City and certain officers and directors of National City. As amended, this lawsuit was brought as a class action on behalf of purchasers of National City's stock during the period April 30, 2007 to April 21, 2008 and also on behalf of everyone who acquired National City stock pursuant to a registration statement filed in connection with its acquisition of MAF Bancorp in 2007. The amended complaint alleged violations of federal securities laws regarding public statements and disclosures relating to, among other things, the nature, quality, performance, and risks of National City's non-prime, residential construction, and National Home Equity portfolios, its loan loss reserves, its financial condition, and related allegedly false and misleading financial statements. In the amended complaint, the plaintiffs sought, among other things, unspecified damages and attorneys' fees. In August 2011, the parties entered into a memorandum of understanding providing for the settlement of the lawsuit for $168 million and in November filed formal settlement papers with the district court. In March 2012, the court granted final approval of the settlement. The expected financial impact of this settlement has been fully accrued.

Overdraft Litigation
As a result of the acquisition of RBC Bank (USA), we are subject to two additional pending lawsuits brought as class actions relating to the manner in which overdraft fees were charged on ATM and debit transactions to customers and related matters. Together with other similar lawsuits pending against PNC Bank, National City Bank and other banks, these lawsuits have been consolidated for pre-trial proceedings in the United States District Court for the Southern District of Florida (the "MDL Court") under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK). One of these cases (*Dasher v. RBC Bank* (10-cv-22190-JLK)) was filed in July 2010 in the United States District Court for the Southern District of Florida. The other case (*Avery v. RBC Bank* (Case No. 1-cv-329)) was originally filed in North Carolina state court in July 2010 and was removed to the United States District Court for the Eastern District of North Carolina before being transferred to the MDL Court. An amended complaint was filed in *Avery* in August 2010.

The customer agreements with the RBC Bank (USA) plaintiffs contain arbitration provisions. RBC Bank (USA)'s original motion in *Dasher* to compel arbitration under these provisions was denied by the MDL Court. This denial was appealed to the United States Court of Appeals for the Eleventh Circuit. While this appeal was pending, the United States Supreme Court issued its decision in *AT&T Mobility v. Concepcion*, following which the court of appeals vacated the MDL Court's denial of the arbitration motion and remanded to the MDL Court for further consideration in light of the *Concepcion* decision. RBC Bank (USA) has renewed its motion to compel arbitration, now covering both *Dasher* and *Avery*. This motion is still pending.

The complaints in these cases generally make the same allegations as made in the other cases against PNC Bank and National City Bank pending in the MDL Court, as described in Prior Disclosure, except that the state consumer protection statutory claims relate to the North Carolina statute and the *Avery* complaint does not make claims for breach of the covenant of good faith and fair dealing or for conversion. These cases seek to certify multi-state classes of customers for the common law claims described in Prior Disclosure (covering all states in which RBC Bank (USA) had retail branch operations during the class period), and subclasses of RBC Bank (USA) customers with accounts in North Carolina branches, with the subclass being asserted for purposes of claims under that state's consumer protection statute. No class periods are stated in either of the complaints, other than for the applicable statutes of limitations, which vary by state and claim.

In their complaints, the plaintiffs in *Dasher* and *Avery* seek substantially similar relief to that described in Prior Disclosure with respect to the other cases pending in the MDL Court.

Weavering Macro Fixed Income Fund
In March 2012, the plaintiff in the lawsuit pending in the High Court, Dublin, Ireland against a European subsidiary of PNC Global Investment Servicing (sold to Bank of New York Mellon Corporation in July 2010) appealed the judgment of the court ordering a hearing on certain preliminary issues (a "modular trial") to the Supreme Court of Ireland.

365/360 Litigation
In *PNC Bank, National Association v. St. Louis PET Centers, LLC, et al.* (Case no. 10SL-CC01076), pending in the Circuit Court of the County of St. Louis, Missouri, the borrower dismissed its counterclaim against PNC Bank without prejudice in April 2012.

False Claims Act Lawsuit
PNC Bank has reached an agreement in principle with the plaintiffs to settle *United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT), pending in the U.S. District Court for the Northern District of Georgia. This settlement is subject to, among other things, final documentation and the consent of the United States. The amount of the settlement is not material to PNC.

Captive Mortgage Reinsurance Litigation
In *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928)), pending in the United States District Court for the Eastern District of Pennsylvania, the court granted a stay of proceedings in March 2012 pending the decision of the United States Supreme Court in *First American Financial Corporation v. Edwards*, which could address issues related to the standing of plaintiffs to pursue their claims.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described in Prior Disclosure. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs. Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in this paragraph or in Prior Disclosure.

Other
In addition to the proceedings or other matters described above and in Prior Disclosure, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or in Prior Disclosure or in other legal proceedings, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

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See Note 17 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 17 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at March 31, 2012 included private equity investments of $234 million, and other investments of $4 million.

Standby Letters of Credit
We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Net Outstanding Standby Letters of Credit

Dollars in billions	March 31 2012	December 31 2011
Net outstanding standby letters of credit	$ 10.9	$ 10.8
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	94%
Below pass (b)	6%	6%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on March 31, 2012 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.3 billion at March 31, 2012, of which $7.1 billion support remarketing programs.

As of March 31, 2012, assets of $1.7 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.4 billion were also available for this purpose as of March 31, 2012. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $248 million at March 31, 2012.

Standby Bond Purchase Agreements and Other Liquidity Facilities
We enter into standby bond purchase agreements to support municipal bond obligations. At March 31, 2012, the aggregate of our commitments under these facilities was $705 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At March 31, 2012, our total commitments under these facilities were $199 million.

Indemnifications
As further described in our 2011 Form 10-K, we are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2012

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of August 1, 2012, there were 529,405,539 shares of the registrant's common stock ($5 par value) outstanding.

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Examinations are complete for PNC's consolidated federal income tax returns through 2006 having no outstanding unresolved issues. The Internal Revenue Service (IRS) is currently examining PNC's 2007 and 2008 returns. National City's consolidated federal income tax returns through 2007 have been audited by the IRS. Certain adjustments remain under review by the IRS Appeals division for years 2003 through 2007. The IRS is currently examining National City's 2008 return. PNC also continues to be under examination with several state taxing authorities.

We had unrecognized tax benefits of $231 million at June 30, 2012 and $209 million at December 31, 2011. At June 30, 2012, $107 million of unrecognized tax benefits, if recognized, would favorably impact the effective income tax rate.

It is reasonably possible that the liability for unrecognized tax benefits could increase or decrease in the next twelve months due to completion of tax authorities' exams or the expiration of statutes of limitations. Management estimates that the liability for unrecognized tax benefits could decrease by $88 million within the next twelve months.

NOTE 17 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 17 and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K and in Note 16 Legal Proceedings in Part I, Item 1 of our first quarter 2012 Form 10-Q (such prior disclosure referred to as "Prior Disclosure")). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of June 30, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $475 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how liability and damages, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us as alleged in the plaintiff's pleadings or other public filings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

Securities and State Law Fiduciary Cases against National City
In May 2008, a lawsuit (*The Dispatch Printing Company, et al. v. National City Corporation, et al.* (Case No. 08CVH-6506)) was filed on behalf of an individual plaintiff in the Franklin County, Ohio, Court of Common Pleas against National City, certain directors of National City, and Corsair Co-Invest, L.P. and unnamed other investors participating in

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the April 2008 capital infusion into National City, alleging that National City's directors breached their fiduciary duties by entering into this capital infusion transaction. A motion to dismiss the case as originally filed was denied. After the initial filing, two additional plaintiffs were added. The plaintiffs filed an amended complaint in December 2010. The amended complaint added PNC as a defendant as successor in interest to National City. In the amended complaint, which included some additional allegations, the plaintiffs sought, among other things, unspecified actual and punitive damages, and attorneys' fees. In July 2012, the parties reached an agreement to settle this case. The amount of the settlement is not material to PNC.

Interchange Litigation
In July 2012, the parties entered into a memorandum of understanding with the class plaintiffs and an agreement in principle with certain individual plaintiffs with respect to a settlement of the cases that have been consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO), under which the defendants will collectively pay approximately $6.6 billion to the class and individual settling plaintiffs and have agreed to changes in the terms applicable to their respective card networks. The settlement is subject to, among other things, final documentation and court approval. As a result of the previously funded litigation escrow (described in Note 23 Commitments and Guarantees in Part II, Item 8 of our 2011 Form 10-K), which will cover substantially all of our share of the Visa portion, the impact to our second quarter results was not material and we anticipate no material financial impact from the monetary amount of this settlement.

CBNV Mortgage Litigation
In May 2012, the Residential Funding Company, LLC, one of our co-defendants in the multidistrict litigation currently pending in the United States District Court for the Western District of Pennsylvania under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674), filed for bankruptcy protection under Chapter 11.

Overdraft Litigation
In May 2012, in the lawsuits consolidated for pre-trial proceedings under the caption *In re Checking Account Overdraft Litigation* (MDL No. 2036, Case No. 1:09-MD-02036-JLK), the United States District Court for the Southern District of Florida granted plaintiffs' motion for class certification in the cases captioned *Casayuran, et al. v. PNC Bank, National Association* (Case No. 10-cv-20496-JLK), *Cowen, et al. v. PNC Bank, National Association* (Case No. 10-CV-21869-JLK), and *Hernandez, et al. v. PNC Bank, National Association* (Case No. 10-CV-21868-JLK). In June 2012, PNC Bank reached an agreement in principle to settle the three cases listed above in which class certification had been granted against PNC Bank in the MDL Court. As previously reported, this agreement in principle provides for settlement of these cases for $90 million. This settlement is subject to, among other things, final documentation, notice to the class, and court approval.

Weavering Macro Fixed Income Fund
The modular trial in the matter currently pending in High Court, Dublin, Ireland is scheduled for December 2012. In July 2012 the plaintiff in that matter moved in the Supreme Court of Ireland to stay the modular trial pending its appeal to the Supreme Court of the judgment of the High Court ordering that trial. The appeal and the motion to stay are pending, and the Supreme Court has adjourned the hearing on the motion to stay so that it can heard at the same time as the hearing on the appeal. The Supreme Court has indicated that it will schedule the hearing on both for November 2012.

Captive Mortgage Reinsurance Litigation
In June 2012, the United States Supreme Court dismissed its prior grant of a writ of certiorari in *First American Financial Corporation v. Edwards*. In August 2012, the United States District Court for the Eastern District of Pennsylvania lifted its stay in *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928), granted in March 2012 pending the decision in *First American*, and directed the plaintiffs to file an amended complaint.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, alterations in our business practices, and in additional expenses and collateral costs.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in Prior Disclosure.

Other
In addition to the proceedings or other matters described above, PNC and persons to whom we may have

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indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

* * *

See Note 18 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 18 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at June 30, 2012 included private equity investments of $215 million, and other investments of $3 million.

Standby Letters of Credit
We issue standby letters of credit and have risk participations in standby letters of credit and bankers' acceptances issued by other financial institutions, in each case to support obligations of our customers to third parties, such as remarketing programs for customers' variable rate demand notes. Net outstanding standby letters of credit and internal credit ratings were as follows:

Table 130: Net Outstanding Standby Letters of Credit

Dollars in billions	June 30 2012	December 31 2011
Net outstanding standby letters of credit	$11.3	$ 10.8
Internal credit ratings (as a percentage of portfolio):		
Pass (a)	94%	94%
Below pass (b)	6%	6%

(a) Indicates that expected risk of loss is currently low.
(b) Indicates a higher degree of risk of default.

If the customer fails to meet its financial or performance obligation to the third party under the terms of the contract or there is a need to support a remarketing program, then upon the request of the guaranteed party, we would be obligated to make payment to them. The standby letters of credit and risk participations in standby letters of credit and bankers' acceptances outstanding on June 30, 2012 had terms ranging from less than 1 year to 7 years. The aggregate maximum amount of future payments PNC could be required to make under outstanding standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $14.8 billion at June 30, 2012, of which $7.3 billion support remarketing programs.

As of June 30, 2012, assets of $1.7 billion secured certain specifically identified standby letters of credit. Recourse provisions from third parties of $3.5 billion were also available for this purpose as of June 30, 2012. In addition, a portion of the remaining standby letters of credit and letter of credit risk participations issued on behalf of specific customers is also secured by collateral or guarantees that secure the customers' other obligations to us. The carrying amount of the liability for our obligations related to standby letters of credit and risk participations in standby letters of credit and bankers' acceptances was $250 million at June 30, 2012.

Standby Bond Purchase Agreements and Other Liquidity Facilities
We enter into standby bond purchase agreements to support municipal bond obligations. At June 30, 2012, the aggregate of our commitments under these facilities was $635 million. We also enter into certain other liquidity facilities to support individual pools of receivables acquired by commercial paper conduits. At June 30, 2012, our total commitments under these facilities were $145 million.

Indemnifications
As further described in our 2011 Form 10-K, we are a party to numerous acquisition or divestiture agreements under which we have purchased or sold, or agreed to purchase or sell, various types of assets. These agreements generally include indemnification provisions under which we indemnify the third parties to these agreements against a variety of risks to the indemnified parties as a result of the transaction in question. When PNC is the seller, the indemnification provisions will generally also provide the buyer with protection relating to the quality of the assets we are selling and the extent of any liabilities being assumed by the buyer. Due to the nature of these indemnification provisions, we cannot quantify the total potential exposure to us resulting from them.

We provide indemnification in connection with securities offering transactions in which we are involved. When we are the issuer of the securities, we provide indemnification to the underwriters or placement agents analogous to the indemnification provided to the purchasers of businesses from us, as described above. When we are an underwriter or placement agent, we provide a limited indemnification to the issuer related to our actions in connection with the offering and, if there are other underwriters, indemnification to the

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2012

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-09718

The PNC Financial Services Group, Inc.

(Exact name of registrant as specified in its charter)

Pennsylvania	25-1435979
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707
(Address of principal executive offices, including zip code)

(412) 762-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 31, 2012, there were 528,863,145 shares of the registrant's common stock ($5 par value) outstanding.

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We had unrecognized tax benefits of $178 million at September 30, 2012 and $209 million at December 31, 2011. At September 30, 2012, $100 million of unrecognized tax benefits, if recognized, would favorably impact the effective income tax rate.

It is reasonably possible that the liability for unrecognized tax benefits could increase or decrease in the next twelve months due to completion of tax authorities' exams or the expiration of statutes of limitations. Management estimates that the liability for unrecognized tax benefits could decrease by $78 million within the next twelve months.

NOTE 17 LEGAL PROCEEDINGS

We establish accruals for legal proceedings, including litigation and regulatory and governmental investigations and inquiries, when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. Any such accruals are adjusted thereafter as appropriate to reflect changed circumstances. When we are able to do so, we also determine estimates of possible losses or ranges of possible losses, whether in excess of any related accrued liability or where there is no accrued liability, for disclosed legal proceedings ("Disclosed Matters," which are those matters disclosed in this Note 17, and also those matters disclosed in Note 22 Legal Proceedings in Part II, Item 8 of our 2011 Form 10-K, in Note 16 Legal Proceedings in Part I, Item 1 of our first quarter 2012 Form 10-Q, and in Note 17 Legal Proceedings in Part I, Item 1 of our second quarter 2012 Form 10-Q (such prior disclosure referred to as "Prior Disclosure")). For Disclosed Matters where we are able to estimate such possible losses or ranges of possible losses, as of September 30, 2012, we estimate that it is reasonably possible that we could incur losses in an aggregate amount of up to approximately $425 million. The estimates included in this amount are based on our analysis of currently available information and are subject to significant judgment and a variety of assumptions and uncertainties. As new information is obtained we may change our estimates. Due to the inherent subjectivity of the assessments and unpredictability of outcomes of legal proceedings, any amounts accrued or included in this aggregate amount may not represent the ultimate loss to us from the legal proceedings in question. Thus, our exposure and ultimate losses may be higher, and possibly significantly so, than the amounts accrued or this aggregate amount.

The aggregate estimated amount provided above does not include an estimate for every Disclosed Matter, as we are unable, at this time, to estimate the losses that it is reasonably possible that we could incur or ranges of such losses with respect to some of the matters disclosed for one or more of the following reasons. In our experience, legal proceedings are inherently unpredictable. In many legal proceedings, various factors exacerbate this inherent unpredictability, including, among others, one or more of the following: the proceeding is in its early stages; the damages sought are unspecified, unsupported or uncertain; it is unclear whether a case brought as a class action will be allowed to proceed on that basis or, if permitted to proceed as a class action, how the class will be defined; the plaintiff is seeking relief other than or in addition to compensatory damages; the matter presents meaningful legal uncertainties, including novel issues of law; we have not engaged in meaningful settlement discussions; discovery has not started or is not complete; there are significant facts in dispute; and there are a large number of parties named as defendants (including where it is uncertain how damages or liability, if any, will be shared among multiple defendants). Generally, the less progress that has been made in the proceedings or the broader the range of potential results, the harder it is for us to estimate losses or ranges of losses that it is reasonably possible we could incur. Therefore, as the estimated aggregate amount disclosed above does not include all of the Disclosed Matters, the amount disclosed above does not represent our maximum reasonably possible loss exposure for all of the Disclosed Matters. The estimated aggregate amount also does not reflect any of our exposure to matters not so disclosed, as discussed below under "Other."

We include in some of the descriptions of individual Disclosed Matters certain quantitative information related to the plaintiff's claim against us as alleged in the plaintiff's pleadings or other public filings or otherwise publicly available. While information of this type may provide insight into the potential magnitude of a matter, it does not necessarily represent our estimate of reasonably possible loss or our judgment as to any currently appropriate accrual.

Some of our exposure in Disclosed Matters may be offset by applicable insurance coverage. We do not consider the possible availability of insurance coverage in determining the amounts of any accruals (although we record the amount of related insurance recoveries that are deemed probable up to the amount of the accrual) or in determining any estimates of possible losses or ranges of possible losses.

The following descriptions update our disclosure of pending legal proceedings provided in Prior Disclosure.

Interchange Litigation
In October 2012, the defendants in the cases consolidated for pretrial proceedings in the United States District Court for the Eastern District of New York under the caption *In re Payment Card Interchange Fee and Merchant-Discount Antitrust Litigation* (Master File No. 1:05-md-1720-JG-JO) entered into a definitive agreement relating to a settlement with the class plaintiffs.

CBNV Mortgage Litigation
MDL Proceedings in Pennsylvania. In the cases consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in the United States District Court for the Western

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District of Pennsylvania, currently under the caption *In re: Community Bank of Northern Virginia Lending Practices Litigation* (No. 03-0425 (W.D. Pa.), MDL No. 1674), the defendants' motion to dismiss the amended complaint was argued in October 2012. The court has not yet ruled on this motion.

North Carolina Proceedings. In *Bumpers, et al. v. Community Bank of Northern Virginia* (01-CVS-011342), pending in the General Court of Justice, Superior Court Division, for Wake County, North Carolina, in August 2012 the North Carolina Supreme Court granted our petition for discretionary review of the decision of the North Carolina Court of Appeals.

FHLB
In *Federal Home Loan Bank of Chicago v. Bank of America Funding Corp., et al.* (Case No. 10CH45033), pending in the Circuit Court of Cook County, Illinois, the court denied the defendants' motion to dismiss the corrected amended complaint in September 2012.

Captive Mortgage Reinsurance Litigation
In September 2012, the plaintiffs filed an amended complaint in *White, et al. v. The PNC Financial Services Group, Inc., et al.* (Civil Action No. 11-7928), pending in the United States District Court for the Eastern District of Pennsylvania.

Weavering Macro Fixed Income Fund
The Supreme Court of Ireland has scheduled the hearing on the motion to stay the modular trial pending in the High Court, Dublin, Ireland and the appeal of the judgment of the High Court ordering that trial for November 2012.

False Claims Act Lawsuit
In October 2012, the United States provided its consent to the settlement agreed to by PNC Bank and the plaintiffs in *United States ex rel. Bibby & Donnelly v. Wells Fargo, et al.* (1:06-CV-0547-AT), pending in the United States District Court for the Northern District of Georgia. PNC Bank had previously entered into final settlement agreements with the plaintiffs. PNC expects the settlement to become final in the fourth quarter of 2012, subject to receipt of a court approval. The amount of the settlement had been previously fully reserved.

Other Regulatory and Governmental Inquiries
PNC is the subject of investigations, audits and other forms of regulatory and governmental inquiry covering a broad range of issues in our banking, securities and other financial services businesses, in some cases as part of reviews of specified activities at multiple industry participants. Over the last few years, we have experienced an increase in regulatory and governmental investigations, audits and other inquiries. Areas of current regulatory or governmental inquiry with respect to PNC include consumer financial protection, fair lending, mortgage origination and servicing, mortgage-related insurance and reinsurance, municipal finance activities, and participation in government insurance or guarantee programs, some of which are described below. These inquiries, including those described in Prior Disclosure, may lead to administrative, civil or criminal proceedings, and possibly result in remedies including fines, penalties, restitution, or alterations in our business practices, and in additional expenses and collateral costs.

Our practice is to cooperate fully with regulatory and governmental investigations, audits and other inquiries, including those described in Prior Disclosure.

Other
In addition to the proceedings or other matters described above and in Prior Disclosure, PNC and persons to whom we may have indemnification obligations, in the normal course of business, are subject to various other pending and threatened legal proceedings in which claims for monetary damages and other relief are asserted. We do not anticipate, at the present time, that the ultimate aggregate liability, if any, arising out of such other legal proceedings will have a material adverse effect on our financial position. However, we cannot now determine whether or not any claims asserted against us or others to whom we may have indemnification obligations, whether in the proceedings or other matters described above or otherwise, will have a material adverse effect on our results of operations in any future reporting period, which will depend on, among other things, the amount of the loss resulting from the claim and the amount of income otherwise reported for the reporting period.

See Note 18 Commitments and Guarantees for additional information regarding the Visa indemnification and our other obligations to provide indemnification, including to current and former officers, directors, employees and agents of PNC and companies we have acquired, including National City.

NOTE 18 COMMITMENTS AND GUARANTEES

Equity Funding and Other Commitments
Our unfunded commitments at September 30, 2012 included private equity investments of $201 million, and other investments of $4 million.

111 West Monroe Street
Chicago, Illinois 60603

T 312 845 3000
F 312 701.2361

February 14, 2013

To the Addressees set forth on Schedule I hereto

Re: City of Chicago
Chicago Midway International Airport
Commercial Paper Notes 2003 Program
Series E (AMT), Series F (Non-AMT)
and Series G (Taxable) (collectively, the *"Notes"*)

Ladies and Gentlemen:

We have acted as special counsel to PNC Bank, National Association (the *"Bank"*) in connection with (i) that certain Reimbursement Agreement dated as of February 1, 2013 (the *"Agreement"*), between the City of Chicago and the Bank, relating to the Notes, and (ii) that certain Irrevocable Transferable Letter of Credit dated the date hereof (the *"Letter of Credit"*), issued by the Bank pursuant to the Agreement, supporting the Notes. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Agreement or the Letter of Credit, as applicable.

We have examined an executed original of the Letter of Credit and executed counterparts of the Agreement. In rendering this opinion, we have assumed the correctness of all signatures, the due authorization, execution and delivery of all documents by the parties executing the same other than the Bank, the authenticity of all documents submitted to us as originals, and the conformity with originals of all documents submitted to us as copies thereof. We have relied, as to factual matters relevant to the opinions set forth below, upon the statements of officers and employees of the Bank made to us during the course of our discussions with them and certificates of such officers and of governmental authorities.

Based upon and subject to the foregoing and subject also to the comments and qualifications set forth below, and having considered such questions of law as we have deemed necessary as a basis for the opinions expressed below, we are of the opinion that:

1. The Bank is a national banking association, validly existing under the laws of the United States and has the power and authority to execute and deliver the Letter of Credit and the Agreement, and to perform its obligations thereunder.

2. The Letter of Credit and the Agreement have been duly authorized, executed and delivered by an authorized officer of the Bank and constitute the legal, valid and binding obligations of the Bank enforceable against the Bank in accordance with its terms, except that

(i) the enforcement thereof may be limited by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of the Bank, or a moratorium applicable to the Bank, and (ii) no opinion is expressed as to the availability of equitable remedies.

3. We are not passing upon and do not assume any responsibility for the statements contained in the Offering Memorandum dated February 7, 2013, together with any documents incorporated therein by reference (the *"Offering Memorandum"*), relating to the Notes; *provided, however,* we have reviewed the information contained therein under the caption "THE LETTERS OF CREDIT", other than the last two paragraphs under such caption, (but only as such information relates to the Letter of Credit issued by the Bank) and such information accurately summarizes those corresponding portions of the Letter of Credit for the purposes of the Offering Memorandum.

This opinion is limited to matters of the laws of the State of Illinois and United States federal law and no opinion is given as to the law of any other jurisdiction with respect thereto. No opinion is given as to the Notes.

The opinions expressed herein shall be effective only as to the date of this opinion letter. We do not assume responsibility for updating this opinion letter as of any date subsequent to the date of this opinion letter, and assume no responsibility for advising you of (i) any changes with respect to any matters described in this opinion letter, (ii) any changes in law or (iii) the discovery subsequent to the date of this opinion letter of factual information not previously known to us pertaining to the events occurring prior to the date of this opinion letter. We note in particular that the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. Law 111-203 (2010) includes many provisions that are to be interpreted, developed or implemented through regulations in the future. We have not considered and express no opinion with respect to the provisions of such law or similar laws, except where the applicable final regulations have been promulgated and are in effect.

The opinions expressed herein are solely for your benefit in connection with the transactions contemplated by the Letter of Credit and may not be relied on in any manner or for any purpose by any other individual, partnership, corporation or other entity (*"Person"*), nor any copies thereof published, communicated or otherwise made available in whole or in part to any other Person, without our specific prior written consent.

Very truly yours,

SCHEDULE I

City of Chicago
Chicago, Illinois

Deutsche Bank National Trust Company
Chicago, Illinois

Barclays Capital Inc.
Chicago, Illinois

Moody's Investors Service, Inc.
New York, New York

Standard & Poor's Ratings Services,
a Standard & Poor's Financial Services LLC business
New York, New York

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

STIFEL, SECURITIES, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 111 SUTTER STREET, #1350
SAN FRANCISCO, CA 94104

C. Telephone: (415) 981-3345 Fax: (415) 981-3352 Email: LODOM@STIFEL.COM

D. Name of contact person: LOUNIE ODOM

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'HARE GENERAL AIRPORT REVENUE BONDS, SERIES 2013

G. Which City agency or department is requesting this EDS? FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

CALIFORNIA

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name LONNIE ODOM Title PRESIDENT

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
LONNIE OTOM	220 SANSOME ST SAN FRANCISCO, CA	9%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
THOMPSON COBURN LLP	55 E. MONROE CHICAGO, IL 60603	101,250
MCGANN LAW GROUP, LLC	333 S. WACKER DR. #340 CHICAGO 60606	43,45
(UNDERWRITER'S COUNSEL - ESTIMATED FEES ALLOCATED AMONG UNDERWRITERS)		

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[✓] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [✓] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

STILSON SERVICES, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

LOUISE ODOM
(Print or type name of person signing)

PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) January 11, 2013,
at San Francisco County, California (state).

_____ Notary Public.

ANDREW F. ALBRIGHT
COMM. #1966230
NOTARY PUBLIC-CALIFORNIA
SAN FRANCISCO COUNTY
My Comm. Expires Feb. 7, 2016

Commission expires: 2-7-2016.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Quarles & Brady LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 300 N. LaSalle, Ste. 4000
Chicago IL 60654

C. Telephone: (312) 715-5151 Fax: (312) 632-1757 Email: kevin.slaughter@quarles.com

D. Name of contact person: Kevin Slaughter

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[X] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Quarles & Brady LLP is a Wisconsin LLP engaged to practice in Arizona, Florida, Illinois, and Washington, DC

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
None			

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

Kevin Slaughter, Commissioner, Plan Commission

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Quarles & Brady LLP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Kevin Slaughter
(Print or type name of person signing)

Partner
(Print or type title of person signing)

Signed and sworn to before me on (date) February 5, 2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 04-28-13

OFFICIAL SEAL
MICHELLE L MICELI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:04/28/13

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

	A	B	C	D	E	F	G	H	I
1	List of Partners as of January 15, 2013 Attachment A					Ownership	Ownership	Ownership	Ownership Value
2	LAN ID	Name	Address			5% or Less	>.5 to 1 0%	>1.0 to 2 0%	>2 0%
3	ma2	Aldana, Michael	4101 N Stowell Ave	Shorewood, WI	53211	X			
4	vlb	Bailey, Val	1508 Capital Ave	Madison, WI	53705	X			
5	jcb	Baker, Joan	7817 Jackson Park Blvd	Wauwatosa, WI	53213		X		
6	jtb	Bannen, John	2468 N Pasadena Blvd	Wauwatosa, WI	53226		X		
7	jbarry	Barry, John	6068 N Bay Ridge Ave	Whitefish Bay, WI	53217	X			
8	brb	Bauer, Bruce	103 Aster Ln 102 N	Mequon, WI	53092	X			
9	pdb	Bauer, Paul	2558 Swan Blvd	Wauwatosa, WI	53226	X			
10	jbenkers	Benkers, Josephine	1108 US Hwy 12 and 18	Deerfield, WI	53531	X			
11	sberg	Berg, Scott	4427 E Montecito Ave	Phoenix, AZ	85018		X		
12	sb1	Berryman, Steven	311 Huntington Dr	Cedarburg, WI	53012	X			
13	bjb	Berson, Bennett	2228 Hollister Ave	Madison, WI	53726	X			
14	dbeyer	Beyer, David	18216 Clear Lake Dr	Lutz, FL	33548		X		
15	pb2	Bitterman, Patrick	916 N Wood St #2	Chicago, IL	60622	X			
16	bbooker	Booker, Brian	10308 S 16th Dr	Phoenix, AZ	85041	X			
17	rsb	Bornhoft, Robert	1354 W Laurel Ave	Gilbert, AZ	85233	X			
18	sboswell	Boswell, Susan	4235 W Camino Pintoresco	Tucson, AZ	85745		X		
19	dlb	Bourne, Dave	1522 N Prospect Ave Unit 1205	Milwaukee, WI	53202	X			
20	k2b	Bruett, Keith	4924 N Elkhart Ave	Whitefish Bay, WI	53217	X			
21	tbulloch	Bulloch, Rob	390 Saddlebrook Ln	Naples, FL	34110	X			
22	kmc	Buono, Kathie	W303 N2542 Maple Ave	Pewaukee, WI	53072		X		
23	cburden	Burden, Chris	8922 Eagle Watch Dr	Riverview, FL	33578		X		
24	gclark	Clark, Gary	2712 W Dakin	Chicago, IL	60618	X			
25	dconn	Conn, Deanna	11015 E Snyder Rd	Tucson, AZ	85749	X			
26	jcook	Cook, Jack	3411 W Picardy Ct	Mequon, WI	53092	X			
27	sec	Coyne, Sarah	2130 Wood Rd	Middleton, WI	53562		X		
28	drc	Cross, David	7875 N Club Circle	Fox Point, WI	53217		X		
29	jfd	Daly, Jim	4640 N Woodburn St	Whitefish Bay, WI	53211	X			
30	jwd	Daniels, John	10021 N Range Line	Mequon, WI	53092			X	
31	jod	Davis, Jeff	8336 N Links Way	Fox Point, WI	53217		X		
32	ldavis	Davis, Lisa	4505 Avenue C	Austin, TX	78751	X			
33	kad	Delorey, Kevin	N6376 Cedar Ln	Lake Mills, WI	53551	X			
34	ctd	DeMent, Christopher	1930 W Nelson	Chicago, IL	60657	X			
35	kdickins	Dickinson, Karen	1118 E Tierra Buena Ln	Phoenix, AZ	85022	X			
36	jdrazek	Drazek, Joe	1111 W Orchid Ln	Phoenix, AZ	85021	X			
37	md9	Duchemin, Matthew	5220 Sassafras Dr	Fitchburg, WI	53711	X			
38	rd1	Duffy, Bob	5029 W Washington Blvd	Milwaukee, WI	53208		X		
39	lduran	Duran, Lisa	7031 N Central Ave	Phoenix, AZ	85020	X			
40	kedson	Edson, Kelli	12055 Gandy Blvd Unit 271	St Petersburg, FL	33702	X			
41	mehrmann	Ehrmann, Mark	3501 Blackhawk Dr	Madison, WI	53705	X			
42	spe	Emerick, Steven	9760 E San Salvador Dr	Scottsdale, AZ	85258		X		
43	gte	Everts, Gregory	4109 Iroquois Dr	Madison, WI	53711	X			
44	lfalbe	Falbe, Lawrence	13948 W Trail Dr	Mettawa, IL	60045	X			
45	lfeinste	Feinstein, Faye	2535 Greenview	Northbrook, IL	60062		X		
46	mnf	Fertl, Mary	10532 N Gazebo Hill Pkwy E	Mequon, WI	53092	X			
47	mf1	Fischer, Mike	855 E Glen Ave	Whitefish Bay, WI	53217	X			
48	mjf	Flynn, Matthew	2720 E Bradford Ave	Milwaukee, WI	53211		X		
49	jxf	Franzini, John	3745 Nassau Dr	Brookfield, WI	53045		X		
50	jdf	Friedman, James	1996 W Hidden Reserve Ct	Mequon, WI	53092		X		
51	jfugal	Fugal, Jeffrey	PO Box 5755	Goodyear, AZ	85338	X			
52	ejf	Fuglsang, Eric	641 Oaklawn Ave	Elmhurst, IL	60126	X			
53	igabriel	Gabriel, Isaac	5306 N 33rd St	Phoenix, AZ	85018	X			
54	rg2	Gamrath, Rob	535 N Michigan Ave Apt 2301	Chicago, IL	60611	X			
55	fg1	Gants, Fred	6334 Inner Dr	Madison, WI	53705	X			
56	jjg	Gatziolis, James	2041 N Kenmore Ave	Chicago, IL	60614	X			
57	pjg	Goebel, Patrick	4405 W River Lake Dr	Mequon, WI	53092		X		
58	mjg	Gonring, Michael	621 E Beaumont Ave	Whitefish Bay, WI	53217		X		
59	kag	Gray, Kathleen	19100 Baythorn Way	Brookfield, WI	53045	X			
60	mmg	Grebe, Michael	11417 N Spring Ave	Mequon, WI	53092		X		
61	geh	Haas, George	13220 Elmhurst Pkwy	Elm Grove, WI	53122	X			
62	dhaller	Haller, Diane	208 W Portland St #560	Phoenix, AZ	85003		X		
63	kvh	Hallett, Kenneth	1430 N Astor St	Milwaukee, WI	53202		X		
64	whamilto	Hamilton, Bill	15233 Merlinglen Pl	Lithia, FL	33547	X			
65	whh	Harbeck, William	907 17th Ave	Grafton, WI	53024	X			
66	jharris	Harris, John	2802 W Silver Fox Way	Phoenix, AZ	85045		X		
67	rharris	Harris, Robert	14041 S 35th Place	Phoenix, AZ	85044		X		
68	pah	Hintz, Pat	1551 N Water St Unit 511	Milwaukee, WI	53202	X			
69	choffman	Hoffmann, Christian	48 W Glenn Dr	Phoenix, AZ	85021	X			
70	bhowie	Howie, Brian	10889 E Raintree Dr	Scottsdale, AZ	85255	X			
71	phutter	Hutter, Patti	1887 Mineral Springs Blvd	Oconomowoc, WI	53066	X			
72	oimmel	Immel, Otto	635 Palm Circle E	Naples, FL	34102	X			
73	mpn	Jacoby, Mary Pat	4080 Wildcat Ct	Greenfield, WI	53228	X			
74	rjamieso	Jamieson, Raymond	1339 Timberline Dr	West Bend, WI	53095		X		
75	dmj	Janssen, Daniel	1951 E Hampton Rd	Whitefish Bay, WI	53217		X		
76	maj	Jaskolski, Michael	W282 N3380 Taylors Woods Rd	Pewaukee, WI	53072		X		
77	klj	Johnson, Kimberly	945 Barcarmil Way	Naples, FL	34110			X	
78	pck	Karegeannes, Peter	1411 W Winding Hollow Ln	Mequon, WI	53092		X		
79	ack	Katayama, Alyce	PO Box 1325	Waukesha, WI	53187	X			
80	ckaufman	Kaufman, Craig	5690 N Placita Delelte	Tucson, AZ	85750		X		
81	dbk	Kern, David	7525 Kenwood Ave	Wauwatosa, WI	53213		X		
82	mk1	Kircher, Mark	850 Morningside Ln	Elm Grove, WI	53122			X	
83	jk2	Klages, John	838 Sylviawood	Park Ridge, IL	60068		X		
84	sklundt	Klundt, Scott	1540 E Tulsa	Gilbert, AZ	85295		X		
85	kkronqui	Kronquist, Kate	10226 W Park Ridge Ave	Wauwatosa, WI	53222	X			
86	je3	Landow-Esser, Janine	811 W Junior Terrace	Chicago, IL	60613	X			
87	sll	Langlois, Scott	2413 S Superior St	Milwaukee, WI	53207	X			
88	bgl	Lanser, Brian	2460 N 96th St	Wauwatosa, WI	53226		X		
89	fgl	Lautz, Fredrick	20905 Carrington Ct	Brookfield, WI	53045			X	
90	cleeck	Leeck, Chuck	N25 W26352 Whitetail Ct	Pewaukee, WI	53072	X			
91	eal	Leichtling, Ely	2708 E Hampshire St	Milwaukee, WI	53211		X		
92	mal	Levey, Michael	7750 N Fairchild Rd	Milwaukee, WI	53217	X			

	A	B	C	D	E	F	G	H	I
93	msl	Levine, Marta	3039 N Hackett Ave	Milwaukee, WI	53211		X		
94	jhl	Lhost, John	10453 N Pine Tree Circle	Mequon, WI	53092		X		
95	sl4	Linsley, Sarah	2143 Ewing Ave	Evanston, IL	60201	X			
96	k2l	Long, Kevin	7945 N Fairchild Rd	Fox Point, WI	53217		X		
97	klottes	Lottes, Kevin	5668 Hammock Isles Dr	Naples, FL	34119		X		
98	gjm	Marek, George	9318 N Lake Dr	Bayside, WI	53217	X			
99	dmartin	Martin, Don	6204 E Joshua Tree Ln	Paradise Valley, AZ	85253		X		
100	pmartino	Martino, Phil	3311 W Lawn Ave	Tampa , FL	33611		X		
101	jdm	Masterson, Joseph	8531 N 54th St	Brown Deer, WI	53223	X			
102	amazura	Mazura, Adrianne	1150 North Ave	Bannockburn, IL	60015			X	
103	tpm	McElligott, Tom	659 N 77th St	Wauwatosa, WI	53213		X		
104	mmehr	Mehr, Matthew	5417 E Helena Dr	Scottsdale, AZ	85254		X		
105	gmilczar	Milczarek-Desai, Gavin	1570 N Painted Hills Rd	Tucson, AZ	85745	X			
106	jpm	Morris, Jeffrey	3501 N Shepard	Shorewood, WI	53211	X			
107	rmorris	Morris, Roger	5849 E Justine Rd	Scottsdale, AZ	85254			X	
108	rpmorris	Morrison, Ryan	7394 3 Mile Rd	Franksville, WI	53126	X			
109	jmorrow	Morrow, James	6738 E Calle Buena	Tucson, AZ	85715		X		
110	mm4	Mostow, Michael	706 Landis Ln	Deerfield, IL	60015	X			
111	dm1	Muchow, Daniel	3306 E Cocomino St	Phoenix, AZ	85044		X		
112	amm	Murphy, Ann	7033 N Belmont Ln	Fox Point, WI	53217		X		
113	dpm	Muth, David	14125 W Fieldpointe Dr	New Berlin, WI	53151	X			
114	kgn	Noel, Kristin	901 Hidden Cave Rd	Madison, WI	53717	X			
115	pnolan	Nolan, Patrick	6055 N Bay Ridge Ave	Whitefish Bay, WI	53217	X			
116	egn	Nowakowski, Lisa	10211 N Trillium Rd	Mequon, WI	53092	X			
117	dpo	Olson, David	617 W Kentworth Circle	Mequon, WI	53092	X			
118	joneal	O'Neal, John	7241 N 11th Ave	Phoenix, AZ	85021	X			
119	eao	Orelup, Elizabeth	846 Jay Rd	Cedar Grove, WI	53013		X		
120	gossias	Ossias, Geoffrey	5600 N Casa Blanca	Paradise Valley, AZ	85253	X			
121	mjo	Ostermeyer, Mike	9627 N Lamplighter Ln	Mequon, WI	53092		X		
122	pparrish	Parrish, Paul	2617 Watrous Ave	Tampa, FL	33629	X			
123	jdp	Peelen, Jeffrey	4683 W Alanna Ct	Franklin, WI	53132		X		
124	kperhach	Perhach, Katherine	5057 N Santa Monica Blvd	Whitefish Bay, WI	53217	X			
125	nkp	Peterson, Nancy	3032 N Summit	Milwaukee, WI	53211		X		
126	jep	Pettibone, Jon	3313 E Tonto Dr	Phoenix, AZ	85044		X		
127	tjp	Phillips, Thomas	9644 N River Rd	Mequon, WI	53092	X			
128	pp1	Ploor, Pamela	1616 W Bonniwell Rd	Mequon, WI	53097	X			
129	ekpoor	Poor, E King	735 Walden Rd	Winnetka, IL	60093	X			
130	jvp	Powers, Jennifer	W260 N8679 State Rd 164	Hartland, WI	53029		X		
131	rlp	Prange, Roy	6418 Antietam Ln	Madison, WI	53705	X			
132	jp1	Puchner, Joseph	13365 Marquette Ave	Elm Grove, WI	53122	X			
133	kquigley	Quigley, Kevin	6138 E Mescal St	Scottsdale, AZ	85254		X		
134	dr2	Radler, Daniel	20765 Bartlett Ct	Brookfield, WI	53045		X		
135	mrechtin	Rechtin, Mike	123 Fuller Lane	Winnetka, IL	60093		X		
136	dregelma	Regelman, Dale	11200 E Irvington Rd	Tucson, AZ	85747	X			
137	brigor	Rigor, Bradley	PO Box 111510	Naples, FL	34108		X		
138	jsr	Robison, John	5764 N Hill Ct	Fitchburg, WI	53711	X			
139	jer	Rodgers, Janice	2100 N Lincoln Park W #12CN	Chicago, IL	60614		X		
140	mlr	Roshar, Michael	4077 S Fohr Dr	New Berlin, WI	53151		X		
141	rrothack	Rothacker, Robert	4751 N Cumberland Blvd	Whitefish Bay, WI	53211		X		
142	jar	Rothstein, John	217 E Chowning Square	Mequon, WI	53092		X		
143	jryan	Ryan, James	669 N Poplar Ct	Chandler, AZ	85226		X		
144	esalanga	Salanga, Edward	2262 E Dogwood Dr	Chandler, AZ	85286	X			
145	ms2	Schaalman, Michael	1043 E Ogden Ave	Milwaukee, WI	53202		X		
146	pws	Schmidt, Patrick	2635 N Terrace Ave	Milwaukee, WI	53211			X	
147	dks	Schott, Don	18 E Geneva Circle	Madison, WI	53717		X		
148	crs	Schwartz, Carl	N53 W34568 Road Q	Okauchee, WI	53069		X		
149	ss8	Scullen, Sean	1030 Red Barn Ln	Elm Grove, WI	53122	X			
150	lss	Shifflett, Leonard	623 Cherry St	Winnetka, IL	60093	X			
151	tas	Simonis, Thomas	N51 W35777 Hillcrest Ct	Oconomowoc, WI	53066		X		
152	bsirower	Sirower, Brian	PO Box 4263	Cave Creek, AZ	85327		X		
153	wjs	Skipper, Walt	1035 Upper Ridgeway	Elm Grove, WI	53122			X	
154	dsorenso	Sorenson, Derek	5247 N 6th St	Phoenix, AZ	85012		X		
155	gsovern	Sovern, Grant	1315 Rutledge St	Madison, WI	53703		X		
156	ras	Speckhard, Rebecca	7772 N River Edge Dr	Glendale, WI	53209	X			
157	jks	Spoerk, Jeff	S76 W12990 Cambridge Ct W	Muskego, WI	53150	X			
158	hrs	Stastney, Hoyt	10450 N Stratford Place	Mequon, WI	53092	X			
159	pat	Terry, Peter	PO Box 5821	Carefree, AZ	85377		X		
160	pjt	Tilleman, Paul	5133 N Palisades Rd	Whitefish Bay, WI	53217		X		
161	rlt	Titley, Robert	3418 N Summit Ave	Milwaukee, WI	53211	X			
162	aat	Tomaselli, Anthony	7432 County Highway K	Middleton, WI	53562		X		
163	ctownsen	Townsend, Chris	1667 Constitution Dr	Glenview, IL	60026			X	
164	atretter	Tretter, Andrew	9296 Sweetgrass Way	Naples, FL	34108	X			
165	mu9	Utterback, Margaret	7265 Ziegler Circle	Middleton, WI	53562	X			
166	jpv	Vail, John	9014 Pebble Beach Ln	Orland Park, IL	60462	X			
167	ejv	Van Vugt, Eric	923 E Kilbourn Ave #2302	Milwaukee, WI	53202			X	
168	aav	Vogel, Tony	7228 Grand Pkwy	Wauwatosa, WI	53213		X		
169	bvynalek	Vynalek, C Bradley	1824 Palmcroft Drive NW	Phoenix, AZ	85007		X		
170	dsw	Watson, Scott	944 Hillside Ave	Elmhurst, IL	60126	X			
171	mwelsh	Welsh, Mary Ann	27930 N Montana Dr	Rio Verde, AZ	85263	X			
172	jkillack	Williams-Killackey, Judith	4901 W Forest Hill Ave	Franklin, WI	53132	X			
173	ddw	Wilmoth, David	5838 Riverside Dr	Greendale, WI	53129	X			
174	lwinkelm	Winkelman, Lori	556 W Minton	Tempe, AZ	85282	X			
175	bdw	Winters, Brian	3119 N Summit	Milwaukee, WI	53211		X		
176	jwolf	Wolf, Jeffrey	9290 E Thompson Peak Pkwy # 408	Scottsdale, AZ	85255		X		
177	tyi	Yi, Ted	295 S Basswood Rd	Lake Forest, IL	60045		X		
178	ryoung	Young, Richard	1155 Scott Ave	Winnetka, IL	60093		X		
179	mdz	Zeka, Michael	929 N Astor St #1807	Milwaukee, WI	53202		X		
180									
181	177								

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Eduardo M. Cotillas dba Cotillas and Associates

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 20 N. Clark St. #1150
Chicago, IL 60602

C. Telephone: 312-217-1593 Fax: 312-849-9001 Email: ecotillas@cotillaslaw.com

D. Name of contact person: Eduardo M. Cotillas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[X] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

N/A

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Eduardo M. Cotillas	Owner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Eduardo M. Cotillas	20 N. Clark St, #1150 Chicago, IL 60602	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Purse; Orchestra Hall Tickets Mary Susan Lopez

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Eduardo M. Cotillas dba Cotillas and Associates
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Eduardo M. Cotillas
(Print or type name of person signing)

Owner
(Print or type title of person signing)

Signed and sworn to before me on (date) January 15th, 2013
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 01/24/2015.

OFFICIAL SEAL
TIMOTHY K. HINCHMAN
Notary Public - State of Illinois
My Commission Expires Jan 24, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Thompson Coburn LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 55 E. Monroe St. 37th Floor
Chicago. IL 60603

C. Telephone: 312-346-7500 Fax: 312-580-2201 Email: smitchell@thompsoncoburn.com

D. Name of contact person: Steven B. Mitchell

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds. Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following: N/A

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[X] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Missouri

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Thomas J. Minogue	Firm Chairman

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
NONE		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
NONE			

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
N/A		

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI – CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding. N/A

A. CERTIFICATION REGARDING LOBBYING

1. *List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):*

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Thompson Coburn LLP
(Print or type name of Disclosing Party)

By: Thomas J Minogue
(Sign here)

Thomas J. Minogue
(Print or type name of person signing)

Firm Chairman
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-15-2013,
at St. Louis ~~County~~ City, MO (state).

Victoria J Qualls Notary Public.

Commission expires: _____.

VICTORIA J QUALLS
Notary Public - Notary Seal
STATE OF MISSOURI
St. Louis City
My Commission Expires: Mar. 1, 2013
Commission # 09756814

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

McGaugh Law Group LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 311 S. Wacker Dr., Ste 925
Chicago, IL 60606

C. Telephone: 312-465-1889 Fax: 312-277-6837 Email: raymondmcgaugh@rmcgaugh.a

D. Name of contact person: Raymond S. McGaugh

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name Raymond S. Mebaugh Title Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Raymond S. McGaugh	35 S. Wacker, St 925, Chgo IL 60606	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

McGeough Law Group LLC
(Print or type name of Disclosing Party)

By Raymond S. McGeough, Managing Member
(Sign here)

Raymond S. McGeough
(Print or type name of person signing)

Managing Member
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/15/13,
at Cook County, Illinois (state).

Amanda Rubin Notary Public.

Commission expires: 5/1/13.

AMANDA RUBIN
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
May 01, 2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Frasca + Associates, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 521 Madison Avenue, 7th Floor
New York, NY 10022

C. Telephone: 212 355-4050 Fax: 212 355-3756 Email: kcushing@frascallc.com

D. Name of contact person: Ken Cushing

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Series 2013 Chicago O'Hare General Airport Revenue Bonds

G. Which City agency or department is requesting this EDS? _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Doreen M. Frasca	President + Principal
Kenneth J. Cushing	Vice President + Principal

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Doreen M. Frasca	521 Madison Ave, NY, NY	51%
Kenneth J. Cestone	521 Madison Ave, NY, NY	49%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
N/A			

(Add sheets if necessary)

☒ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes ☒ No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [X] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Frasca + Associates, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Kenneth J. Ceshine
(Print or type name of person signing)

Principal
(Print or type title of person signing)

Signed and sworn to before me on (date) 31 January 2013,
at New York County, New York (state).

Anne Rodgers Notary Public.

Commission expires:

ANNE RODGERS
Notary Public, State of New York
No. 01R6[illegible]70511
Qualified in [illegible] York County
Commission Expires [illegible]3, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

D+G CONSULTING GROUP, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 750 12th Street
Wilmette IL 60091

C. Telephone: 847 251 3791 Fax: 847 251 3537 Email: RKD@DG-CG.COM

D. Name of contact person: RHONA DICAMILLO

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'HARE GENERAL AIRPORT REVENUE BONDS, SERIES 2013

G. Which City agency or department is requesting this EDS? DEPT. OF FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

DELAWARE

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
RHONA DiCAMILLO	PRINCIPAL
LYNN GOLDSCHMIDT	PRINCIPAL

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
RHONA DiCAMILLO	750 12th Street Wilmette IL 60091	50%
LYNN GOLDSCHMIDT	333 Dundee Glencoe IL 60022	50%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
NONE			

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [✓] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [✓] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_✓_1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not dclinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

D+G CONSULTING GROUP LLC
(Print or type name of Disclosing Party)

By: Rhona K. DiCamillo
(Sign here)

RHONA DICAMILLO
(Print or type name of person signing)

PRINCIPAL
(Print or type title of person signing)

Signed and sworn to before me on (date) 01/17/2013,
at COOK County, ILL (state).

Sophia Meloudis Notary Public.

Commission expires: 08/02/2014.

"OFFICIAL SEAL"
Sophia Meloudis
Notary Public, State of Illinois
Cook County
My Commission expires 8/02/2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [☑] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANK NATIONAL ASSOCIATION

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 425 Walnut Street
Cincinnati, Ohio 45202

C. Telephone: (312) 332-6774 Fax: (312) 332-8008 Email: margaret.drelicharz@usbank.com

D. Name of contact person: Margaret Drelicharz

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
National Bank

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

United States - federally granted national bank charter

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A U.S. Bank operates branches in the State of Illinois under the authority of its national bank charter and is therefore not required to register as a foreign corporation with the State.

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list of Executive Officers and Directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
U.S. Bancorp	800 Nicollet Mall Minneapolis, MN 55402	100%

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
Please see Attachment A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANK NATIONAL ASSOCIATION — February 6, 2013
(Print or type name of Disclosing Party)

By: Scott A. Fenske
(Sign here)

SCOTT A. FENSKE
(Print or type name of person signing)

VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Hennepin County, Minnesota (state).

Marilyn K Hiscock Notary Public.

Commission expires: 1/31/15

MARILYN K. HISCOCK
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Corporate and Executive Officers and Directors

Legal Name:	U.S. Bancorp	U.S. Bank, National Association
Business Address:	800 Nicollet Mall Minneapolis, MN 55402	425 Walnut Street Cincinnati, OH 45202
FEIN:	41-0255900	31-0841368
	Executive Officers:	**Corporate Officers:**
	Richard K. Davis Chairman, President and Chief Executive Officer **Jennie P. Carlson** Executive Vice President Human Resources **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman Wealth Management & Securities Services **Richard C. Hartnack** Vice Chairman Consumer Banking **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Joseph C. Hoesley** Vice Chairman Commercial Real Estate **Pamela A. Joseph** Vice Chairman Payment Services **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer **Richard B. Payne, Jr.** Vice Chairman Corporate Banking **Jeffry H. von Gillern** Vice Chairman Technology and Operations Services	**Richard K. Davis** Chairman, President and Chief Executive Officer **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman **Richard C. Hartnack** Vice Chairman **Joseph C. Hoesley** Vice Chairman **Pamela A. Joseph** Vice Chairman **Richard B. Payne, Jr.** Vice Chairman **Jeffry H. von Gillern** Vice Chairman **Jennie P. Carlson** Executive Vice President Human Resources **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer
Corporate Directors:		
	Richard K. Davis Chairman, President and Chief	**Andrew Cecere** **Richard K. Davis**

	Executive Officer U.S. Bancorp Minneapolis, Minnesota **Douglas M. Baker, Jr.** Chairman, President and Chief Executive Officer Ecolab Inc. St. Paul, Minnesota **Y. Marc Belton** Executive Vice President, Global Strategy Growth and Marketing General Mills, Inc. Minneapolis, Minnesota **Victoria Buyniski Gluckman** *Retired President and* Chief Executive Officer United Medical Resources, Inc., Cincinnati, Ohio **Arthur D. Collins, Jr.** Retired Chairman and Chief Executive Officer Medtronic, Inc. **Joel W. Johnson** Retired Chairman and Chief Executive Officer Hormel Foods Corporation Austin, Minnesota **Olivia F. Kirtley** Business Consultant Louisville, Kentucky **Jerry W. Levin** Chairman and Chief Executive Officer JW Levin Partners LLC; and Chairman and Chief Executive Officer of Wilton Brands Inc. New York, New York **David B. O'Maley** Executive Chairman and Retired President and Chief Executive Officer Ohio National Mutual Holdings, Inc. and it's subsidiary Ohio National Financial Services, Inc. Cincinnati, Ohio **O'dell M. Owens, M.D., M.P.H.** President, Cincinnati State Technical and Community *CollegeCincinnati, Ohio* **Richard G. Reiten** Retired Chairman and Chief Executive Officer Northwest National Gas Company Portland, Oregon **Craig D. Schnuck** Former Chairman and Chief	**Terrance R. Dolan** **Richard C. Hartnack** **Joseph C. Hoesley** **Pamela A. Joseph** **Richard B. Payne, Jr.** **Jeffry H. von Gillern**

	Executive Officer Schnuck Markets, Inc. St. Louis, Missouri **Patrick T. Stokes** Former Chairman and Former Chief Executive Officer Anheuser-Busch Companies, Inc. St. Louis, Missouri	

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-three predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (founded in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association is also one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitizations trusts. Each trust holds multiple real property mortgages. From time-to-time, mortgage borrowers in Chicago default on mortgages or otherwise fail to comply with City of Chicago requirements with respect to certain of their properties. With respect to some of the troubled properties, U.S. Bank National Association may be a lender. However with respect to the majority of the trouble properties in Chicago for which U.S. Bank National Association is involved, U.S. Bank National Association is not the beneficial owner of the property and has no individual or corporate interest in the property. These properties are trust properties which are maintained by a wide variety of servicers. As of January 4, 2013, U.S. Bank National Association was aware of outstanding claims against it in its individual capacity of approximately $3,583.38. Moreover, with respect to properties held in trust (excluding Illinois Land Trust properties) for which U.S. Bank National Association acts as trustee, as of January 4, 2013, we were aware of outstanding claims against trust properties in the amount of approximately $132,599.23. As of January 14, 2013, U.S. Bank National Association has worked with the trust servicers to reduce that amount to $68,293.01.

U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee, meets with various city officials twice a month to address these claims. U.S. Bank National Association, both individually and as trustee, has continually strived to work with the City to resolve and reconcile amounts potentially owed to the City. U.S. Bank National Association, both individually and as trustee, intends to continue to work with the City in good faith to address property concerns including amounts owed.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANCORP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: U.S. Bank National Association
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 800 Nicollet Mall
Minneapolis, Minnesota 55402

C. Telephone: (312) 332-6774 Fax: (312) 332-8008 Email: margaret.drelicharz@usbank.com

D. Name of contact person: Margaret Drelicharz

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[x] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list of Executive Officers and Directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No *To the best of our knowledge after due inquiry

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
Please see Attachment A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANCORP — February 6, 2013
(Print or type name of Disclosing Party)

By: Scott A. Fenske
(Sign here)

SCOTT A. FENSKE
(Print or type name of person signing)

VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Hennepin County, Minnesota (state).

Marilyn K Hiscock Notary Public.

Commission expires: 1/31/15.

MARILYN K. HISCOCK
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Corporate and Executive Officers and Directors

Legal Name:	U.S. Bancorp	U.S. Bank, National Association
Business Address:	800 Nicollet Mall Minneapolis, MN 55402	425 Walnut Street Cincinnati, OH 45202
FEIN:	41-0255900	31-0841368
	Executive Officers:	**Corporate Officers:**
	Richard K. Davis Chairman, President and Chief Executive Officer **Jennie P. Carlson** Executive Vice President Human Resources **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman Wealth Management & Securities Services **Richard C. Hartnack** Vice Chairman Consumer Banking **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Joseph C. Hoesley** Vice Chairman Commercial Real Estate **Pamela A. Joseph** Vice Chairman Payment Services **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer **Richard B. Payne, Jr.** Vice Chairman Corporate Banking **Jeffry H. von Gillern** Vice Chairman Technology and Operations Services	**Richard K. Davis** Chairman, President and Chief Executive Officer **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman **Richard C. Hartnack** Vice Chairman **Joseph C. Hoesley** Vice Chairman **Pamela A. Joseph** Vice Chairman **Richard B. Payne, Jr.** Vice Chairman **Jeffry H. von Gillern** Vice Chairman **Jennie P. Carlson** Executive Vice President Human Resources **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer
Corporate Directors:		
	Richard K. Davis Chairman, President and Chief	**Andrew Cecere** **Richard K. Davis**

	Executive Officer U.S. Bancorp Minneapolis, Minnesota **Douglas M. Baker, Jr.** Chairman, President and Chief Executive Officer Ecolab Inc. St. Paul, Minnesota **Y. Marc Belton** Executive Vice President, Global Strategy Growth and Marketing General Mills, Inc. Minneapolis, Minnesota **Victoria Buyniski Gluckman** Retired President and Chief Executive Officer United Medical Resources, Inc., Cincinnati, Ohio **Arthur D. Collins, Jr.** Retired Chairman and Chief Executive Officer Medtronic, Inc. **Joel W. Johnson** Retired Chairman and Chief Executive Officer Hormel Foods Corporation Austin, Minnesota **Olivia F. Kirtley** Business Consultant Louisville, Kentucky **Jerry W. Levin** Chairman and Chief Executive Officer JW Levin Partners LLC; and Chairman and Chief Executive Officer of Wilton Brands Inc. New York, New York **David B. O'Maley** Executive Chairman and Retired President and Chief Executive Officer Ohio National Mutual Holdings, Inc. and it's subsidiary Ohio National Financial Services, Inc. Cincinnati, Ohio **O'dell M. Owens, M.D., M.P.H.** President, Cincinnati State Technical and Community CollegeCincinnati, Ohio **Richard G. Reiten** Retired Chairman and Chief Executive Officer Northwest National Gas Company Portland, Oregon **Craig D. Schnuck** Former Chairman and Chief	**Terrance R. Dolan** **Richard C. Hartnack** **Joseph C. Hoesley** **Pamela A. Joseph** **Richard B. Payne, Jr.** **Jeffry H. von Gillern**

	Executive Officer Schnuck Markets, Inc. St. Louis, Missouri **Patrick T. Stokes** Former Chairman and Former Chief Executive Officer Anheuser-Busch Companies, Inc. St. Louis, Missouri	

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-three predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (founded in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association is also one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitizations trusts. Each trust holds multiple real property mortgages. From time-to-time, mortgage borrowers in Chicago default on mortgages or otherwise fail to comply with City of Chicago requirements with respect to certain of their properties. With respect to some of the troubled properties, U.S. Bank National Association may be a lender. However with respect to the majority of the trouble properties in Chicago for which U.S. Bank National Association is involved, U.S. Bank National Association is not the beneficial owner of the property and has no individual or corporate interest in the property. These properties are trust properties which are maintained by a wide variety of servicers. As of January 4, 2013, U.S. Bank National Association was aware of outstanding claims against it in its individual capacity of approximately $3,583.38. Moreover, with respect to properties held in trust (excluding Illinois Land Trust properties) for which U.S. Bank National Association acts as trustee, as of January 4, 2013, we were aware of outstanding claims against trust properties in the amount of approximately $132,599.23. As of January 14, 2013, U.S. Bank National Association has worked with the trust servicers to reduce that amount to $68,293.01.

U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee, meets with various city officials twice a month to address these claims. U.S. Bank National Association, both individually and as trustee, has continually strived to work with the City to resolve and reconcile amounts potentially owed to the City. U.S. Bank National Association, both individually and as trustee, intends to continue to work with the City in good faith to address property concerns including amounts owed.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011

Commission file number 1-9924

Citigroup Inc.

(Exact name of registrant as specified in its charter)

Delaware	52-1568099
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
399 Park Avenue, New York, NY	10022
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (212) 559-1000

Securities registered pursuant to Section 12(b) of the Act: See Exhibit 99.01

Securities registered pursuant to Section 12(g) of the Act: none

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes X No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes X No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. X Yes ☐ No

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). X Yes ☐ No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

X Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes X No

The aggregate market value of Citigroup Inc. common stock held by non-affiliates of Citigroup Inc. on June 30, 2011 was approximately $121.3 billion.

Number of shares of common stock outstanding on January 31, 2012: 2,928,662,136

Documents Incorporated by Reference: Portions of the Registrant's Proxy Statement for the annual meeting of stockholders scheduled to be held on April 17, 2012, are incorporated by reference in this Form 10-K in response to Items 10, 11, 12, 13 and 14 of Part III.

10-K CROSS-REFERENCE INDEX

This Annual Report on Form 10-K incorporates the requirements of the accounting profession and the Securities and Exchange Commission.

FORM 10-K

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* For additional information regarding Citigroup's Directors, see "Corporate Governance," "Proposal 1: Election of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance" in the definitive Proxy Statement for Citigroup's Annual Meeting of Stockholders scheduled to be held on April 17, 2012, to be filed with the SEC (the Proxy Statement), incorporated herein by reference

** See "Executive Compensation—The Personnel and Compensation Committee Report," "—Compensation Discussion and Analysis" and "—2011 Summary Compensation Table" and in the Proxy Statement, incorporated herein by reference

*** See "About the Annual Meeting," "Stock Ownership" and "Proposal 3: Approval of Amendment to the Citigroup 2009 Stock Incentive Plan" in the Proxy Statement, incorporated herein by reference

**** See "Corporate Governance—Director Independence," "—Certain Transactions and Relationships, Compensation Committee Interlocks and Insider Participation," "—Indebtedness," "Proposal 1: Election of Directors" and "Executive Compensation" in the Proxy Statement, incorporated herein by reference

***** See "Proposal 2: Ratification of Selection of Independent Registered Public Accounting Firm" in the Proxy Statement, incorporated herein by reference

CITIGROUP'S 2011 ANNUAL REPORT ON FORM 10-K

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OVERVIEW

Citigroup's history dates back to the founding of Citibank in 1812. Citigroup's original corporate predecessor was incorporated in 1988 under the laws of the State of Delaware. Following a series of transactions over a number of years, Citigroup Inc. was formed in 1998 upon the merger of Citicorp and Travelers Group Inc.

Citigroup is a global diversified financial services holding company whose businesses provide consumers, corporations, governments and institutions with a broad range of financial products and services. Citi has approximately 200 million customer accounts and does business in more than 160 countries and jurisdictions.

Citigroup currently operates, for management reporting purposes, via two primary business segments: Citicorp, consisting of Citi's *Global Consumer Banking* businesses and *Institutional Clients Group*; and Citi Holdings, consisting of *Brokerage and Asset Management, Local Consumer Lending* and *Special Asset Pool*. For a further description of the business segments and the products and services they provide, see "Citigroup Segments" below, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 4 to the Consolidated Financial Statements.

Throughout this report, "Citigroup," "Citi" and "the Company" refer to Citigroup Inc. and its consolidated subsidiaries.

Additional information about Citigroup is available on Citi's Web site at www.citigroup.com. Citigroup's recent annual reports on Form 10-K, quarterly reports on Form 10-Q, proxy statements, as well as other filings with the SEC, are available free of charge through the Citi's Web site by clicking on the "Investors" page and selecting "All SEC Filings." The SEC's Web site also contains current reports, information statements, and other information regarding Citi at www.sec.gov.

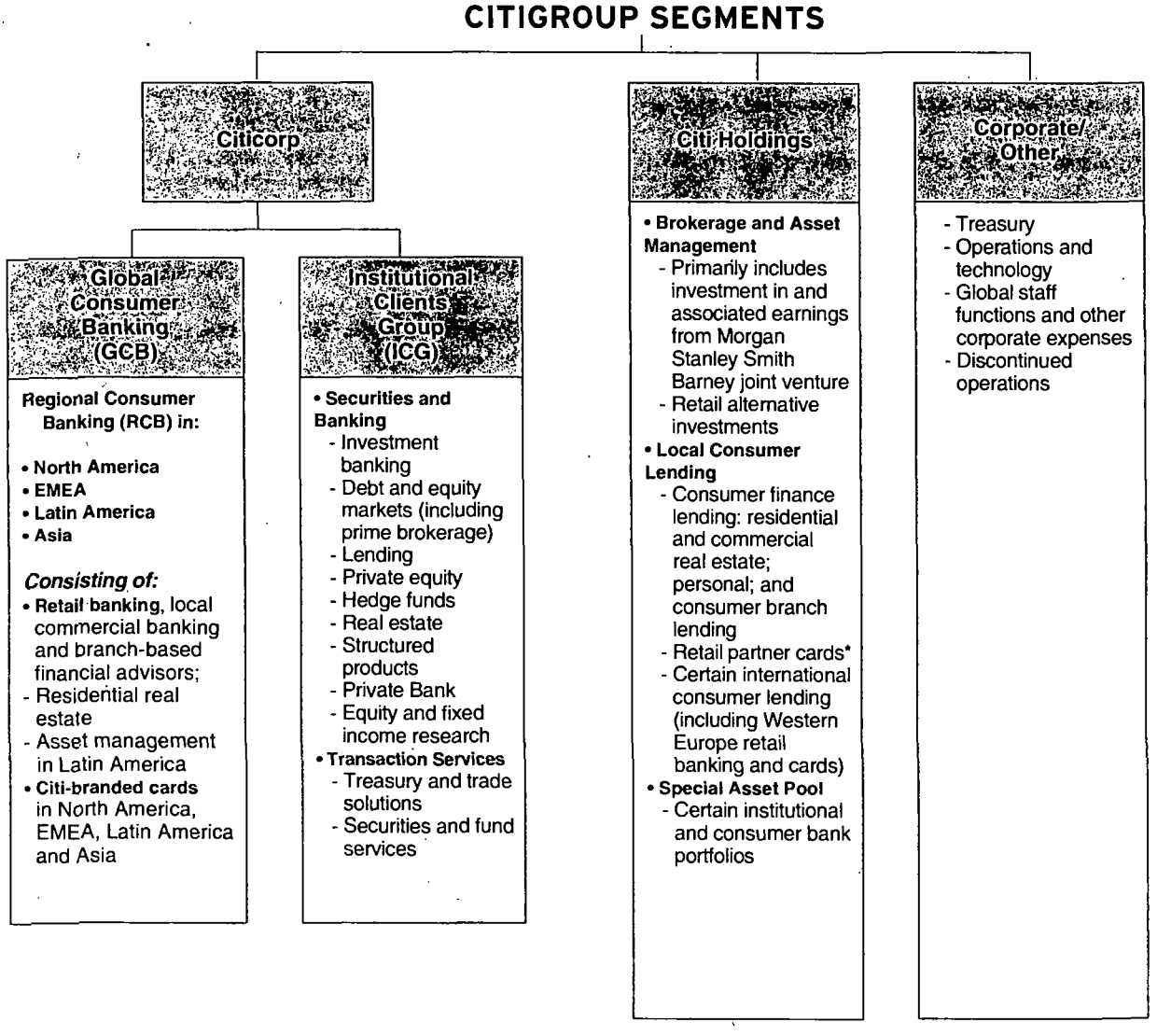
Within this Form 10-K, please refer to the tables of contents on pages 3 and 129 for page references to Management's Discussion and Analysis of Financial Condition and Results of Operations and Notes to Consolidated Financial Statements, respectively.

At December 31, 2011, Citi had approximately 266,000 full-time employees compared to approximately 260,000 full-time employees at December 31, 2010.

Please see "Risk Factors" below for a discussion of certain risks and uncertainties that could materially impact Citigroup's financial condition and results of operations.

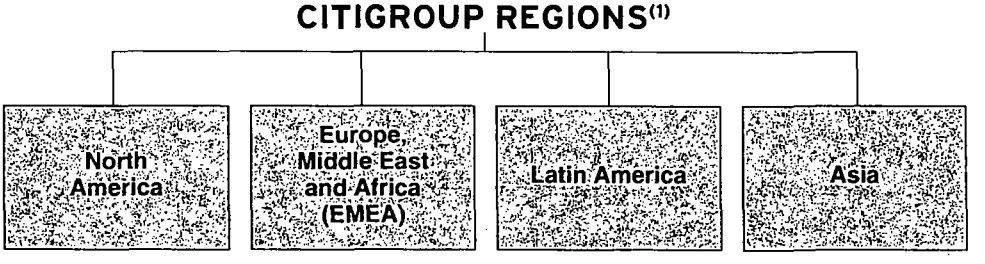
Certain reclassifications have been made to the prior periods' financial statements to conform to the current period's presentation.

As described above, Citigroup is managed pursuant to the following segments:



* Effective in the first quarter of 2012, Citi will transfer the substantial majority of the retail partner cards business (approximately $45 billion of assets, including approximately $41 billion of loans) from Citi Holdings – *Local Consumer Lending* to Citicorp—*North America RCB*

The following are the four regions in which Citigroup operates. The regional results are fully reflected in the segment results above.



(1) *North America* includes the U.S., Canada and Puerto Rico, *Latin America* includes Mexico, and *Asia* includes Japan

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

EXECUTIVE SUMMARY

Market and Economic Environment

During 2011, Citigroup remained focused on executing its strategy of growth through increasing the returns on and investments in its core businesses of Citicorp—*Global Consumer Banking* and *Institutional Clients Group*—while continuing to reduce the assets and businesses within Citi Holdings in an economically rational manner. While Citi continued to make progress in these areas during the year, its 2011 operating results were impacted by the ongoing challenging operating environment, particularly in the second half of the year, as macroeconomic concerns, including in the U.S. and the Eurozone, weighed heavily on investor and corporate confidence. Market activity was down globally, with a particular impact on capital markets-related activities in the fourth quarter of 2011. This affected Citigroup's results of operations in many businesses, including not only *Securities and Banking*, but also the Securities and Fund Services business in *Transaction Services* and investment sales in *Global Consumer Banking*. Citi believes that the European sovereign debt crisis and its potential impact on the global markets and growth will likely continue to create macro uncertainty and remain an issue until the market, investors and Citi's clients and customers believe that a comprehensive resolution to the crisis is structured, and achievable. Such uncertainty could have a continued negative impact on investor activity, and thus on Citi's activity levels and results of operations, in 2012.

Compounding this continuing macroeconomic uncertainty is the ongoing uncertainty facing Citigroup and its businesses as a result of the numerous regulatory initiatives underway, both in the U.S. and internationally. As of December 31, 2011, regulatory changes in significant areas, such as Citi's future capital requirements and prudential standards, the proposed implementation of the "Volcker Rule" and the proposed regulation of the derivatives markets, were incomplete and significant rulemaking and interpretation remained. See "Risk Factors—Regulatory Risks" below. The continued uncertainty, including the potential costs, associated with the actual implementation of these changes will continue to require significant attention by Citi's management. In addition, it is also not clear what the cumulative impact of regulatory reform will be

2011 Summary Results

Citigroup

Citigroup reported net income of $11.1 billion and diluted EPS of $3.63 per share in 2011, compared to $10.6 billion and $3.54 per share, respectively, in 2010. In 2011, results included a net positive impact of $1.8 billion from credit valuation adjustments (CVA) on derivatives (excluding monolines), net of hedges, and debt valuation adjustments (DVA) on Citigroup's fair value option debt, compared to a net negative impact of $(469) million in 2010. In addition, Citi has adjusted its 2011 results of operations that were previously announced on January 17, 2012 for an additional $209 million (after tax) charge. This charge relates to the agreement in principle with the United States and state attorneys general announced on February 9, 2012 regarding the settlement of a number of investigations into residential loan servicing and origination litigation, as well as the resolution of related mortgage litigation (see Notes 29, 30 and 32 to the Consolidated Financial Statements). Excluding CVA/DVA, Citi's net income declined $952 million, or 9%, to $9.9 billion in 2011, reflecting lower revenues and higher operating expenses as compared to 2010, partially offset by a significant decline in credit costs.

Citi's revenues of $78.4 billion were down $8.2 billion, or 10%, compared to 2010. Excluding CVA/DVA, revenues of $76.5 billion were down $10.5 billion, or 12%, as lower revenues in Citi Holdings and *Securities and Banking* more than offset growth in *Global Consumer Banking* and *Transaction Services*. Net interest revenues decreased by $5.7 billion, or 11%, to $48.4 billion in 2011 as compared to 2010, primarily due to continued declining loan balances and lower interest-earning assets in Citi Holdings. Non-interest revenues, excluding CVA/DVA, declined by $4.8 billion, or 15%, to $28.1 billion in 2011 as compared to 2010, driven by lower revenues in Citi Holdings and *Securities and Banking*

Because of Citi's extensive global operations, foreign exchange translation also impacts Citi's results of operations as Citi translates revenues, expenses, loan balances and other metrics from foreign currencies to U.S. dollars in preparing its financial statements. During 2011, the U.S. dollar generally depreciated versus local currencies in which Citi operates As a result, the impact of foreign exchange translation (as used throughout this Form 10-K, FX translation) accounted for an approximately 1% growth in Citi's revenues and 2% growth in expenses, while contributing less than 1% to Citi's pretax net income for the year.

Expenses

Citigroup expenses were $50.9 billion in 2011, up $3.6 billion, or 8%, compared to 2010. Over two-thirds of this increase resulted from higher legal and related costs (approximately $1.5 billion) and higher repositioning charges (approximately $200 million, including severance) as compared to 2010, as well as the impact of FX translation (approximately $800 million). Excluding these items, expenses were up $1.0 billion, or 2%, compared to the prior year.

Investment spending was $3 9 billion higher in 2011, of which roughly half was funded with efficiency savings, primarily in operations and technology, labor reengineering and business support functions (e.g., call centers and collections) of $1.9 billion. The $3.9 billion increase in investment spending in 2011 included higher investments in *Global Consumer Banking* ($1.6 billion, including incremental cards marketing campaigns and new branch openings), *Securities and Banking* (approximately $800 million, including new hires and technology investments) and *Transaction Services* (approximately $600 million, including new mandates and platform enhancements), as well as additional firm-wide initiatives and investments to comply with regulatory requirements. All other expense increases, including higher volume-related costs in Citicorp, were more than offset by a decline in Citi Holdings expenses. While Citi will continue some level of incremental investment spending in its businesses going forward, Citi currently believes these increases in investments will be self-funded through ongoing reengineering and efficiency savings. Accordingly, Citi believes that the increased level of investment spending incurred during the latter part of 2010 and 2011 was largely completed by year end 2011

Citicorp expenses were $39.6 billion in 2011, up $3.5 billion, or 10%, compared to 2010 Over one-third of this increase resulted from higher legal and related costs and higher repositioning charges (including severance) as compared to 2010, as well as the impact of FX translation. The remainder of the increase was primarily driven by investment spending (as described above), partially offset by ongoing productivity savings and other expense reductions.

Citi Holdings expenses were $8.8 billion in 2011, down $824 million, or 9%, principally due to the continued decline in assets, partially offset by higher legal and related costs

Credit Costs

Credit trends for Citigroup continued to improve in 2011, particularly for Citi's *North America* Citi-branded and retail partner cards businesses, as well as its *North America* mortgage portfolios in Citi Holdings, although the pace of improvement in these businesses slowed. Citi's total provisions for credit losses and for benefits and claims of $12.8 billion declined $13.2 billion, or 51%, from 2010 Net credit losses of $20.0 billion in 2011 were down $10.8 billion, or 35%, reflecting improvement in both Consumer and Corporate credit trends. Consumer net credit losses declined $10.0 billion, or 35%, to $18 4 billion, driven by continued improvement in credit in *North America* Citi-branded cards and retail partner cards and *North America* real estate lending in Citi Holdings. Corporate net credit losses decreased $810 million, or 33%, to $1.6 billion, as credit quality continued to improve in the Corporate portfolio.

The net release of allowance for loan losses and unfunded lending commitments was $8.2 billion in 2011, compared to a net release of $5 8 billion in 2010. Of the $8.2 billion net reserve release in 2011, $5.9 billion related to Consumer and was mainly driven by *North America* Citi-branded cards and retail partner cards. The $2.3 billion net Corporate reserve release reflected continued improvement in Corporate credit trends, partially offset by loan growth.

More than half of the net credit reserve release in 2011, or $4.8 billion, was attributable to Citi Holdings. The $3.5 billion net credit release in Citicorp increased from $2.2 billion in the prior year, as a higher net release in Citi-branded cards in *North America* was partially offset by lower net releases in international *Regional Consumer Banking* and the Corporate portfolio, each driven by loan growth.

Capital and Loan Loss Reserve Positions

Citigroup's capital and loan loss reserve positions remained strong at year end 2011. Citigroup's Tier 1 Capital ratio was 13.6% and the Tier 1 Common ratio was 11.8%.

Citigroup's total allowance for loan losses was $30.1 billion at year end 2011, or 4.7% of total loans, down from $40.7 billion, or 6.3% of total loans, at the end of the prior year. The decline in the total allowance for loan losses reflected asset sales, lower non-accrual loans, and overall continued improvement in the credit quality of Citi's loan portfolios. The Consumer allowance for loan losses was $27.2 billion, or 6.45%, of total Consumer loans at year end 2011, compared to $35.4 billion, or 7.80%, of total Consumer loans at year end 2010. See details of "Credit Loss Experience—Allowance for Loan Losses" below for additional information on Citi's loan loss coverage ratios as of December 31, 2011.

Citigroup's non-accrual loans of $11.2 billion at year end 2011 declined 42% from the prior year, and the allowance for loan losses represented 268% of non-accrual loans.

Citicorp

Citicorp net income of $14.4 billion in 2011 decreased by $269 million, or 2%, from the prior year. Excluding CVA/DVA, Citicorp's net income declined $1 6 billion, or 10.6%, to $13.4 billion in 2011, reflecting lower revenues and higher operating expenses, partially offset by the significantly lower credit costs *Asia* and *Latin America* contributed roughly half of Citicorp's net income for the year.

Citicorp revenues were $64.6 billion, down $989 million, or 2%, from 2010 Excluding CVA/DVA, revenues of $62 8 billion were down $3.1 billion, or 5%, as compared to 2010 Net interest revenues decreased by $450 million, or 1%, to $38.1 billion, as lower revenues in *North America Regional Consumer Banking* and *Securities and Banking* more than offset growth in *Latin America* and *Asia Regional Consumer Banking* and *Transaction Services*. Non-interest revenues, excluding CVA/DVA, declined by $2 7 billion, or 10%, to $24.7 billion in 2011 as compared to 2010, driven by lower revenues in *Securities and Banking*.

Global Consumer Banking revenues of $32 6 billion were up $211 million year-over-year, as continued growth in *Asia* and *Latin America Regional Consumer Banking* was partially offset by lower revenues in *North America Regional Consumer Banking* The 2011 results in *Global Consumer Banking* included continued momentum in Citi's international regions, as well as early signs of growth in its *North America* business

- International *Regional Consumer Banking* revenues of $19 0 billion were up 8% year-over-year (5% excluding the impact of FX translation).
- International average loans were up 15% and average deposits grew 11% (11% and 8% excluding the impact of FX translation, respectively).
- International card purchase sales grew 19% (13% excluding the impact of FX translation).
- *Asia* achieved positive operating leverage (with year-over-year revenue growth in excess of expense growth) in the third and fourth quarters of 2011, and *Latin America* achieved positive operating leverage in the fourth quarter.
- *North America Regional Consumer Banking* grew revenues, card accounts and card loans sequentially in the second, third and fourth quarters of 2011.

Securities and Banking revenues of $21.4 billion decreased 7% year-over-year. Excluding CVA/DVA (for details on *Securities and Banking* CVA/DVA amounts, see *"Institutional Clients Group—Securities and Banking"* below), revenues were $19.7 billion, down 16% from the prior year, due primarily to the continued challenging macroeconomic environment, which resulted in lower revenues across fixed income and equity markets as well as investment banking.

Fixed income markets revenues, which constituted over 50% of *Securities and Banking* revenues in 2011, of $10.9 billion, excluding CVA/DVA, decreased 24% in 2011 as compared to 2010, driven primarily by a decline in credit-related and securitized products and, to a lesser extent, a decline in rates and currencies. Equity markets revenues of $2.4 billion, excluding CVA/DVA, were down 35% year-over-year, mainly driven by weak trading performance in equity derivatives as well as losses in equity proprietary trading resulting from the wind down of this business, which was complete as of December 31, 2011. Investment banking revenues of $3.3 billion were down 14% in 2011 as compared to 2010, driven by lower market activity levels across all products. Lending revenues of $1.8 billion were up $840 million, from $962 million in 2010, primarily due to net hedging gains of $73 million in 2011, as compared to net hedging losses of $711 million in 2010, driven by spread tightening in Citi's lending portfolio.

Transaction Services revenues were $10.6 billion in 2011, up 5% from the prior year, driven by growth in Treasury and Trade Solutions as well as Securities and Fund Services. Revenues grew in 2011 in all international regions as strong growth in business volumes was partially offset by continued spread compression. Average deposits and other customer liabilities grew 9% in 2011, while assets under custody remained relatively flat year over year.

Citicorp end of period loans increased 14% in 2011 to $465.4 billion, with 7% growth in Consumer loans and 24% growth in Corporate loans.

Citi Holdings

Citi Holdings' net loss of $(12.6) billion in 2011 improved by $1.6 billion as compared to the net loss in 2010. The improvement in 2011 reflected a significant decline in credit costs and lower operating expenses, given the continued decline in assets, partially offset by lower revenues.

While Citi Holdings' impact on Citi has been declining, it will likely continue to present a headwind for Citi's overall performance due to, among other factors, the lower percentage of interest-earning assets remaining in Citi Holdings, the slower pace of asset reductions and the transfer of the substantial majority of retail partner cards out of Citi Holdings into Citicorp—*North America Regional Consumer Banking* in the first quarter of 2012. During the first quarter of 2012, Citi will republish its historical segment reporting for Citicorp and Citi Holdings to reflect this transfer in prior periods. The adjusted net loss in Citi Holdings for these historical periods will be higher than previously reported, as the retail partner cards business in *Local Consumer Lending* was the primary source of profitability in Citi Holdings.

Citi Holdings' revenues declined 33% to $12.9 billion from the prior year. Net interest revenues decreased by $4.5 billion, or 30%, to $10.3 billion, primarily due to the decline in assets, including lower interest-earning assets in the *Special Asset Pool*. Non-interest revenues declined by $1.9 billion, or 42%, to $2.6 billion in 2011, driven by lower gains on asset sales and other revenue marks as compared to 2010, as well as divestitures.

Citi Holdings' assets declined $90 billion, or 25%, to $269 billion at the end of 2011, although Citi believes the pace of asset wind-down in Citi Holdings will decrease going forward. The decline during 2011 reflected nearly $49 billion in asset sales and business dispositions, $35 billion in net run-off and amortization and approximately $6 billion in net cost of credit and net asset marks. As of December 31, 2011, *Local Consumer Lending* continued to represent the largest segment within Citi Holdings, with $201 billion of assets. Over half of *Local Consumer Lending* assets, or approximately $109 billion, were related to *North America* real estate lending. As of December 31, 2011, there were approximately $10 billion of loan loss reserves allocated to *North America* real estate lending in Citi Holdings, representing roughly 31 months of coincident net credit loss coverage.

At the end of 2011, Citi Holdings assets comprised approximately 14% of total Citigroup GAAP assets and 25% of its risk-weighted assets. The first quarter of 2012 transfer of the substantial majority of the retail partner cards business (approximately $45 billion of assets, including approximately $41 billion of loans) will result in Citi Holdings comprising approximately 12% of total Citigroup GAAP assets and 21% of risk-weighted assets.

RESULTS OF OPERATIONS

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA—PAGE 1

Citigroup Inc. and Consolidated Subsidiaries

In millions of dollars, except per-share amounts, ratios and direct staff	**2011** [1]	2010 [2][3]	2009 [3]	2008 [3]	2007 [3]
Net interest revenue	**$ 48,447**	$ 54,186	$ 48,496	$ 53,366	$ 45,300
Non-interest revenue	**29,906**	32,415	31,789	(1,767)	32,000
Revenues, net of interest expense	**$ 78,353**	$ 86,601	$ 80,285	$ 51,599	$ 77,300
Operating expenses	**50,933**	47,375	47,822	69,240	58,737
Provisions for credit losses and for benefits and claims	**12,796**	26,042	40,262	34,714	17,917
Income (loss) from continuing operations before income taxes	**$ 14,624**	$ 13,184	$ (7,799)	$ (52,355)	$ 646
Income taxes (benefits)	**3,521**	2,233	(6,733)	(20,326)	(2,546)
Income (loss) from continuing operations	**$ 11,103**	$ 10,951	$ (1,066)	$ (32,029)	$ 3,192
Income (loss) from discontinued operations, net of taxes [4]	**112**	(68)	(445)	4,002	708
Net income (loss) before attribution of noncontrolling interests	**$ 11,215**	$ 10,883	$ (1,511)	$ (28,027)	$ 3,900
Net income (loss) attributable to noncontrolling interests	**148**	281	95	(343)	283
Citigroup's net income (loss)	**$ 11,067**	$ 10,602	$ (1,606)	$ (27,684)	$ 3,617
Less:					
Preferred dividends—Basic	**$ 26**	$ 9	$ 2,988	$ 1,695	$ 36
Impact of the conversion price reset related to the $12.5 billion convertible preferred stock private issuance—Basic	**—**	—	1,285	—	—
Preferred stock Series H discount accretion—Basic	**—**	—	123	37	—
Impact of the public and private preferred stock exchange offer	**—**	—	3,242	—	—
Dividends and undistributed earnings allocated to employee restricted and deferred shares that contain nonforfeitable rights to dividends, applicable to Basic EPS	**186**	90	2	221	261
Income (loss) allocated to unrestricted common shareholders for Basic EPS	**$ 10,855**	$ 10,503	$ (9,246)	$ (29,637)	$ 3,320
Less: Convertible preferred stock dividends [5]	**—**	—	(540)	(877)	—
Add: Interest expense, net of tax, on convertible securities and adjustment of undistributed earnings allocated to employee restricted and deferred shares that contain nonforfeitable rights to dividends, applicable to diluted EPS	**17**	2	—	—	—
Income (loss) allocated to unrestricted common shareholders for diluted EPS [5]	**$ 10,872**	$ 10,505	$ (8,706)	$ (28,760)	$ 3,320
Earnings per share [6]					
Basic					
Income (loss) from continuing operations	**3.69**	3.66	(7.61)	(63.89)	5 32
Net income (loss)	**3.73**	3.65	(7.99)	(56.29)	6.77
Diluted [5]					
Income (loss) from continuing operations	**$ 3.59**	$ 3.55	$ (7.61)	$ (63.89)	$ 5 30
Net income (loss)	**3.63**	3.54	(7.99)	(56.29)	6.74
Dividends declared per common share	**0.03**	0 00	0.10	11.20	21 60

Statement continues on the next page, including notes to the table.

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA–PAGE 2

Citigroup Inc. and Consolidated Subsidiaries

In millions of dollars, except per-share amounts, ratios and direct staff	**2011** [1]	2010 [2]	2009 [3]	2008 [3]	2007 [3]
At December 31					
Total assets	**$1,873,878**	$1,913,902	$1,856,646	$1,938,470	$2,187,480
Total deposits	**865,936**	844,968	835,903	774,185	826,230
Long-term debt	**323,505**	381,183	364,019	359,593	427,112
Mandatorily redeemable securities of subsidiary trusts (included in long-term debt)	**16,057**	18,131	19,345	24,060	23,756
Common stockholders' equity	**177,494**	163,156	152,388	70,966	113,447
Total Citigroup stockholders' equity	**177,806**	163,468	152,700	141,630	113,447
Direct staff *(in thousands)*	**266**	260	265	323	375
Ratios					
Return on average common stockholders' equity [7]	**6.3%**	6.8%	(9.4)%	(28.8)%	2.9%
Return on average total stockholders' equity [7]	**6.3**	6.8	(1.1)	(20.9)	3.0
Tier 1 Common [8]	**11.80%**	10.75%	9.60%	2.30%	5.02%
Tier 1 Capital	**13.55**	12.91	11.67	11.92	7.12
Total Capital	**16.99**	16.59	15.25	15.70	10.70
Leverage [9]	**7.19**	6.60	6.87	6.08	4.03
Common stockholders' equity to assets	**9.47%**	8.52%	8.21%	3.66%	5.19%
Total Citigroup stockholders' equity to assets	**9.49**	8.54	8.22	7.31	5.19
Dividend payout ratio [10]	**0.8**	NM	NM	NM	320.5
Book value per common share [5]	**$ 60.70**	$ 56.15	$ 53.50	$ 130.21	$ 227.12
Ratio of earnings to fixed charges and preferred stock dividends	**1.59x**	1.51x	NM	NM	1.01x

(1) As noted in the "Executive Summary" above, Citi has adjusted its 2011 results of operations that were previously announced on January 17, 2012 for an additional $209 million (after tax) charge. This charge relates to the agreement in principle with the United States and state attorneys general announced on February 9, 2012 regarding the settlement of a number of investigations into residential loan servicing and origination litigation, as well as the resolution of related mortgage litigation. The impact of these adjustments was a $275 million (pretax) increase in *Other operating expenses*, a $209 million (after-tax) reduction in *Net income* and a $0.06 (after-tax) reduction in *Diluted earnings per share*, for the full year of 2011. See Notes 29, 30 and 32 to the Consolidated Financial Statements.

(2) On January 1, 2010, Citigroup adopted SFAS 166/167. Prior periods have not been restated as the standards were adopted prospectively. See Note 1 to the Consolidated Financial Statements.

(3) On January 1, 2009, Citigroup adopted SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (now ASC 810-10-45-15, *Consolidation Noncontrolling Interest in a Subsidiary*), and FSP EITF 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities" (now ASC 260-10-45-59A, *Earnings Per Share Participating Securities and the Two-Class Method*). All prior periods have been restated to conform to the current period's presentation.

(4) Discontinued operations for 2007 to 2009 reflect the sale of Nikko Cordial Securities to Sumitomo Mitsui Banking Corporation, the sale of Citigroup's German retail banking operations to Crédit Mutuel, and the sale of CitiCapital's equipment finance unit to General Electric. Discontinued operations for 2007 to 2010 also include the operations and associated gain on sale of Citigroup's Travelers Life & Annuity, substantially all of Citigroup's international insurance business, and Citigroup's Argentine pension business sold to MetLife Inc. Discontinued operations for the second half of 2010 also reflect the sale of The Student Loan Corporation and, for 2011, primarily reflect the sale of the Egg Banking PLC credit card business. See Note 3 to the Consolidated Financial Statements.

(5) The diluted EPS calculation for 2009 and 2008 utilizes basic shares and income allocated to unrestricted common stockholders (Basic) due to the negative income allocated to unrestricted common stockholders. Using diluted shares and income allocated to unrestricted common stockholders (Diluted) would result in anti-dilution.

(6) All per share amounts and Citigroup shares outstanding for all periods reflect Citigroup's 1-for-10 reverse stock split, which was effective May 6, 2011.

(7) The return on average common stockholders' equity is calculated using net income less preferred stock dividends divided by average common stockholders' equity. The return on average total Citigroup stockholders' equity is calculated using net income divided by average Citigroup stockholders' equity.

(8) As defined by the banking regulators, the Tier 1 Common ratio represents Tier 1 Capital less qualifying perpetual preferred stock, qualifying noncontrolling interests in subsidiaries and qualifying mandatorily redeemable securities of subsidiary trusts divided by risk-weighted assets.

(9) The Leverage ratio represents Tier 1 Capital divided by adjusted average total assets.

(10) Dividends declared per common share as a percentage of net income per diluted share.

NM Not meaningful

SEGMENT AND BUSINESS—INCOME (LOSS) AND REVENUES

The following tables show the income (loss) and revenues for Citigroup on a segment and business view:

CITIGROUP INCOME (LOSS)

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Income (loss) from continuing operations					
CITICORP					
Global Consumer Banking					
North America	**$ 2,589**	$ 650	$ 789	**NM**	(18)%
EMEA	**79**	91	(220)	**(13)%**	NM
Latin America	**1,601**	1,789	429	**(11)**	NM
Asia	**1,927**	2,131	1,391	**(10)**	53
Total	**$ 6,196**	$ 4,661	$ 2,389	**33%**	95%
Securities and Banking					
North America	**$ 1,011**	$ 2,465	$ 2,369	**(59)%**	4%
EMEA	**2,008**	1,805	3,414	**11**	(47)
Latin America	**978**	1,091	1,558	**(10)**	(30)
Asia	**898**	1,138	1,854	**(21)**	(39)
Total	**$ 4,895**	$ 6,499	$ 9,195	**(25)%**	(29)%
Transaction Services					
North America	**$ 447**	$ 529	$ 609	**(16)%**	(13)%
EMEA	**1,142**	1,225	1,299	**(7)**	(6)
Latin America	**645**	664	616	**(3)**	8
Asia	**1,173**	1,255	1,254	**(7)**	—
Total	**$ 3,407**	$ 3,673	$ 3,778	**(7)%**	(3)%
Institutional Clients Group	**$ 8,302**	$10,172	$ 12,973	**(18)%**	(22)%
Total Citicorp	**$14,498**	$14,833	$ 15,362	**(2)%**	(3)%
CITI HOLDINGS					
Brokerage and Asset Management	**$ (286)**	$ (226)	$ 6,850	**(27)%**	NM
Local Consumer Lending	**(2,834)**	(4,988)	(10,484)	**43**	52%
Special Asset Pool	**596**	1,158	(5,425)	**(49)**	NM
Total Citi Holdings	**$ (2,524)**	$ (4,056)	$ (9,059)	**38%**	55%
Corporate/Other	**$ (871)**	$ 174	$ (7,369)	**NM**	NM
Income (loss) from continuing operations	**$11,103**	$10,951	$ (1,066)	**1%**	NM
Discontinued operations	**$ 112**	$ (68)	$ (445)		
Net income attributable to noncontrolling interests	**148**	281	95	**(47)%**	NM
Citigroup's net income (loss)	**$11,067**	$10,602	$ (1,606)	**4%**	NM

NM Not meaningful

CITIGROUP REVENUES

In millions of dollars	2011	2010	2009	% Change 2011 vs. 2010	% Change 2010 vs. 2009
CITICORP					
Global Consumer Banking					
North America	**$13,614**	$14,790	$ 8,575	**(8)%**	72%
EMEA	**1,479**	1,503	1,550	**(2)**	(3)
Latin America	**9,483**	8,685	7,883	**9**	10
Asia	**8,009**	7,396	6,746	**8**	10
Total	**$32,585**	$32,374	$ 24,754	**1%**	31%
Securities and Banking					
North America	**$ 7,558**	$ 9,393	$ 8,836	**(20)%**	6%
EMEA	**7,221**	6,849	10,056	**5**	(32)
Latin America	**2,364**	2,547	3,435	**(7)**	(26)
Asia	**4,274**	4,326	4,813	**(1)**	(10)
Total	**$21,417**	$23,115	$ 27,140	**(7)%**	(15)%
Transaction Services					
North America	**$ 2,442**	$ 2,485	$ 2,525	**(2)%**	(2)%
EMEA	**3,486**	3,356	3,389	**4**	(1)
Latin America	**1,705**	1,516	1,391	**12**	9
Asia	**2,936**	2,714	2,513	**8**	8
Total	**$10,569**	$10,071	$ 9,818	**5%**	3%
Institutional Clients Group	**$31,986**	$33,186	$ 36,958	**(4)%**	(10)%
Total Citicorp	**$64,571**	$65,560	$ 61,712	**(2)%**	6%
CITI HOLDINGS					
Brokerage and Asset Management	**$ 282**	$ 609	$ 14,623	**(54)%**	(96)%
Local Consumer Lending	**12,067**	15,826	17,765	**(24)**	(11)
Special Asset Pool	**547**	2,852	(3,260)	**(81)**	NM
Total Citi Holdings	**$12,896**	$19,287	$ 29,128	**(33)%**	(34)%
Corporate/Other	**$ 886**	$ 1,754	$ (10,555)	**(49)%**	NM
Total net revenues	**$78,353**	$86,601	$ 80,285	**(10)%**	8%

NM Not meaningful

CITICORP

Citicorp is Citigroup's global bank for consumers and businesses and represents Citi's core franchises. Citicorp is focused on providing best-in-class products and services to customers and leveraging Citigroup's unparalleled global network. Citicorp is physically present in approximately 100 countries, many for over 100 years, and offers services in over 160 countries and jurisdictions. Citi believes this global network provides a strong foundation for servicing the broad financial services needs of large multinational clients and for meeting the needs of retail, private banking, commercial, public sector and institutional clients around the world. Citigroup's global footprint provides coverage of the world's emerging economies, which Citi continues to believe represent a strong area of growth. At December 31, 2011, Citicorp had approximately $1.3 trillion of assets and $797 billion of deposits, representing approximately 70% of Citi's total assets and approximately 92% of its deposits.

At December 31, 2011, Citicorp consisted of the following businesses: *Global Consumer Banking* (which included retail banking and Citi-branded cards in four regions—*North America, EMEA, Latin America* and *Asia*) and *Institutional Clients Group* (which included *Securities and Banking* and *Transaction Services*).

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$38,135**	$38,585	$34,197	**(1)%**	13%
Non-interest revenue	**26,436**	26,975	27,515	**(2)**	(2)
Total revenues, net of interest expense	**$64,571**	$65,560	$61,712	**(2)%**	6%
Provisions for credit losses and for benefits and claims					
Net credit losses	**$ 8,307**	$11,789	$ 6,155	**(30)%**	92%
Credit reserve build (release)	**(3,544)**	(2,167)	2,715	**(64)**	NM
Provision for loan losses	**$ 4,763**	$ 9,622	$ 8,870	**(50)%**	8%
Provision for benefits and claims	**152**	151	164	**1**	(8)
Provision for unfunded lending commitments	**92**	(32)	138	**NM**	NM
Total provisions for credit losses and for benefits and claims	**$ 5,007**	$ 9,741	$ 9,172	**(49)%**	6%
Total operating expenses	**$39,620**	$36,144	$32,698	**10%**	11%
Income from continuing operations before taxes	**$19,944**	$19,675	$19,842	**1%**	(1)%
Provisions for income taxes	**5,446**	4,842	4,480	**12**	8%
Income from continuing operations	**$14,498**	$14,833	$15,362	**(2)%**	(3)%
Net income attributable to noncontrolling interests	**56**	122	68	**(54)**	79
Citicorp's net income	**$14,442**	$14,711	$15,294	**(2)%**	(4)%
Balance sheet data *(in billions of dollars)*					
Total EOP assets	**$ 1,319**	$ 1,284	$ 1,138	**3%**	13%
Average assets	**$ 1,358**	$ 1,257	$ 1,088	**8%**	16%
Total EOP deposits	**797**	760	734	**5**	4

NM Not meaningful

GLOBAL CONSUMER BANKING

Global Consumer Banking (GCB) consists of Citigroup's four geographical *Regional Consumer Banking (RCB)* businesses that provide traditional banking services to retail customers. As of December 31, 2011, *GCB* also contained Citigroup's branded cards and local commercial banking businesses and, effective in the first quarter of 2012, will also include its retail partner cards business. *GCB* is a globally diversified business with nearly 4,200 branches in 39 countries around the world. At December 31, 2011, *GCB* had $340 billion of assets and $313 billion of deposits.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$23,090**	$23,184	$ 16,353	—	42%
Non-interest revenue	**9,495**	9,190	8,401	**3%**	9
Total revenues, net of interest expense	**$32,585**	$32,374	$ 24,754	**1%**	31%
Total operating expenses	**$18,933**	$16,547	$ 15,125	**14%**	9%
Net credit losses	**$ 7,688**	$11,216	$ 5,395	**(31)%**	NM
Credit reserve build (release)	**(2,988)**	(1,541)	1,823	**(94)**	NM
Provisions for unfunded lending commitments	**3**	(3)	—	**NM**	—
Provision for benefits and claims	**152**	151	164	**1**	(8)%
Provisions for credit losses and for benefits and claims	**$ 4,855**	$ 9,823	$ 7,382	**(51)%**	33%
Income (loss) from continuing operations before taxes	**$ 8,797**	$ 6,004	$ 2,247	**47%**	NM
Income taxes (benefits)	**2,601**	1,343	(142)	**94**	NM
Income (loss) from continuing operations	**$ 6,196**	$ 4,661	$ 2,389	**33%**	95%
Net income (loss) attributable to noncontrolling interests	**—**	(9)	—	**100**	—
Net income (loss)	**$ 6,196**	$ 4,670	$ 2,389	**33%**	95%
Average assets *(in billions of dollars)*	**$ 335**	$ 309	$ 242	**8%**	28%
Return on assets	**1.85%**	1.51%	0.99%		
Total EOP assets	**$ 340**	$ 328	$ 255	**4**	29
Average deposits *(in billions of dollars)*	**311**	295	275	**5**	7
Net credit losses as a percentage of average loans	**3.25%**	5.11%	3.62%		
Revenue by business					
Retail banking	**$16,229**	$15,767	$ 14,782	**3%**	7%
Citi-branded cards	**16,356**	16,607	9,972	**(2)**	67
Total	**$32,585**	$32,374	$ 24,754	**1%**	31%
Income (loss) from continuing operations by business					
Retail banking	**$ 2,529**	$ 3,082	$ 2,387	**(18)%**	29%
Citi-branded cards	**3,667**	1,579	2	**NM**	NM
Total	**$ 6,196**	$ 4,661	$ 2,389	**33%**	95%

NM Not meaningful

NORTH AMERICA REGIONAL CONSUMER BANKING

North America Regional Consumer Banking (NA RCB) provides traditional banking and Citi-branded card services to retail customers and small to mid-size businesses in the U.S. Effective in the first quarter of 2012, *NA RCB* will also include the substantial majority of Citi's retail partner cards business, which will add approximately $45 billion of assets, including $41 billion of loans, to *NA RCB*. *NA RCB's* 1,016 retail bank branches and 12.7 million customer accounts, as of December 31, 2011, are largely concentrated in the greater metropolitan areas of New York, Los Angeles, San Francisco, Chicago, Miami, Washington, D.C., Boston, Philadelphia and certain larger cities in Texas. At December 31, 2011, *NA RCB* had $38.9 billion of retail banking loans and $148.8 billion of deposits. In addition, *NA RCB* had 22.0 million Citi-branded credit card accounts, with $75 9 billion in outstanding card loan balances.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$10,367**	$11,216	$ 5,206	**(8)%**	NM
Non-interest revenue	**3,247**	3,574	3,369	**(9)**	6%
Total revenues, net of interest expense	**$13,614**	$14,790	$ 8,575	**(8)%**	72%
Total operating expenses	**$ 7,329**	$ 6,163	$ 5,890	**19%**	5%
Net credit losses	**$ 4,949**	$ 8,019	$ 1,152	**(38)%**	NM
Credit reserve build (release)	**(2,740)**	(312)	527	**NM**	NM
Provisions for benefits and claims	**22**	24	50	**(8)**	(52)%
Provisions for loan losses and for benefits and claims	**$ 2,231**	$ 7,731	$ 1,729	**(71)%**	NM
Income from continuing operations before taxes	**$ 4,054**	$ 896	956	**NM**	(6)%
Income taxes	**1,465**	246	167	**NM**	47
Income from continuing operations	**$ 2,589**	$ 650	$ 789	**NM**	(18)%
Net income attributable to noncontrolling interests	**—**	—	—	**—**	—
Net income	**$ 2,589**	$ 650	$ 789	**NM**	(18)%
Average assets *(in billions of dollars)*	**$ 123**	$ 119	$ 73	**3%**	63%
Average deposits *(in billions of dollars)*	**145**	145	141	**—**	3
Net credit losses as a percentage of average loans	**4.60%**	7.48%	2.43%		
Revenue by business					
Retail banking	**$ 5,111**	$ 5,325	$ 5,236	**(4)%**	2%
Citi-branded cards	**8,503**	9,465	3,339	**(10)**	NM
Total	**$13,614**	$14,790	$ 8,575	**(8)%**	72%
Income (loss) from continuing operations by business					
Retail banking	**$ 488**	$ 762	$ 751	**(36)%**	1%
Citi-branded cards	**2,101**	(112)	38	**NM**	NM
Total	**$ 2,589**	$ 650	$ 789	**NM**	(18)%
Total GAAP revenues	**$13,614**	$14,790	$ 8,575	**(8)%**	72%
Net impact of credit card securitizations activity[1]	**—**	—	6,672		
Total managed revenues	**$13,614**	$14,790	$15,247		(3)%
Total GAAP net credit losses	**$ 4,949**	$ 8,019	$ 1,152	**(38)%**	NM
Impact of credit card securitizations activity[1]	**—**	—	6,931		
Total managed net credit losses	**$ 4,949**	$ 8,019	$ 8,083		(1)%

(1) See Note 1 to the Consolidated Financial Statements for a discussion of the impact of SFAS 166/167
NM Not meaningful

2011 vs. 2010

Net income increased $1.9 billion as compared to the prior year, driven by higher loan loss reserve releases and an improvement in net credit losses, partly offset by lower revenues and higher expenses. Citi does not expect the same level of loan loss reserve releases in *NA RCB* in 2012 as it believes credit costs in the business have generally stabilized.

Revenues decreased 8% mainly due to lower net interest margin and loan balances in the Citi-branded cards business as well as lower mortgage-related revenues, primarily relating to lower refinancing activity and lower margins as compared to the prior year

Net interest revenue decreased 8%, driven primarily by lower cards net interest margin which was negatively impacted by the look-back provision of The Credit Card Accountability Responsibility and Disclosure Act (CARD Act). As previously disclosed, the look-back provision of the CARD Act generally requires a review to be done once every six months for card accounts where the annual percentage rate (APR) has been increased since January 1, 2009 to assess whether changes in credit risk, market conditions or other factors merit a future decline in the APR. In addition, net interest margin for cards was negatively impacted by higher promotional balances and lower total average loans. As a result, cards net interest revenue as a percentage of average loans decreased to 9.48% from 10.28% in the prior year. Citi expects margin growth to remain under pressure into 2012 given the continued investment spending in the business during 2012, which largely began in the second half of 2011.

Non-interest revenue decreased 9%, primarily due to lower gains from the sale of mortgage loans as Citi held more loans on-balance sheet. In addition, the decline in non-interest revenue reflected lower banking fee income.

Expenses increased 19%, primarily driven by the higher investment spending in the business during the second half of 2011, particularly in cards marketing and technology, and increases in litigation accruals related to the interchange litigation (see Note 29 to the Consolidated Financial Statements).

Provisions decreased $5.5 billion, or 71%, primarily due to a loan loss reserve release of $2.7 billion in 2011, compared to a loan loss reserve release of $0.3 billion in 2010, and lower net credit losses in the Citi-branded cards portfolio. Cards net credit losses were down $3.0 billion, or 39%, from 2010, and the net credit loss ratio decreased 366 basis points to 6.36% for 2011. The decline in credit costs was driven by improving credit conditions as well as continued stricter underwriting criteria, which lowered the cards risk profile. As referenced above, Citi believes the improvements in, and Citi's resulting benefit from, declining credit costs in NA RCB will likely slow into 2012.

2010 vs. 2009

Net income declined by $139 million, or 18%, as compared to the prior year, driven by higher credit costs due to Citi's adoption of SFAS 166/167, partially offset by higher *revenues*.

Revenues increased 72% from the prior year, primarily due to the consolidation of securitized credit card receivables pursuant to the adoption of SFAS 166/167 effective January 1, 2010. On a comparable basis, revenues declined 3% from the prior year, mainly due to lower volumes in Citi-branded cards as well as the net impact of the CARD Act on cards revenues. This decrease was partially offset by better mortgage-related revenues driven by higher refinancing activity.

Net interest revenue was down 6% on a comparable basis driven primarily by lower volumes in cards, with average managed loans down 7% from the prior year, and in retail banking, where average loans declined 11%. The decline in cards was driven by the stricter underwriting criteria referenced above as well as the impact of CARD Act. The increase in deposit volumes, up 3% from the prior year, was offset by lower spreads due to the then-current interest rate environment.

Non-interest revenue increased 6% on a comparable basis from the prior year mainly driven by better servicing hedge results and higher gains on sale from the sale of mortgage loans.

Expenses increased 5% from the prior year, driven by the impact of higher litigation accruals, primarily in the first quarter of 2010, and higher marketing costs.

Provisions increased $6.0 billion, primarily due to the consolidation of securitized credit card receivables pursuant to the adoption of SFAS 166/167. On a comparable basis, provisions decreased $0.9 billion, or 11%, primarily due to a net loan loss reserve release of $0.3 billion in 2010 compared to a $0.5 billion loan loss reserve build in the prior year coupled with lower net credit losses in the cards portfolio. Also on a comparable basis, the cards net credit loss ratio increased 61 basis points to 10.02%, driven by lower average loans.

EMEA REGIONAL CONSUMER BANKING

EMEA Regional Consumer Banking (EMEA RCB) provides traditional banking and Citi-branded card services to retail customers and small to mid-size businesses, primarily in Central and Eastern Europe, the Middle East and Africa (remaining retail banking and cards activities in Western Europe are included in Citi Holdings). The countries in which *EMEA RCB* has the largest presence are Poland, Turkey, Russia and the United Arab Emirates. At December 31, 2011, *EMEA RCB* had 292 retail bank branches with 3.7 million customer accounts, $4.2 billion in retail banking loans and $9.5 billion in deposits. In addition, the business had 2.6 million Citi-branded card accounts with $2.7 billion in outstanding card loan balances.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$ 893**	$ 923	$ 974	**(3)%**	(5)%
Non-interest revenue	**586**	580	576	**1**	1
Total revenues, net of interest expense	**$1,479**	$1,503	$1,550	**(2)%**	(3)%
Total operating expenses	**$1,287**	$1,179	$1,120	**9%**	5%
Net credit losses	**$ 172**	$ 316	$ 472	**(46)%**	(33)%
Provision for unfunded lending commitments	**3**	(4)	—	**NM**	—
Credit reserve build (release)	**(118)**	(118)	310	**—**	NM
Provisions for loan losses	**$ 57**	$ 194	$ 782	**(71)%**	(75)%
Income (loss) from continuing operations before taxes	**$ 135**	$ 130	$ (352)	**4%**	NM
Income taxes (benefits)	**56**	39	(132)	**44**	NM
Income (loss) from continuing operations	**$ 79**	$ 91	$ (220)	**(13)%**	NM
Net income (loss) attributable to noncontrolling interests	**—**	(1)	—	**100**	—
Net income (loss)	**$ 79**	$ 92	$ (220)	**(14)%**	NM
Average assets *(in billions of dollars)*	**$ 10**	$ 10	$ 11	**—**	(9)%
Return on assets	**0.79%**	0.92%	(2.01)%		
Average deposits *(in billions of dollars)*	**$ 10**	$ 9	$ 9	**11**	—
Net credit losses as a percentage of average loans	**2.38%**	4.45%	5.64%		
Revenue by business					
Retail banking	**$ 811**	$ 822	$ 884	**(1)%**	(7)%
Citi-branded cards	**668**	681	666	**(2)**	2
Total	**$1,479**	$1,503	$1,550	**(2)%**	(3)%
Income (loss) from continuing operations by business					
Retail banking	**$ (56)**	$ (54)	$ (188)	**(4)%**	71%
Citi-branded cards	**135**	145	(32)	**(7)**	NM
Total	**$ 79**	$ 91	$ (220)	**(13)%**	NM

NM Not meaningful

2011 vs. 2010

Net income declined 14% as compared to the prior year as an improvement in net credit losses was partially offset by lower revenues and higher expenses from increased investment spending. During 2011, the U.S. dollar generally depreciated versus local currencies. As a result, the impact of FX translation accounted for an approximately 1% growth in revenues and expenses, respectively.

Revenues declined 2% driven by the continued liquidation of higher yielding non-strategic customer portfolios and a lower contribution from Akbank, Citi's equity investment in Turkey. The revenue decline was partly offset by the impact of FX translation and improved underlying trends in the core lending portfolio, discussed below.

Net interest revenue declined 3% due to the continued decline in the higher yielding non-strategic retail banking portfolio and spread compression in the Citi-branded cards portfolio. Interest rate caps on credit cards, particularly in Turkey and Poland, contributed to the lower spreads in the cards portfolio.

Non-interest revenue increased 1%, reflecting higher investment sales and cards fees, partly offset by the lower contribution from Akbank. Underlying drivers continued to show growth as investment sales grew 28% from the prior year and cards purchase sales grew 14%.

Expenses increased 9%, due to the impact of FX translation, investment spending and higher transactional expenses, partly offset by continued savings initiatives. Expenses could remain at elevated levels in 2012 given continued investment spending.

Provisions were 71% lower than the prior year driven by a reduction in net credit losses. Net credit losses decreased 46%, reflecting the continued credit quality improvement during the year, stricter underwriting criteria and the move to lower risk products. Loan loss reserve releases were flat. Assuming the underlying core portfolio continues to grow and season in 2012, Citi expects credit costs to rise.

2010 vs. 2009

Net income improved by $313 million, driven by the reduction in credit costs, partly offset by lower revenues and higher expenses. During 2010, the U.S. dollar generally appreciated versus local currencies. As a result, the impact of FX translation accounted for an approximately 1% decline in revenues and expenses, respectively.

Revenues declined 3% driven by FX translation and the continued liquidation of non-strategic customer portfolios *Net interest revenue* was 5% lower due to the continued decline in the higher yielding non-strategic retail banking portfolio. In 2010, Citi focused its lending strategy around higher credit quality customers who tend to revolve less, meaning they have lower average balances than customers previously had. While this led to lower credit costs, it also negatively impacted *Net interest revenue* as customers paid off their loans more quickly. *Non-interest revenue* increased 1%, reflecting higher investment sales and a higher contribution from Citi's equity investment in Akbank.

Expenses increased 5%, due to account acquisition-focused investment spending and volumes. As the average customer credit quality improved, Citi focused on volume growth to compensate for the lower revenue. The expansion of the sales force in 2010 drove some of the expense increase as compared to 2009.

Provisions decreased 75% from the prior year driven by reduction in net credit losses and higher loan loss reserve releases Net credit losses decreased 33%, reflecting continued credit quality improvement and the move to lower risk products.

LATIN AMERICA REGIONAL CONSUMER BANKING

Latin America Regional Consumer Banking (LATAM RCB) provides traditional banking and branded card services to retail customers and small to mid-size businesses, with the largest presence in Mexico and Brazil. *LATAM RCB* includes branch networks throughout *Latin America* as well as Banco Nacional de Mexico, or Banamex, Mexico's second-largest bank, with over 1,700 branches. At December 31, 2011, *LATAM RCB* overall had 2,221 retail branches, with 29.2 million customer accounts, $24.0 billion in retail banking loans and $44.8 billion in deposits. In addition, the business had 12.9 million Citi-branded card accounts with $13.7 billion in outstanding loan balances.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$6,465**	$5,968	$5,365	**8%**	11%
Non-interest revenue	**3,018**	2,717	2,518	**11**	8
Total revenues, net of interest expense	**$9,483**	$8,685	$7,883	**9%**	10%
Total operating expenses	**$5,734**	$5,159	$4,550	**11%**	13%
Net credit losses	**$1,684**	$1,868	$2,432	**(10)%**	(23)%
Credit reserve build (release)	**(67)**	(823)	463	**92**	NM
Provision for benefits and claims	**130**	127	114	**2**	11
Provisions for loan losses and for benefits and claims	**$1,747**	$1,172	$3,009	**49%**	(61)%
Income (loss) from continuing operations before taxes	**$2,002**	$2,354	$ 324	**(15)%**	NM
Income taxes (benefits)	**401**	565	(105)	**(29)**	NM
Income (loss) from continuing operations	**$1,601**	$1,789	$ 429	**(11)%**	NM
Net (loss) attributable to noncontrolling interests	**—**	(8)	—	**100**	—
Net income (loss)	**$1,601**	$1,797	$ 429	**(11)%**	NM
Average assets *(in billions of dollars)*	**$ 80**	$ 73	$ 66	**10%**	11%
Return on assets	**2.00%**	2.45%	0 65%		
Average deposits *(in billions of dollars)*	**$ 46**	$ 41	$ 36	**12%**	14%
Net credit losses as a percentage of average loans	**4.64%**	6 05%	8 52%		
Revenue by business					
Retail banking	**$5,482**	$5,034	$4,401	**9%**	14%
Citi-branded cards	**4,001**	3,651	3,482	**10**	5
Total	**$9,483**	$8,685	$7,883	**9%**	10%
Income (loss) from continuing operations by business					
Retail banking	**$ 923**	$ 938	$ 657	**(2)%**	43%
Citi-branded cards	**678**	851	(228)	**(20)**	NM
Total	**$1,601**	$1,789	$ 429	**(11)%**	NM

NM Not meaningful

2011 vs. 2010

Net income declined 11% as lower loan loss reserve releases more than offset increased operating margin. During 2011, the U S dollar generally depreciated versus local currencies. As a result, FX translation contributed approximately 2% to the growth in each of revenues and expenses.

Revenues increased 9% primarily due to higher volumes as well as the impact of FX translation *Net interest revenue* increased 8% driven by the continued growth in lending and deposit volumes, partially offset by continued spread compression The declining rate environment negatively impacted *Net interest revenue* as interest revenue declined at a faster pace than interest expense Spread compression was also driven by the continued move towards customers with a lower risk profile and stricter underwriting criteria, especially in the branded cards portfolio. *Non-interest revenue* increased 11%, predominantly driven by an increase in banking fee income from credit card purchase sales, which grew 22%

Expenses increased 11% due to higher volumes and investment spending, including increased marketing and customer acquisition costs as well as new branches. These increased expenses were partially offset by continued savings initiatives. The increase in the level of investment spending in the business was largely completed at the end of 2011.

Provisions increased 49% reflecting lower loan loss reserve releases in 2011 as compared to 2010 Towards the end of 2011, there was a build in the loan loss reserves, primarily driven by increased volumes, particularly in the personal loan portfolio in Mexico Net credit losses declined 10%, driven primarily by improvements in the Mexico cards portfolio The cards net credit loss ratio declined from 11.7% in 2010 to 8.8% in 2011, driven in part by the continued move towards customers with a lower risk profile and stricter underwriting criteria. Citi currently expects the Citi-branded cards net credit loss ratio to stabilize in 2012 as new loans continue to season. Credit costs will likely increase in line with portfolio growth.

2010 vs. 2009

Net income increased $1.4 billion driven by lower credit costs as Citi released reserves in 2010 as compared to reserve builds in 2009. During 2010, the U.S. dollar generally appreciated versus local currencies. As a result, FX translation contributed approximately 5% to the decline in both revenues and expenses.

Revenues increased 10%. *Net interest revenue* increased 11% as higher loan volumes, particularly in the retail bank, offset the effect of spread compression. Spread compression was driven by the lower interest rates and move towards the above referenced lower risk customer base. *Non-interest revenue* increased 8% due to higher banking fee income from increased purchase sale activity and FX translation.

Expenses increased 13% due to FX translation as well as higher volumes and transaction-related expenses as economic conditions improved. The increase in expenses was also due to increased investment spending, including new cards acquisitions and new branches.

Provisions decreased 61% primarily reflecting loan loss reserve releases of $823 million compared to a build of $463 million in the prior year as well as a $564 million improvement in net credit losses. The increase in loan loss reserve releases and decrease in net credit losses primarily resulted from improved credit conditions and portfolio quality in the Citi-branded cards portfolio, primarily in Mexico, as well as the move to customers with a lower risk profile and stricter underwriting criteria referenced above.

ASIA REGIONAL CONSUMER BANKING

Asia Regional Consumer Banking (Asia RCB) provides traditional banking and Citi-branded card services to retail customers and small- to mid-size businesses, with the largest Citi presence in South Korea, Japan, Taiwan, Singapore, Australia, Hong Kong, India and Indonesia. Citi's Japan Consumer Finance business, which Citi has been exiting since 2008, is included in Citi Holdings (see "Citi Holdings—*Local Consumer Lending*" below). At December 31, 2011, *Asia RCB* had 671 retail branches, 16.3 million customer accounts, $66.2 billion in retail banking loans and $109.7 billion in deposits. In addition, the business had 15.9 million Citi-branded card accounts with $21.0 billion in outstanding loan balances.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$5,365**	$5,077	$4,808	**6%**	6%
Non-interest revenue	**2,644**	2,319	1,938	**14**	20
Total revenues, net of interest expense	**$8,009**	$7,396	$6,746	**8%**	10%
Total operating expenses	**$4,583**	$4,046	$3,565	**13%**	13%
Net credit losses	**$ 883**	$1,013	$1,339	**(13)%**	(24)%
Credit reserve build (release)	**(63)**	(287)	523	**78**	NM
Provisions for loan losses and for benefits and claims	**$ 820**	$ 726	$1,862	**13%**	(61)%
Income from continuing operations before taxes	**$2,606**	$2,624	$1,319	**(1)%**	99%
Income taxes (benefits)	**679**	493	(72)	**38**	NM
Income from continuing operations	**$1,927**	$2,131	$1,391	**(10)%**	53%
Net income attributable to noncontrolling interests	**—**	—	—	**—**	—
Net income	**$1,927**	$2,131	$1,391	**(10)%**	53%
Average assets *(in billions of dollars)*	**$ 122**	$ 108	$ 93	**13%**	16%
Return on assets	**1.58%**	1.97%	1.50%		
Average deposits *(in billions of dollars)*	**$ 110**	$ 100	$ 89	**10%**	12%
Net credit losses as a percentage of average loans	**1.03%**	1.37%	2.07%		
Revenue by business					
Retail banking	**$4,825**	$4,586	$4,261	**5%**	8%
Citi-branded cards	**3,184**	2,810	2,485	**13**	13
Total	**$8,009**	$7,396	$6,746	**8%**	10%
Income from continuing operations by business					
Retail banking	**$1,174**	$1,436	$1,167	**(18)%**	23%
Citi-branded cards	**753**	695	224	**8**	NM
Total	**$1,927**	$2,131	$1,391	**(10)%**	53%

NM Not meaningful

2011 vs. 2010

Net income decreased 10%, driven by higher operating expenses, lower loan loss reserve releases and a higher effective tax rate, partially offset by growth in revenue. The higher effective tax rate was due to lower tax benefits (APB 23) and a tax charge of $66 million due to a write-down in the value of deferred tax assets due to a change in the tax law, each in Japan. During 2011, the U.S. dollar generally depreciated versus local currencies. As a result, the impact of FX translation accounted for an approximately 5% growth in revenues and expenses.

Revenues increased 8%, primarily driven by higher business volumes and the impact of FX translation, partially offset by continued spread compression and $65 million of net charges relating to the repurchase of certain Lehman structured notes (see Note 29 to the Consolidated Financial Statements). *Net interest revenue* increased 6%, as investment initiatives and sustained economic growth in the region continued to drive higher lending and deposit volumes. Spread compression continued to partly offset the benefit of higher balances and continued to be driven by stricter underwriting criteria resulting in a lowering of the risk profile for personal and other loans. Spread compression will likely continue to have a negative impact on net interest revenue in the near-term. *Non-interest revenue* increased 14%, primarily due to a 17% increase in Citi-branded cards purchase sales and higher revenues from foreign exchange products, partially offset by a 12% decrease in investment sales, particularly in the second half of 2011, and the net charges for the repurchase of certain Lehman structured notes.

Expenses increased 13% due to continued investment spending, growth in business volumes, repositioning charges and higher legal and related expenses, as well as the impact of FX translation, partially offset by ongoing productivity savings. The increase in the level of incremental investment spending in the business was largely completed at the end of 2011.

Provisions increased 13% as lower loan loss reserve releases were partially offset by lower net credit losses. The increase in credit provisions reflected the increasing volumes in the region, partially offset by continued credit quality improvement. India remained a significant driver of the improvement in credit quality, as it continued to de-risk elements of its legacy portfolio. Citi believes that provisions could continue to increase as the portfolio continues to grow and season.

2010 vs. 2009

Net income increased 53%, driven by growth in revenue and a decrease in provisions, partially offset by higher operating expenses and a higher effective tax rate. During 2010, the U.S. dollar generally depreciated versus local currencies. As a result, the impact of FX translation accounted for approximately 6% growth in revenues, and 7% growth in expenses.

Revenues increased 10%, driven by higher business volumes and the impact of FX translation, partially offset by spread compression. *Net interest revenue* increased 6%, as investment initiatives and sustained economic growth in the region drove higher lending and deposit volumes, which were partly offset by the spread compression. *Non-interest revenue* increased 20%, primarily due to higher investment sales and a 19% increase in Citi-branded cards purchase sales.

Expenses increased 13%, due to growth in business volumes, investment spending and the impact of FX translation.

Provisions decreased 61%, mainly due to the net impact of a loan loss reserve release of $287 million in 2010, compared to a $523 million loan loss reserve build in 2009 and a 24% decline in net credit losses. The decrease in provisions reflected continued credit quality improvement across the region, particularly in India, partially offset by the increasing volumes in the region.

INSTITUTIONAL CLIENTS GROUP

Institutional Clients Group (ICG) includes *Securities and Banking* and *Transaction Services*. *ICG* provides corporate, institutional, public sector and high-net-worth clients around the world with a full range of products and services, including cash management, foreign exchange, trade finance and services, securities services, sales and trading, institutional brokerage, underwriting, lending and advisory services. *ICG*'s international presence is supported by trading floors in approximately 75 countries and jurisdictions and a proprietary network within *Transaction Services* in over 95 countries and jurisdictions. At December 31, 2011, *ICG* had $979 billion of assets and $484 billion of deposits.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Commissions and fees	**$ 4,447**	$ 4,266	$ 4,197	**4%**	2%
Administration and other fiduciary fees	**2,775**	2,751	2,855	**1**	(4)
Investment banking	**3,029**	3,520	4,687	**(14)**	(25)
Principal transactions	**4,873**	5,567	5,626	**(12)**	(1)
Other	**1,817**	1,681	1,749	**8**	(4)
Total non-interest revenue	**$16,941**	$17,785	$19,114	**(5)%**	(7)%
Net interest revenue (including dividends)	**15,045**	15,401	17,844	**(2)**	(14)
Total revenues, net of interest expense	**$31,986**	$33,186	$36,958	**(4)%**	(10)%
Total operating expenses	**20,687**	19,597	17,573	**6**	12
Net credit losses	**619**	573	760	**8**	(25)
Provision (release) for unfunded lending commitments	**89**	(29)	138	**NM**	NM
Credit reserve build (release)	**(556)**	(626)	892	**11**	NM
Provisions for loan losses and benefits and claims	**$ 152**	$ (82)	$ 1,790	**NM**	NM
Income from continuing operations before taxes	**$11,147**	$13,671	$17,595	**(18)%**	(22)%
Income taxes	**2,845**	3,499	4,622	**(19)**	(24)
Income from continuing operations	**$ 8,302**	$10,172	$12,973	**(18)%**	(22)%
Net income attributable to noncontrolling interests	**56**	131	68	**(57)**	93
Net income	**$ 8,246**	$10,041	$12,905	**(18)%**	(22)%
Average assets (*in billions of dollars*)	**$ 1,024**	$ 948	$ 846	**8%**	12%
Return on assets	**0.81%**	1.06%	1.53%		
Revenues by region					
North America	**$10,000**	$11,878	$11,361	**(16)%**	5%
EMEA	**10,707**	10,205	13,445	**5**	(24)
Latin America	**4,069**	4,063	4,826	**—**	(16)
Asia	**7,210**	7,040	7,326	**2**	(4)
Total revenues	**$31,986**	$33,186	$36,958	**(4)%**	(10)%
Income from continuing operations by region					
North America	**$ 1,458**	$ 2,994	$ 2,978	**(51)%**	1%
EMEA	**3,150**	3,030	4,713	**4**	(36)
Latin America	**1,623**	1,755	2,174	**(8)**	(19)
Asia	**2,071**	2,393	3,108	**(13)**	(23)
Total income from continuing operations	**$ 8,302**	$10,172	$12,973	**(18)%**	(22)%
Average loans by region (*in billions of dollars*)					
North America	**$ 69**	$ 67	$ 52	**3%**	29%
EMEA	**47**	38	45	**24**	(16)
Latin America	**29**	23	22	**26**	5
Asia	**52**	36	28	**44**	29
Total average loans	**$ 197**	$ 164	$ 147	**20%**	12%

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SECURITIES AND BANKING

Securities and Banking (S&B) offers a wide array of investment and commercial banking services and products for corporations, governments, institutional and retail investors, and high-net-worth individuals. *S&B* transacts with clients in both cash instruments and derivatives, including fixed income, foreign currency, equity, and commodity products. *S&B* includes investment banking and advisory services, lending, debt and equity sales and trading, institutional brokerage, derivative services and private banking.

S&B revenue is generated primarily from fees and spreads associated with these activities. *S&B* earns fee income for assisting clients in clearing transactions, providing brokerage and investment banking services and other such activities. Revenue generated from these activities is recorded in *Commissions and fees*. In addition, as a market maker, *S&B* facilitates transactions, including holding product inventory to meet client demand, and earns the differential between the price at which it buys and sells the products. These price differentials and the unrealized gains and losses on the inventory are recorded in *Principal transactions*. *S&B* interest income earned on inventory and loans held is recorded as a component of *Net interest revenue*.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs 2009
Net interest revenue	**$ 9,116**	$ 9,723	$12,170	**(6)%**	(20)%
Non-interest revenue	**12,301**	13,392	14,970	**(8)**	(11)
Revenues, net of interest expense	**$21,417**	$23,115	$27,140	**(7)%**	(15)%
Total operating expenses	**15,028**	14,693	13,090	**2**	12
Net credit losses	**602**	567	758	**6**	(25)
Provision (release) for unfunded lending commitments	**86**	(29)	138	**NM**	NM
Credit reserve build (release)	**(572)**	(562)	887	**(2)**	NM
Provisions for loan losses and benefits and claims	**$ 116**	$ (24)	$ 1,783	**NM**	NM
Income before taxes and noncontrolling interests	**$ 6,273**	$ 8,446	$12,267	**(26)%**	(31)%
Income taxes	**1,378**	1,947	3,072	**(29)**	(37)
Income from continuing operations	**4,895**	6,499	9,195	**(25)**	(29)
Net income attributable to noncontrolling interests	**37**	110	55	**(66)**	100
Net income	**$ 4,858**	$ 6,389	$ 9,140	**(24)%**	(30)%
Average assets *(in billions of dollars)*	**$ 894**	$ 841	$ 759	**6%**	11%
Return on assets	**0.54%**	0.76%	1.21%		
Revenues by region					
North America	**$ 7,558**	$ 9,393	$ 8,836	**(20)%**	6%
EMEA	**7,221**	6,849	10,056	**5**	(32)
Latin America	**2,364**	2,547	3,435	**(7)**	(26)
Asia	**4,274**	4,326	4,813	**(1)**	(10)
Total revenues	**$21,417**	$23,115	$27,140	**(7)%**	(15)%
Income from continuing operations by region					
North America	**$ 1,011**	$ 2,465	$ 2,369	**(59)%**	4%
EMEA	**2,008**	1,805	3,414	**11**	(47)
Latin America	**978**	1,091	1,558	**(10)**	(30)
Asia	**898**	1,138	1,854	**(21)**	(39)
Total income from continuing operations	**$ 4,895**	$ 6,499	$ 9,195	**(25)%**	(29)%
Securities and Banking revenue details					
Total investment banking	**$ 3,310**	$ 3,828	$ 4,767	**(14)%**	(20)%
Lending	**1,802**	962	(2,447)	**87**	NM
Equity markets	**2,756**	3,501	3,183	**(21)**	10
Fixed income markets	**12,263**	14,077	21,294	**(13)**	(34)
Private bank	**2,146**	2,004	2,068	**7**	(3)
Other *Securities and Banking*	**(860)**	(1,257)	(1,725)	**32**	27
Total *Securities and Banking* revenues	**$21,417**	$23,115	$27,140	**(7)%**	(15)%

NM Not meaningful

2011 vs. 2010

S&B's results of operations for 2011 were significantly impacted by the macroeconomic concerns during the year, including the overall pace of U.S. economic recovery, the U.S. debt ceiling debate and subsequent downgrade of U.S. sovereign credit, the ongoing sovereign debt crisis in Europe and general continued concerns about the health of the global economy and financial markets. These concerns led to heightened volatility as well as overall declines in liquidity and market activity during the second half of the year as clients reduced their activity and risk.

Net income of $4.9 billion decreased 24%. Excluding CVA/DVA (see table below), net income decreased 43% as declines in fixed income and equity markets revenues and investment banking revenues, along with higher expenses, more than offset increases in lending and private bank revenues.

Revenues of $21.4 billion decreased 7% from the prior year. CVA/DVA increased by $2.1 billion from the prior year, driven by the widening of Citi's credit spreads in 2011. Excluding CVA/DVA, *S&B* revenues decreased 16%, reflecting lower results in fixed income markets, equity markets and investment banking, partially offset by increased revenues in lending and the private bank.

Fixed income markets revenues, which constituted over 50% of *S&B* revenues in 2011, decreased 24% excluding CVA/DVA. This was driven by lower results in securitized and credit products, reflecting the challenging market environment and reduced customer risk appetite and, to a lesser extent, rates and currencies.

Equity markets revenues decreased 35% excluding CVA/DVA, driven by declining revenues in equity proprietary trading (which Citi also refers to as equity principal strategies) as positions in the business were wound down, a decline in equity derivatives revenues and, to a lesser extent, a decline in cash equities. The wind down of Citi's equity proprietary trading was completed at the end of 2011.

Investment banking revenues declined 14%, as the macroeconomic concerns and market uncertainty drove lower volumes in debt and equity issuance.

Lending revenues increased 87%, mainly due to the absence of losses on credit default swap hedges in the prior year (see the table below). Excluding the impact of these hedging gains and losses, lending revenues increased 3%, primarily due to growth in the Corporate loan portfolio. Private bank revenues increased 6% excluding CVA/DVA, primarily due to higher loan and deposit balances and improved customer pricing, partially offset by declines in investment and capital markets-related products given the negative market sentiment.

Expenses increased 2%, primarily due to investment spending, which largely occurred in the first half of the year, relating to new hires and technology investments. The increase in expenses was also driven by higher repositioning charges and the negative impact of FX translation (which contributed approximately 2% to the expense growth), partially offset by productivity saves and reduced incentive compensation due to business results. The increase in the level of investment spending in S&B was largely completed at the end of 2011.

Provisions increased by $140 million, primarily due to builds in the allowance for unfunded lending commitments as a result of portfolio growth and higher net credit losses.

2010 vs. 2009

Net income of $6.4 billion decreased 30%. Excluding CVA/DVA, net income decreased 36%, as an increase in lending was more than offset by declines in fixed income and equity trading activities, investment banking fees and higher expenses.

Revenues of $23.1 billion decreased 15% from the prior year, as performance in the first half of 2009 was particularly strong due to higher fixed income markets activity and client activity levels in investment banking. In addition, 2010 CVA/DVA increased $1.6 billion from the prior year, mainly due to a larger narrowing of Citi's spreads in 2009 compared 2010. Excluding CVA/DVA, revenues decreased 19%, reflecting lower results in fixed income markets, equity markets and investment banking, partially offset by increased revenues in lending.

Fixed income markets revenues decreased 32% excluding CVA/DVA, primarily reflecting lower results in rates and currencies, credit products and securitized products due to the overall weaker market environment during 2010.

Equity markets revenues decreased 31% excluding CVA/DVA, driven by lower trading revenues linked to the derivatives business and equity proprietary trading.

Investment banking revenues declined 20%, reflecting lower levels of market activity in debt and equity underwriting.

Lending revenues increased by $3.4 billion, mainly driven by a reduction in losses on credit default swap hedges.

Expenses increased 12%, or $1.6 billion, year over year. Excluding the 2010 U.K. bonus tax impact and litigation reserve releases in the first half of 2010 and 2009; expenses increased 8%, or $1.1 billion, mainly as a result of higher compensation, transaction costs and the negative impact of FX translation (which contributed approximately 1% to the expense growth).

Provisions decreased by $1.8 billion, to negative $24 million, mainly due to credit reserve releases and lower net credit losses as the result of an improvement in the credit environment during 2010.

In millions of dollars	**2011**	2010	2009
***S&B* CVA/DVA**			
Fixed Income Markets	**$1,368**	$(187)	$ 276
Equity Markets	**355**	(207)	(2,190)
Private Bank	**9**	(5)	(43)
Total *S&B* CVA/DVA	**$1,732**	$(399)	$(1,957)
Total *S&B* Lending Hedge gain (loss)	**$ 73**	$(711)	$(3,421)

TRANSACTION SERVICES

Transaction Services is composed of Treasury and Trade Solutions and Securities and Fund Services. Treasury and Trade Solutions provides comprehensive cash management and trade finance and services for corporations, financial institutions and public sector entities worldwide. Securities and Fund Services provides securities services to investors, such as global asset managers, custody and clearing services to intermediaries such as broker-dealers, and depository and agency/trust services to multinational corporations and governments globally. Revenue is generated from net interest revenue on deposits in these businesses, as well as from trade loans and fees for transaction processing and fees on assets under custody and administration in Securities and Fund Services.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$ 5,929**	$ 5,678	$5,674	**4%**	—
Non-interest revenue	**4,640**	4,393	4,144	**6**	6%
Total revenues, net of interest expense	**$10,569**	$10,071	$9,818	**5%**	3%
Total operating expenses	**5,659**	4,904	4,483	**15**	9
Provisions (releases) for credit losses and for benefits and claims	**36**	(58)	7	**NM**	NM
Income before taxes and noncontrolling interests	**$ 4,874**	$ 5,225	$5,328	**(7)%**	(2)%
Income taxes	**1,467**	1,552	1,550	**(5)**	—
Income from continuing operations	**3,407**	3,673	3,778	**(7)**	(3)
Net income attributable to noncontrolling interests	**19**	21	13	**(10)**	62
Net income	**$ 3,388**	$ 3,652	$3,765	**(7)%**	(3)%
Average assets *(in billions of dollars)*	**130**	$ 107	$ 87	**21%**	23%
Return on assets	**2.61%**	3.41%	4.34%		
Revenues by region					
North America	**$ 2,442**	$ 2,485	$2,525	**(2)%**	(2)%
EMEA	**3,486**	3,356	3,389	**4**	(1)
Latin America	**1,705**	1,516	1,391	**12**	9
Asia	**2,936**	2,714	2,513	**8**	8
Total revenues	**$10,569**	$10,071	$9,818	**5%**	3%
Income from continuing operations by region					
North America	**$ 447**	$ 529	$ 609	**(16)%**	(13)%
EMEA	**1,142**	1,225	1,299	**(7)**	(6)
Latin America	**645**	664	616	**(3)**	8
Asia	**1,173**	1,255	1,254	**(7)**	—
Total income from continuing operations	**$ 3,407**	$ 3,673	$3,778	**(7)%**	(3)%
Key indicators *(in billions of dollars)*					
Average deposits and other customer liability balances	**$ 363**	$ 333	$ 304	**9%**	10%
EOP assets under custody [1] *(in trillions of dollars)*	**12.5**	12 6	12.1	**(1)**	4

(1) Includes assets under custody, assets under trust and assets under administration
NM Not meaningful

2011 vs. 2010

Net income decreased 7%, as higher expenses, driven by investment spending, outpaced revenue growth. Year-over-year, the U S. dollar generally depreciated versus local currencies. As a result, the impact of FX translation accounted for an approximately 1% growth in revenues and expenses, respectively.

Revenues grew 5%, driven primarily by international growth, as improvement in fees and increased deposit balances more than offset the continued spread compression, which will likely continue to be a challenge in 2012. Treasury and Trade Solutions revenues increased 5%, driven primarily by growth in the trade and commercial cards businesses and increased deposits, partially offset by the impact of the continued low rate environment. Overall, Securities and Fund Services revenues increased 4% year-over-year, primarily due to growth in transaction and settlement volumes, driven in part by the increase in activity resulting from market volatility, and new client mandates. During the fourth quarter of 2011, however, Securities and Fund Services experienced a 10% decline in revenues as compared to the prior year period, driven by a significant decrease in settlement volumes reflecting the overall decline in capital markets activity during the latter part of 2011, spread compression and the impact of FX translation.

Expenses increased 15% reflecting investment spending and higher business volumes, partially offset by productivity savings. The increase in the level of investment spending in the business was largely completed at the end of 2011.

Provisions increased by $94 million, to $36 million, reflecting reserve builds in 2011 versus a net reserve release in the prior year.

Average assets grew 21%, driven by a 59% increase in trade assets as a result of focused investment in the business. *Average deposits and other customer liability balances* grew 9% and included a favorable shift to operating balances as the business continued to emphasize stable, lower cost deposits as a way to mitigate spread compression.

2010 vs. 2009

Net income decreased 3%, as expenses driven by investment spending outpaced revenue growth. Year-over-year, the U.S. dollar generally depreciated versus local currencies. As a result, the impact of FX translation accounted for approximately 2% growth in revenues.

Revenues grew 3%, despite the low interest rate environment. Treasury and Trade Solutions revenues grew 2% as a result of increased customer liability balances and growth in trade and fees, partially offset by the spread compression. Securities and Fund Services revenues grew by 3% as higher volumes and balances reflected the impact of sales and increased market activity.

Expenses increased 9% reflecting investment spending and higher business volumes.

Provisions decreased $65 million, to a negative $58 million, as compared to the prior year, reflecting credit reserve releases.

Average deposits and other customer liability balances grew 10%, driven primarily by growth in emerging markets.

CITI HOLDINGS

Citi Holdings contains businesses and portfolios of assets that Citigroup has determined are not central to its core Citicorp businesses. Citi Holdings consists of the following: *Brokerage and Asset Management, Local Consumer Lending* and *Special Asset Pool*.

Consistent with its strategy, Citi intends to continue to exit these businesses and portfolios as quickly as practicable in an economically rational manner. To date, the decrease in Citi Holdings assets has been primarily driven by asset sales and business dispositions, as well as portfolio run-off and pay-downs. Asset levels have also been impacted, and will continue to be impacted, by charge-offs and revenue marks as and when appropriate.

As of December 31, 2011, Citi Holdings' GAAP assets were approximately $269 billion, a decrease of approximately $90 billion, or 25%, from year end 2010, and $558 billion, or 67%, from the peak in the first quarter of 2008. The decline in assets during 2011 reflected approximately $49 billion in asset sales and business dispositions, $35 billion in net run-off and amortization, and $6 billion in net cost of credit and net asset marks. Citi Holdings represented approximately 14% of Citi's GAAP assets as of December 31, 2011, while Citi Holdings' risk-weighted assets of approximately $245 billion at December 31, 2011 represented approximately 25% of Citi's risk-weighted assets as of such date. As previously disclosed, Citi's ability to continue to decrease the assets in Citi Holdings through the methods discussed above, including sales and dispositions, will not likely occur at the same pace or level as in the past. See also the "Executive Summary" above and "Risk Factors—Business Risks" below.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs 2009
Net interest revenue	**$10,287**	$14,773	$ 16,139	**(30)%**	(8)%
Non-interest revenue	**2,609**	4,514	12,989	**(42)**	(65)
Total revenues, net of interest expense	**$12,896**	$19,287	$ 29,128	**(33)%**	(34)%
Provisions for credit losses and for benefits and claims					
Net credit losses	**$11,731**	$19,070	$ 24,585	**(38)%**	(22)%
Credit reserve build (release)	**(4,720)**	(3,500)	5,305	**(35)**	NM
Provision for loan losses	**$ 7,011**	$15,570	$ 29,890	**(55)%**	(48)%
Provision for benefits and claims	**820**	813	1,094	**1**	(26)
Provision (release) for unfunded lending commitments	**(41)**	(82)	106	**50**	NM
Total provisions for credit losses and for benefits and claims	**$ 7,790**	$16,301	$ 31,090	**(52)%**	(48)%
Total operating expenses	**$ 8,791**	$ 9,615	$ 14,085	**(9)%**	(32)%
Loss from continuing operations before taxes	**$ (3,685)**	$ (6,629)	$(16,047)	**44%**	59%
Benefits for income taxes	**(1,161)**	(2,573)	(6,988)	**55**	63
(Loss) from continuing operations	**$ (2,524)**	$ (4,056)	$ (9,059)	**38%**	55%
Net income (loss) attributable to noncontrolling interests	**119**	207	29	**(43)**	NM
Citi Holdings net loss	**$ (2,643)**	$ (4,263)	$ (9,088)	**38%**	53%
Balance sheet data *(in billions of dollars)*					
Total EOP assets	**$ 269**	$ 359	$ 487	**(25)%**	(26)%
Total EOP deposits	**$ 64**	$ 79	$ 89	**(19)%**	(11)%

NM Not meaningful

BROKERAGE AND ASSET MANAGEMENT

Brokerage and Asset Management (BAM) consists of Citi's global retail brokerage and asset management businesses. At December 31, 2011, BAM had approximately $27 billion of assets, or approximately 10% of Citi Holdings' assets, primarily consisting of Citi's investment in, and assets related to, the Morgan Stanley Smith Barney joint venture (MSSB JV). As more fully described in Forms 8-K filed with the SEC on January 14, 2009 and June 3, 2009, Morgan Stanley has options to purchase Citi's remaining stake in the MSSB JV over three years beginning in 2012.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$(180)**	$(277)	$ 390	**35%**	NM
Non-interest revenue	**462**	886	14,233	**(48)**	(94)%
Total revenues, net of interest expense	**$ 282**	$ 609	$14,623	**(54)%**	(96)%
Total operating expenses	**$ 729**	$ 987	$ 3,276	**(26)%**	(70)%
Net credit losses	**$ 4**	$ 17	$ 1	**(76)%**	NM
Credit reserve build (release)	**(3)**	(18)	36	**83**	NM
Provision for unfunded lending commitments	**(1)**	(6)	(5)	**83**	(20)%
Provision (release) for benefits and claims	**48**	38	40	**26**	(5)
Provisions for credit losses and for benefits and claims	**$ 48**	$ 31	$ 72	**55%**	(57)%
Income (loss) from continuing operations before taxes	**$(495)**	$(409)	$11,275	**(21)%**	NM
Income taxes (benefits)	**(209)**	(183)	4,425	**(14)**	NM
Income (loss) from continuing operations	**$(286)**	$(226)	$ 6,850	**(27)%**	NM
Net income attributable to noncontrolling interests	**9**	11	12	**(18)**	(8)%
Net income (loss)	**$(295)**	$(237)	$ 6,838	**(24)%**	NM
EOP assets *(in billions of dollars)*	**$ 27**	$ 27	$ 30	**—**	(10)%
EOP deposits *(in billions of dollars)*	**55**	58	60	**(5)%**	(3)

NM Not meaningful

2011 vs. 2010

Net loss increased 24% as lower revenues were only partly offset by lower expenses.

Revenues decreased by 54%, driven by the 2010 sale of the Habitat and Colfondos businesses (including a $78 million pretax gain on sale related to the transactions in the first quarter of 2010) and lower revenues from the MSSB JV.

Expenses decreased 26%, also driven by divestitures, as well as lower legal and related expenses.

Provisions increased 55% due to the absence of the prior-year reserve releases

2010 vs. 2009

Net loss was $0.2 billion in 2010, compared to *Net income* of $6.9 billion in 2009. The decrease was driven by the absence of the gain on sale related to the MSSB JV transaction in 2009.

Revenues decreased 96% versus the prior year driven by the absence of the $11.1 billion pretax gain on sale ($6.7 billion after tax) related to the MSSB JV transaction in the second quarter of 2009 and a $320 million pretax gain on the sale of the managed futures business to the MSSB JV in the third quarter of 2009. Excluding these gains, revenues decreased primarily due to the absence of Smith Barney from May 2009 onwards as well as the absence of Nikko Asset Management, partially offset by higher revenues from the MSSB JV and an improvement in marks in the retail alternative investments business.

Expenses decreased 70% from the prior year, mainly driven by the absence of Smith Barney from May 2009 onwards, lower MSSB JV separation-related costs as compared to the prior year and the absence of Nikko and Colfondos, partially offset by higher legal settlements and reserves associated with Smith Barney.

Provisions decreased 57%, mainly due to the absence of credit reserve builds in 2009.

Assets decreased 10% versus the prior year, mostly driven by the sales of the private equity business and the run-off of tailored loan portfolios.

LOCAL CONSUMER LENDING

As of December 31, 2011, *Local Consumer Lending (LCL)* included a portion of Citigroup's *North America* mortgage business, retail partner cards, CitiFinancial North America (consisting of the OneMain and CitiFinancial Servicing businesses), remaining student loans, and other local Consumer finance businesses globally (including Western European cards and retail banking and Japan Consumer Finance). At December 31, 2011, *LCL* had approximately $201 billion of assets (approximately $186 billion in *North America*) or approximately 75% of Citi Holdings assets. The *North America* assets consisted of residential mortgages (residential first mortgages and home equity loans), retail partner card loans, personal loans, commercial real estate, and other consumer loans and assets. As referenced under "Citi Holdings" above, the substantial majority of the retail partner cards business will be transferred to Citicorp—NA RCB, effective in the first quarter of 2012.

As of December 31, 2011, approximately $108 billion of assets in *LCL* consisted of *North America* mortgages in Citi's CitiMortgage and CitiFinancial operations.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$10,872**	$13,831	$ 12,995	**(21)%**	6%
Non-interest revenue	**1,195**	1,995	4,770	**(40)**	(58)
Total revenues, net of interest expense	**$12,067**	$15,826	$ 17,765	**(24)%**	(11)%
Total operating expenses	**$ 7,769**	$ 8,057	$ 9,898	**(4)%**	(19)%
Net credit losses	**$10,659**	$17,040	$ 19,185	**(37)%**	(11)%
Credit reserve build (release)	**(2,862)**	(1,771)	5,799	**(62)**	NM
Provision for benefits and claims	**772**	775	1,054	**—**	(26)
Provision for unfunded lending commitments	**—**	—	—	**—**	—
Provisions for credit losses and for benefits and claims	**$ 8,569**	$16,044	$ 26,038	**(47)%**	(38)%
(Loss) from continuing operations before taxes	**$ (4,271)**	$ (8,275)	$(18,171)	**48%**	54%
Benefits for income taxes	**(1,437)**	(3,287)	(7,687)	**56**	57
(Loss) from continuing operations	**$ (2,834)**	$ (4,988)	$(10,484)	**43%**	52%
Net income attributable to noncontrolling interests	**2**	8	33	**(75)**	(76)
Net (loss)	**$ (2,836)**	$ (4,996)	$(10,517)	**43%**	52%
Average assets *(in billions of dollars)*	**$ 228**	$ 324	$ 351	**(30)%**	(8)%
Net credit losses as a percentage of average loans	**5.34%**	6 20%	6.38%		
Total GAAP revenues	**$12,067**	$15,826	$ 17,765	**(24)%**	(11)%
Net impact of credit card securitizations activity [1]	**—**	—	4,135		
Total managed revenues	**$12,067**	$15,826	$ 21,900	**(24)%**	(28)%
Total GAAP net credit losses	**$10,659**	$17,040	$ 19,185	**(37)%**	(11)%
Impact of credit card securitizations activity [1]	**—**	—	4,590		
Total managed net credit losses	**$10,659**	$17,040	$ 23,775	**(37)%**	(28)%

(1) See Note 1 to the Consolidated Financial Statements for a discussion of the impact of SFAS 166/167
NM Not meaningful

2011 vs. 2010

Net loss decreased 43%, driven primarily by the improving credit environment, including lower net credit losses and higher loan loss reserve releases, in both retail partner cards and mortgages. The improvement in credit was partly offset by lower revenues due to decreasing asset balances and sales.

Revenues decreased 24%, driven primarily by the lower asset balances due to asset sales, divestitures and run-offs, which also drove the 21% decline in *Net interest revenue*. *Non-interest revenue* decreased 40% due to the impact of divestitures.

Expenses decreased 4%, driven by the lower volumes and divestitures, partly offset by higher legal and regulatory expenses, including without limitation those relating to the United States and state attorneys general mortgage servicing discussions and agreement in principle announced on February 9, 2012, reserves related to potential PPI refunds (see "Payment Protection Insurance" below) and, to a lesser extent, implementation costs associated with the OCC/Federal Reserve Board consent orders entered into in April 2011

Provisions decreased 47%, driven by lower credit losses and higher loan loss reserve releases. Net credit losses decreased 37%, primarily due to the credit improvements in retail partner cards ($3.0 billion) and *North America* mortgages ($1.6 billion), although the pace of the decline in net credit losses in both portfolios slowed Loan loss reserve releases increased 62%, driven by higher releases in retail partner cards and CitiFinancial North America due to better credit quality and lower loan balances.

Assets declined 20% from the prior year, primarily driven by portfolio run-off and the impact of asset sales and divestitures, including continued sales of student loans, auto loans and delinquent mortgages (see "North America Consumer Mortgage Lending" below).

2010 vs. 2009

Net loss decreased 52%, driven primarily by the improving credit environment. Decreases in revenues driven by lower gains on asset sales were mostly offset by decreased expenses due to lower volumes and divestitures.

Revenues decreased 11% from the prior year, driven primarily by portfolio run off, divestitures and asset sales. *Net interest revenue* increased 6% due to the adoption of SFAS 166/167, partially offset by the impact of lower balances due to portfolio run-off and asset sales. *Non-interest revenue* declined 58%, primarily due to the absence of the $1.1 billion gain on the sale of Redecard in the first quarter of 2009 and a higher mortgage repurchase reserve charge.

Expenses decreased 19%, primarily due to the impact of divestitures, lower volumes, re-engineering actions and the absence of costs associated with the U.S. government loss-sharing agreement, which was exited in the fourth quarter of 2009.

Provisions decreased 38%, reflecting a net $1.8 billion loan loss reserve release in 2010 compared to a $5.8 billion build in 2009. Lower net credit losses across most businesses were partially offset by the impact of the adoption of SFAS 166/167. On a comparable basis, net credit losses were lower year-over-year by 28%, driven by improvement in U.S. mortgages, international portfolios and retail partner cards.

Assets declined 21% from the prior year, primarily driven by portfolio run-off, higher loan loss reserve balances, and the impact of asset sales and divestitures, partially offset by an increase of $41 billion resulting from the adoption of SFAS 166/167. Key divestitures in 2010 included The Student Loan Corporation, Primerica, auto loans, the Canadian Mastercard business and U.S. retail sales finance portfolios.

Japan Consumer Finance

Citi continues to actively monitor a number of matters involving its Japan Consumer Finance business, including customer defaults, refund claims and litigation, as well as financial and legislative, regulatory, judicial and other political developments, relating to the charging of gray zone interest. Gray zone interest represents interest at rates that are legal but for which claims may not be enforceable. In 2008, Citi decided to exit its Japan Consumer Finance business and has been liquidating its portfolio and otherwise winding down the business since such time. However, this business has incurred, and will continue to face, net credit losses and refunds, due in part to legislative, regulatory and judicial actions taken in recent years. These actions may also reduce credit availability and increase potential claims and losses relating to gray zone interest.

In September 2010, one of Japan's largest consumer finance companies (Takefuji) declared bankruptcy, reflecting the financial distress that Japan's top consumer finance lenders are facing as they continue to deal with liabilities for gray zone interest refund claims. The publicity relating to Takefuji's bankruptcy resulted in a significant increase in the number of refund claims during the latter part of 2010 and first half of 2011, although Citi observed a steady decline in such claims during the remainder of 2011. During 2011, *LCL* recorded a net increase in its reserves related to customer refunds in the Japan Consumer Finance business of approximately $120 million (pretax), in addition to an increase of approximately $325 million (pretax) in 2010.

As evidenced by the events described above, the trend in the type, number and amount of refund claims remains volatile, and the potential full amount of losses and their impact on Citi is subject to significant uncertainties and continues to be difficult to predict. In addition, regulators in Japan have stated that they are considering legislation to establish a framework for collective legal action proceedings. If such legislation is passed and implemented, it could potentially introduce a more accessible procedure for current and former customers to pursue refund claims and other types of collective actions. Citi continues to monitor and evaluate these developments and the potential impact to both currently and previously outstanding loans in this business and its reserves related thereto

Payment Protection Insurance

The alleged mis-selling of payment protection insurance products (PPI) by financial institutions in the UK, including Citi, has been, and continues to be, the subject of intense review and focus by the UK regulators, particularly the Financial Services Authority (FSA). PPI is designed to cover a customer's loan repayments in the event of certain events, such as long-term illness or unemployment. The FSA has found certain problems, across the industry, with how these products were sold, including customers not realizing that the cost of PPI premiums was being added to their loan or PPI being unsuitable for the customer. Prior to 2008, certain of Citi's UK consumer finance businesses, primarily CitiFinancial Europe plc and Egg Banking plc, engaged in the sale of PPI. While Citi has sold a significant portion of these businesses, and the remaining businesses are in the process of wind down, Citi generally retains the potential liability relating to the sale of PPI by these businesses.

As a result of this regulatory focus and resulting publicity, during 2010 and 2011, Citi observed an increase in customer complaints relating to the sale of PPI. In addition, in 2011, the FSA required all firms engaged in the sale of PPI in the UK, including Citi, to review their historical sales processes for PPI, generally from January 2005 forward. In addition, the FSA is requiring these firms to proactively contact any customers who may have been mis-sold PPI after January 2005 and invite them to have their individual sale reviewed. Redress, whether as a result of customer complaints or Citi's proactive contact with customers, generally involves the repayment of premiums and the refund of all applicable contractual interest together with compensatory interest of 8%.

As a result of these developments during 2011, Citi increased its reserves related to potential PPI refunds by approximately $330 million ($230 million in *LCL* and $100 million in *Corporate/Other* for discontinued operations). Citi continues discussions with the FSA regarding its proposed remediation process, and the trend in the number of claims, the potential amount of refunds and the impact on Citi remains volatile and is subject to significant uncertainty and lack of predictability. This is particularly true with respect to the potential customer response to any direct customer contact exercise. Citi continues to monitor and evaluate the PPI remediation process and developments and its related reserves.

SPECIAL ASSET POOL

Special Asset Pool (SAP) had approximately $41 billion of assets as of December 31, 2011, which constituted approximately 15% of Citi Holdings assets as of such date. *SAP* consists of a portfolio of securities, loans and other assets that Citigroup intends to continue to reduce over time through asset sales and portfolio run-off. *SAP* assets have declined by approximately $287 billion, or 88%, from peak levels in 2007, reflecting cumulative write-downs, asset sales and portfolio run-off.

In millions of dollars	**2011**	2010	2009	**% Change 2011 vs. 2010**	% Change 2010 vs. 2009
Net interest revenue	**$ (405)**	$ 1,219	$ 2,754	**NM**	(56)%
Non-interest revenue	**952**	1,633	(6,014)	**(42)%**	NM
Revenues, net of interest expense	**$ 547**	$ 2,852	$(3,260)	**(81)%**	NM
Total operating expenses	**$ 293**	$ 571	$ 911	**(49)%**	(37)%
Net credit losses	**$ 1,068**	$ 2,013	$ 5,399	**(47)%**	(63)%
Provision (releases) for unfunded lending commitments	**(40)**	(76)	111	**47**	NM
Credit reserve builds (releases)	**(1,855)**	(1,711)	(530)	**(8)**	NM
Provisions for credit losses and for benefits and claims	**$ (827)**	$ 226	$ 4,980	**NM**	(95)%
Income (loss) from continuing operations before taxes	**$ 1,081**	$ 2,055	$(9,151)	**(47)%**	NM
Income taxes (benefits)	**485**	897	(3,726)	**(46)**	NM
Net income (loss) from continuing operations	**$ 596**	$ 1,158	$(5,425)	**(49)%**	NM
Net income (loss) attributable to noncontrolling interests	**108**	188	(16)	**(43)**	NM
Net income (loss)	**$ 488**	$ 970	$(5,409)	**(50)%**	NM
EOP assets *(in billions of dollars)*	**$ 41**	$ 80	$ 136	**(49)%**	(41)%

NM Not meaningful

2011 vs. 2010

Net income decreased 50%, driven by the decrease in revenues due to lower asset balances, partially offset by lower expenses and improved credit.

Revenues decreased 81%, driven by the overall decline in *Net interest revenue* during the year, as interest-earning assets declined and thus represent a smaller portion of *SAP*. *Net interest revenue* was a negative $405 million in 2011 and Citi expects to incur continued negative carrying costs in *SAP* going forward as the non-interest-earning assets of *SAP*, which require funding, now represent the larger portion of the total asset pool. *Non-interest revenue* decreased by 42% due to lower gains on asset sales and the absence of positive marks from the prior year, such as on subprime exposures.

Expenses decreased 49%, driven by lower volume and asset levels, as well as lower legal and related costs.

Provisions decreased $1.1 billion as credit conditions continued to improve during the year. The decline of $1.1 billion was driven by a $945 million decrease in net credit losses and an increase in loan loss reserve releases to $1.9 billion in 2011 from a release of $1.7 billion in 2010.

Assets declined 49%, primarily driven by sales and amortization and prepayments. Asset sales of $29 billion for 2011 generated pretax gains of approximately $0.5 billion.

2010 vs. 2009

Net income increased $6.4 billion from a net loss of $5.4 billion in 2009. The increase was driven by higher gains on asset sales and improved revenue marks, as well as improved credit.

Revenues increased $6.1 billion, primarily due to the improvement of revenue marks in 2010. Aggregate marks were negative $2.6 billion in 2009 as compared to positive marks of $3.4 billion in 2010. 2010 revenues included positive marks of $2.0 billion related to subprime-related direct exposure, a positive $0.5 billion CVA/DVA related to monoline insurers, and $0.4 billion on private equity positions. These positive marks were partially offset by negative revenues of $0.5 billion on Alt-A mortgages and $0.4 billion on commercial real estate.

Expenses decreased 37%, mainly driven by the absence of the U.S. government loss-sharing agreement exited in the fourth quarter of 2009, lower compensation, and lower transaction expenses.

Provisions decreased 95% as credit conditions improved. The decline in credit costs was driven by a decrease in net credit losses of $3.4 billion and a higher release of loan loss reserves and unfunded lending commitments of $1.4 billion.

Assets declined 41%, primarily driven by sales and amortization and prepayments. Asset sales of $39 billion for 2010 generated pretax gains of approximately $1.3 billion.

CORPORATE/OTHER

Corporate/Other includes global staff functions (including finance, risk, human resources, legal and compliance) and other corporate expense, global operations and technology, unallocated Corporate Treasury and Corporate items and discontinued operations. At December 31, 2011, this segment had approximately $286 billion of assets, or 15% of Citigroup's total assets, consisting primarily of Citi's liquidity portfolio.

In millions of dollars	**2011**	2010	2009
Net interest revenue	**$ 25**	$ 828	$ (1,840)
Non-interest revenue	**861**	926	(8,715)
Revenues, net of interest expense	**$ 886**	$1,754	$(10,555)
Total operating expenses	**$ 2,522**	$1,616	$ 1,039
Provisions (releases) for loan losses and for benefits and claims	**(1)**	—	—
Income (loss) from continuing operations before taxes	**$(1,635)**	$ 138	$(11,594)
Provision (benefits) for income taxes	**(764)**	(36)	(4,225)
Income (loss) from continuing operations	**$ (871)**	$ 174	$ (7,369)
Income (loss) from discontinued operations, net of taxes	**112**	(68)	(445)
Net income (loss) before attribution of noncontrolling interests	**$ (759)**	$ 106	$ (7,814)
Net (loss) attributable to noncontrolling interests	**(27)**	(48)	(2)
Net income (loss)	**$ (732)**	$ 154	$ (7,812)

2011 vs. 2010

Net loss of $732 million reflected a decline of $886 million compared to *Net income* of $154 million in 2010. The decline was primarily due to the decrease in revenues coupled with the increase in expenses, as well as the absence of the net gain on the sale of Nikko Cordial Securities and the related benefit for income taxes recorded in discontinued operations in 2010. This was partially offset by the absence of the net loss on the sale of The Student Loan Corporation in 2010 and a net gain on the sale of the Egg Banking plc credit card business in 2011, each recorded in discontinued operations in the respective year.

Revenues decreased $868 million, primarily driven by lower investment yields in Treasury and lower gains on sales of AFS securities, partially offset by gains on hedging activities and the gain on the sale of a portion of Citi's holdings in the Housing Development Finance Corp. (HDFC) in the second quarter of 2011 (approximately $200 million pretax).

Expenses increased $906 million, due to higher legal and related costs and continued investment spending, primarily in technology.

2010 vs. 2009

Net loss decreased $8.0 billion, primarily due to the increase in revenues and the absence of prior-year losses related to Nikko Cordial, partially offset by the increase in expenses and the net loss on the sale of The Student Loan Corporation.

Revenues increased $12.3 billion, primarily due to the absence of the loss on debt extinguishment related to the repayment of TARP and the exit from the loss-sharing agreement with the U.S. government, each in the fourth quarter of 2009. Revenues also increased due to gains on sales of AFS securities, benefits from lower short-term interest rates and other improved Treasury results in 2010. These increases were partially offset by the absence of the pretax gain related to Citi's public and private exchange offers in 2009.

Expenses increased $577 million, primarily due to various legal and related expenses as well as other non-compensation expenses.

BALANCE SHEET REVIEW

The following sets forth a general discussion of the changes in certain of the more significant line items of Citi's Consolidated Balance Sheet during 2011. For additional information on Citigroup's deposits, short-term and long-term debt and secured financing transactions, see "Capital Resources and Liquidity—Funding and Liquidity" below.

In billions of dollars	December 31, 2011	2010	Increase (decrease)	% Change
Assets				
Cash and deposits with banks	**$ 184**	$ 190	**$ (6)**	**(3)%**
Federal funds sold and securities borrowed or purchased under agreements to resell	**276**	247	**29**	**12**
Trading account assets	**292**	317	**(25)**	**(8)**
Investments	**293**	318	**(25)**	**(8)**
Loans, net of unearned income and allowance for loan losses	**617**	608	**9**	**1**
Other assets	**212**	234	**(22)**	**(9)**
Total assets	**$1,874**	$1,914	**$(40)**	**(2)%**
Liabilities				
Deposits	**$ 866**	$ 845	**$ 21**	**2%**
Federal funds purchased and securities loaned or sold under agreements to repurchase	**198**	190	**8**	**4**
Trading account liabilities	**126**	129	**(3)**	**(2)**
Short-term borrowings and long-term debt	**378**	460	**(82)**	**(18)**
Other liabilities	**126**	124	**2**	**2**
Total liabilities	**$1,694**	$1,748	**$(54)**	**(3)%**
Total equity	**$ 180**	$ 166	**$ 14**	**8%**
Total liabilities and equity	**$1,874**	$1,914	**$(40)**	**(2)%**

ASSETS

Cash and Deposits with Banks

Cash and deposits with banks is comprised of both *Cash and due from banks* and *Deposits with banks*. *Cash and due from banks* includes (i) cash on hand at Citi's domestic and overseas offices, and (ii) non-interest-bearing balances due from banks, including non-interest-bearing demand deposit accounts with correspondent banks, central banks (such as the Federal Reserve Bank), and other banks or depository institutions for normal operating purposes *Deposits with banks* includes interest-bearing balances, demand deposits and time deposits held in or due from banks (including correspondent banks, central banks and other banks or depository institutions) maintained for, among other things, normal operating and regulatory reserve requirement purposes.

During 2011, *Cash and deposits with banks* decreased $6 billion, or 3%, driven by a $7 billion, or 4%, decrease in *Deposits with banks* offset by a $1 billion, or 3%, increase in *Cash and due from banks*. These changes resulted from Citi's normal operations during the year

Federal Funds Sold and Securities Borrowed or Purchased Under Agreements to Resell (Reverse Repos)

Federal funds sold consist of unsecured advances of excess balances in reserve accounts held at the Federal Reserve Banks to third parties. During 2010 and 2011, Citi's federal funds sold were not significant Reverse repos and securities borrowing transactions increased by $29 billion, or 12%, during 2011, compared to 2010. The majority of this increase was due to additional secured lending to clients.

For further information regarding these Consolidated Balance Sheet categories, see Notes 1 and 12 to the Consolidated Financial Statements.

Trading Account Assets

Trading account assets includes debt and marketable equity securities, derivatives in a net receivable position, residual interests in securitizations and physical commodities inventory. In addition, certain assets that Citigroup has elected to carry at fair value, such as certain loans and purchase guarantees, are also included in *Trading account assets*.

During 2011, *Trading account assets* decreased $25 billion, or 8%, primarily due to decreases in corporate bonds ($14 billion, or 28%), foreign government securities ($9 billion, or 10%), equity securities ($4 billion, or 11%) and U.S Treasury and federal agency securities ($4 billion, or 18%), partially offset by a $12 billion, or 24%, increase in derivative assets. A significant portion of the decline in Citi's *Trading account assets* occurred in the second half of 2011 as the economic uncertainty that largely began in the third quarter of 2011 continued into the fourth quarter. Citi reduced its rates trading in the G10, particularly in Europe, given the market environment in the region, and credit trading and securitized markets also declined due to reduced client volume and less market liquidity.

Average *Trading account assets* were $270 billion in 2011, compared to $280 billion in 2010.

For further information on Citi's *Trading account assets*, see Notes 1 and 14 to the Consolidated Financial Statements.

Investments

Investments consists of debt and equity securities that are available-for-sale, debt securities that are held-to-maturity, non-marketable equity securities that are carried at fair value, and non-marketable equity securities carried at cost. Debt securities include bonds, notes and redeemable preferred stock, as well as certain mortgage-backed and asset-backed securities and other structured notes. Marketable and non-marketable equity securities carried at fair value include common and nonredeemable preferred stock. Non-marketable equity securities carried at cost primarily include equity shares issued by the Federal Reserve Bank and the Federal Home Loan Banks that Citigroup is required to hold.

During 2011, *Investments* decreased by $25 billion, or 8%, primarily due to a $9 billion, or 3%, decrease in available-for-sale securities (predominantly U.S. Treasury and federal agency securities), and a $18 billion decrease in held-to-maturity securities (predominately mortgage-backed and Corporate securities) that included the $12.7 billion of assets in the *Special Asset Pool* that were reclassified and transferred to *Trading account assets* in the first quarter of 2011. The majority of the remaining decrease was largely due to a combined reduction in U.S. Treasury and federal agency securities and foreign government securities, which was partially offset by an increase in U.S. government agency mortgage-backed securities, as Citi began to modestly reallocate its portfolio into higher-yielding assets.

For further information regarding *Investments*, see Notes 1 and 15 to the Consolidated Financial Statements.

Loans

Loans represent the largest asset category of Citi's balance sheet. Citi's total loans (as discussed throughout this section, net of unearned income) were $647 billion at December 31, 2011, compared to $649 billion at December 31, 2010. Excluding the impact of FX translation, loans increased 1% year over year. At year end 2011, Consumer and Corporate loans represented 65% and 35%, respectively, of Citi's total loans.

In Citicorp, loans have increased for six consecutive quarters as of December 31, 2011, and were up 23% to $465 billion at year end 2011, as compared to $379 billion at the second quarter of 2010. Citicorp Corporate loans increased 24% year over year, and Citicorp Consumer loans were up 7% year over year. Corporate loan growth was driven by *Transaction Services* (37% growth), particularly from increased trade finance lending in *Asia*, *Latin America* and Europe, as well as growth in the *Securities and Banking* Corporate loan book (20% growth), with increased borrowing generally across all client segments and geographies. Consumer loan growth was driven by *Regional Consumer Banking*, as loans increased 7% year over year, led by *Asia* and *Latin America*. The growth in *Regional Consumer Banking* loans reflected the economic growth in these regions, as well as the result of Citi's investment spending in these areas, which drove growth in both cards and retail loans. *North America* Consumer loans increased 6%, driven by retail loans as the cards market continued to adapt to the CARD Act and other regulatory changes. In contrast, Citi Holdings loans declined 25% year over year, due to the continued run-off and asset sales in the portfolio.

During 2011, average loans of $644 billion yielded an average rate of 7.8%, compared to $686 billion and 8.0%, respectively, in the prior year.

For further information on Citi's loan portfolios, see generally "Managing Global Risk—Credit Risk" below and Notes 1 and 16 to the Consolidated Financial Statements.

Other Assets

Other assets consists of *Brokerage receivables, Goodwill, Intangibles* and *Mortgage servicing rights* in addition to *Other assets* (including, among other items, loans held-for-sale, deferred tax assets, equity-method investments, interest and fees receivable, premises and equipment, certain end-user derivatives in a net receivable position, repossessed assets and other receivables).

During 2011, *Other assets* decreased $22 billion, or 9%, primarily due to a $3 billion decrease in *Brokerage receivables*, a $2 billion decrease in *Mortgage servicing rights*, a $1 billion decrease in *Intangible assets*, a $1 billion decrease in *Goodwill* and a $15 billion decrease in *Other assets*.

For further information on *Brokerage receivables*, see Note 13 to the Consolidated Financial Statements. For further information regarding *Goodwill* and *Intangible assets*, see Note 18 to the Consolidated Financial Statements.

LIABILITIES

Deposits

Deposits represent customer funds that are payable on demand or upon maturity. For a discussion of Citi's deposits, see "Capital Resources and Liquidity—Funding and Liquidity" below.

Federal Funds Purchased and Securities Loaned or Sold Under Agreements To Repurchase (Repos)

Federal funds purchased consist of unsecured advances of excess balances in reserve accounts held at the Federal Reserve Banks from third parties. During 2010 and 2011, Citi's federal funds purchased were not significant.

For further information on Citi's secured financing transactions, including repos and securities lending transactions, see "Capital Resources and Liquidity—Funding and Liquidity" below. See also Notes 1 and 12 to the Consolidated Financial Statements for additional information on these balance sheet categories.

Trading Account Liabilities

Trading account liabilities includes securities sold, not yet purchased (short positions), and derivatives in a net payable position, as well as certain liabilities that Citigroup has elected to carry at fair value.

During 2011, *Trading account liabilities* decreased by $3 billion, or 2%, primarily due to a $3 billion, or 6%, decrease in derivative liabilities. In 2011, average *Trading account liabilities* were $86 billion, compared to $80 billion in 2010.

For further information on Citi's *Trading account liabilities*, see Notes 1 and 14 to the Consolidated Financial Statements

Debt

Debt is composed of both short-term and long-term borrowings. Long-term borrowings include senior notes, subordinated notes, trust preferred securities and securitizations. Short-term borrowings include commercial paper and borrowings from unaffiliated banks and other market participants. For further information on Citi's long-term and short-term debt borrowings during 2011, see "Capital Resources and Liquidity—Funding and Liquidity" below and Notes 1 and 19 to the Consolidated Financial Statements

Other Liabilities

Other liabilities consists of *Brokerage payables* and *Other liabilities* (including, among other items, accrued expenses and other payables, deferred tax liabilities, certain end-user derivatives in a net payable position, and reserves for legal claims, taxes, restructuring, unfunded lending commitments, and other matters).

During 2011, *Other liabilities* increased $2 billion, or 2%, primarily due to a $5 billion increase in *Brokerage payables*, offset by a $4 billion decrease in *Other liabilities*.

For further information regarding *Brokerage payables*, see Note 13 to the Consolidated Financial Statements.

SEGMENT BALANCE SHEET AT DECEMBER 31, 2011[1]

In millions of dollars	Global Consumer Banking	Institutional Clients Group	Subtotal Citicorp	Citi Holdings	Corporate/Other, Discontinued Operations and Consolidating Eliminations	Total Citigroup Consolidated
Assets						
Cash and due from banks	$ 9,020	$ 17,439	$ 26,459	$ 1,105	$ 1,137	$ 28,701
Deposits with banks	7,659	52,249	59,908	1,342	94,534	155,784
Federal funds sold and securities borrowed or purchased under agreements to resell	3,269	269,295	272,564	3,285	—	275,849
Brokerage receivables	—	16,162	16,162	11,181	434	27,777
Trading account assets	13,224	265,577	278,801	12,933	—	291,734
Investments	27,740	95,601	123,341	30,202	139,870	293,413
Loans, net of unearned income						
Consumer	246,545	—	246,545	177,186	—	423,731
Corporate	—	218,779	218,779	4,732	—	223,511
Loans, net of unearned income	$246,545	$218,779	$ 465,324	$181,918	$ —	$ 647,242
Allowance for loan losses	(10,040)	(2,615)	(12,655)	(17,460)	—	(30,115)
Total loans, net	$236,505	$216,164	$ 452,669	$164,458	$ —	$ 617,127
Goodwill	10,236	10,737	20,973	4,440	—	25,413
Intangible assets (other than MSRs)	1,915	897	2,812	3,788	—	6,600
Mortgage servicing rights (MSRs)	1,389	88	1,477	1,092	—	2,569
Other assets	29,393	34,282	63,675	35,392	49,844	148,911
Total assets	$340,350	$978,491	$1,318,841	$269,218	$ 285,819	$1,873,878
Liabilities and equity						
Total deposits	$312,847	$483,557	$ 796,404	$ 64,391	$ 5,141	$ 865,936
Federal funds purchased and securities loaned or sold under agreements to repurchase	6,238	192,134	198,372	1	—	198,373
Brokerage payables	—	55,885	55,885	7	804	56,696
Trading account liabilities	50	124,684	124,734	1,348	—	126,082
Short-term borrowings	213	42,121	42,334	402	11,705	54,441
Long-term debt	3,077	63,779	66,856	9,884	246,765	323,505
Other liabilities	15,577	25,034	40,611	11,911	16,750	69,272
Net inter-segment funding (lending)	2,348	(8,703)	(6,355)	181,274	(174,919)	—
Total Citigroup stockholders' equity	—	—	—	—	177,806	177,806
Noncontrolling interest	—	—	—	—	1,767	1,767
Total equity	$ —	$ —	$ —	$ —	$ 179,573	$ 179,573
Total liabilities and equity	$340,350	$978,491	$1,318,841	$269,218	$ 285,819	$1,873,878

(1) The supplemental information presented in the table above reflects Citigroup's consolidated GAAP balance sheet by reporting segment as of December 31, 2011. The respective segment information depicts the assets and liabilities managed by each segment as of such date. While this presentation is not defined by GAAP, Citi believes that these non-GAAP financial measures enhance investors' understanding of the balance sheet components managed by the underlying business segments, as well as the beneficial inter-relationship of the asset and liability dynamics of the balance sheet components among Citi's business segments.

CAPITAL RESOURCES AND LIQUIDITY

CAPITAL RESOURCES

Overview

Citi generates capital through earnings from its operating businesses. Citi may augment its capital through issuances of common stock, perpetual preferred stock and equity issued through awards under employee benefit plans, among other issuances. Citi has also augmented its regulatory capital through the issuance of subordinated debt underlying trust preferred securities, although the treatment of such instruments as regulatory capital will be phased out under Basel III and The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (see "Regulatory Capital Standards" and "Risk Factors—Regulatory Risks" below). Further, the impact of future events on Citi's business results, such as corporate and asset dispositions, as well as changes in regulatory and accounting standards, may also affect Citi's capital levels.

Capital is used primarily to support assets in Citi's businesses and to absorb market, credit or operational losses. Capital may be used for other purposes, such as to pay dividends or repurchase common stock. However, Citi's ability to pay regular quarterly cash dividends of more than $0.01 per share, or to redeem or repurchase equity securities or trust preferred securities, is currently restricted (which restriction may be waived) due to Citi's agreements with certain U.S. government entities, generally for so long as the U S. government continues to hold any Citi trust preferred securities acquired in connection with the exchange offers consummated in 2009. (See "Risk Factors—Business Risks" below.)

Citigroup's capital management framework is designed to ensure that Citigroup and its principal subsidiaries maintain sufficient capital consistent with Citi's risk profile and all applicable regulatory standards and guidelines, as well as external rating agency considerations. Senior management is responsible for the capital and liquidity management process mainly through Citigroup's Finance and Asset and Liability Committee (FinALCO), with oversight from the Risk Management and Finance Committee of Citigroup's Board of Directors. Among other things, FinALCO's responsibilities include: determining the financial structure of Citigroup and its principal subsidiaries; ensuring that Citigroup and its regulated entities are adequately capitalized in consultation with its regulators, determining appropriate asset levels and return hurdles for Citigroup and individual businesses, reviewing the funding and capital markets plan for Citigroup, and setting and monitoring corporate and bank liquidity levels and the impact of currency translation on non-U.S. capital. Asset and liability committees are also established globally and for each region, country and/or major line of business.

Capital Ratios

Citigroup is subject to the risk-based capital guidelines issued by the Federal Reserve Board. Historically, capital adequacy has been measured, in part, based on two risk-based capital ratios, the Tier 1 Capital and Total Capital (Tier 1 Capital + Tier 2 Capital) ratios. Tier 1 Capital consists of the sum of "core capital elements," such as qualifying common stockholders' equity, as adjusted, qualifying noncontrolling interests, and qualifying trust preferred securities, principally reduced by goodwill, other disallowed intangible assets, and disallowed deferred tax assets. Total Capital also includes "supplementary" Tier 2 Capital elements, such as qualifying subordinated debt and a limited portion of the allowance for credit losses. Both measures of capital adequacy are stated as a percentage of risk-weighted assets.

In 2009, the U.S. banking regulators developed a new measure of capital termed "Tier 1 Common," which is defined as Tier 1 Capital less non-common elements, including qualifying perpetual preferred stock, qualifying noncontrolling interests, and qualifying trust preferred securities. For more detail on all of these capital metrics, see "Components of Capital Under Regulatory Guidelines" below.

Citigroup's risk-weighted assets are principally derived from application of the risk-based capital guidelines related to the measurement of credit risk. Pursuant to these guidelines, on-balance-sheet assets and the credit equivalent amount of certain off-balance-sheet exposures (such as financial guarantees, unfunded lending commitments, letters of credit and derivatives) are assigned to one of several prescribed risk-weight categories based upon the perceived credit risk associated with the obligor or, if relevant, the guarantor, the nature of the collateral, or external credit ratings. Risk-weighted assets also incorporate a measure for market risk on covered trading account positions and all foreign exchange and commodity positions whether or not carried in the trading account. Excluded from risk-weighted assets are any assets, such as goodwill and deferred tax assets, to the extent required to be deducted from regulatory capital. See "Components of Capital Under Regulatory Guidelines" below.

Citigroup is also subject to a Leverage ratio requirement, a non-risk-based measure of capital adequacy, which is defined as Tier 1 Capital as a percentage of quarterly adjusted average total assets.

To be "well capitalized" under current federal bank regulatory agency definitions, a bank holding company must have a Tier 1 Capital ratio of at least 6%, a Total Capital ratio of at least 10%, and not be subject to a Federal Reserve Board directive to maintain higher capital levels. In addition, the Federal Reserve Board expects bank holding companies to maintain a minimum Leverage ratio of 3% or 4%, depending on factors specified in its regulations. The following table sets forth Citigroup's regulatory capital ratios as of December 31, 2011 and December 31, 2010.

Citigroup Regulatory Capital Ratios

At year end	**2011**	2010
Tier 1 Common	**11.80%**	10.75%
Tier 1 Capital	**13.55**	12.91
Total Capital (Tier 1 Capital + Tier 2 Capital)	**16.99**	16.59
Leverage	**7.19**	6.60

As indicated in the table above, Citigroup was "well capitalized" under the current federal bank regulatory agency definitions as of December 31, 2011 and December 31, 2010.

Components of Capital Under Regulatory Guidelines

In millions of dollars at year end	**2011**	2010
Tier 1 Common Capital		
Citigroup common stockholders' equity	**$177,494**	$163,156
Less: Net unrealized losses on securities available-for-sale, net of tax[1]	**(35)**	(2,395)
Less: Accumulated net losses on cash flow hedges, net of tax	**(2,820)**	(2,650)
Less. Pension liability adjustment, net of tax[2]	**(4,282)**	(4,105)
Less: Cumulative effect included in fair value of financial liabilities attributable to the change in own creditworthiness, net of tax[3]	**1,265**	164
Less: Disallowed deferred tax assets[4]	**37,980**	34,946
Less: Intangible assets:		
Goodwill	**25,413**	26,152
Other disallowed intangible assets	**4,550**	5,211
Other	**(569)**	(698)
Total Tier 1 Common Capital	**$114,854**	$105,135
Tier 1 Capital		
Qualifying perpetual preferred stock	**$ 312**	$ 312
Qualifying mandatorily redeemable securities of subsidiary trusts	**15,929**	18,003
Qualifying noncontrolling interests	**779**	868
Other	**—**	1,875
Total Tier 1 Capital	**$131,874**	$126,193
Tier 2 Capital		
Allowance for credit losses[5]	**$ 12,423**	$ 12,627
Qualifying subordinated debt[6]	**20,429**	22,423
Net unrealized pretax gains on available-for-sale equity securities[1]	**658**	976
Total Tier 2 Capital	**$ 33,510**	$ 36,026
Total Capital (Tier 1 Capital + Tier 2 Capital)	**$165,384**	$162,219
Risk-weighted assets (RWA)[7]	**$973,369**	$977,629

(1) Tier 1 Capital excludes net unrealized gains (losses) on available-for-sale debt securities and net unrealized gains on available-for-sale equity securities with readily determinable fair values, in accordance with risk-based capital guidelines In arriving at Tier 1 Capital, banking organizations are required to deduct net unrealized losses on available-for-sale equity securities with readily determinable fair values, net of tax Banking organizations are permitted to include in Tier 2 Capital up to 45% of net unrealized pretax gains on available-for-sale equity securities with readily determinable fair values

(2) The Federal Reserve Board granted interim capital relief for the impact of ASC 715-20, *Compensation—Retirement Benefits—Defined Benefits Plans* (formerly SFAS 158)

(3) The impact of changes in Citigroup's own creditworthiness in valuing financial liabilities for which the fair value option has been elected is excluded from Tier 1 Capital, in accordance with risk-based capital guidelines

(4) Of Citi's approximately $52 billion of net deferred tax assets at December 31, 2011, approximately $11 billion of such assets were includable without limitation in regulatory capital pursuant to risk-based capital guidelines, while approximately $38 billion of such assets exceeded the limitation imposed by these guidelines and, as "disallowed deferred tax assets," were deducted in arriving at Tier 1 Capital Citigroup's approximately $3 billion of other net deferred tax assets primarily represented effects of the pension liability adjustment, which are permitted to be excluded prior to deriving the amount of net deferred tax assets subject to limitation under the guidelines

(5) Includable up to 1 25% of risk-weighted assets Any excess allowance for credit losses is deducted in arriving at risk-weighted assets

(6) Includes qualifying subordinated debt in an amount not exceeding 50% of Tier 1 Capital

(7) Includes risk-weighted credit equivalent amounts, net of applicable bilateral netting agreements, of $67 0 billion for interest rate, commodity and equity derivative contracts, foreign exchange contracts, and credit derivatives as of December 31, 2011, compared with $62 1 billion as of December 31, 2010 Market risk equivalent assets included in risk-weighted assets amounted to $46 8 billion at December 31, 2011 and $51.4 billion at December 31, 2010 Risk-weighted assets also include the effect of certain other off-balance-sheet exposures, such as unused lending commitments and letters of credit, and reflect deductions such as certain intangible assets and any excess allowance for credit losses

Common Stockholders' Equity

Citigroup's common stockholders' equity increased during 2011 by $14.3 billion to $177.5 billion, and represented 9% of total assets as of December 31, 2011. The table below summarizes the change in Citigroup's common stockholders' equity during 2011:

In billions of dollars	
Common stockholders' equity, December 31, 2010	**$163.2**
Citigroup's net income	**11.1**
Employee benefit plans and other activities [1]	**0.9**
Conversion of ADIA Upper DECs equity units purchase contracts to common stock	**3.8**
Net change in accumulated other comprehensive income (loss), net of tax	**(1.5)**
Common stockholders' equity, December 31, 2011	**$177.5**

(1) As of December 31, 2011, $6 7 billion of common stock repurchases remained under Citi's authorized repurchase programs No material repurchases were made in 2011

Tangible Common Equity and Tangible Book Value Per Share

Tangible common equity (TCE), as defined by Citigroup, represents common equity less goodwill, intangible assets (other than mortgage servicing rights (MSRs)), and related net deferred tax assets. Other companies may calculate TCE in a manner different from that of Citigroup. Citi's TCE was $145.4 billion at December 31, 2011 and $129.4 billion at December 31, 2010.

The TCE ratio (TCE divided by risk-weighted assets) was 14.9% at December 31, 2011 and 13.2% at December 31, 2010.

TCE and tangible book value per share, as well as related ratios, are capital adequacy metrics used and relied upon by investors and industry analysts; however, they are non-GAAP financial measures for SEC purposes. A reconciliation of Citigroup's total stockholders' equity to TCE, and book value per share to tangible book value per share, as of December 31, 2011 and December 31, 2010, follows:

In millions of dollars or shares at year end, except ratios and per-share data	**2011**	2010
Total Citigroup stockholders' equity	**$ 177,806**	$ 163,468
Less:		
Preferred stock	**312**	312
Common equity	**$ 177,494**	$ 163,156
Less:		
Goodwill	**25,413**	26,152
Intangible assets (other than MSRs)	**6,600**	7,504
Related net deferred tax assets	**44**	56
Tangible common equity (TCE)	**$ 145,437**	$ 129,444
Tangible assets		
GAAP assets	**$1,873,878**	$1,913,902
Less:		
Goodwill	**25,413**	26,152
Intangible assets (other than MSRs)	**6,600**	7,504
Related deferred tax assets	**322**	359
Tangible assets (TA)	**$1,841,543**	$1,879,887
Risk-weighted assets (RWA)	**$ 973,369**	$ 977,629
TCE/TA ratio	**7.90%**	6 89%
TCE/RWA ratio	**14.94%**	13 24%
Common shares outstanding (CSO)	**2,923.9**	2,905.8
Book value per share (common equity/CSO)	**$ 60.70**	$ 56.15
Tangible book value per share (TCE/CSO)	**$ 49.74**	$ 44.55

Capital Resources of Citigroup's U.S. Depository Institutions

Citigroup's U.S. subsidiary depository institutions are also subject to risk-based capital guidelines issued by their respective primary federal bank regulatory agencies, which are similar to the guidelines of the Federal Reserve Board.

The following table sets forth the capital tiers and capital ratios of Citibank, N.A., Citi's primary U.S. subsidiary depository institution, as of December 31, 2011 and December 31, 2010:

Citibank, N.A. Capital Tiers and Capital Ratios Under Regulatory Guidelines[1]

In billions of dollars at year end, except ratios	**2011**	2010
Tier 1 Common Capital	**$121.3**	$123.6
Tier 1 Capital	**121.9**	124.2
Total Capital (Tier 1 Capital + Tier 2 Capital)	**134.3**	138.4
Tier 1 Common ratio	**14.63%**	15.33%
Tier 1 Capital ratio	**14.70**	15.42
Total Capital ratio	**16.20**	17.18
Leverage ratio	**9.66**	9.32

(1) Effective July 1, 2011, Citibank (South Dakota) N.A. merged into Citibank, N.A. The amount of Tier 1 Common Capital, Tier 1 Capital and Total Capital, and the resultant capital ratios, at December 31, 2010 have been restated to reflect this merger. The 2011 Capital Ratios above also reflect the impact of dividends paid by Citibank, N.A. to Citigroup during 2011.

Impact of Changes on Capital Ratios

The following table presents the estimated sensitivity of Citigroup's and Citibank, N.A.'s capital ratios to changes of $100 million in Tier 1 Common Capital, Tier 1 Capital or Total Capital (numerator), or changes of $1 billion in risk-weighted assets or adjusted average total assets (denominator), based on financial information as of December 31, 2011. This information is provided for the purpose of analyzing the impact that a change in Citigroup's or Citibank, N.A.'s financial position or results of operations could have on these ratios. These sensitivities only consider a single change to either a component of capital, risk-weighted assets or adjusted average total assets. Accordingly, an event that affects more than one factor may have a larger basis point impact than is reflected in this table.

	Tier 1 Common ratio		**Tier 1 Capital ratio**		**Total Capital ratio**		**Leverage ratio**	
	Impact of $100 million change in Tier 1 Common Capital	**Impact of $1 billion change in risk-weighted assets**	**Impact of $100 million change in Tier 1 Capital**	**Impact of $1 billion change in risk-weighted assets**	**Impact of $100 million change in Total Capital**	**Impact of $1 billion change in risk-weighted assets**	**Impact of $100 million change in Tier 1 Capital**	**Impact of $1 billion change in adjusted average total assets**
Citigroup	**1.0 bps**	**1.2 bps**	**1.0 bps**	**1.4 bps**	**1.0 bps**	**1.8 bps**	**0.6 bps**	**0.4 bps**
Citibank, N.A.	**1.2 bps**	**1.8 bps**	**1.2 bps**	**1.8 bps**	**1.2 bps**	**2.0 bps**	**0.8 bps**	**0.8 bps**

Broker-Dealer Subsidiaries

At December 31, 2011, Citigroup Global Markets Inc., a broker-dealer registered with the SEC that is an indirect wholly owned subsidiary of Citigroup, had net capital, computed in accordance with the SEC's net capital rule, of $7.8 billion, which exceeded the minimum requirement by $7.0 billion.

In addition, certain of Citi's other broker-dealer subsidiaries are subject to regulation in the countries in which they do business, including requirements to maintain specified levels of net capital or its equivalent. Citigroup's broker-dealer subsidiaries were in compliance with their capital requirements at December 31, 2011.

Regulatory Capital Standards

The prospective regulatory capital standards for financial institutions, both in the U.S. and internationally, continue to be subject to ongoing debate, extensive rulemaking activity and substantial uncertainty. See "Risk Factors—Regulatory Risks" below.

Basel II and II.5. In November 2005, the Basel Committee on Banking Supervision (Basel Committee) published a new set of risk-based capital standards (Basel II) that permits banking organizations to leverage internal risk models used to measure credit and operational risks to derive risk-weighted assets. In November 2007, the U.S. banking agencies adopted these standards for large, internationally active U.S. banking organizations, including Citi. As adopted, the standards require Citi to comply with the most advanced Basel II approaches for calculating risk-weighted assets for credit and operational risks. The U.S. Basel II implementation timetable originally consisted of a parallel calculation period under the current regulatory capital regime (Basel I), followed by a three-year transitional "floor" period, during which Basel II risk-based capital requirements could not fall below certain floors based on application of the Basel I rules. Citi began parallel Basel I and Basel II reporting to the U.S. banking agencies on April 1, 2010.

In June 2011, the U S. banking agencies adopted final regulations to implement the "capital floor" provision of the so-called "Collins Amendment" of The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act). These regulations eliminated the three-year transitional floor period in favor of a permanent floor based on the generally applicable risk-based capital rules (currently Basel I). Pursuant to these regulations, a banking organization that has formally implemented Basel II must calculate its risk-based capital requirements under both Basel I and Basel II, compare the two results, and then use the lower of the resulting capital ratios for purposes of determining compliance with its minimum Tier 1 Capital and Total Capital requirements. As of December 31, 2011 neither Citi nor any other U.S. banking organization had received approval from the U.S. banking agencies to formally implement Basel II. Accordingly, the timing of Citi's Basel II implementation remains subject to uncertainty

Apart from the Basel II rules regarding credit and operational risks, in June 2010, the Basel Committee agreed on certain revisions to the market risk capital framework (Basel II.5) that would also result in additional capital requirements. In January 2011, the U.S. banking agencies issued a proposal to amend the market risk capital rules to implement certain revisions approved by the Basel Committee However, the U S banking agencies' proposal excluded the methodologies adopted by the Basel Committee for calculating capital requirements on certain debt and securitization positions covered by the market risk capital rules, as such methodologies include reliance on external credit ratings, which is prohibited by the Dodd-Frank Act (see below)

Basel III and Global Systemically Important Banks (G-SIBs)

Basel III. As an outgrowth of the financial crisis, in December 2010, the Basel Committee issued final rules to strengthen existing capital requirements (Basel III). The U.S. banking agencies are required to finalize, by December 2012, the rules to be applied by U.S. banking organizations commencing on January 1, 2013. While expected to be substantially the same as those of the Basel Committee as described below, as of December 31, 2011, the U.S. banking agencies had yet to issue the proposed U.S. version of the Basel III rules.

Under Basel III, when fully phased in on January 1, 2019, Citi would be required to maintain minimum risk-based capital ratios (exclusive of a G-SIB capital surcharge) as follows:

	Tier 1 Common	Tier 1 Capital	Total Capital
Stated minimum ratio	4.5%	6 0%	8.0%
Plus: Capital conservation buffer requirement	2.5	2.5	2.5
Effective minimum ratio (without G-SIB surcharge)	7.0%	8.5%	10.5%

While banking organizations would be permitted to draw on the 2.5% capital conservation buffer to absorb losses during periods of financial or economic stress, restrictions on earnings distributions (e.g., dividends, equity repurchases, and discretionary compensation) would result, with the degree of such restrictions greater based upon the extent to which the buffer is utilized. Moreover, subject to national discretion by the respective bank supervisory or regulatory authorities (i e., for Citi, the U.S. banking agencies), a countercyclical capital buffer ranging from 0% to 2 5%, consisting of only Tier 1 Common Capital, could also be imposed on banking organizations when it is deemed that excess aggregate credit growth is resulting in a build-up of systemic risk in a given country. This countercyclical capital buffer, when in effect, would serve as an additional buffer supplementing the capital conservation buffer.

Under Basel III, Tier 1 Common Capital will be required to be measured after applying generally all regulatory adjustments (including applicable deductions) The impact of these regulatory adjustments on Tier 1 Common Capital would be phased in incrementally at 20% annually beginning on January 1, 2014, with full implementation by January 1, 2018. During the transition period, the portion of the regulatory adjustments (including applicable deductions) not applied against Tier 1 Common Capital would continue to be subject to existing national treatments

Further, under Basel III, certain capital instruments will no longer qualify as non-common components of Tier 1 Capital (e g., trust preferred securities and cumulative perpetual preferred stock) or Tier 2 Capital. These instruments will be subject to a 10% per year phase-out over 10 years beginning on January 1, 2013, except for certain limited grandfathering. This phase-out period will be substantially shorter in the U.S. as a result of the Collins Amendment of the Dodd-Frank Act, which will generally require a phase-out of these securities over a three-year period also beginning on January 1, 2013 In addition, the Basel Committee has subsequently issued supplementary minimum requirements to those contained in Basel III,

which must be met or exceeded in order to ensure that qualifying non-common Tier 1 or Tier 2 Capital instruments fully absorb losses at the point of a banking organization's non-viability before taxpayers are exposed to loss. These requirements must be reflected within the terms of the capital instruments unless, subject to certain conditions, they are implemented through the governing jurisdiction's legal framework.

Although Citi, like other U.S. banking organizations, is currently subject to a supplementary, non-risk-based measure of leverage for capital adequacy purposes (see "Capital Ratios" above), Basel III establishes a more constrained Leverage ratio requirement. Initially, during a four-year parallel run test period beginning on January 1, 2013, Citi, like other U.S. banking organizations, will be required to maintain a minimum 3% Tier 1 Capital Leverage ratio. Disclosure of such ratio, and its components, will start on January 1, 2015. Depending upon the results of the parallel run test period, there could be subsequent adjustments to the definition and calibration of the Leverage ratio, which is to be finalized in 2017 and become a formal requirement by January 1, 2018.

Global Systemically Important Banks (G-SIBs). In November 2011, the Basel Committee finalized rules which set forth measures for G-SIBs, including the methodology for assessing global systemic importance, the related additional loss absorbency capital requirements (surcharges), and the phase-in period regarding such requirements.

Under the final rules, the methodology for assessing G-SIBs is to be based primarily on quantitative measurement indicators comprising five equally weighted broad categories: size, cross-jurisdictional activity, interconnectedness, substitutability/financial institution infrastructure, and complexity. G-SIBs will be subject to a progressive minimum additional Tier 1 Common Capital surcharge (over and above the Basel III minimum capital ratio requirements) ranging initially across four buckets from 1% to 2.5% of risk-weighted assets, depending upon the systemic importance of each individual banking organization. Further, a potential minimum additional 1% Tier 1 Common Capital requirement could also be imposed in the future on the largest G-SIBs that are deemed to have increased their global systemic importance (resulting in a total minimum additional Tier 1 Common Capital surcharge of 3.5%) Citi expects to be a G-SIB under the Basel Committee's rules, although the extent of its initial additional capital surcharge remains uncertain.

The minimum additional Tier 1 Common Capital surcharge for G-SIBs will be phased-in, as an extension of and in parallel with the Basel III capital conservation buffer and any countercyclical capital buffer, commencing on January 1, 2016 and becoming fully effective on January 1, 2019.

Accordingly, based on Citi's current understanding, under Basel III, on a fully phased-in basis, the effective minimum Tier 1 Common ratio requirement for those banking organizations initially deemed to be the most global systemically important, which will likely include Citi, will be at least 9.5% (consisting of the aggregate of the 4.5% stated minimum Tier 1 Common ratio requirement, the 2.5% capital conservation buffer, and the maximum 2.5% G-SIB capital surcharge) However, as referenced above, these capital surcharge measures have not yet been proposed by the U.S. banking agencies, although they have indicated they intend to adopt implementing rules in 2014.

Dodd-Frank Act

In addition to the Collins Amendment, the Dodd-Frank Act contains other significant regulatory capital-related provisions that have not yet been fully implemented by the U.S. banking agencies.

Alternative Creditworthiness Standards. In December 2011, the U.S banking agencies proposed to further amend and supplement the market risk capital rules beyond the January 2011 proposed modifications discussed above. The December 2011 proposals are intended to implement the provisions of the Dodd-Frank Act requiring that all federal agencies remove references to, and reliance on, credit ratings in their regulations, and replace these references with appropriate alternative standards for evaluating creditworthiness. Under the December 2011 proposal, the U.S. banking agencies set forth alternative methodologies to external credit ratings which are to be used to assess capital requirements on certain debt as well as securitization positions subject to the market risk capital rules. The U S banking agencies have also indicated they intend to propose similar revisions to the Basel I and Basel II rules to eliminate the use of external credit ratings to determine the risk weights applicable to securitization and certain corporate exposures under these regulations.

Enhanced Prudential Regulatory Capital Requirements. As mandated by the Dodd-Frank Act, in January 2012, the Federal Reserve Board issued a proposal designed to strengthen regulation and supervision of those financial institutions deemed to be systemically important and posing risk to market-wide financial stability, which would include Citi. The proposal incorporates a wide range of enhanced prudential standards, including those related to risk-based capital requirements and leverage limits.

The Federal Reserve Board has already implemented the first phase of the proposal's enhanced capital requirements through the adoption of its capital plan rule in December 2011. As a result, Citi, like other covered bank holding companies, is required to develop annual capital plans, conduct stress tests, and maintain adequate capital, including a Tier 1 Common ratio in excess of 5% (under both expected and stressed conditions) in order to engage in capital distributions such as dividends or share repurchases (see "Risk Factors—Business Risks" below). The second phase of the enhanced capital requirements, as set forth in the January 2012 proposal, would involve a subsequent Federal Reserve Board proposal regarding the establishment of a quantitative risk-based capital surcharge for covered financial institutions or a subset thereof, to be consistent with the provisions of the Basel Committee's final G-SIB surcharge rules.

FUNDING AND LIQUIDITY

Overview

Citi's funding and liquidity objectives generally are to maintain liquidity to fund its existing asset base as well as grow its core businesses in Citicorp, while at the same time maintain sufficient excess liquidity, structured appropriately, so that it can operate under a wide variety of market conditions, including market disruptions for both short- and long-term periods. Citigroup's primary liquidity objectives are established by entity, and in aggregate, across three major categories:

(i) the non-bank, which is largely composed of the parent holding company (Citigroup) and Citi's broker-dealer subsidiaries (collectively referred to in this section as "non-bank");
(ii) Citi's significant bank entities, such as Citibank, N.A.; and
(iii) other entities.

At an aggregate level, Citigroup's goal is to ensure that there is sufficient funding in amount and tenor to ensure that aggregate liquidity resources are available for these entities. The liquidity framework requires that entities be self-sufficient or net providers of liquidity, including in conditions established under their designated stress tests, and have excess cash capital

Citi's primary sources of funding include (i) deposits via Citi's bank subsidiaries, which continue to be Citi's most stable and lowest cost source of long-term funding, (ii) long-term debt (including long-term collateralized financings) issued at the non-bank level and certain bank subsidiaries, and (iii) stockholders' equity. These sources are supplemented by short-term borrowings, primarily in the form of secured financing transactions (securities loaned or sold under agreements to repurchase, or repos), and commercial paper at the non-bank level.

As referenced above, Citigroup works to ensure that the structural tenor of these funding sources is sufficiently long in relation to the tenor of its asset base The key goal of Citi's asset-liability management is to ensure that there is excess tenor in the liability structure so as to provide excess liquidity to fund the assets. The excess liquidity resulting from a longer-term tenor profile can effectively offset potential decreases in liquidity that may occur under stress. This excess funding is held in the form of aggregate liquidity resources, as described below.

Aggregate Liquidity Resources

	Non-bank [1]		Significant bank entities		Other entities [2]		Total	
In billions of dollars	**Dec. 31, 2011**	Dec. 31, 2010	**Dec. 31, 2011**	Dec. 31, 2010	**Dec. 31, 2011**	Dec. 31, 2010	**Dec. 31, 2011**	Dec. 31, 2010
Cash at major central banks	**$29.1**	$22 7	**$ 70.7**	$ 77.4	**$ 27.6**	$ 32.5	**$127.4**	$132 6
Unencumbered liquid securities	**69.3**	71 8	**129.5**	145.3	**79.3**	77.1	**278.1**	294.2
Total	**$98.4**	$94 5	**$200.2**	$222.7	**$106.9**	$109.6	**$405.5**	$426.8

(1) Non-bank includes the parent holding company (Citigroup), Citigroup Funding Inc (CFI) and one of Citi's broker-dealer entities, Citigroup Global Markets Holdings Inc (CGMHI)
(2) Other entities include Banamex and other bank entities

As set forth in the table above, Citigroup's aggregate liquidity resources totaled $405.5 billion at December 31, 2011, compared with $426 8 billion at December 31, 2010. These amounts are as of period-end and may increase or decrease intra-period in the ordinary course of business During the quarter ended December 31, 2011, the intra-quarter amounts did not fluctuate materially from the quarter-end amounts noted above

At December 31, 2011, Citigroup's non-bank aggregate liquidity resources totaled $98 4 billion, compared with $94 5 billion at December 31, 2010 This amount included unencumbered liquid securities and cash held in Citi's U S and non-U.S broker-dealer entities

Citigroup's significant bank entities had approximately $200 2 billion of aggregate liquidity resources as of December 31, 2011 This amount included $70.7 billion of cash on deposit with major central banks (including the U.S Federal Reserve Bank, European Central Bank, Bank of England, Swiss National Bank, Bank of Japan, the Monetary Authority of Singapore and the Hong Kong Monetary Authority), compared with $77 4 billion at December 31, 2010. The significant bank entities' liquidity resources also included unencumbered highly liquid government and government-backed securities. These securities are available-for-sale or secured funding through private markets or by pledging to the major central banks. The liquidity value of these liquid securities was $129.5 billion at December 31, 2011, compared with $145.3 billion at December 31, 2010. As shown in the table above, overall, liquidity at Citi's significant bank entities was down at December 31, 2011, as compared to December 31, 2010, as Citi deployed some of its excess bank liquidity into loan growth within Citicorp (see "Balance Sheet Review" above) and paid down long-term bank debt.

Citi estimates that its other entities and subsidiaries held approximately $106.9 billion in aggregate liquidity resources as of December 31, 2011. This included $27.6 billion of cash on deposit with major central banks and $79 3 billion of unencumbered liquid securities. Including these amounts, Citi's aggregate liquidity resources as of December 31, 2011 were approximately $405.5 billion

Further, Citi's summary of aggregate liquidity resources above does not include additional potential liquidity in the form of Citigroup's borrowing capacity at the U.S. Federal Reserve Bank discount window and from the various Federal Home Loan Banks (FHLB), which is maintained by pledged collateral to all such banks. Citi also maintains additional liquidity available in the form of diversified high grade non-government securities.

In general, Citigroup can freely fund legal entities within its bank vehicles. In addition, Citigroup's bank subsidiaries, including Citibank, N.A., can lend to the Citigroup parent and broker-dealer entities in accordance with Section 23A of the Federal Reserve Act. As of December 31, 2011, the amount available for lending to these non-bank entities under Section 23A was approximately $20.4 billion, provided the funds are collateralized appropriately.

Deposits

Citi continued to focus on maintaining a geographically diverse retail and corporate deposits base that stood at $866 billion at December 31, 2011, as compared with $845 billion at December 31, 2010. The $21 billion increase in deposits year-over-year was largely due to higher deposit volumes in *Global Consumer Banking* and *Transaction Services*. These increases were partially offset by a decrease in deposits in Citi Holdings year-over-year, while deposits in *Securities and Banking* were relatively flat Compared to the prior quarter, deposits increased in *Global Consumer Banking, Securities and Banking* and *Transaction Services*. Citi grew deposits year-over-year in all regions as customers continued a "flight to quality" given the market environment, including increases in Europe and *North America* in the fourth quarter of 2011. As of December 31, 2011, approximately 60% of Citi's deposits were located outside of the United States

Deposits can be interest-bearing or non-interest-bearing. Citi had $866 billion of deposits at December 31, 2011; of those, $177 billion were non-interest-bearing, compared to $133 billion at December 31, 2010. The remainder, or $689 billion, was interest-bearing, compared to $712 billion at December 31, 2010.

While Citi's deposits have grown year over year, Citi's overall cost of funds on deposits decreased, reflecting the low rate environment as well as Citi's ability to lower price points that widens its margins given the high levels of customer liquidity while still remaining competitive. Citi's average rate on total deposits was 0.96% at December 31, 2011, compared with 0.99% at December 31, 2010. Excluding the impact of the higher FDIC assessment effective beginning in the second quarter of 2011 and deposit insurance, the average rate on Citi's total deposits was 0 80% at December 31, 2011, compared with 0.86% at December 31, 2010 As interest rates rise, however, Citi expects to see pressure on these rates.

In addition, the composition of Citi's deposits shifted significantly year-over-year. Specifically, time deposits, where rates are fixed for the term of the deposit and have generally lower margins, became a smaller proportion of the deposit base, whereas operating accounts became a larger proportion of deposits. As defined by Citigroup, operating accounts consist of accounts such as checking and savings accounts for individuals, as well as cash management accounts for corporations, and, in Citi's experience, provide wider margins and exhibit retentive behavior. During 2011, operating account deposits grew across most of Citi's deposit-taking businesses, including retail, the private bank and *Transaction Services*. Operating accounts represented 75% of Citicorp's deposit base as of December 31, 2011, compared to 70% as of December 31, 2010 and 63% at December 31, 2009.

Long-Term Debt

Long-term debt (generally defined as original maturities of one year or more) is an important funding source, primarily for the non-bank entities, because of its multi-year maturity structure. The weighted average maturities of structural long-term debt (as defined in note 1 to the long-term debt issuances and maturities table below), issued by Citigroup, CFI, CGMHI and Citibank, N.A., excluding trust preferred securities, was approximately 7.1 years at December 31, 2011, compared to approximately 6.2 years as of December 31, 2010. At December 31, 2011 and December 31, 2010, overall long-term debt outstanding for Citigroup was as follows.

In billions of dollars	**Dec. 31, 2011**	Dec. 31, 2010
Non-bank	**$247.0**	$268.0
Bank [1]	**76.5**	113.2
Total [2][3]	**$323.5**	$381 2

(1) Collateralized advances from the FHLB were approximately $11 0 billion and $18 2 billion, respectively, at December 31, 2011 and December 31, 2010 These advances are reflected in the table above

(2) Includes long-term debt related to consolidated variable interest entities (VIEs) of approximately $50 5 billion and $69.7 billion, respectively, at December 31, 2011 and December 31, 2010. The majority of these VIEs relate to the Citibank Credit Card Master Trust and the Citibank OMNI Master Trust

(3) Of this amount, approximately $38 0 billion maturing in 2012 is guaranteed by the FDIC under the Temporary Liquidity Guarantee Program (TLGP)

As set forth in the table above, Citi's overall long-term debt has decreased by approximately $58 billion year-over-year. In the non-bank, the year-over-year decrease was primarily due to TLGP run-off In the bank entities, the decrease also included TLGP run-off, FHLB reductions, and the maturing of credit card securitization debt, particularly as Citi has grown its overall deposit base. Citi currently expects a continued decline in its overall long-term debt over 2012, particularly within its bank entities. Given its liquidity resources as of December 31, 2011, Citi may consider opportunities to repurchase its long-term debt, pursuant to open market purchases, tender offers or other means.

The table below details the long-term debt issuances and maturities of Citigroup during the past three years:

	2011		2010		2009	
In billions of dollars	**Maturities**	**Issuances**	Maturities	Issuances	Maturities	Issuances
Long-term debt [1][2]	**$50.6**	**$15.1**	$43.0	$18.9	$ 64.0	$110.4
Local country level, FHLB and other	**22.4**	**15.2** [3]	18.7	10.2	59.0	8.9
Secured debt and securitizations	**16.1**	**0.7**	14.2	4.7	0.9	17.0
Total	**$89.1**	**$31.0**	$75.9	$33.8	$123.9	$136.3

(1) Long-term debt issuances for all periods in the table above reflect Citi's structural long-term debt issuances Structural long-term debt is a non-GAAP measure Citi defines structural long-term debt as its long-term debt (original maturities of one year or more), excluding certain structured notes, such as equity-linked and credit-linked notes, with early redemption features effective within one year Citigroup believes that the structural long-term debt measure provides useful information to its investors as it excludes long-term debt that could in fact be redeemed by the holders thereof within one year Long-term debt maturities for all periods reflect the total amount of senior and subordinated long-term debt and trust preferred securities

(2) During 2011 and 2010, Citi issued a total of $7 5 billion of senior debt pursuant to the remarketing of the trust preferred securities held by ADIA

(3) Includes $0 5 billion of long-term FHLB issuance in the first quarter of 2011 and $5 5 billion in the second quarter of 2011

The table below shows Citi's aggregate expected annual long-term debt maturities as of December 31, 2011·

	Expected Long-Term Debt Maturities as of December 31, 2011						
In billions of dollars	**2012**	**2013**	**2014**	**2015**	**2016**	**Thereafter**	**Total**
Senior/subordinated debt	$60 6	$28.7	$25.9	$16 7	$12 2	$ 82.8	$226 9
Trust preferred securities	0 0	0 0	0.0	0.0	0.0	16 1	16.1
Securitized debt and securitizations	17.5	7.3	7.6	5.3	2 8	9.6	50.1
Local country and FHLB borrowings	5.8	10.3	4.5	1.6	4.9	3 3	30.4
Total long-term debt	$83.9	$46 3	$38 0	$23.6	$19.9	$111.8	$323.5

As set forth in the table above, Citi currently estimates its long-term debt maturing during 2012 to be $60 6 billion (which excludes maturities relating to local country, securitizations and FHLB), of which $38.0 billion is TLGP that Citi does not expect to refinance. Given the current status of its liquidity resources and continued asset reductions in Citi Holdings, Citi currently expects to refinance approximately $15 billion to $20 billion of long-term debt during 2012 However, Citi continually reviews its funding and liquidity needs and may adjust its expected issuances due to market conditions, including the continued uncertainty resulting from certain European market concerns, among other factors.

Secured Financing Transactions and Short-Term Borrowings

As referenced above, Citi supplements its primary sources of funding with short-term borrowings (generally defined as original maturities of less than one year) Short-term borrowings generally include (i) secured financing (securities loaned or sold under agreements to repurchase, or repos) and (ii) short-term borrowings consisting of commercial paper and borrowings from the FHLB and other market participants. The following table contains the year-end, average and maximum month-end amounts for the following respective short-term borrowings categories at the end of each of the three prior fiscal years.

	Federal funds purchased and securities sold under agreements to repurchase [2]			Short-term borrowings [1]					
				Commercial paper [3]			Other short-term borrowings [4]		
In billions of dollars	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009
Amounts outstanding at year end	**$198.4**	$189.6	$154.3	**$21.3**	$24.7	$10.2	**$33.1**	$ 54 1	$58.7
Average outstanding during the year [5]	**219.9**	212 3	205 6	**25.3**	35 0	24 7	**45.5**	68.8	76.5
Maximum month-end outstanding	**226.1**	246 5	252 2	**25.3**	40 1	36 9	**58.2**	106.0	99 8
Weighted-average interest rate									
During the year [5][6][7]	**1.45%**	1 32%	1 67%	**0.28%**	0 38%	0.99%	**1.28%**	1 14%	1 54%
At year end [8]	**1.10**	0 99	0.85	**0.38**	0 35	0.34	**1.09**	0.40	0.66

(1) Original maturities of less than one year

(2) Rates reflect prevailing local interest rates including inflationary effects and monetary correction in certain countries

(3) Includes commercial paper related to VIEs consolidated effective January 1, 2010 with the adoption of SFAS 166/167

(4) Other short-term borrowings include broker borrowings and borrowings from banks and other market participants

(5) Excludes discontinued operations While the annual average balance is primarily calculated from daily balances, in some cases, the average annual balance is calculated using a 13-point average composed of each of the month-end balances during the year plus the prior year-end ending balance

(6) Interest rates include the effects of risk management activities See Notes 20 and 24 to the Consolidated Financial Statements

(7) Average volumes of securities loaned or sold under agreements to repurchase are reported net pursuant to FIN 41 (ASC 210-20-45) However, interest expense excludes the impact of FIN 41 (ASC 210-20-45)

(8) Based on contractual rates at respective year-end, non-interest-bearing accounts are excluded from the weighted average interest rate calculated at year-end

Secured Financing Transactions

Secured financing is primarily conducted through Citi's broker-dealer subsidiaries to facilitate customer matched-book activity and to efficiently fund a portion of the trading inventory. As of December 31, 2011, secured financing was $198 billion and averaged approximately $220 billion during the year. Secured financing at December 31, 2011 increased year over year by approximately $9 billion from $190 billion at December 31, 2010.

Commercial Paper

At December 31, 2011 and December 31, 2010, commercial paper outstanding for Citigroup's non-bank entities and significant bank entities, respectively, was as follows:

In millions of dollars	**Dec. 31, 2011**	Dec 31, 2010
Non-bank	**$ 6,414**	$ 9,670
Bank	**14,872**	14,987
Total	**$21,286**	$24,657

Other Short-Term Borrowings

At December 31, 2011, Citi's other short-term borrowings were $33 billion, compared with $54 billion at December 31, 2010. The average balances for the quarters were generally consistent with the quarter-end balances for each period.

See Note 19 to the Consolidated Financial Statements for further information on Citigroup's outstanding long-term debt and short-term borrowings.

Liquidity Risk Management

Liquidity risk is the risk of a financial institution's inability to meet its obligations in a timely manner. Management of liquidity risk at Citi is the responsibility of the Citigroup Treasurer with oversight from senior management through Citi's Finance and Asset and Liability Committee (FinALCO). For additional information on FinALCO and Citi's liquidity management, see "Capital Resources – Overview" above.

Citigroup operates under a centralized treasury model where the overall balance sheet is managed by Citigroup Treasury through Global Franchise Treasurers and Regional Treasurers. Day-to-day liquidity and funding are managed by treasurers at the country and business level and are monitored by Citigroup Treasury and independent risk management.

Liquidity Measures and Stress Testing

Citi uses multiple measures in monitoring its liquidity, including liquidity ratios, stress testing and liquidity limits, each as described below.

Liquidity Measures

In broad terms, the structural liquidity ratio, defined as the sum of deposits, long-term debt and stockholders' equity as a percentage of total assets, measures whether Citi's asset base is funded by sufficiently long-dated liabilities. Citi's structural liquidity ratio was 73% at December 31, 2011 and 73% at December 31, 2010.

Internally, Citi also utilizes cash capital to measure and monitor its ability to fund the structurally illiquid portion of the balance sheet, on a specific product-by-product basis. While cash capital is a methodology generally used by financial institutions to provide a maturity structure matching assets and liabilities, there is a lack of standardization in this area and specific product-by-product assumptions vary by firm. Cash capital measures the amount of long-term funding—core deposits, long-term debt and equity—available to fund illiquid assets. Illiquid assets generally include loans (net of securitization adjustments), securities haircuts and other assets (i.e., goodwill, intangibles and fixed assets). As of December 31, 2011, based on Citi's internal measures, both the non-bank and the aggregate bank subsidiaries had excess cash capital.

As part of Basel III, the Basel Committee proposed two new liquidity measurements (for an additional discussion of Basel III, see "Capital Resources—Regulatory Capital Standards" above) Specifically, as proposed, the Liquidity Coverage Ratio (LCR) is designed to ensure banking organizations maintain an adequate level of unencumbered cash and high quality unencumbered assets that can be converted into cash to meet liquidity needs. The LCR must be at least 100%, and is proposed to be effective beginning January 1, 2015. While the U.S. regulators have not yet provided final rules or guidance with respect to the LCR, based on its current understanding of the LCR requirements, Citi believes it is in compliance with the LCR as of December 31, 2011.

In addition to the LCR, the Basel Committee proposed a Net Stable Funding Ratio (NSFR) designed to promote the medium- and long-term funding of assets and activities over a one-year time horizon. It is Citi's understanding, however, that this proposed metric is under review by the Basel Committee and may be further revised.

Moreover, in January 2012, the Federal Reserve Board proposed rules to implement the enhanced prudential standards for systemically important financial institutions, as required by the Dodd-Frank Act. The proposed rules include new requirements for liquidity management and corporate governance related thereto. Citi continues to review these proposed rules and any potential impact they may have on its liquidity management practices.

Stress Testing

Liquidity stress testing is performed for each of Citi's major entities, operating subsidiaries and/or countries. Stress testing and scenario analyses are intended to quantify the potential impact of a liquidity event on the balance sheet and liquidity position, and to identify viable funding alternatives that can be utilized. These scenarios include assumptions about significant changes in key funding sources, market triggers (such as credit ratings), potential uses of funding and political and economic conditions in certain countries. These conditions include standard and stressed market conditions as well as firm-specific events.

A wide range of liquidity stress tests are important for monitoring purposes. Some span liquidity events over a full year, some may cover an intense stress period of one month, and still other time frames may be appropriate. These potential liquidity events are useful to ascertain potential mismatches between liquidity sources and uses over a variety of horizons (overnight, one week, two weeks, one month, three months, one year), and liquidity limits are set accordingly. To monitor the liquidity of a unit, those stress tests and potential mismatches may be calculated with varying frequencies, with several important tests performed daily.

Given the range of potential stresses, Citi maintains a series of contingency funding plans on a consolidated basis as well as for individual entities. These plans specify a wide range of readily available actions that are available in a variety of adverse market conditions, or idiosyncratic disruptions.

Credit Ratings

Citigroup's ability to access the capital markets and other sources of funds, as well as the cost of these funds and its ability to maintain certain deposits, is partially dependent on its credit ratings. See also "Risk Factors—Market and Economic Risks" below. The table below indicates the ratings for Citigroup, Citibank, N.A. and Citigroup Global Markets Inc. (a broker-dealer subsidiary of Citi) as of December 31, 2011.

Citigroup's Debt Ratings as of December 31, 2011

	Citigroup Inc./Citigroup Funding Inc.[1]		Citibank, N.A.		Citigroup Global Markets Inc.
	Senior debt	Commercial paper	Long-term	Short-term	Senior debt
Fitch Ratings (Fitch)	A	F1	A	F1	NR
Moody's Investors Service (Moody's)	A3	P-2	A1	P-1	NR
Standard & Poor's (S&P)	A-	A-2	A	A-1	A

(1) As a result of the Citigroup guarantee, the ratings of, and changes in ratings for, CFI are the same as those of Citigroup
NR Not rated

Recent Rating Changes

On September 21, 2011, Moody's concluded its review of government support assumptions for Citi and certain peers and upgraded Citi's unsupported "Baseline Credit Assessment" rating and affirmed Citi's long-term debt ratings at both the Citibank and Citigroup levels. At the same time, however, Moody's changed the short-term rating of Citigroup (the parent holding company) to 'P-2' from 'P-1'. On November 29, 2011, following its global review of the banking industry under S&P's revised bank criteria, S&P downgraded the issuer credit rating for Citigroup Inc. to 'A-/A-2' from 'A/A-1', and Citibank, N.A. to 'A/A-1' from 'A+/A-1'. These ratings continue to receive two notches of uplift, reflecting S&P's view that the U.S. government is supportive to Citi. On December 15, 2011, Fitch announced revised ratings resulting from its review of government support assumptions for 17 U.S. banks. The resolution of this review resulted in a revision to the issuer credit ratings of Citigroup and Citibank, N.A. from 'A+' to 'A' and the short-term issuer rating from 'F1+' to 'F1'.

The above mentioned rating changes did not have a material impact on Citi's funding profile. Furthermore, forecasts of potential funding loss under various stress scenarios, including the above mentioned rating downgrades, did not occur.

Potential Impact of Ratings Downgrades

Ratings downgrades by Fitch, Moody's or S&P could have material impacts on funding and liquidity in the form of cash obligations, reduced funding capacity and collateral triggers.

Most recently, on February 15, 2012, Moody's announced a review of 17 banks and securities firms with global capital markets operations, including Citi, for possible downgrade during the first half of 2012. Moody's stated this review was to assess adverse market trends, which it believes are weakening the credit profiles of many rated banks globally. It is not certain what the results of this review will be, or if Citigroup or Citibank, N.A. will be impacted.

Because of the current credit ratings of Citigroup, a one-notch downgrade of its senior debt/long-term rating may or may not impact Citigroup's commercial paper/short-term rating by one notch. As of December 31, 2011, Citi estimates that a one-notch downgrade of the senior debt/long-term rating of Citigroup could result in loss of funding due to derivative triggers and additional margin requirements of $1.3 billion and a one-notch downgrade by Fitch of Citigroup's commercial paper/short-term rating could result in the assumed loss of unsecured commercial paper of $6.4 billion. Other funding sources, such as secured financing transactions and other margin requirements, for which there are no explicit triggers, could also be adversely affected.

Citi currently believes that a more severe ratings downgrade scenario, such as a two-notch downgrade of the senior debt/long-term rating of Citigroup, could result in an additional $0.9 billion in funding requirements in the form of cash obligations and collateral as of December 31, 2011. Other funding sources, such as secured financing transactions and other margin requirements, for which there are no explicit triggers, could also be adversely affected.

As set forth under "Aggregate Liquidity Resources" above, the aggregate liquidity resources of Citigroup's non-bank entities stood at approximately $98.4 billion as of December 31, 2011, in part as a contingency for such an event, and a broad range of mitigating actions are currently included in Citigroup's detailed contingency funding plans. These mitigating factors include, but are not limited to, accessing surplus funding capacity from existing clients, tailoring levels of secured lending, adjusting the size of select trading books, and collateralized borrowings from significant bank subsidiaries.

Further, as of December 31, 2011, a one-notch downgrade of the senior debt/long-term ratings of Citibank, N.A. could result in an approximate $2.4 billion funding requirement in the form of collateral and cash obligations. Because of the current credit ratings of Citibank, N.A., a one-notch downgrade of its senior debt/long-term rating is unlikely to have any impact on its commercial paper/short-term rating. However, a two-notch downgrade by Moody's could have an adverse impact on Citibank, N.A.'s commercial paper/short-term rating. A two-notch downgrade by Moody's could result in additional funding requirements in the form of cash obligations and collateral estimated at $0.8 billion as of December 31, 2011. As of December 31, 2011, Citibank, N.A. had liquidity commitments of $27.9 billion to asset-backed commercial paper conduits, which could also be impacted by a two-notch downgrade by Moody's, including $14.9 billion of commitments to consolidated conduits, and $13.0 billion of commitments to unconsolidated conduits as referenced in Note 22 to the Consolidated Financial Statements. Additionally, Citibank, N.A. had $11.2 billion of funding programs related to the municipals markets that could be impacted by such a downgrade, of which $10.8 billion is principally reflected as commitments within Note 28 to the Consolidated Financial Statements.

Citi's significant bank entities and other entities, including Citibank, N.A., had aggregate liquidity resources of approximately $307.1 billion at December 31, 2011, in part as a contingency for such an event and also have detailed contingency funding plans that encompass a broad range of mitigating actions. These mitigating actions include, but are not limited to, selling or financing highly liquid government securities, tailoring levels of secured lending, repricing or reducing certain commitments to commercial paper conduits, exercising reimbursement agreements for the municipal programs mentioned above, adjusting the size of select trading books, reducing loan originations and renewals, raising additional deposits, or borrowing from the FHLB or other central banks. Citi believes these mitigating actions could substantially reduce the funding and liquidity risk of such a downgrade.

OFF-BALANCE-SHEET ARRANGEMENTS

Citigroup enters into various types of off-balance-sheet arrangements in the ordinary course of business. Citi's involvement in these arrangements can take many different forms, including without limitation:

- purchasing or retaining residual and other interests in special purpose entities, such as credit card receivables and mortgage-backed and other asset-backed securitization entities;
- holding senior and subordinated debt, interests in limited and general partnerships and equity interests in other unconsolidated entities; and
- providing guarantees, indemnifications, loan commitments, letters of credit and representations and warranties.

Citi enters into these arrangements for a variety of business purposes. These securitization entities offer investors access to specific cash flows and risks created through the securitization process. The securitization arrangements also assist Citi and Citi's customers in monetizing their financial assets at more favorable rates than Citi or the customers could otherwise obtain.

The table below presents a discussion of Citi's various off-balance-sheet arrangements may be found in this Form 10-K In addition, see "Significant Accounting Policies and Significant Estimates – Securitizations" below, as well as Notes 1, 22 and 28 to the Consolidated Financial Statements.

Types of Off-Balance-Sheet Arrangements Disclosures in this Form 10-K

Variable interests and other obligations, including contingent obligations, arising from variable interests in nonconsolidated VIEs	See Note 22 to the Consolidated Financial Statements.
Leases, letters of credit, and lending and other commitments	See Note 28 to the Consolidated Financial Statements.
Guarantees	See Note 28 to the Consolidated Financial Statements

CONTRACTUAL OBLIGATIONS

The following table includes information on Citigroup's contractual obligations, as specified and aggregated pursuant to SEC requirements.

Purchase obligations consist of those obligations to purchase goods or services that are enforceable and legally binding on Citi. For presentation purposes, purchase obligations are included in the table below through the termination date of the respective agreements, even if the contract is renewable. Many of the purchase agreements for goods or services include clauses that would allow Citigroup to cancel the agreement with specified notice; however, that impact is not included in the table below (unless Citigroup has already notified the counterparty of its intention to terminate the agreement).

Other liabilities reflected on Citigroup's Consolidated Balance Sheet include obligations for goods and services that have already been received, uncertain tax positions and other liabilities that have been incurred and will ultimately be paid in cash.

Excluded from the following table are obligations that are generally short-term in nature, including deposits and securities sold under agreements to repurchase, or repos (see "Capital Resources and Liquidity—Funding and Liquidity" above for a discussion of these obligations). The table also excludes certain insurance and investment contracts subject to mortality and morbidity risks or without defined maturities, such that the timing of payments and withdrawals is uncertain. The liabilities related to these insurance and investment contracts are included as *Other liabilities* on the Consolidated Balance Sheet.

	Contractual obligations by year						
In millions of dollars at December 31, 2011	**2012**	**2013**	**2014**	**2015**	**2016**	**Thereafter**	**Total**
Long-term debt obligations [1]	$ 83,907	$46,338	$37,950	$23,625	$19,897	$111,788	$323,505
Operating and capital lease obligations	1,199	1,096	1,008	906	793	2,292	7,294
Purchase obligations	694	437	389	353	274	409	2,556
Other liabilities [2]	40,707	366	310	291	294	5,666	47,634
Total	**$126,507**	**$48,237**	**$39,657**	**$25,175**	**$21,258**	**$120,155**	**$380,989**

(1) For additional information about long-term debt obligations, see "Capital Resources and Liquidity—Funding and Liquidity" above and Note 19 to the Consolidated Financial Statements

(2) Includes accounts payable and accrued expenses recorded in *Other liabilities* on Citi's Consolidated Balance Sheet. Also includes discretionary contributions for 2012 for Citi's non-U.S. pension plans and the non-U.S. postretirement plans, as well as employee benefit obligations accounted for under SFAS 87 (ASC 715), SFAS 106 (ASC 715) and SFAS 112 (ASC 712).

RISK FACTORS

REGULATORY RISKS

Citi faces significant regulatory changes around the world which could negatively impact its businesses, especially given the unfavorable environment facing financial institutions and the lack of international coordination.

As discussed in more detail throughout this section, Citi continues to be subject to a significant number of new regulatory requirements and changes from numerous sources, both in the U.S. and internationally, which could negatively impact its businesses, revenues and earnings. These reforms and proposals are occurring largely simultaneously and generally not on a coordinated basis. In addition, as a result of the financial crisis in the U.S., as well as the continuing adverse economic climate globally, Citi, as well as other financial institutions, is subject to an increased level of distrust, scrutiny and skepticism from numerous constituencies, including the public, state, federal and foreign regulators, the media and within the political arena. This environment, in which the U.S. and international regulatory initiatives are being debated and implemented, engenders not only a bias towards more regulation, but towards the most prescriptive regulation for financial institutions As a result of this ongoing negative environment, there could be additional regulatory requirements beyond those already proposed, adopted or even currently contemplated by U.S. or international regulators. It is not clear what the cumulative impact of all of this regulatory reform will be.

The ongoing implementation of the Dodd-Frank Act, as well as international regulatory reforms, continues to create much uncertainty for Citi, including with respect to the management of its businesses, the amount and timing of the resulting increased costs and its ability to compete.

Despite enactment in July 2010, the complete scope and ultimate form of a number of provisions of The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), such as the heightened prudential standards applicable to large financial companies, the so-called "Volcker Rule" and the regulation of derivatives markets, are still in developmental stages and significant rulemaking and interpretation remains Moreover, agencies and offices created by the Dodd-Frank Act, such as the Bureau of Consumer Financial Protection, are in their early stages and the extent and timing of regulatory efforts by these bodies remains to be seen

This uncertainty is further compounded by the numerous regulatory efforts underway outside the U.S. Certain of these efforts overlap with the substantive provisions of the Dodd-Frank Act, while others, such as proposals for financial transaction and/or bank taxes in particular countries or regions, do not In addition, even where these U.S and international regulatory efforts overlap, these efforts generally have not been undertaken on a coordinated basis. Areas where divergence between U.S. regulators and their international counterparts exists or has begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise) includes trading, clearing and reporting requirements for derivatives transactions, higher U.S. capital and margin requirements relating to uncleared derivatives transactions, and capital and liquidity requirements that may result in mandatory "ring-fencing" of capital or liquidity in certain jurisdictions, among others.

Regulatory uncertainty makes future planning with respect to the management of Citi's businesses more difficult. For example, the cumulative effect of the new derivative rules and sequencing of implementation requirements will have a significant impact on how Citi chooses to structure its derivatives business and its selection of legal entities in which to conduct this business. Until these rules are final and interpretive questions are answered, management's business planning and proposed pricing for this business necessarily include assumptions based on proposed rules. Incorrect assumptions could impede Citi's ability to effectively implement and comply with the final requirements in a timely manner. Management's planning is further complicated by the continual need to review and evaluate the impact to the business of an ongoing flow of rule proposals and interpretations from numerous regulatory bodies, all within compressed timeframes.

In addition, the operational and technological costs associated with implementation of, as well as the ongoing compliance costs associated with, all of these regulations will likely be substantial Given the continued uncertainty, the ultimate amount and timing of such costs going forward are difficult to predict. In 2011, Citi invested approximately $1 billion in order to meet various regulatory requirements, and this amount did not include many of the costs likely to be incurred pursuant to the implementation of the Dodd-Frank Act or other regulatory initiatives. For example, the proposed Volcker Rule contemplates a comprehensive internal controls system as well as extensive data collection and reporting duties with respect to "proprietary trading," and rules for registered swap dealers impose extensive recordkeeping requirements and business conduct rules for dealing with customers All of these costs negatively impact Citi's earnings. Given Citi's global footprint, its implementation and compliance risks and costs are more complex and could be more substantial than its competitors. Ongoing compliance with inconsistent, conflicting or duplicative regulations across U S. and international jurisdictions, or failure to implement or comply with these new regulations on a timely basis, could further increase costs or harm Citi's reputation generally.

Citi could also be subject to more stringent regulation because of its global footprint. In accordance with the Dodd-Frank Act, in December 2011 the Federal Reserve Board proposed a set of heightened prudential standards that will be applicable to large financial companies such as Citi. The proposal dictates requirements for aggregate counterparty exposure limits and enhanced risk management processes and oversight, among other things Compliance with these standards could result in restrictions on Citi's activities Moreover, other financial institutions, including so-called "shadow banking" financial intermediaries, providing many of the same or similar services or products that Citi makes available to its customers, may not be regulated on the same basis or to the same extent as Citi and consequently may also have certain competitive advantages.

Finally, uncertainty persists as to the extent to which Citi will be subject to more stringent regulations than its foreign competitors with respect to several of the regulatory initiatives, particularly in its non-U.S. operations, including certain aspects of the proposed restrictions under the Volcker Rule and derivatives clearing and margin requirements. Differences in substance

or severity of regulations across jurisdictions could significantly reduce Citi's ability to compete with foreign competitors, in a variety of businesses and geographic areas, and thus further negatively impact Citi's earnings.

Citi's prospective regulatory capital requirements remain uncertain and will likely be higher than many of its competitors. There is a risk that Citi will be unable to meet these new standards in the timeframe expected by the market or regulators.

As discussed in more detail under "Capital Resources and Liquidity – Capital Resources – Regulatory Capital Standards" above, Citi's prospective regulatory capital requirements continue to be subject to extensive rulemaking and interpretation. Ongoing areas of rulemaking include, among others, (i) the final Basel III rules applicable to U.S. financial institutions, including Citi, (ii) capital surcharges for global systemically important banks (G-SIBs), including the extent of the surcharge to be initially imposed on Citi, and (iii) implementation of the Dodd-Frank Act, including imposition of enhanced prudential capital requirements on financial institutions that are deemed to pose a systemic risk to market-wide financial stability as well as provisions requiring the elimination of credit ratings from capital regulations and the Collins Amendment.

It is clear that final U.S. rules implementing Basel III, the G-SIB surcharge and the capital-related provisions of the Dodd-Frank Act will significantly increase Citi's regulatory capital requirements, including the amount of capital required to be in the form of common equity. However, the various regulatory capital levels Citi must maintain, the types of capital that will meet these requirements and the specific capital requirements associated with Citi's assets remain uncertain. For example, Citi may be required to replace certain of its existing regulatory capital in a compressed timeframe or in unfavorable markets in order to comply with final rules implementing Basel III and the Collins Amendment, which eliminated trust preferred securities from the definition of Tier 1 Capital. In addition, the alternative approaches proposed to replace the use of credit ratings in accordance with the Dodd-Frank Act and final rules implementing Basel II.5 could require Citi to hold more capital against certain of its assets than it must currently.

The lack of final regulatory capital requirements impedes long-term capital planning by Citi's management. Citi is not able to accurately forecast its capital requirements for particular exposures which complicates its ability to assess the future viability of, and appropriate pricing for, certain of its products. In addition, while management may desire to take certain actions to optimize Citi's regulatory capital profile, such as the reduction of certain investments in unconsolidated financial entities, without clarity as to the final standards, there is risk in management either taking actions based on assumed or proposed rules or waiting to take action until final rules that are implemented in compressed timeframes.

Citi's projected ability to comply with the new capital requirements as they are implemented, or earlier, is also based on certain assumptions specific to Citi's businesses, including its future earnings in Citicorp, the continued wind-down of Citi Holdings and the monetization of Citi's deferred tax assets. If management's assumptions with respect to certain aspects of Citi's businesses prove to be incorrect, it could negatively impact Citi's ability to comply with the future regulatory capital requirements in a timely manner or in a manner consistent with market or regulator expectations.

Citi's regulatory capital requirements will also likely be higher than many of its competitors. Citi's strategic focus on emerging markets, for example, will likely result in higher risk-weighted assets and thus potentially higher capital requirements than its less global or less emerging-markets-focused competitors. In addition, within the U.S., Citi will likely face higher regulatory capital requirements than most of its U.S.-based competitors that are not subject to the G-SIB surcharge (or the same level of surcharge) or the heightened prudential capital requirements to be imposed on systemically important financial institutions. Internationally, there have already been instances of Basel III not being consistently adopted or applied across countries or regions. Any lack of a level playing field with respect to capital requirements for Citi as compared to peers or less regulated financial intermediaries, both in the U.S. and internationally, could put Citi at a competitive disadvantage.

As proposed, changes in regulation of derivatives required under the Dodd-Frank Act will require significant and costly restructuring of Citi's derivatives businesses in order to meet the new market structures and could affect the competitive position of these businesses.

Once fully implemented, the provisions of the Dodd-Frank Act relating to the regulation of derivatives will result in comprehensive reform of the derivatives markets. Reforms will include requiring a wide range of over-the-counter derivatives to be cleared through recognized clearing facilities and traded on exchanges or exchange-like facilities, the collection and segregation of collateral for most uncleared derivatives, extensive public transaction reporting and business conduct requirements, and significantly broadened restrictions on the size of positions that may be maintained in specified commodity derivatives. While some of the regulations have been finalized, the rulemaking process is still not complete, and the timing for the effectiveness of many of these requirements is not yet clear.

The proposed rules implementing the derivatives provisions of the Dodd-Frank Act will necessitate costly and resource-intensive changes to certain areas of Citi's derivatives business structures and practices. Those changes will include restructuring the legal entities through which those businesses are conducted and the successful and timely installation of extensive technological and operational systems and compliance infrastructure, among others. Effective legal entity restructuring will also be dependent on clients and regulators, and so may be subject to delays or disruptions not fully under Citi's control. Moreover, new derivatives-related systems and infrastructure will likely become the basis on which institutions such as Citi compete for clients and, to the extent that Citi's connectivity or services for clients in these businesses is deficient, Citi could be at a competitive disadvantage. More generally, the contemplated reforms will make trading in many derivatives products more costly and may significantly reduce the liquidity of certain derivatives markets and diminish customer demand for covered derivatives. These changes could negatively impact Citi's earnings from these businesses.

Reforms similar to the derivatives provisions and proposed regulations under the Dodd-Frank Act are also contemplated in the European Union and certain other jurisdictions. These reforms appear likely to take effect after the provisions of the Dodd-Frank Act and, as a result, it is uncertain whether they will be similar to those in the U.S. or will impose different or additional requirements on Citi's derivative activities. Complications due to the sequencing of the effectiveness of derivatives reform, both among different components of the Dodd-Frank Act and between the U.S. and other jurisdictions, could give rise to further disruptions and competitive dislocations.

The proposed regulations implementing the derivatives provisions of the Dodd-Frank Act, if adopted without modification, would also adversely affect the competitiveness of Citi's non-U.S. operations. For example, the proposed regulations would require some of Citi's non-U.S. operations to collect more margin from its non-U.S. derivatives customers than Citi's foreign bank competitors may be required to collect. The Dodd-Frank Act also contains a so-called "push-out" provision that will prevent FDIC-insured depository institutions from dealing in certain equity, commodity and credit-related derivatives. Citi conducts a substantial portion of its derivatives-dealing activities through its insured depository institution and, to the extent that certain of Citi's competitors already conduct such activities outside of FDIC-insured depository institutions, Citi would be disproportionately impacted by any restructuring of its business for push-out purposes. Moreover, the extent to which Citi's non-U.S. operations will be impacted by the push-out provision and other derivative provisions remains unclear, and it is possible that Citi could lose market share or profitability in its derivatives business or client relationships in jurisdictions where foreign bank competitors can operate without the same constraints.

The proposed restrictions imposed on proprietary trading and funds-related activities under the "Volcker Rule" provisions of the Dodd-Frank Act could adversely impact Citi's market-making activities and may cause Citi to dispose of certain of its investments at less than fair value.

The "Volcker Rule" provisions of the Dodd-Frank Act are intended to restrict the proprietary trading activities of institutions such as Citi, as well as such institutions' sponsorship and investment in hedge funds and private equity funds. In October 2011, the Federal Reserve Board, OCC, FDIC and SEC proposed regulations that would implement these restrictions and the CFTC followed with its proposed regulations in January 2012.

The proposed regulations contain narrow exceptions for market-making, underwriting, risk-mitigating hedging, certain transactions on behalf of customers and activities in certain asset classes, and require that certain of these activities be designed not to encourage or reward "proprietary risk taking." Because the regulations are not yet final, the degree to which Citi's activities in these areas will be permitted to continue in their current form remains uncertain. Moreover, if adopted as proposed, the rules would require an extensive compliance regime around these "permitted" activities, and Citi could incur significant ongoing compliance and monitoring costs, including with respect to the frequent reporting of extensive metrics and risk analytics, to the regulatory agencies. In addition, the proposed rules and any restrictions imposed by final regulations in this area will also likely affect Citi's trading activities globally, and thus will impact it disproportionately in comparison to foreign financial institutions that will not be subject to the Volcker Rule with respect to their activities outside of the U.S.

In addition, under the funds-related provisions of the Volcker Rule, bank regulators have the flexibility to provide firms with extensions allowing them to hold their otherwise restricted investments in private equity and hedge funds for some time beyond the statutory divestment period. If the regulators elect not to grant such extensions, Citi could be forced to divest certain of its investments in illiquid funds in the secondary market on an untimely basis. Based on the illiquid nature of the investments and the prospect that other industry participants subject to similar requirements would likely be divesting similar assets at the same time, such sales could be at substantial discounts to their fair value.

The establishment of the new Consumer Financial Protection Bureau, as well as other provisions of the Dodd-Frank Act and ensuing regulations, could affect Citi's practices and operations with respect to a number of its U.S. Consumer businesses and increase its costs.

The Dodd-Frank Act established the Consumer Financial Protection Bureau (CFPB). Among other things, the CFPB was given rulemaking authority over most providers of consumer financial services in the U.S., examination and enforcement authority over the consumer operations of large banks, as well as interpretive authority with respect to numerous existing consumer financial services regulations. The CFPB began exercising these oversight authorities over the largest banks, including Citibank, N.A., during 2011.

Because this is an entirely new agency, the impact on Citi, including its retail banking, mortgages and cards businesses, is largely uncertain. However, any new regulatory requirements, or modified interpretations of existing regulations, will affect Citi's U.S. Consumer business practices and operations, potentially resulting in increased compliance costs. Furthermore, the CFPB represents an additional source of potential enforcement or litigation against Citi and, as an entirely new agency with a focus on consumer protection, the CFPB may have new or different enforcement or litigation strategies than those typically utilized by other regulatory agencies. Such actions could further increase Citi's costs.

In addition, the provisions of the Dodd-Frank Act relating to the doctrine of "federal preemption" may allow a broader application of state consumer financial laws to federally chartered institutions such as Citibank, N.A. Moreover, the Dodd-Frank Act eliminated federal preemption protection for operating subsidiaries of federally chartered institutions. The Dodd-Frank Act also codified existing case law which allowed state authorities to bring certain types of enforcement actions against national banks under applicable state law and granted states the ability to bring enforcement actions and to secure remedies against national banks for violation of CFPB regulations as well. This potential exposure to state lawsuits and enforcement actions, which could be extensive, could also subject Citi to increased litigation and regulatory enforcement actions, further increasing costs.

The Dodd-Frank Act also provides authority to the SEC to determine fiduciary duty standards applicable to brokers for retail customers. Any new such standards or related SEC rulemakings could also affect Citi's business practices with retail investment customers and have indirect additional effects on standards applicable to its business practices with certain institutional customers. Such standards could also likely entail additional compliance costs and result in potential incremental liability.

Regulatory requirements in the U.S. and other jurisdictions aimed at facilitating the future orderly resolution of large financial institutions could result in Citi having to change its business structures, activities and practices in ways that negatively impact its operations.

The Dodd-Frank Act requires Citi to prepare a plan for the rapid and orderly resolution of Citigroup, the bank holding company, under the Bankruptcy Code in the event of future material financial distress or failure. Citi is also required to prepare a resolution plan for its insured depository institution subsidiary, Citibank, N.A., and to demonstrate how it is adequately protected from the risks presented by non-bank affiliates. These plans must include information on resolution strategy, major counterparties and "interdependencies," among other things, and will require substantial effort, time and cost. These resolution plans will be subject to review by the Federal Reserve Board and the FDIC.

Based on regulator review of these plans, Citi may have to restructure or reorganize businesses, legal entities, or operational systems and intracompany transactions in ways that negatively impact its operations, or be subject to restrictions on growth. For example, Citi could be required to create new subsidiaries instead of branches in foreign jurisdictions, or create subsidiaries to conduct particular businesses or operations (so-called "subsidiarization"), which would, among other things, increase Citi's legal, regulatory and managerial costs, negatively impact Citi's global capital and liquidity management and potentially impede its global strategy. Citi could also eventually be subjected to more stringent capital, leverage or liquidity requirements, or be required to divest certain assets or operations, if both regulators determine that Citi's resolution plans do not meet statutory requirements and Citi does not remedy the deficiencies within required time periods.

In addition, other jurisdictions, such as the United Kingdom, have requested or are expected to request resolution plans from financial institutions, including Citi, and the requirements and timing relating to these plans are different from the U.S. requirements and each other. Responding to these additional requests will require additional effort, time and cost, and regulatory review and requirements in these jurisdictions could be in addition to, or conflict with, changes requested by Citi's regulators in the U.S.

Citi could be harmed competitively if it is unable to hire or retain highly qualified employees as a result of regulatory requirements regarding compensation practices or otherwise.

Citi's performance and competitive standing is heavily dependent on the talents and efforts of the highly skilled individuals that it is able to attract and retain. Competition for highly qualified individuals within the financial services industry has been, and will likely continue to be, intense. Compensation is a key element of attracting and retaining highly qualified employees. Banking and other regulators in the U.S., European Union and elsewhere are in the process of developing principles, regulations and other guidance governing what are deemed to be sound compensation practices and policies. However, the steps that will be required to implement any new requirements, and the consequences of implementation, remain uncertain. In addition, compensation may continue to be a legislative focus both in Europe and in the U.S. as there has been significant legislation in Europe and the U.S. in recent years regarding compensation for certain employees of financial institutions, including provisions of the Dodd-Frank Act.

Changes required to be made to Citi's compensation policies and practices may hinder Citi's ability to compete in or manage its businesses effectively, to expand into or maintain its presence in certain businesses and regions, or to remain competitive in offering new financial products and services. This is particularly the case in emerging markets, where Citi is often competing for qualified employees with financial institutions that are not subject to the same regulatory regimes as Citi and that are also seeking to expand in these markets. Moreover, new disclosure requirements or other legislation or regulation may result from the worldwide regulatory processes described above. If this were to occur, Citi could be required to make additional disclosures relating to the compensation of its employees or to restrict or modify its compensation policies, any of which could hurt its ability to hire, retain and motivate its key employees and thus harm it competitively, particularly in respect of companies not subject to these requirements

Provisions of the Dodd-Frank Act and other regulations relating to securitizations will impose additional costs on securitization transactions, increase Citi's potential liability in respect of securitizations and may prohibit Citi from performing certain roles in securitizations, each of which could make it impractical to execute certain types of transactions and may have an overall negative effect on the recovery of the securitization markets.

Citi plays a variety of roles in asset securitization transactions, including acting as underwriter of asset-backed securities, depositor of the underlying assets into securitization vehicles, trustee to securitization vehicles and counterparty to securitization vehicles under derivative contracts. The Dodd-Frank Act contains a number of provisions that affect securitizations. Among other provisions, these include a requirement that securitizers retain un-hedged exposure to at least 5% of the economic risk of certain assets they securitize, a prohibition on securitization participants engaging in transactions that would involve a conflict with investors in the securitization,

and extensive additional requirements for review and disclosure of the characteristics of the assets underlying the securitizations. The SEC has also proposed additional extensive regulation of both publicly and privately offered securitization transactions (so-called "Reg AB II").

The cumulative effect of these extensive regulatory changes, many of which have not been finalized, as well as other potential future regulatory changes, such as GSE reform, on securitization markets, the nature and profitability of securitization transactions, and Citi's participation therein, cannot currently be assessed. It is likely, however, that these various measures will increase the costs of executing securitization transactions, and could effectively limit Citi's overall volume of, and the role Citi may play in, securitizations, expose Citi to additional potential liability for securitization transactions and make it impractical for Citi to execute certain types of securitization transactions it previously executed In addition, certain sectors of the securitization markets, particularly residential mortgage-backed securitizations, have been inactive or experienced dramatically diminished transaction volumes since the financial crisis. The impact of various regulatory reform measures could negatively delay or restrict any future recovery of these sectors of the securitization markets, and thus the opportunities for Citi to participate in securitization transactions in such sectors.

The Financial Accounting Standards Board (FASB) is currently reviewing or proposing changes to several key financial accounting and reporting standards utilized by Citi which, if adopted as proposed, could have a material impact on how Citi records and reports its financial condition and results of operations.

The FASB is currently reviewing or proposing changes to several of the financial accounting and reporting standards that govern key aspects of Citi's financial statements. While the outcome of these reviews and proposed changes is uncertain and difficult to predict, certain of these changes could have a material impact on how Citi records and reports its financial condition and results of operations, and could hinder understanding or cause confusion across comparative financial statement periods. For example, the FASB's financial instruments project could, among other things, significantly change how Citi determines the impairment on those assets and accounts for hedges. In addition, the FASB's leasing project could eliminate most operating leases and instead capitalize them, which would result in a gross-up of Citi's balance sheet and a change in the timing of income and expense recognition patterns for leases

Moreover, the FASB continues its convergence project with the International Accounting Standards Board (IASB) pursuant to which U S GAAP and International Financial Reporting Standards (IFRS) are to be converged. The FASB and IASB continue to have significant disagreements on the convergence of certain key standards affecting financial reporting, including accounting for financial instruments and hedging. In addition, the SEC has not yet determined whether, when or how U S companies will be required to adopt IFRS. There can be no assurance that the transition to IFRS, if and when required to be adopted by Citi, will not have a material impact on how Citi reports its financial results, or that Citi will be able to meet any required transition timeline

MARKET AND ECONOMIC RISKS

The ongoing Eurozone debt crisis could have significant adverse effects on Citi's business, results of operations, financial condition and liquidity, particularly if it leads to any sovereign debt defaults, significant bank failures or defaults and/or the exit of one or more countries from the European Monetary Union.

The ongoing Eurozone debt crisis has caused, and is likely to continue to cause, disruption in global financial markets, particularly if it leads to any future sovereign debt defaults and/or significant bank failures or defaults in the Eurozone. In spite of a number of stabilization measures taken since spring 2010, yields on government bonds of certain Eurozone countries, including Greece, Ireland, Italy, Portugal and Spain, have remained volatile. In addition, some European banks and insurers have experienced a widening of credit spreads (and the resulting decreased availability and increased costs of funding) as a result of uncertainty regarding the exposure of such European financial institutions to these countries. This widening of credit spreads and increased cost of funding has also affected Citi due to concerns about its Eurozone exposure.

The market disruptions in the Eurozone could intensify or spread further, particularly if ongoing stabilization efforts prove insufficient. Concerns have been raised as to the financial, political and legal ineffectiveness of measures taken to date Continued economic turmoil in the Eurozone could have a significant negative impact on Citi, both directly through its own exposures and indirectly due to a decline in general global economic conditions, which could particularly impact Citi given its global footprint and strategy. See "Managing Global Risk—Country and Cross-Border Risk" below. There can be no assurance that the various steps Citi has taken to protect its businesses, results of operations and financial condition against the results of the Eurozone crisis will be sufficient

The effects of the Eurozone debt crisis could be even more significant if they lead to a partial or complete break-up of the European Monetary Union (EMU) The partial or full break-up of the EMU would be unprecedented and its impact highly uncertain. The exit of one or more countries from the EMU or the dissolution of the EMU could lead to redenomination of obligations of obligors in exiting countries. Any such exit and redenomination would cause significant uncertainty with respect to outstanding obligations of counterparties and debtors in any exiting country, whether sovereign or otherwise, and lead to complex, lengthy litigation. The resulting uncertainty and market stress could also cause, among other things, severe disruption to equity markets, significant increases in bond yields generally, potential failure or default of financial institutions, including those of systemic importance, a significant decrease in global liquidity, a freeze-up of global credit markets and worldwide recession. Any combination of such events would negatively impact Citi's businesses, earnings and financial condition, particularly given Citi's global strategy. In addition, exit and redenomination could be accompanied by imposition of capital, exchange and similar controls, which could further negatively impact Citi's cross-border risk, other aspects of its businesses and its earnings.

The continued uncertainty relating to the sustainability and pace of economic recovery and market volatility has adversely affected, and may continue to adversely affect, certain of Citi's businesses, particularly S&B and the U.S. mortgage businesses within Citi Holdings – Local Consumer Lending.

The financial services industry and the capital markets have been and will likely continue to be adversely affected by the slow pace of economic recovery and continued disruptions in the global financial markets. This continued uncertainty and disruption have adversely affected, and may continue to adversely affect, certain of Citi's businesses, particularly its *S&B* business and its *Local Consumer Lending* business within *Citi Holdings*.

In particular, the corporate and sovereign bond markets, equity and derivatives markets, debt and equity underwriting and other elements of the financial markets have been and could continue to be subject to wide swings and volatility relating to issues emanating from Eurozone and U.S. economic issues. As a result of this uncertainty and volatility, clients have remained and may continue to remain on the sidelines or cut back on trading and other business activities and, accordingly, the results of operations of Citi's *S&B* businesses have been and could continue to be volatile and negatively impacted.

Moreover, the continued economic uncertainty in the U.S , accompanied by continued high levels of unemployment and depressed values of residential real estate, will continue to negatively impact Citi's U.S. Consumer mortgage businesses, particularly its residential real estate and home equity loans in *Citi Holdings – LCL*. Given the continued decline in Citi's ability to sell delinquent residential first mortgages, the decreased inventory of such loans for modification and re-defaults of previously modified mortgages, Citi began to experience increased delinquencies in this portfolio during the latter part of 2011. As a result, Citi could also experience increasing net credit losses in this portfolio going forward. Moreover, given the lack of markets in which to sell delinquent home equity loans, as well as the relatively fewer home equity loan modifications and modification programs, Citi's ability to offset increased delinquencies and net credit losses in its home equity loan portfolio in Citi Holdings has been, and will continue to be, more limited as compared to residential first mortgages. See "Managing Global Risk—Credit Risk—North America Consumer Mortgage Lending" and "—Consumer Loan Modification Programs" below

Concerns about the level of U.S. government debt and downgrade, or concerns about a potential downgrade, of the U.S. government credit rating could have a material adverse effect on Citi's businesses, results of operations, capital, funding and liquidity.

In August 2011, Standard & Poor's lowered its long-term sovereign credit rating on the U.S. government from AAA to AA+ and in the second half of 2011, Moody's Investors Services and Fitch both placed the U.S. rating on negative outlook. According to the credit rating agencies, these actions resulted from the high level of U.S. government debt and the continued inability of Congress to reach an agreement to ensure payment of U.S. government debt and reduce the U S debt level. If the credit rating of the U S. government is further downgraded, the ratings and perceived creditworthiness of instruments issued, insured or guaranteed by institutions, agencies or instrumentalities directly linked to the U.S government could also be correspondingly affected. A future downgrade of U.S. debt obligations or U.S. government-related obligations by one or more credit rating agencies, or heightened concern that such a downgrade might occur, could negatively affect Citi's ability to obtain funding collateralized by such obligations as well as the pricing of such funding. Such a downgrade could also negatively impact the pricing or availability of Citi's funding as a U.S. financial institution. In addition, such a downgrade could affect financial markets and economic conditions generally and the market value of the U.S. debt obligations held by Citi. As a result, such a downgrade could lead to a downgrade of Citi debt obligations and could have a material adverse effect on Citi's business, results of operations, capital, funding and liquidity.

Citi's extensive global network, particularly its operations in the world's emerging markets, subject it to emerging market and sovereign volatility and further increases its compliance and regulatory risks and costs.

Citi believes its extensive and diverse global network—which includes a physical presence in approximately 100 countries and services offered in over 160 countries and jurisdictions—provides it with a unique competitive advantage in servicing the broad financial services needs of large multinational clients and customers around the world, including in many emerging markets International revenues have recently been the largest and fastest-growing component of Citicorp, driven by emerging markets.

However, this global footprint also subjects Citi to a number of risks associated with international and emerging markets, including exchange controls, limitations on foreign investment, socio-political instability, nationalization, closure of branches or subsidiaries, confiscation of assets and sovereign volatility, among others. For example, there have been recent instances of political turmoil and violent revolutionary uprisings in some of the countries in which Citi operates, including in the Middle East, to which Citi has responded by transferring assets and relocating staff members to more stable jurisdictions. While these previous incidents have not been material to Citi, such disruptions could place Citi's staff and operations in danger and may result in financial losses, some significant, including nationalization of Citi's assets.

Further, Citi's extensive global operations increase its compliance and regulatory risks and costs For example, Citi's operations in emerging markets subject it to higher compliance risks under U.S. regulations primarily focused on various aspects of global corporate activities, such as anti-money-laundering regulations and the Foreign Corrupt Practices Act, which can be more acute in less developed markets and thus require substantial investment in order to comply. Any failure by Citi to remain in compliance with applicable U.S. regulations, as well as the regulations in the countries and markets in which it operates as a result of its global footprint, could result in fines, penalties, injunctions or other similar restrictions, any of which could negatively impact Citi's earnings and its general reputation.

In addition, complying with inconsistent, conflicting or duplicative regulations requires extensive time and effort and further increases Citi's compliance, regulatory and other costs.

It is uncertain how the ongoing Eurozone debt crisis will affect emerging markets. A recession in the Eurozone could cause a ripple effect in emerging markets, particularly if banks in developed economies decrease or cease lending to emerging markets, as is currently occurring in some cases This impact could be disproportionate in the case of Citi in light of the emphasis on emerging markets in its global strategy. Decreased, low or negative growth in emerging market economies could make execution of Citi's global strategy more challenging and could adversely affect Citi's revenues, profits and operations.

The maintenance of adequate liquidity depends on numerous factors outside of Citi's control, including without limitation market disruptions and increases in Citi's credit spreads.

Adequate liquidity and sources of funding are essential to Citi's businesses. Citi's liquidity and sources of funding can be significantly and negatively impacted by factors it cannot control, such as general disruptions in the financial markets or negative perceptions about the financial services industry in general, or negative investor perceptions of Citi's liquidity, financial position or credit worthiness in particular. Market perception of sovereign default risks, such as issues in the Eurozone as well as other complexities regarding the current European debt crisis, can also lead to ineffective money markets and capital markets, which could further impact Citi's availability of funding.

In addition, Citi's cost and ability to obtain deposits, secured funding and long-term unsecured funding from the capital markets are directly related to its credit spreads Changes in credit spreads constantly occur and are market-driven, including both external market factors as well as factors specific to Citi, and can be highly volatile. Citi's credit spreads may also be influenced by movements in the costs to purchasers of credit default swaps referenced to Citi's long-term debt, which are also impacted by these external and Citi-specific factors. Moreover, Citi's ability to obtain funding may be impaired if other market participants are seeking to access the markets at the same time, or if market appetite is reduced, as is likely to occur in a liquidity or other market crisis In addition, clearing organizations, regulators, clients and financial institutions with which Citi interacts may exercise the right to require additional collateral based on these market perceptions or market conditions, which could further impair Citi's access to funding.

The credit rating agencies continuously review the ratings of Citi and its subsidiaries, and reductions in Citi's and its subsidiaries' credit ratings could have a significant and immediate impact on Citi's funding and liquidity through cash obligations, reduced funding capacity and additional margin requirements.

The rating agencies continuously evaluate Citi and its subsidiaries, and their ratings of Citi's and its more significant subsidiaries' long-term/senior debt and short-term /commercial paper, as applicable, are based on a number of factors, including financial strength, as well as factors not entirely within the control of Citi and its subsidiaries, such as the agencies' proprietary rating agency methodologies and conditions affecting the financial services industry generally.

Citi and its subsidiaries may not be able to maintain their current respective ratings. Ratings downgrades by Fitch, Moody's or S&P could have a significant and immediate impact on Citi's funding and liquidity through cash obligations, reduced funding capacity and additional margin requirements for derivatives or other transactions. Ratings downgrades could also have a negative impact on other funding sources, such as secured financing and other margined transactions, for which there are no explicit triggers Some entities may also have ratings limitations as to their permissible counterparties, of which Citi may or may not be aware. A reduction in Citi's or its subsidiaries' credit ratings could also widen Citi's credit spreads or otherwise increase its borrowing costs and limit its access to the capital markets. For additional information on the potential impact of a reduction in Citi's or its subsidiaries' credit ratings, see "Capital Resources and Liquidity—Funding and Liquidity—Credit Ratings" above.

BUSINESS RISKS

Citi is subject to extensive litigation, investigations and inquiries pertaining to a myriad of U.S. mortgage-related activities that could take significant time to resolve and may subject Citi to extensive liability, including in the form of penalties and other equitable remedies, that could negatively impact Citi's future results of operations.

Virtually every aspect of mortgage-related activity in the U.S. is being challenged across the financial services industry in private and public litigation and by regulators, governmental agencies and state attorneys general, among others. Examples of the activities being challenged include the accuracy of offering documents for residential mortgage-backed securities, potential breaches of representations and warranties in the placement of mortgage loans into securitization trusts, mortgage servicing practices, the legitimacy of the securitization of mortgage loans and the Mortgage Electronic Registration System's role in tracking mortgages, holding title and participating in the mortgage foreclosure process, fair lending, compliance with the Servicemembers Civil Relief Act, and False Claim Act violations alleged in "qui tam" cases, among others.

Sorting out which of the many claims being asserted has legal merit as well as which financial institutions may be subject to liability with respect to their actual practices is a complex process that is highly uncertain and will take time to resolve. All of these inquiries, actions and investigations have resulted in, and will likely continue to result in, significant time, expense and diversion of management's attention, and could result in significant liability as well as negative reputational and other costs to Citi.

Citi is currently party to numerous actions relating to claims of misrepresentations or omissions in offering documents of residential mortgage-backed securities sponsored or serviced by Citi affiliates. This litigation has been brought by a number of institutional investors, including the Federal Housing Finance Agency. The cases are all in early stages, making it difficult to predict how they will develop, and Citi believes that such litigation will continue for several years. In addition, because the statute of limitations will soon expire for these types of disclosure-based claims, Citi could experience an increase in filed claims in the near term.

Citi is exposed to representation and warranty (i.e., mortgage repurchase) liability through its U.S. Consumer mortgage businesses and, to a lesser extent, through legacy private-label residential mortgage securitizations sponsored by its *S&B* business. With respect to its Consumer businesses, during 2011, Citi increased its repurchase reserve from approximately $969 million to $1.2 billion at December 31, 2011. To date, the majority of repurchase demands have come from the GSEs. The level of repurchase demands by GSEs has been trending upwards and Citi currently expects it to remain elevated for some time. To a lesser extent, Citi has received repurchase demands from private investors, although these claims have been volatile and could increase in the future.

With regard to legacy *S&B* private-label mortgage securitizations, while *S&B* has to date received actual claims for breaches of representations and warranties relating to only a small percentage of the mortgages included in its securitization transactions, the pace of claims remains volatile and has recently increased. Citi has also experienced an increase in the level of inquiries, assertions and requests for loan files, among other matters, relating to such securitization transactions from trustees of securitization trusts and others. These inquiries could lead to actual claims for breaches of representations and warranties, or to litigation relating to such breaches or other matters. For additional information on these matters, see "Managing Global Risk—Credit Risk—Consumer Mortgage—Representations and Warranties" and "—*Securities and Banking*-Sponsored Private-Label Residential Mortgage Securitizations—Representations and Warranties" below.

For further discussion of the matters above, see Note 29 to the Consolidated Financial Statements.

Citi will not be able to wind down Citi Holdings at the same pace as it has in the past three years. As a result, the remaining assets in Citi Holdings will likely continue to have a negative impact on Citi's results of operations and its ability to utilize the capital supporting the remaining assets in Citi Holdings for more productive purposes.

Citi will not be able to dispose of or wind down the businesses or assets that are part of Citi Holdings at the same level or pace as in the past three years. As of December 31, 2011, assuming the transfer to Citicorp of the substantial majority of retail partner cards, effective in the first quarter of 2012, *LCL* constituted approximately 70% of Citi Holdings. As of such date, over half of the remaining assets in *LCL* consisted of legacy U.S. mortgages which will likely be subject to run-off over an extended period of time. Besides mortgages, the remaining assets in *LCL* include the OneMain Financial business, as well as student, commercial real estate and credit card loans in *North America*, and consumer lending businesses in Europe and *Asia*.

BAM primarily consists of the MSSB JV. Morgan Stanley has call rights on Citi's ownership interest in the venture over a three-year period beginning in 2012, which it is not required to exercise. Of the remaining assets in *SAP*, interest-earning assets have become a smaller portion of the assets, causing negative net interest revenues in the business as the remaining non-interest earning assets, which require funding, represent a larger portion of the total asset pool. In addition, as of December 31, 2011, approximately 25% of the remaining assets in *SAP* were held-to-maturity securities.

As a result, the remaining assets within Citi Holdings will likely continue to have a negative impact on Citi's overall results of operations for the foreseeable future, particularly after the transfer of retail partner cards to Citicorp. In addition, as of December 31, 2011 and as adjusted to reflect the transfer of retail partner cards, roughly 21% of Citi's risk-weighted assets were in Citi Holdings, and were supported by approximately $24 billion of Citi's regulatory capital. Accordingly, Citi's ability to release the capital supporting these businesses and thus use such capital for more productive purposes will depend on the ultimate pace and level of Citi Holdings divestitures, portfolio run-offs and asset sales.

Citi's ability to increase its common stock dividend or initiate a share repurchase program is subject to regulatory and government approval.

Since the second quarter of 2011, Citi has paid a quarterly common stock dividend of $0.01 per share In addition to Board of Directors' approval, any decision by Citi to increase its common stock dividend, including the amount thereof, or initiate a share repurchase program is subject to regulatory approval, including the results of the Comprehensive Capital Analysis and Review (CCAR) process required by the Federal Reserve Board. Restrictions on Citi's ability to increase the amounts of its common stock dividend or engage in share repurchase programs could negatively impact market perceptions of Citi, including the price of its common stock.

In addition, pursuant to its agreements with certain U.S. government entities, dated June 9, 2009, executed in connection with Citi's exchange offers consummated in July and September 2009, Citi remains subject to dividend and share repurchase restrictions for as long as the U S government continues to hold any Citi trust preferred securities acquired in connection with the exchange offers While these restrictions may be waived, they generally prohibit Citi from paying regular cash dividends in excess of $0.01 per share of common stock per quarter or from redeeming or repurchasing any Citi equity securities, which includes its common stock, or trust preferred securities. As of December 31, 2011, approximately $3 025 billion of trust preferred securities issued to the FDIC remained outstanding (of which approximately $800 million is being held for the benefit of the U.S. Treasury).

Citi may be unable to maintain or reduce its level of expenses as it expects, and investments in its businesses may not be productive.

Citi continues to pursue a disciplined expense-management strategy, including re-engineering, restructuring operations and improving the efficiency of functions, such as call centers and collections, to achieve a targeted percentage expense savings annually However, there is no guarantee that Citi will be able to maintain or reduce its level of expenses in the future, particularly as expenses incurred in Citi's foreign entities are subject to foreign exchange volatility, and regulatory compliance and legal and related costs are difficult to predict or control, particularly given the current regulatory and litigation environment. Moreover, Citi has incurred, and will likely continue to incur, costs of investing in its businesses. These investments may not be as productive as Citi expects or at all. Furthermore, as the wind down of Citi Holdings slows, Citi's ability to continue to reduce its expenses as a result of this wind down will also decline

The value of Citi's deferred tax assets (DTAs) could be reduced if corporate tax rates in the U.S. or certain state or foreign jurisdictions are decreased or as a result of other potential significant changes in the U.S. corporate tax system.

There have been discussions in Congress and by the Obama Administration regarding potentially decreasing the U S. corporate tax rate. Similar discussions have taken place in certain state and foreign jurisdictions. While Citi may benefit in some respects from any decreases in these corporate tax rates, any reduction in the U.S., state or foreign corporate tax rates would result in a decrease to the value of Citi's DTAs, which could be significant. There have also been recent discussions of more sweeping changes to the U S. tax system, including changes to the tax treatment of foreign business income It is uncertain whether or when any such tax reform proposals will be enacted into law, and whether or how they will affect Citi's ability to make effective use of its DTAs

The expiration of a provision of the U.S. tax law that allows Citi to defer U.S. taxes on certain active financing income could significantly increase Citi's tax expense.

Citi's tax provision has historically been reduced because active financing income earned and indefinitely reinvested outside the U.S. is taxed at the lower local tax rate rather than at the higher U.S tax rate. Such reduction has been dependent upon a provision of the U S. tax law that defers the imposition of U.S. taxes on certain active financing income until that income is repatriated to the U.S. as a dividend. This "active financing exception" expired on December 31, 2011 with respect to taxable years beginning after such date. While the exception has been scheduled to expire on numerous prior occasions, Congress has extended it each time, including retroactively to the start of the tax year. Congress could still take action to retroactively extend the active financing exception to the beginning of 2012 However, there can be no assurance that it will do so. If the exception is not extended, the U.S. tax imposed on Citi's active financing income earned outside the U.S. would increase, which could further result in Citi's tax expense increasing significantly, particularly beginning in 2013.

Citi's operational systems and networks have been, and will continue to be, vulnerable to an increasing risk of continually evolving cybersecurity or other technological risks which could result in the disclosure of confidential client or customer information, damage to Citi's reputation, additional costs to Citi, regulatory penalties and financial losses.

A significant portion of Citi's operations relies heavily on the secure processing, storage and transmission of confidential and other information as well as the monitoring of a large number of complex transactions on a minute-by-minute basis. For example, through its global consumer banking, credit card and *Transaction Services* businesses, Citi obtains and stores an extensive amount of personal and client-specific information for its retail, corporate and governmental customers and clients and must accurately record and reflect their extensive account transactions These activities have been, and will continue to be, subject to an increasing risk of cyber attacks, the nature of which is continually evolving.

Citi's computer systems, software and networks have been and will continue to be vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber attacks and other events. These threats may derive from human error, fraud or malice on the part of employees or third parties, or may result from accidental technological failure. If one or more of these events occurs, it could result in the disclosure of confidential client information, damage to Citi's reputation with its clients and the market, additional costs to Citi (such as repairing systems or adding new personnel or protection technologies), regulatory penalties and financial losses, to both Citi and its clients and customers Such events could also cause interruptions or malfunctions in the operations of Citi (such as the lack of availability of Citi's online banking system), as well as the operations of its clients, customers or other third parties. Given the high volume of transactions at Citi, certain errors or actions may be repeated or compounded before they are discovered and rectified, which would further increase these costs and consequences.

Citi has recently been subject to intentional cyber incidents from external sources, including (i) data breaches, which resulted in unauthorized access to customer account data and interruptions of services to customers; (ii) malicious software attacks on client systems, which in turn allowed unauthorized entrance to Citi's systems under the guise of a client and the extraction of client data, and (iii) denial of service attacks, which attempted to interrupt service to clients and customers. While Citi was able to detect these prior incidents before they became significant, they still resulted in losses as well as increases in expenditures to monitor against the threat of similar future cyber incidents. There can be no assurance that such incidents, or other cyber incidents, will not occur again, and they could occur more frequently and on a more significant scale

In addition, third parties with which Citi does business may also be sources of cybersecurity or other technological risks Citi outsources certain functions, such as processing of customer credit card transactions, which results in the storage and processing of customer information by third parties. While Citi engages in certain actions to reduce the exposure resulting from outsourcing, such as limiting third-party access to the least privileged level necessary to perform job functions and restricting third-party processing to systems stored within Citi's data centers, unauthorized access, loss or destruction of data or other cyber incidents could occur, resulting in similar costs and consequences to Citi as those discussed above. Furthermore, because financial institutions are becoming increasingly interconnected with central agents, exchanges and clearing houses, including through the derivatives provisions of the Dodd-Frank Act, Citi has increased exposure to operational failure or cyber attacks through third parties.

While Citi maintains insurance coverage that may, subject to policy terms and conditions including significant self-insured deductibles, cover certain aspects of cyber risks, such insurance coverage may be insufficient to cover all losses.

Citi's financial statements are based in part on assumptions and estimates, which, if wrong, could cause unexpected losses in the future, sometimes significant.

Pursuant to U S. GAAP, Citi is required to use certain assumptions and estimates in preparing its financial statements, including in determining credit loss reserves, reserves related to litigation and regulatory exposures, mortgage representation and warranty claims and the fair value of certain assets and liabilities, among other items. If the assumptions or estimates underlying Citi's financial statements are incorrect, Citi may experience significant losses. For additional information on the key areas for which assumptions and estimates are used in preparing Citi's financial statements, see "Significant Accounting Policies and Significant Estimates" below, and for further information relating to litigation and regulatory exposures, see Note 29 to the Consolidated Financial Statements.

Citi is subject to a significant number of legal and regulatory proceedings that are often highly complex, slow to develop and are thus difficult to predict or estimate.

At any given time, Citi is defending a significant number of legal and regulatory proceedings The volume of claims and the amount of damages and penalties claimed in litigation, arbitration and regulatory proceedings against financial institutions remain high, and could further increase in the future. See, for example, "—Citi is subject to extensive litigation, investigations and inquiries pertaining to a myriad of mortgage-related activities that could take significant time to resolve and may subject Citi to extensive liability, including in the form of penalties and other equitable remedies, that could negatively impact Citi's future results of operations."

Proceedings brought against Citi may result in judgments, settlements, fines, penalties, disgorgement, injunctions, business improvement orders or other results adverse to it, which could materially and negatively affect Citi's businesses, financial condition or results of operations, require material

changes in Citi's operations, or cause Citi reputational harm. Moreover, the many large claims asserted against Citi are highly complex and slow to develop, and they may involve novel or untested legal theories. The outcome of such proceedings may thus be difficult to predict or estimate until late in the proceedings, which may last several years. In addition, certain settlements are subject to court approval and may not be approved. Although Citi establishes accruals for its litigation and regulatory matters according to accounting requirements, the amount of loss ultimately incurred in relation to those matters may be substantially higher or lower than the amounts accrued.

In addition, while Citi takes numerous steps to prevent and detect employee misconduct, such as fraud, employee misconduct is not always possible to deter or prevent, and the extensive precautions Citi takes to prevent and detect this activity may not be effective in all cases, which could subject it to additional liability. Moreover, the "whistle-blower" provisions of the Dodd-Frank Act provide substantial financial incentives for persons to report alleged violations of law to the SEC and the CFTC. The final rules implementing these provisions for the SEC and CFTC became effective in August and October 2011, respectively. As such, there continues to be much uncertainty as to whether these new reporting provisions will incentivize and lead to an increase in the number of claims that Citi will have to investigate or against which Citi will have to defend itself, thus potentially further increasing Citi's legal liabilities.

For additional information relating to Citi's potential exposure relating to legal and regulatory matters, see Note 29 to the Consolidated Financial Statements.

Failure to maintain the value of the Citi brand could harm Citi's global competitive advantage, results of operations and strategy.

As Citi enters into its 200th year of operations in 2012, one of its most valuable assets is the Citi brand. Citi's ability to continue to leverage its extensive global footprint, and thus maintain one of its key competitive advantages, depends on the continued strength and recognition of the Citi brand, including in emerging markets as other financial institutions grow their operations in these markets and competition intensifies. As referenced above, as a result of the economic crisis in the U.S. as well as the continuing adverse economic climate globally, Citi, like other financial institutions, is subject to an increased level of distrust, scrutiny and skepticism from numerous constituencies, including the general public. The Citi brand could be further harmed if its public image or reputation were to be tarnished by negative publicity, whether or not true, about Citi or the financial services industry in general, or by a negative perception of Citi's short-term or long-term financial prospects. Maintaining, promoting and positioning the Citi brand will depend largely on Citi's ability to provide consistent, high-quality financial services and products to its clients and customers around the world. Failure to maintain its brand could hurt Citi's competitive advantage, results of operations and strategy.

Citi may incur significant losses if its risk management processes and strategies are ineffective, and concentration of risk increases the potential for such losses.

Citi monitors and controls its risk exposure across businesses, regions and critical products through a risk and control framework encompassing a variety of separate but complementary financial, credit, operational, compliance and legal reporting systems, internal controls, management review processes and other mechanisms. While Citi employs a broad and diversified set of risk monitoring and risk mitigation techniques, those techniques and the judgments that accompany their application may not be effective and may not anticipate every economic and financial outcome in all market environments or the specifics and timing of such outcomes. Market conditions over the last several years have involved unprecedented dislocations and highlight the limitations inherent in using historical data to manage risk.

Concentration of risk increases the potential for significant losses. Because of concentration of risk, Citi may suffer losses even when economic and market conditions are generally favorable for Citi's competitors. These concentrations can limit, and have limited, the effectiveness of Citi's hedging strategies and have caused Citi to incur significant losses, and they may do so again in the future. In addition, Citi extends large commitments as part of its credit origination activities. If Citi is unable to reduce its credit risk by selling, syndicating or securitizing these positions, including during periods of market dislocation, Citi's results of operations could be negatively affected due to a decrease in the fair value of the positions, as well as the loss of revenues associated with selling such securities or loans.

Although Citi's activities expose it to the credit risk of many different entities and counterparties, Citi routinely executes a high volume of transactions with counterparties in the financial services sector, including banks, other financial institutions, insurance companies, investment banks and government and central banks. This has resulted in significant credit concentration with respect to this sector. To the extent regulatory or market developments lead to an increased centralization of trading activity through particular clearing houses, central agents or exchanges, this could increase Citi's concentration of risk in this sector.

MANAGING GLOBAL RISK

Risk Management—Overview

Citigroup believes that effective risk management is of primary importance to its overall operations. Accordingly, Citigroup has a comprehensive risk management process to monitor, evaluate and manage the principal risks it assumes in conducting its activities. These include credit, market and operational risks, which are each discussed in more detail throughout this section.

Citigroup's risk management framework is designed to balance corporate oversight with well-defined independent risk management functions. Enhancements continued to be made to the risk management framework throughout 2011 based on guiding principles established by Citi's Chief Risk Officer:

- a common risk capital model to evaluate risks;
- a defined risk appetite, aligned with business strategy;
- accountability through a common framework to manage risks;
- risk decisions based on transparent, accurate and rigorous analytics,
- expertise, stature, authority and independence of risk managers; and
- empowering risk managers to make decisions and escalate issues.

Significant focus has been placed on fostering a risk culture based on a policy of "Taking Intelligent Risk with Shared Responsibility, Without Forsaking Individual Accountability":

- "Taking intelligent risk" means that Citi must carefully measure and aggregate risks, must appreciate potential downside risks, and must understand risk/return relationships
- "Shared responsibility" means that risk and business management must actively partner to own risk controls and influence business outcomes
- "Individual accountability" means that all individuals are ultimately responsible for identifying, understanding and managing risks.

The Chief Risk Officer, working closely with the Citi Chief Executive Officer and established management committees, and with oversight from the Risk Management and Finance Committee of the Board of Directors as well as the full Board of Directors, is responsible for:

- establishing core standards for the management, measurement and reporting of risk,
- identifying, assessing, communicating and monitoring risks on a company-wide basis,
- engaging with senior management on a frequent basis on material matters with respect to risk-taking activities in the businesses and related risk management processes, and
- ensuring that the risk function has adequate independence, authority, expertise, staffing, technology and resources.

The risk management organization is structured so as to facilitate the management of risk across three dimensions: businesses, regions and critical products. Each of Citi's major business groups has a Business Chief Risk Officer who is the focal point for risk decisions, such as setting risk limits or approving transactions in the business. The majority of the staff in Citi's independent risk management organization report to these Business Chief Risk Officers. There are also Chief Risk Officers for Citibank, N.A. and Citi Holdings.

Regional Chief Risk Officers, appointed in each of *Asia*, *EMEA* and *Latin America*, are accountable for all the risks in their geographic areas and are the primary risk contacts for the regional business heads and local regulators. In addition, the positions of Product Chief Risk Officers are created for those risk areas of critical importance to Citigroup, currently real estate and structural market risk as well as fundamental credit. The Product Chief Risk Officers are accountable for the risks within their specialty and focus on problem areas across businesses and regions. The Product Chief Risk Officers serve as a resource to the Chief Risk Officer, as well as to the Business and Regional Chief Risk Officers, to better enable the Business and Regional Chief Risk Officers to focus on the day-to-day management of risks and responsiveness to business flow.

In addition to facilitating the management of risk across these three dimensions, the independent risk management organization also includes the business management team to ensure that the risk organization has the appropriate infrastructure, processes and management reporting. This team includes:

- the risk capital group, which continues to enhance the risk capital model and ensure that it is consistent across all business activities;
- the risk architecture group, which ensures Citi has integrated systems and common metrics, thereby allowing Citi to aggregate and stress test exposures across the institution;
- the enterprise risk management group, which focuses on improving Citi's operational processes across businesses and regions (see "Operational Risk" below); and
- the office of the Chief Administrative Officer, which focuses on re-engineering and risk communications, including maintaining critical regulatory relationships

Each of the Business, Regional and Product Chief Risk Officers, as well as the heads of the groups in the business management team, report to Citi's Chief Risk Officer, who reports directly to the Chief Executive Officer.

Risk Aggregation and Stress Testing

While Citi's major risk areas are described individually on the following pages, these risks are also reviewed and managed in conjunction with one another and across the various businesses

The Chief Risk Officer, as noted above, monitors and controls major risk exposures and concentrations across the organization. This means aggregating risks, within and across businesses, as well as subjecting those risks to alternative stress scenarios in order to assess the potential economic impact they may have on Citigroup.

Comprehensive stress tests are in place across Citi for trading, available-for-sale and accrual portfolios. These firm-wide stress reports measure the potential impact to Citi and its component businesses of very large changes in various types of key risk factors (e.g., interest rates, credit spreads, etc), as well as the potential impact of a number of historical and hypothetical forward-looking systemic stress scenarios.

Supplementing the stress testing described above, Citi independent risk management, working with input from the businesses and finance, provides periodic updates to senior management on significant potential areas of concern across Citigroup that can arise from risk concentrations, financial market participants, and other systemic issues. These areas of focus are intended to be forward-looking assessments of the potential economic impacts to Citi that may arise from these exposures. Risk management also provides reports to the Risk Management and Finance Committee of the Board of Directors, as well as the full Board of Directors, on these matters.

The stress-testing and focus-position exercises are a supplement to the standard limit-setting and risk-capital exercises described below, as these processes incorporate events in the marketplace and within Citi that impact the firm's outlook on the form, magnitude, correlation and timing of identified risks that may arise In addition to enhancing awareness and understanding of potential exposures, the results of these processes then serve as the starting point for developing risk management and mitigation strategies

Risk Capital

Risk capital is defined as the amount of capital required to absorb potential unexpected economic losses resulting from extremely severe events over a one-year time period.

- "Economic losses" include losses that are reflected on Citi's Consolidated Income Statement and fair value adjustments to the Consolidated Financial Statements, as well as any further declines in value not captured on the Consolidated Income Statement.
- "Unexpected losses" are the difference between potential extremely severe losses and Citigroup's expected (average) loss over a one-year time period.
- "Extremely severe" is defined as potential loss at a 99.9% and a 99.97% confidence level, based on the distribution of observed events and scenario analysis.

The drivers of economic losses are risks which, for Citi, as referenced above, are broadly categorized as credit risk, market risk and operational risk.

- Credit risk losses primarily result from a borrower's or counterparty's inability to meet its financial or contractual obligations.
- Market risk losses arise from fluctuations in the market value of trading and non-trading positions, including the changes in value resulting from fluctuations in rates
- Operational risk losses result from inadequate or failed internal processes, systems or human factors or from external events.

These risks, discussed in more detail below, are measured and aggregated within businesses and across Citigroup to facilitate the understanding of Citi's exposure to extreme downside events as described under "Risk Aggregation and Stress Testing" above. The risk capital framework is reviewed and enhanced on a regular basis in light of market developments and evolving practices

CREDIT RISK

Credit risk is the potential for financial loss resulting from the failure of a borrower or counterparty to honor its financial or contractual obligations. Credit risk arises in many of Citigroup's business activities, including:

- lending,
- sales and trading,
- derivatives,
- securities transactions;
- settlement, and
- when Citigroup acts as an intermediary.

For Citi's loan accounting policies, see Note 1 to the Consolidated Financial Statements See Notes 16 and 17 for additional information on Citigroup's Consumer and Corporate loan, credit and allowance data.

Loans Outstanding

In millions of dollars at year end	**2011**	2010	2009	2008	2007
Consumer loans					
In U.S. offices					
Mortgage and real estate[1]	**$139,177**	$151,469	$183,842	$219,482	$240,644
Installment, revolving credit, and other	**15,616**	28,291	58,099	64,319	69,379
Cards[2][3]	**117,908**	122,384	28,951	44,418	46,559
Commercial and industrial	**4,766**	5,021	5,640	7,041	7,716
Lease financing	**1**	2	11	31	3,151
	$277,468	$307,167	$276,543	$335,291	$367,449
In offices outside the U.S.					
Mortgage and real estate[1]	**$ 52,052**	$ 52,175	$ 47,297	$ 44,382	$ 49,326
Installment, revolving credit, and other	**34,613**	38,024	42,805	41,272	70,205
Cards	**38,926**	40,948	41,493	42,586	46,176
Commercial and industrial	**20,366**	16,684	14,780	16,814	18,422
Lease financing	**711**	665	331	304	1,124
	$146,668	$148,496	$146,706	$145,358	$185,253
Total Consumer loans	**$424,136**	$455,663	$423,249	$480,649	$552,702
Unearned income	**(405)**	69	808	738	787
Consumer loans, net of unearned income	**$423,731**	$455,732	$424,057	$481,387	$553,489
Corporate loans					
In U.S. offices					
Commercial and industrial	**$ 21,667**	$ 14,334	$ 15,614	$ 26,447	$ 20,696
Loans to financial institutions[2]	**33,265**	29,813	6,947	10,200	8,778
Mortgage and real estate[1]	**20,698**	19,693	22,560	28,043	18,403
Installment, revolving credit, and other	**15,011**	12,640	17,737	22,050	26,539
Lease financing	**1,270**	1,413	1,297	1,476	1,630
	$ 91,911	$ 77,893	$ 64,155	$ 88,216	$ 76,046
In offices outside the U.S					
Commercial and industrial	**$ 79,373**	$ 71,618	$ 66,747	$ 79,421	$ 94,188
Installment, revolving credit, and other	**14,114**	11,829	9,683	17,441	21,037
Mortgage and real estate[1]	**6,885**	5,899	9,779	11,375	9,981
Loans to financial institutions	**29,794**	22,620	15,113	18,413	20,467
Lease financing	**568**	531	1,295	1,850	2,292
Governments and official institutions	**1,576**	3,644	2,949	773	1,029
	$132,310	$116,141	$105,566	$129,273	$148,994
Total Corporate loans	**$224,221**	$194,034	$169,721	$217,489	$225,040
Unearned income	**(710)**	(972)	(2,274)	(4,660)	(536)
Corporate loans, net of unearned income	**$223,511**	$193,062	$167,447	$212,829	$224,504
Total loans—net of unearned income	**$647,242**	$648,794	$591,504	$694,216	$777,993
Allowance for loan losses—on drawn exposures	**(30,115)**	(40,655)	(36,033)	(29,616)	(16,117)
Total loans—net of unearned income and allowance for credit losses	**$617,127**	$608,139	$555,471	$664,600	$761,876
Allowance for loan losses as a percentage of total loans—net of unearned income[3]	**4.69%**	6.31%	6.09%	4.27%	2.07%
Allowance for Consumer loan losses as a percentage of total Consumer loans—net of unearned income[3]	**6.45%**	7.80%	6.70%	4.61%	2.26%
Allowance for Corporate loan losses as a percentage of total Corporate loans—net of unearned income[3]	**1.31%**	2.76%	4.56%	3.48%	1.61%

(1) Loans secured primarily by real estate

(2) 2011 and 2010 include the impact of consolidating entities in connection with Citi's adoption of SFAS 167 See Note 1 to the Consolidated Financial Statements

(3) Excludes loans in 2011 and 2010 that are carried at fair value

Details of Credit Loss Experience

In millions of dollars at year end	**2011**	2010	2009	2008	2007
Allowance for loan losses at beginning of year	**$40,655**	$36,033	$29,616	$16,117	$ 8,940
Provision for loan losses					
Consumer	**$12,512**	$25,119	$32,407	$27,942	$15,660
Corporate	**(739)**	75	6,353	5,732	1,172
	$11,773	$25,194	$38,760	$33,674	$16,832
Gross credit losses					
Consumer					
In U.S. offices	**$15,767**	$24,183	$17,637	$11,624	$ 5,765
In offices outside the U S	**5,397**	6,890	8,819	7,172	5,165
Corporate					
Mortgage and real estate					
In U.S. offices	**182**	953	592	56	1
In offices outside the U.S	**171**	286	151	37	3
Governments and official institutions outside the U.S	**—**	—	—	3	—
Loans to financial institutions					
In U S offices	**215**	275	274	—	—
In offices outside the U S.	**391**	111	448	463	69
Commercial and industrial					
In U.S. offices	**392**	1,222	3,299	627	635
In offices outside the U S.	**649**	571	1,564	778	226
	$23,164	$34,491	$32,784	$20,760	$11,864
Credit recoveries					
Consumer					
In U S offices	**$ 1,467**	$ 1,323	$ 576	$ 585	$ 695
In offices outside the U S.	**1,273**	1,315	1,089	1,050	966
Corporate					
Mortgage and real estate					
In U.S. offices	**27**	130	3	—	3
In offices outside the U S	**2**	26	1	1	—
Governments and official institutions outside the U S	**—**	—	—	—	4
Loans to financial institutions					
In U S offices	**—**	—	—	—	—
In offices outside the U S	**89**	132	11	2	1
Commercial and industrial					
In U.S offices	**175**	591	276	6	49
In offices outside the U S	**93**	115	87	105	220
	$ 3,126	$ 3,632	$ 2,043	$ 1,749	$ 1,938
Net credit losses					
In U S offices	**$14,887**	$24,589	$20,947	$11,716	$ 5,654
In offices outside the U S	**5,151**	6,270	9,794	7,295	4,272
Total	**$20,038**	$30,859	$30,741	$19,011	$ 9,926
Other—net[1]	**$ (2,275)**	$10,287	$ (1,602)	$ (1,164)	$ 271
Allowance for loan losses at end of year[2]	**$30,115**	$40,655	$36,033	$29,616	$16,117
Allowance for unfunded lending commitments[3]	**$ 1,136**	$ 1,066	$ 1,157	$ 887	$ 1,250
Total allowance for loans, leases and unfunded lending commitments	**$31,251**	$41,721	$37,190	$30,503	$17,367
Net Consumer credit losses	**$18,424**	$28,435	$24,791	$17,161	$ 9,269
As a percentage of average Consumer loans	**4.20%**	5.74%	5.43%	3.34%	1.87%
Net Corporate credit losses (recoveries)	**$ 1,614**	$ 2,424	$ 5,950	$ 1,850	$ 657
As a percentage of average Corporate loans	**0.79%**	1.27%	3.13%	0.84%	0.30%
Allowance for loan losses at end of period[4]					
Citicorp	**$12,656**	$17,075	$10,731	$ 8,202	$ 5,262
Citi Holdings	**17,459**	23,580	25,302	21,414	10,855
Total Citigroup	**$30,115**	$40,655	$36,033	$29,616	$16,117
Allowance by type					
Consumer	**$27,236**	$35,406	$28,347	$22,204	$12,493
Corporate	**2,879**	5,249	7,686	7,412	3,624
Total Citigroup	**$30,115**	$40,655	$36,033	$29,616	$16,117

See footnotes on the next page

(1) 2011 includes reductions of approximately $1 6 billion related to the sale or transfer to held-for-sale of various U S loan portfolios, approximately $240 million related to the sale of the Egg Banking PLC credit card business, approximately $72 million related to the transfer of the Citi Belgium business to held-for-sale and approximately $290 million related to FX translation 2010 primarily includes an addition of $13 4 billion related to the impact of consolidating entities in connection with Citi's adoption of SFAS 166/167 (see Note 1 to the Consolidated Financial Statements) and reductions of approximately $2 7 billion related to the sale or transfer to held-for-sale of various U S loan portfolios and approximately $290 million related to the transfer of a U K first mortgage portfolio to held-for-sale 2009 primarily includes reductions to the loan loss reserve of approximately $543 million related to securitizations, approximately $402 million related to the sale or transfer to held-for-sale of U S real estate lending loans, and $562 million related to the transfer of the U K cards portfolio to held-for-sale 2008 primarily includes reductions to the loan loss reserve of approximately $800 million related to FX translation, $102 million related to securitizations, $244 million for the sale of the German retail banking operation, and $156 million for the sale of CitiCapital, partially offset by additions of $106 million related to the Cuscatlán and Bank of Overseas Chinese acquisitions 2007 primarily includes reductions to the loan loss reserve of $475 million related to securitizations and transfer of loans to held-for-sale and of $83 million related to the transfer of the U K CitiFinancial portfolio to held-for-sale, offset by additions of $610 million related to the acquisitions of Egg, Nikko Cordial, Grupo Cuscatlán and Grupo Financiero Uno

(2) Included in the allowance for loan losses are reserves for loans that have been modified subject to troubled debt restructurings (TDRs) of $8,772 million, $7,609 million, $4,819 million, and $2,180 million, as of December 31, 2011, December 31, 2010, December 31, 2009, and December 31, 2008, respectively.

(3) Represents additional credit loss reserves for unfunded lending commitments and letters of credit recorded in *Other liabilities* on the Consolidated Balance Sheet

(4) Allowance for loan losses represents management's best estimate of probable losses inherent in the portfolio, as well as probable losses related to large individually evaluated impaired loans and TDRs See "Significant Accounting Policies and Significant Estimates " Attribution of the allowance is made for analytical purposes only, and the entire allowance is available to absorb probable credit losses inherent in the overall portfolio.

Allowance for Loan Losses (continued)

The following table details information on Citi's allowance for loan losses, loans and coverage ratios as of December 31, 2011:

			December 31, 2011
In billions of dollars	**Allowance for loan losses**	**Loans, net of unearned income**	**Allowance as a percentage of loans [1]**
North America Cards [2]	**$10.1**	**$118.7**	**8.5%**
North America Residential Mortgages	**10.0**	**138.9**	**7.3**
North America Other	**1.6**	**23.5**	**6.8**
International Cards	**2.8**	**40.1**	**7.0**
International Other [3]	**2.7**	**102.5**	**2.6**
Total Consumer	**$27.2**	**$423.7**	**6.5%**
Total Corporate	**$ 2.9**	**$223.5**	**1.3%**
Total Citigroup	**$30.1**	**$647.2**	**4.7%**

(1) Allowance as a percentage of loans excludes loans that are carried at fair value

(2) Includes both Citi-branded and retail partner cards

(3) Includes mortgages and other retail loans

Non-Accrual Loans and Assets and Renegotiated Loans

The following pages include information on Citi's "Non-Accrual Loans and Assets" and "Renegotiated Loans." There is a certain amount of overlap among these categories. The following general summary provides a basic description of each category:

Non-Accrual Loans and Assets:

- Corporate and Consumer (commercial market) non-accrual status is based on the determination that payment of interest or principal is doubtful.
- Consumer non-accrual status is based on aging, i.e., the borrower has fallen behind in payments.
- *North America* Citi-branded and retail partner cards are not included because, under industry standards, they accrue interest until charge-off.

Renegotiated Loans:

- Both Corporate and Consumer loans whose terms have been modified in a TDR.
- Includes both accrual and non-accrual TDRs.

Non-Accrual Loans and Assets

The table below summarizes Citigroup's non-accrual loans as of the periods indicated. Non-accrual loans are loans in which the borrower has fallen behind in interest payments or, for Corporate and Consumer (commercial market) loans, where Citi has determined that the payment of interest or principal is doubtful and which are therefore considered impaired. In situations where Citi reasonably expects that only a portion of the principal and/or interest owed will ultimately be collected, all payments received are reflected as a reduction of principal and not as interest income. There is no industry-wide definition of non-accrual assets, however, and as such, analysis across the industry is not always comparable.

Corporate non-accrual loans may still be current on interest payments but are considered non-accrual as Citi has determined that the future payment of interest and/or principal is doubtful. Consistent with industry conventions, Citi generally accrues interest on credit card loans until such loans are charged-off, which typically occurs at 180 days contractual delinquency. As such, the non-accrual loan disclosures in this section do not include *North America* credit card loans

Non-Accrual Loans

In millions of dollars	**2011**	2010	2009	2008	2007
Citicorp	**$ 4,018**	$ 4,909	$ 5,353	$ 3,282	$2,027
Citi Holdings	**7,208**	14,498	26,387	19,015	6,941
Total non-accrual loans (NAL)	**$11,226**	$19,407	$31,740	$22,297	$8,968
Corporate non-accrual loans [1]					
North America	**$ 1,246**	$ 2,112	$ 5,621	$ 2,660	$ 291
EMEA	**1,293**	5,337	6,308	6,330	1,152
Latin America	**362**	701	569	229	119
Asia	**335**	470	981	513	103
Total corporate non-accrual loans	**$ 3,236**	$ 8,620	$13,479	$ 9,732	$1,665
Citicorp	**$ 2,217**	$ 3,091	$ 3,238	$ 1,453	$ 247
Citi Holdings	**1,019**	5,529	10,241	8,279	1,418
Total corporate non-accrual loans	**$ 3,236**	$ 8,620	$13,479	$ 9,732	$1,665
Consumer non-accrual loans [1]					
North America	**$ 6,046**	$ 8,540	$15,111	$ 9,617	$4,841
EMEA	**387**	652	1,159	948	696
Latin America	**1,107**	1,019	1,340	1,290	1,133
Asia	**450**	576	651	710	633
Total consumer non-accrual loans	**$ 7,990**	$10,787	$18,261	$12,565	$7,303
Citicorp	**$ 1,801**	$ 1,818	$ 2,115	$ 1,829	$1,780
Citi Holdings	**6,189**	8,969	16,146	10,736	5,523
Total consumer non-accrual loans	**$ 7,990**	$10,787	$18,261	$12,565	$7,303

(1) Excludes purchased distressed loans as they are generally accreting interest. The carrying value of these loans was $511 million at December 31, 2011, $469 million at December 31, 2010, $920 million at December 31, 2009, $1.510 billion at December 31, 2008, and $2.373 billion at December 31, 2007.

Statement continues on the next page

Non-Accrual Loans and Assets (continued)

The table below summarizes Citigroup's other real estate owned (OREO) assets as of the periods indicated. This represents the carrying value of all real estate property acquired by foreclosure or other legal proceedings when Citi has taken possession of the collateral.

In millions of dollars	**2011**	2010	2009	2008	2007
OREO					
Citicorp	**$ 71**	$ 826	$ 874	$ 371	$ 541
Citi Holdings	**480**	863	615	1,022	679
Corporate/Other	**15**	14	11	40	8
Total OREO	**$ 566**	$ 1,703	$ 1,500	$ 1,433	$ 1,228
North America	**$ 441**	$ 1,440	$ 1,294	$ 1,349	$ 1,168
EMEA	**73**	161	121	66	40
Latin America	**51**	47	45	16	17
Asia	**1**	55	40	2	3
Total OREO	**$ 566**	$ 1,703	$ 1,500	$ 1,433	$ 1,228
Other repossessed assets	**$ 1**	$ 28	$ 73	$ 78	$ 99

Non-accrual assets—Total Citigroup	**2011**	2010	2009	2008	2007
Corporate non-accrual loans	**$ 3,236**	$ 8,620	$13,479	$ 9,732	$ 1,665
Consumer non-accrual loans	**7,990**	10,787	18,261	12,565	7,303
Non-accrual loans (NAL)	**$11,226**	$19,407	$31,740	$22,297	$ 8,968
OREO	**566**	1,703	$ 1,500	$ 1,433	$ 1,228
Other repossessed assets	**1**	28	73	78	99
Non-accrual assets (NAA)	**$11,793**	$21,138	$33,313	$23,808	$10,295
NAL as a percentage of total loans	**1.73%**	2.99%	5.37%	3.21%	1.15%
NAA as a percentage of total assets	**0.63**	1 10	1.79	1.23	0.47
Allowance for loan losses as a percentage of NAL [1][2]	**268**	209	114	133	180

(1) The $6 403 billion of non-accrual loans transferred from the held-for-sale portfolio to the held-for-investment portfolio during the fourth quarter of 2008 were marked to market at the transfer date and, therefore, no allowance was necessary at the time of the transfer $2 426 billion of the par value of the loans reclassified was written off prior to transfer

(2) The allowance for loan losses includes the allowance for credit card and purchased distressed loans, while the non-accrual loans exclude credit card balances (with the exception of certain international portfolios) and purchased distressed loans as these continue to accrue interest until write-off

Non-accrual assets—Total Citicorp	**2011**	2010	2009	2008	2007
Non-accrual loans (NAL)	**$ 4,018**	$ 4.909	$ 5,353	$ 3,282	$ 2,027
OREO	**71**	826	874	371	541
Other repossessed assets	**N/A**	N/A	N/A	N/A	N/A
Non-accrual assets (NAA)	**$ 4,089**	$ 5,735	$ 6,227	$ 3,653	$ 2,568
NAA as a percentage of total assets	**0.31%**	0.45%	0 55%	0.34%	0 21%
Allowance for loan losses as a percentage of NAL [1]	**315**	348	200	250	242

Non-accrual assets—Total Citi Holdings	**2011**	2010	2009	2008	2007
Non-accrual loans (NAL)	**$ 7,208**	$14.498	$26,387	$19,015	$ 6,941
OREO	**480**	863	615	1,022	679
Other repossessed assets	**N/A**	N/A	N/A	N/A	N/A
Non-accrual assets (NAA)	**$ 7,688**	$15,361	$27,002	$20,037	$ 7,620
NAA as a percentage of total assets	**2.86%**	4 28%	5.54%	3.08%	0.86%
Allowance for loan losses as a percentage of NAL [1]	**242**	163	96	113	161

(1) The allowance for loan losses includes the allowance for Citi's credit card portfolios and purchased distressed loans, while the non-accrual loans exclude credit card balances (with the exception of certain international portfolios) and purchased distressed loans as these continue to accrue interest until write-off

N/A Not available at the Citicorp or Citi Holdings level

Renegotiated Loans

The following table presents Citi's loans modified in TDRs.

In millions of dollars	Dec. 31, 2011	Dec 31, 2010
Corporate renegotiated loans [1]		
In U.S. offices		
Commercial and industrial [2]	$ 206	$ 240
Mortgage and real estate [3]	241	61
Loans to financial institutions	552	671
Other	79	28
	$ 1,078	$ 1,000
In offices outside the U.S.		
Commercial and industrial [2]	$ 223	$ 207
Mortgage and real estate [3]	17	90
Loans to financial institutions	12	11
Other	6	7
	$ 258	$ 315
Total Corporate renegotiated loans	$ 1,336	$ 1,315
Consumer renegotiated loans [4][5][6][7]		
In U.S. offices		
Mortgage and real estate	$ 21,429	$ 17,717
Cards	5,766	4,747
Installment and other	1,357	1,986
	$ 28,552	$ 24,450
In offices outside the U.S.		
Mortgage and real estate	$ 936	$ 927
Cards	929	1,159
Installment and other	1,342	1,875
	$ 3,207	$ 3,961
Total Consumer renegotiated loans	$ 31,759	$ 28,411

(1) Includes $455 million and $553 million of non-accrual loans included in the non-accrual assets table above, at December 31, 2011 and December 31, 2010, respectively. The remaining loans are accruing interest.

(2) In addition to modifications reflected as TDRs at December 31, 2011, Citi also modified $39 million and $421 million of commercial loans risk rated "Substandard Non-Performing" or worse (asset category defined by banking regulators) in U.S. offices and offices outside the U.S., respectively. These modifications were not considered TDRs because the modifications did not involve a concession (a required element of a TDR for accounting purposes).

(3) In addition to modifications reflected as TDRs at December 31, 2011, Citi also modified $185 million and $33 million of commercial real estate loans risk rated "Substandard Non-Performing" or worse (asset category defined by banking regulators) in U.S. offices and in offices outside the U.S., respectively. These modifications were not considered TDRs because the modifications did not involve a concession (a required element of a TDR for accounting purposes).

(4) Includes $2,371 million and $2,751 million of non-accrual loans included in the non-accrual assets table above at December 31, 2011 and December 31, 2010, respectively. The remaining loans are accruing interest.

(5) Includes $19 million and $22 million of commercial real estate loans at December 31, 2011 and December 31, 2010, respectively.

(6) Includes $257 million and $177 million of commercial loans at December 31, 2011 and December 31, 2010, respectively.

(7) Smaller-balance homogeneous loans were derived from Citi's risk management systems.

In certain circumstances, Citigroup modifies certain of its Corporate loans involving a non-troubled borrower. These modifications are subject to Citi's normal underwriting standards for new loans and are made in the normal course of business to match customers' needs with available Citi products or programs (these modifications are not included in the table above). In other cases, loan modifications involve a troubled borrower to whom Citi may grant a concession (modification). Modifications involving troubled borrowers may include extension of maturity date, reduction in the stated interest rate, rescheduling of future cash flows, reduction in the face amount of the debt or reduction or waiver of accrued interest or fees. See "Consumer Loan Modification Programs" below.

Forgone Interest Revenue on Loans [1]

In millions of dollars	In U.S. offices	In non-U.S. offices	2011 total
Interest revenue that would have been accrued at original contractual rates [2]	$3,597	$1,276	$4,873
Amount recognized as interest revenue [2]	1,539	415	1,954
Forgone interest revenue	$2,058	$ 861	$2,919

(1) Relates to Corporate non-accruals, renegotiated loans and Consumer loans on which accrual of interest has been suspended.

(2) Interest revenue in offices outside the U.S. may reflect prevailing local interest rates, including the effects of inflation and monetary correction in certain countries.

Loan Maturities and Fixed/Variable Pricing Corporate Loans

In millions of dollars at year end 2011	Due within 1 year	Over 1 year but within 5 years	Over 5 years	Total
Corporate loan portfolio maturities				
In U.S. offices				
Commercial and industrial loans	$ 10,053	$ 7,600	$ 4,014	$ 21,667
Financial institutions	15,434	11,668	6,163	33,265
Mortgage and real estate	9,603	7,260	3,835	20,698
Lease financing	589	446	235	1,270
Installment, revolving credit, other	6,965	5,265	2,781	15,011
In offices outside the U.S.	91,060	31,725	9,525	132,310
Total corporate loans	$133,704	$ 63,964	$ 26,553	$224,221
Fixed/variable pricing of corporate loans with maturities due after one year [1]				
Loans at fixed interest rates		$ 7,005	$ 5,741	
Loans at floating or adjustable interest rates		56,959	20,812	
Total		$ 63,964	$ 26,553	

(1) Based on contractual terms. Repricing characteristics may effectively be modified from time to time using derivative contracts. See Note 23 to the Consolidated Financial Statements.

U.S. Consumer Mortgage and Real Estate Loans

In millions of dollars at year end 2011	Due within 1 year	Over 1 year but within 5 years	Over 5 years	Total
U.S. Consumer mortgage loan portfolio type				
First mortgages	$ 219	$ 1,143	$ 95,757	$ 97,119
Second mortgages	858	14,457	26,743	42,058
Total	$ 1,077	$ 15,600	$122,500	$139,177
Fixed/variable pricing of U.S. Consumer mortgage loans with maturities due after one year				
Loans at fixed interest rates		$ 888	$ 83,159	
Loans at floating or adjustable interest rates		14,712	39,341	
Total		$ 15,600	$122,500	

North America Consumer Mortgage Lending

Overview

Citi's *North America* Consumer mortgage portfolio consists of both residential first mortgages and home equity loans. As of December 31, 2011, Citi's *North America* Consumer residential first mortgage portfolio totaled $95.4 billion, while the home equity loan portfolio was $43.5 billion. Of the first mortgages, $67.5 billion are recorded in *LCL* within Citi Holdings, with the remaining $27 9 billion recorded in Citicorp. With respect to the home equity loan portfolio, $40 0 billion are recorded in *LCL*, and $3.5 billion are reported in Citicorp.

Citi's residential first mortgage portfolio included $9.2 billion of loans with FHA insurance or VA guarantees as of December 31, 2011. This portfolio consists of loans originated to low-to-moderate-income borrowers with lower FICO (Fair Isaac Corporation) scores and generally has higher loan-to-value ratios (LTVs). Losses on FHA loans are borne by the sponsoring agency, provided that the insurance terms have not been rescinded as a result of an origination defect. With respect to VA loans, the VA establishes a loan-level loss cap, beyond which Citi is liable for loss. While FHA and VA loans have high delinquency rates, given the insurance and guarantees, respectively, Citi has experienced negligible credit losses on these loans to date.

Also as of December 31, 2011, the residential first mortgage portfolio included $1.6 billion of loans with LTVs above 80%, which have insurance through mortgage insurance companies, and $1.2 billion of loans subject to long-term standby commitments (LTSC) with U.S. government-sponsored entities (GSEs), for which Citi has limited exposure to credit losses. Citi's home equity loan portfolio also included $0.4 billion of loans subject to LTSCs with GSEs, for which Citi also has limited exposure to credit losses. These guarantees and commitments may be rescinded in the event of origination defects

Citi's allowance for loan loss calculations takes into consideration the impact of the guarantees and commitments referenced above.

Citi does not offer option adjustable rate mortgages/negative amortizing mortgage products to its customers. As a result, option adjustable rate mortgages/negative amortizing mortgages represent an insignificant portion of total balances, since they were acquired only incidentally as part of prior portfolio and business purchases.

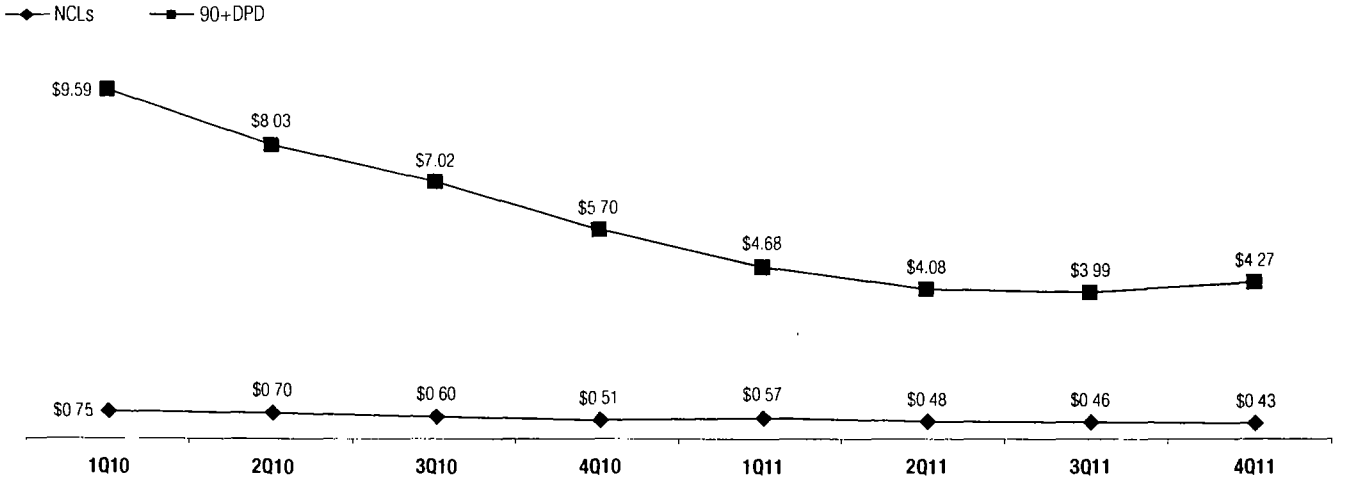
As of December 31, 2011, Citi's *North America* residential first mortgage portfolio contained approximately $15 billion of adjustable rate mortgages that are required to make a payment only of accrued interest for the payment period, or an interest-only payment. Borrowers that are currently required to make an interest-only payment cannot select a lower payment that would negatively amortize the loan Residential first mortgages with this payment feature are primarily to high-credit-quality borrowers that have on average significantly higher origination and refreshed FICO scores than other loans in the residential first mortgage portfolio.

North America Consumer Mortgage Quarterly Credit Trends—Delinquencies and Net Credit Losses—Residential First Mortgages

The following charts detail the quarterly trends in delinquencies and net credit losses for Citi's residential first mortgage portfolio in *North America*. As referenced in the "Overview" section above, the majority of Citi's residential first mortgage exposure arises from its portfolio within Citi Holdings – *LCL*.

Residential First Mortgages – Citigroup

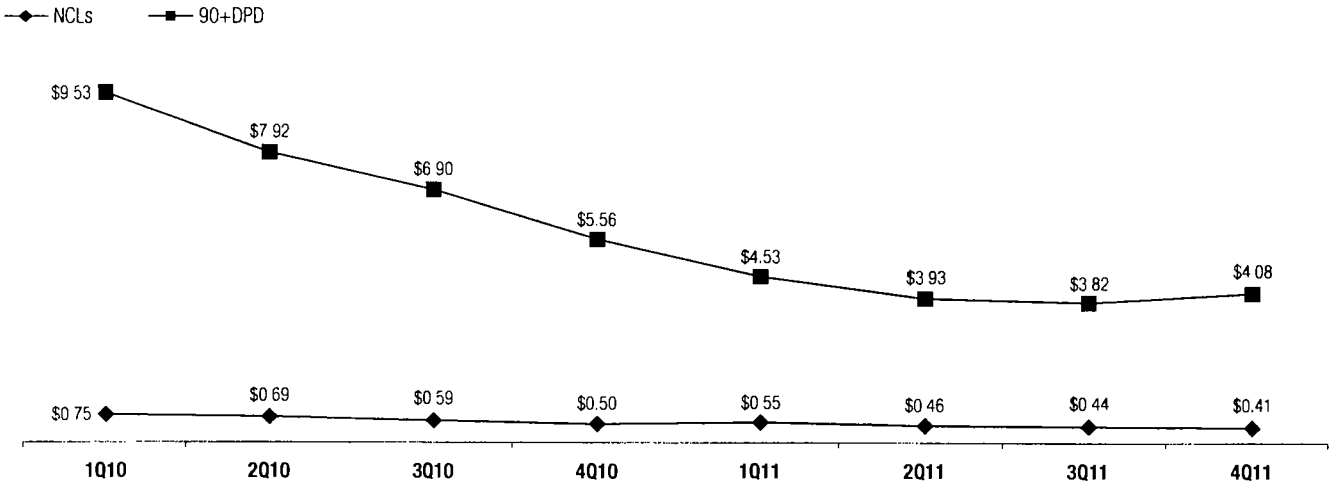
In billions of dollars



EOP Loans: 4Q10-$99 6 3Q11-$95.1 4Q11-$95 4

Residential First Mortgages – Citi Holdings

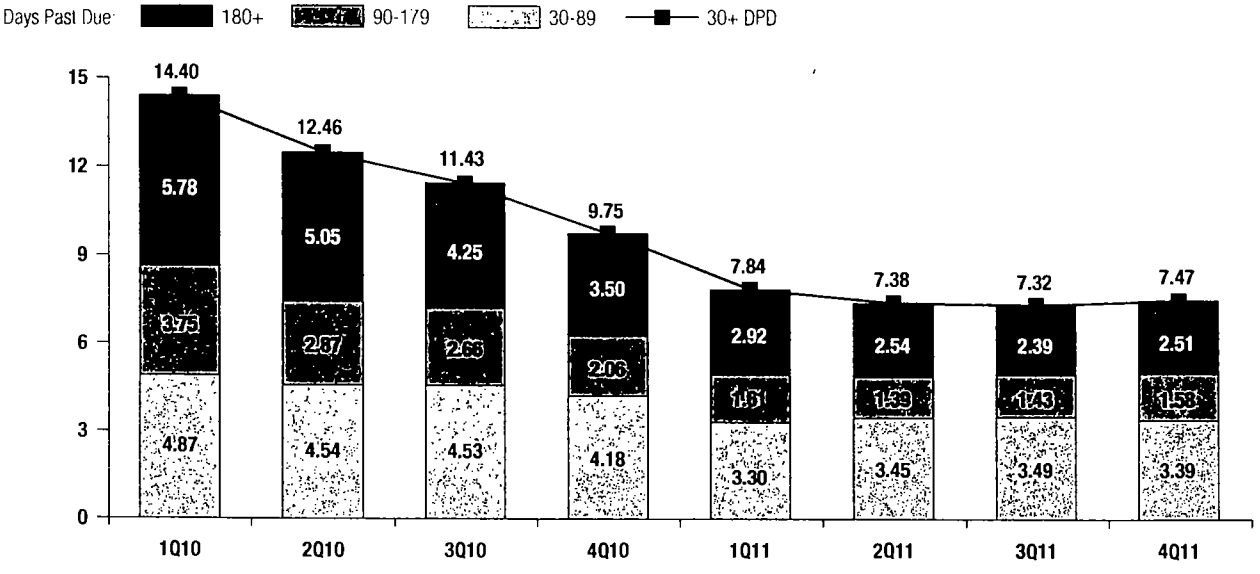
In billions of dollars



EOP Loans: 4Q10-$80.1 3Q11-$69 6 4Q11-$67.5

Residential First Mortgage Delinquencies – Citi Holdings

In billions of dollars



Notes

– Totals may not sum due to rounding

– For each of the tables above, days past due exclude U S mortgage loans that are guaranteed by U S government agencies, because the potential loss predominantly resides with the U S agencies and loans recorded at fair value

As previously disclosed, management actions, including asset sales and modification programs, have been the primary drivers of the improved asset performance within Citi's residential first mortgage portfolio in Citi Holdings during the periods presented above. With respect to asset sales, in total, Citi has sold approximately $7.6 billion of delinquent first mortgages since the beginning of 2010, including $2.7 billion in 2011. As evidenced by the numbers above, the pace of Citi's sales of residential first mortgages has slowed, primarily due to the lack of remaining eligible inventory and demand.

Regarding modifications of residential first mortgages, since the third quarter of 2009, Citi has permanently modified approximately $6 1 billion of residential first mortgage loans under its HAMP and CSM programs, two of Citi's more significant residential first mortgage modification programs. (For additional information on Citi's significant residential first mortgage loan modification programs, see "Consumer Loan Modification Programs" below.) However, the pace of modification activity has also slowed due to the decrease in the inventory of residential first mortgage loans available for modification, primarily as a result of the significant levels of modifications in prior periods.

As a result of these two converging trends and as set forth in the tables above, Citi's residential first mortgage delinquency trends are beginning to show the impact of re-defaults of previously modified mortgages, including an increase in the 90+ days past due delinquencies during the fourth quarter of 2011, although the re-default rates for the HAMP and CSM programs continued to track favorably versus expectations as of December 31, 2011. While net credit losses in this portfolio decreased during the periods set forth above, if delinquencies continue to increase, Citi could begin experiencing increasing net credit losses in this portfolio going forward Citi has taken these trends and uncertainties, including the potential for re-defaults, into consideration in determining its loan loss reserves. See "*North America Consumer Mortgages – Loan Loss Reserve Coverage*" below

Residential First Mortgages – State Delinquency Trends

The following tables set forth, for total Citigroup, the six states and/or regions with the highest concentration of Citi's residential first mortgages as of December 31, 2011 and December 31, 2010.

In billions of dollars	December 31, 2011					December 31, 2010				
State [1]	ENR [2]	ENR Distribution	90+DPD %	% LTV > 100%	Refreshed FICO	ENR [2]	ENR Distribution	90+DPD %	% LTV > 100%	Refreshed FICO
CA	**$22.6**	**28%**	**2.7%**	**38%**	**727**	$23 0	27%	4.1%	40%	718
NY/NJ/CT	**11.2**	**14**	**4.9**	**10**	**712**	9 7	12	6 6	13	693
IN/OH/MI	**4.6**	**6**	**6.3**	**44**	**650**	5 0	6	8.3	46	636
FL	**4.3**	**5**	**10.2**	**57**	**668**	4 7	6	12.2	59	656
IL	**3.5**	**4**	**7.2**	**45**	**686**	3 5	4	8.3	44	669
AZ/NV	**2.3**	**3**	**5.7**	**73**	**698**	2.6	3	8 2	73	688
Other	**33.2**	**41**	**5.8**	**21**	**663**	35 2	42	7.0	21	650
Total	**$81.7**	**100%**	**5.1%**	**30%**	**689**	$83 7	100%	6.6%	32%	675

(1) Certain of the states are included as part of a region based on Citi's view of similar home prices (HPI) within the region

(2) Ending net receivables Excludes loans in Canada and Puerto Rico, loans guaranteed by U S government agencies, loans recorded at fair value and loans subject to LTSCs

As evidenced by the tables above, Citi's residential first mortgages portfolio is primarily concentrated in California and the New York/New Jersey/ Connecticut region (with New York as the largest of the three states) Year over year, the 90+ days past due delinquency rate improved across each of the states and regions shown in the tables As referenced under "Citi Holdings—Residential First Mortgages" above, however, the vast majority of the improvement in these delinquency rates was driven by Citi's continued asset sales of delinquent mortgages As asset sales have slowed, Citi has observed deterioration in 90+ days past due delinquencies for each of the states and/or regions above, including during the fourth quarter of 2011. Combined with the increase in the average number of days to foreclosure (see discussion under "Foreclosures" below) in all of these states and regions, Citi could experience continued deterioration in the 90+ days past due delinquency rate in these areas

Foreclosures

As of December 31, 2011, approximately 2.5% of Citi's residential first mortgage portfolio was actively in the foreclosure process, which Citi refers to as its "foreclosure inventory." This was down from 3.1% at December 31, 2010 The decline in foreclosure inventory year over year was largely due to two separate trends. First, during 2011, there were fewer residential first mortgages moving into Citi's foreclosure inventory primarily as a result of Citi's continued asset sales of delinquent first mortgages (as discussed above), as well as increased state requirements for foreclosure filings. For example, certain states have increased the number of pre-foreclosure filings and notices required, including various requirements for affidavit filings and demand letters (including the contents of such letters), as well as required additional time to review a borrower's loss mitigation activities prior to permitting a foreclosure filing In addition, while Citi may generally begin

the foreclosure process when loans are 90+ days past due, not all such loans become part of Citi's foreclosure inventory as Citi may not refer such loans to foreclosure as it continues to work with the borrower pursuant to its loss mitigation programs, or for other reasons. This also decreased the number of residential first mortgages moving into Citi's foreclosure inventory.

Second, while loans exited foreclosure inventory during 2011, this was not necessarily due to completion of foreclosure and sale. Loans may exit foreclosure inventory if Citi renews efforts to work with the borrower pursuant to its loss mitigation programs, if the borrower enters bankruptcy proceedings, if Citi decides not to pursue the foreclosure, or for other reasons. In each of the circumstances described in the discussion above, however, the loans continue to age through Citi's delinquency buckets and remain part of its non-accrual assets

In addition to the decline in the actual number of completed foreclosures, the overall foreclosure process has lengthened. This is particularly pronounced in judicial states (i.e., those states that require foreclosures to be processed via court approval)—including New York, New Jersey, Florida and Illinois—but has also occurred in non-judicial states where Citi has a higher concentration of residential first mortgages (see "Residential First Mortgages—State Delinquency Trends" above). The lengthening of the foreclosure process is due to numerous factors, including without limitation the increased state requirements referenced above, Citi's continued work with borrowers through its various modification programs and the overall depressed state of home sales in certain of Citi's high concentration markets. As one example of the lengthening of the foreclosure process, Citi's aged foreclosure inventory (active foreclosures in process for two years or more), as a proportion of Citi's total foreclosure inventory, more than doubled year over year. While the proportion of aged foreclosure inventory continued to represent a small portion of the total (approximately 10%, as of December 31, 2011), Citi believes this trend reflects the increased time involved in the foreclosure process, and believes this trend could continue due, in part, to the issues discussed above.

When combined with the continued pressure on home prices, particularly in certain regions where Citi has a higher concentration of residential first mortgages, this lengthening of the foreclosure process also subjects Citi to increased "severity" risk, or the magnitude of the loss on the amount ultimately realized for the property subject to foreclosure, as well as increased ongoing costs related to the foreclosure process, such as property maintenance

North America Consumer Mortgage Quarterly Credit Trends—Delinquencies and Net Credit Losses—Home Equity Loans

Citi's home equity loan portfolio consists of both fixed rate home equity loans and loans extended under home equity lines of credit. Fixed rate home equity loans are fully amortizing. Home equity lines of credit allow for amounts to be drawn for a period of time and then, at the end of the draw period, the then-outstanding amount is converted to an amortizing loan. After conversion, the loan typically has a 20-year amortization repayment period.

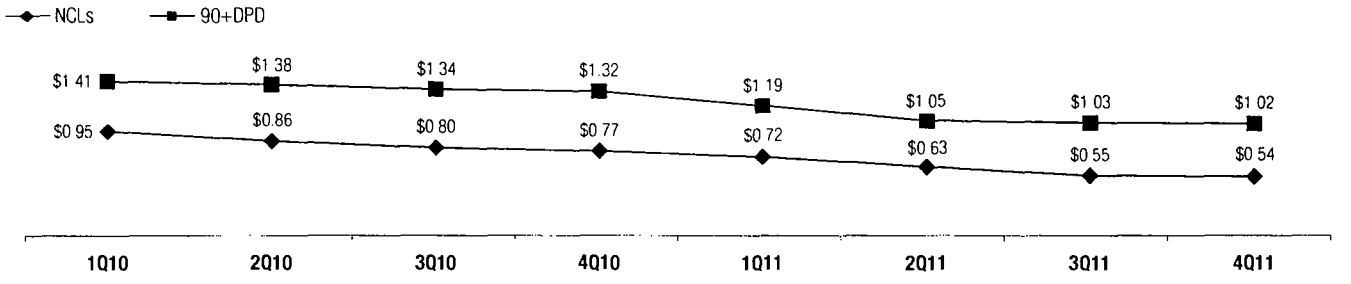
Historically, Citi's home equity lines of credit typically had a 10-year draw period. Beginning in June 2010, Citi's new originations of home equity lines of credit typically have a five-year draw period as Citi changed these terms to mitigate risk due to the economic environment and declining home prices. As of December 31, 2011, Citi's home equity loan portfolio included approximately $25 billion of home equity lines of credit that are still within their revolving period and have not commenced amortization (the interest-only payment feature during the revolving period is standard for this product across the industry). The vast majority of Citi's home equity loans extended under lines of credit as of December 31, 2011 will contractually begin to amortize after 2014

As of December 31, 2011, the percentage of U.S. home equity loans in a junior lien position where Citi also owned or serviced the first lien was approximately 31%. However, for all home equity loans (regardless of whether Citi owns or services the first lien), Citi manages its home equity loan account strategy through obtaining and reviewing refreshed credit bureau scores (which reflect the borrower's performance on all of its debts, including a first lien, if any), refreshed LTV ratios and other borrower credit-related information. Historically, the default and delinquency statistics for junior liens where Citi also owns or services the first lien have been better than for those where Citi does not own or service the first lien, which Citi believes is generally attributable to origination channels and better credit characteristics of the portfolio, including FICO and LTV, for those junior liens where Citi also owns or services the first lien.

The following charts detail the quarterly trends in delinquencies and net credit losses for Citi's home equity loan portfolio in *North America*. Similar to Citi's residential first mortgage portfolio, the majority of Citi's home equity loan exposure arises from its portfolio within Citi Holdings – *LCL*.

Home Equity Loans – Citigroup

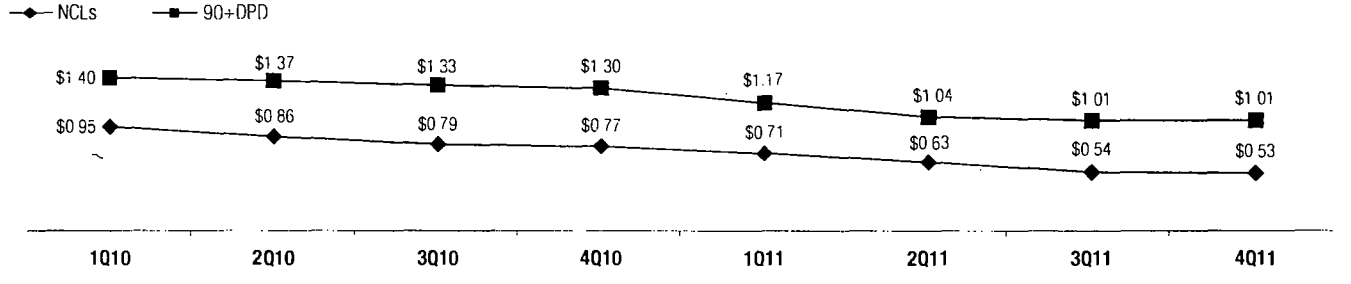
In billions of dollars



EOP Loans: 4Q10-$49.4 3Q11-$44.9 4Q11-$43.5

Home Equity Loans – Citi Holdings

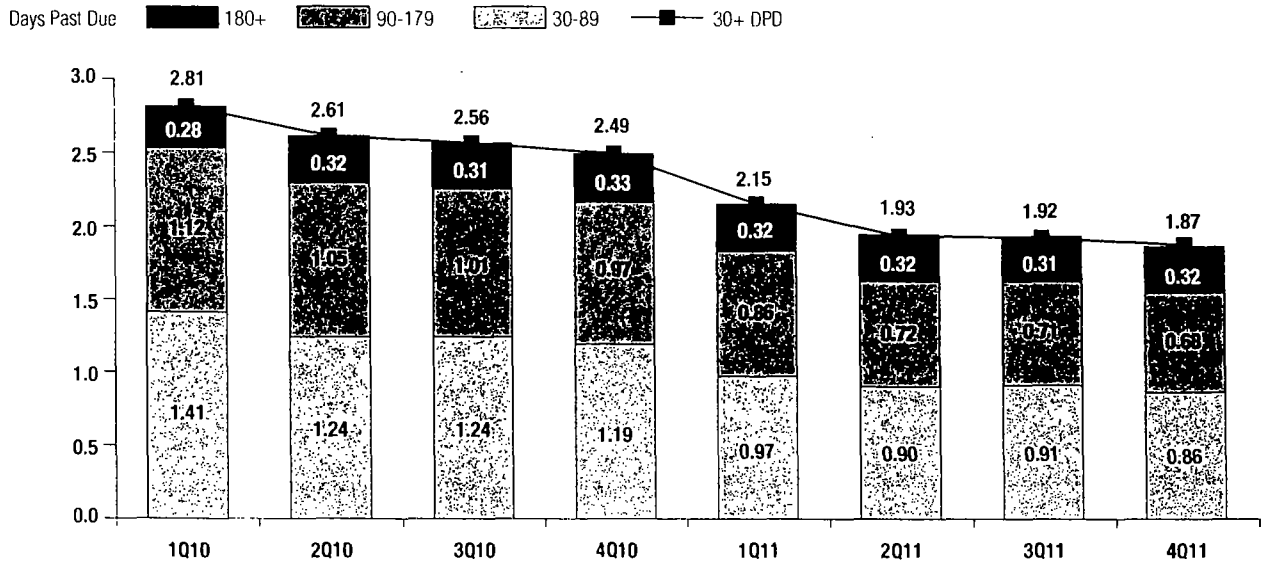
In billions of dollars



EOP Loans: 4Q10-$45.5 3Q11-$41.3 4Q11-$40.0

Home Equity Loan Delinquencies – Citi Holdings

In billions of dollars



Notes
– Totals may not sum due to rounding

As evidenced by the tables above, the pace of improvement in home equity loan delinquencies has slowed or remained flat. Given the lack of market in which to sell delinquent home equity loans, as well as the relatively smaller number of home equity loan modifications and modification programs, Citi's ability to offset increased delinquencies and net credit losses in its home equity loan portfolio in Citi Holdings has been more limited as compared to residential first mortgages, as discussed above. Accordingly, Citi could begin to experience increased delinquencies and thus increased net credit losses in this portfolio going forward. Citi has taken these trends and uncertainties into consideration in determining its loan loss reserves. See "*North America Consumer Mortgages – Loan Loss Reserve Coverage*" below.

Home Equity Loans– State Delinquency Trends

The following tables set forth, for total Citigroup, the six states and/or regions with the highest concentration of Citi's home equity loans as of December 31, 2011 and December 31, 2010.

In billions of dollars	December 31, 2011					December 31, 2010				
State [1]	**ENR** [2]	**ENR Distribution**	**90+DPD %**	**% LTV > 100%**	**Refreshed FICO**	ENR [2]	ENR Distribution	90+DPD %	% LTV > 100%	Refreshed FICO
CA	**$11.2**	**27%**	**2.3%**	**50%**	**721**	$12.7	27%	2.8%	48%	724
NY/NJ/CT	**9.2**	**22**	**2.1**	**19**	**715**	10.1	21	2.1	20	719
FL	**2.8**	**7**	**3.3**	**69**	**698**	3.2	7	3.9	68	698
IL	**1.6**	**4**	**2.3**	**62**	**705**	1.9	4	2.4	57	706
IN/OH/MI	**1.5**	**4**	**2.6**	**66**	**678**	1.8	4	3.3	64	671
AZ/NV	**1.0**	**3**	**4.1**	**83**	**706**	1.3	3	5.5	82	703
Other	**13.7**	**33**	**2.3**	**46**	**695**	16.3	34	2.4	44	693
Total	**$41.0**	**100%**	**2.4%**	**45%**	**707**	$47.3	100%	2.6%	44%	707

(1) Certain of the states are included as part of a region based on Citi's view of similar home prices (HPI) within the region.
(2) Ending net receivables. Excludes loans in Canada and Puerto Rico and loans subject to LTSCs.

Similar to residential first mortgages (see "Residential First Mortgages—State Delinquency Trends" above), at December 31, 2011, Citi's home equity loan portfolio was primarily concentrated in California and the New York/New Jersey/Connecticut region. Year over year, 90+ days past due delinquencies improved or remained stable across each of the states and regions shown in the tables. See also "Consumer Mortgage FICO and LTV" below.

North America Consumer Mortgages – Loan Loss Reserve Coverage

At December 31, 2011, approximately $9.8 billion of Citi's total loan loss reserves of $30.1 billion was allocated to *North America* real estate lending in Citi Holdings, representing approximately 31 months of coincident net credit loss coverage as of such date. With respect to Citi's aggregate *North America* Consumer mortgage portfolio, including Citi Holdings as well as the residential first mortgages and home equity loans in Citicorp, Citi's loan loss reserves of $10.0 billion at December 31, 2011 represented 30 months of coincident net credit loss coverage.

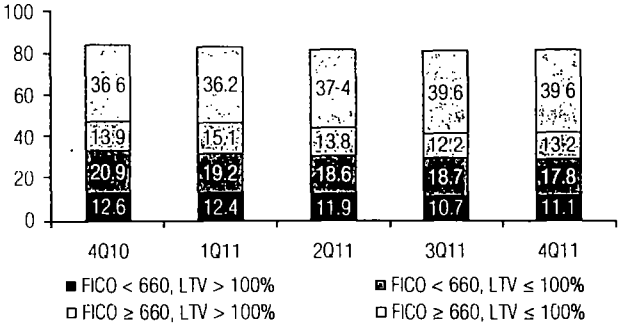
Consumer Mortgage FICO and LTV

As a consequence of the financial crisis, economic environment and the decrease in housing prices, LTV and FICO scores for Citi's residential first mortgage and home equity loan portfolios have generally deteriorated since origination, particularly in the case of originations between 2006 and 2007, although, as set forth in the tables below, the negative migration has generally stabilized. Generally, on a refreshed basis, approximately 30% of residential first mortgages had a LTV ratio above 100%, compared to approximately 0% at origination. Similarly, approximately 36% of residential first mortgages had FICO scores less than 660 on a refreshed basis, compared to 27% at origination. With respect to home equity loans, approximately 45% of home equity loans had refreshed LTVs above 100%, compared to approximately 0% at origination. Approximately 24% of home equity loans had FICO scores less than 660 on a refreshed basis, compared to 9% at origination.

FICO and LTV Trend Information—*North America* Consumer Mortgages

Residential First Mortgages

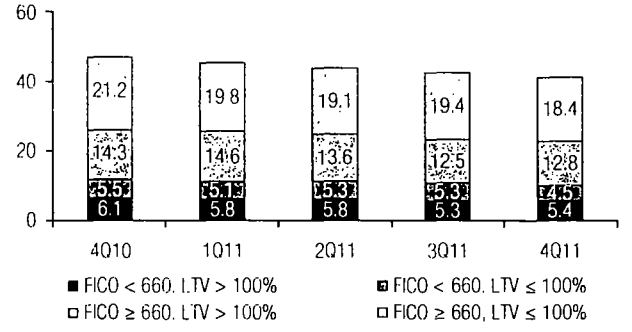
In billions of dollars



Residential Mortgage—90+ DPD %	4Q10	1Q11	2Q11	3Q11	4Q11
FICO ≥ 660, LTV ≤ 100%	0.3%	0.4%	0.3%	0.3%	0.4%
FICO ≥ 660, LTV > 100%	1.3%	1.1%	1.1%	1.2%	1.2%
FICO < 660, LTV ≤ 100%	12.8%	11.0%	9.8%	10.0%	10.7%
FICO < 660, LTV > 100%	20.4%	16.6%	15.3%	14.9%	16.5%

Home Equity Loans

In billions of dollars



Home Equity—90+ DPD %	4Q10	1Q11	2Q11	3Q11	4Q11
FICO ≥ 660, LTV ≤ 100%	0.1%	0.1%	0.1%	0.1%	0.3%
FICO ≥ 660, LTV > 100%	0.3%	0.3%	0.1%	0.1%	0.2%
FICO < 660, LTV ≤ 100%	7.7%	7.7%	7.0%	7.4%	7.6%
FICO < 660, LTV > 100%	12.1%	11.7%	10.1%	10.3%	10.3%

Notes

- Data appearing in the tables above have been sourced from Citi's risk systems and, as such, may not reconcile with disclosures elsewhere generally due to differences in methodology or variations in the manner in which information is captured. Citi has noted such variations in instances where it believes they could be material to reconcile to the information presented elsewhere.
- Tables exclude loans in Canada and Puerto Rico, loans guaranteed by U.S. government agencies (residential first mortgages table only), loans recorded at fair value (residential first mortgages table only) and loans subject to LTSCs.
- Balances exclude deferred fees/costs.
- Tables exclude balances for which FICO or LTV data is unavailable. For residential first mortgages, balances for which such data is unavailable includes $0.4 billion for 4Q10, $0.6 billion for 1Q11, and $0.4 billion in each of 2Q11, 3Q11 and 4Q11. For home equity loans, balances for which such data is unavailable includes $0.3 billion in 4Q10, $0.1 billion in 1Q11, $0.3 billion in 2Q11, $0.2 billion in 3Q11, and $0.2 billion in 4Q11.

As evidenced by the table above, the overall proportion of 90+ days past due residential first mortgages with refreshed FICO scores of less than 660 decreased year over year. Citi believes that the deterioration in these 90+ days past due delinquency ratios from third to fourth quarter 2011 reflects the decline in Citi's asset sales of delinquent first mortgages, the lengthening of the foreclosure process and the continued economic uncertainty, as discussed in the sections above.

Although home equity loans are typically in junior lien positions and residential first mortgages are typically in a first lien position, residential first mortgages historically have experienced higher delinquency rates as compared to home equity loans. Citi believes this difference is primarily due to the fact that residential first mortgages are written down to collateral value less cost to sell at 180 days past due and remain in the delinquency population until full disposition through sale, repayment or foreclosure, whereas home equity loans are generally fully charged off at 180 days past due and thus removed from the delinquency calculation. In addition, due to the longer timelines to foreclose on a residential first mortgage (see "Foreclosures" above), these loans tend to remain in the delinquency statistics for a longer period and, consequently, the 90 days or more delinquencies of these mortgages remain higher.

Despite this historically higher level of delinquencies for residential first mortgages, however, home equity loan delinquencies have generally decreased at a slower rate than residential first mortgage delinquencies. Citi believes this difference is due primarily to the lack of a market to sell delinquent home equity loans and the relatively smaller number of home equity loan modifications which, to date, have been the primary drivers of Citi's first mortgage delinquency improvement (see "North America Consumer Mortgage Quarterly Credit Trends—Delinquencies and Net Credit Losses—Residential First Mortgages" above).

Mortgage Servicing Rights

To minimize credit and liquidity risk, Citi sells most of the mortgage loans it originates, but retains the servicing rights. These sale transactions create an intangible asset referred to as mortgage servicing rights (MSRs), which are recorded at fair value on Citi's Consolidated Balance Sheet. The fair value of MSRs is primarily affected by changes in prepayments of mortgages that result from shifts in mortgage interest rates. Specifically, the fair value of MSRs declines with increased prepayments, and lower interest rates are generally one factor that tends to lead to increased prepayments. In managing this risk, Citi economically hedges a significant portion of the value of its MSRs through the use of interest rate derivative contracts, forward purchase commitments of mortgage-backed securities and purchased securities classified as *Trading account assets*.

Citi's MSRs totaled $2.569 billion, $2.852 billion and $4.554 billion at December 31, 2011, September 30, 2011 and December 31, 2010, respectively. The decrease in the value of Citi's MSRs from year end 2010 to year end 2011 primarily represented the impact from lower interest rates in addition to amortization.

For additional information on Citi's MSRs, see Note 22 to the Consolidated Financial Statements.

North America Cards

Overview

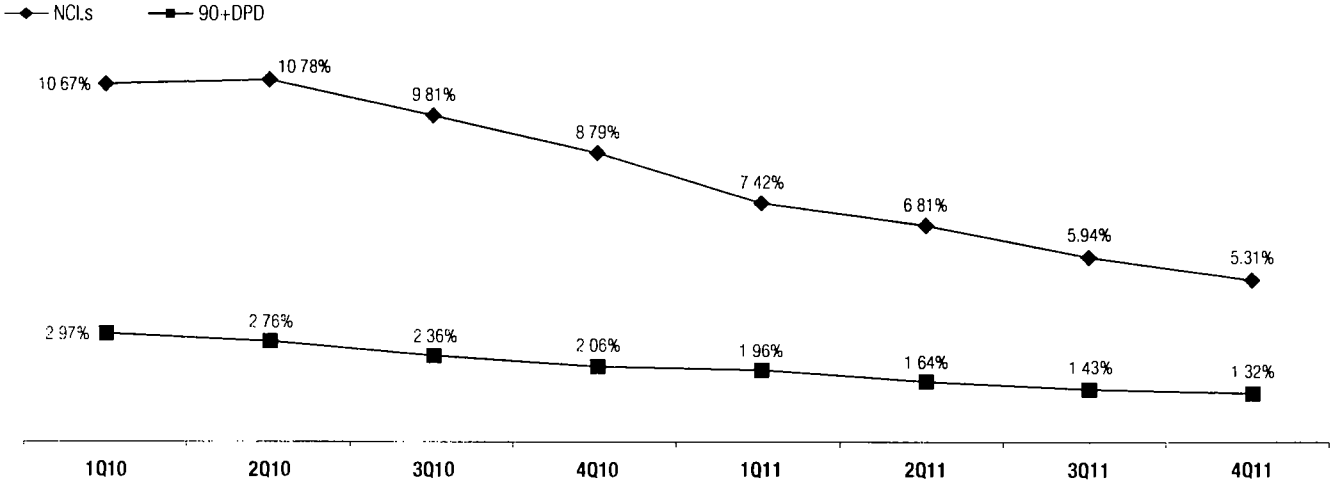
As of December 31, 2011, Citi's *North America* cards portfolio consists of its Citi-branded portfolio in Citicorp—*Global Consumer Banking* and its retail partner cards portfolio in Citi Holdings—*Local Consumer Lending*. The substantial majority of the retail partner cards portfolio will be transferred to Citicorp—*NA RCB*, effective in the first quarter of 2012 (see "Executive Summary" and "Citi Holdings" above). As of December 31, 2011, the Citi-branded portfolio totaled $76 billion, while the retail partner cards portfolio was $43 billion.

See "Consumer Loan Modification Programs" below for a discussion of Citi's significant cards modification programs.

North America Cards Quarterly Credit Trends—Delinquencies and Net Credit Losses

The following charts detail the quarterly trends in delinquencies and net credit losses for Citigroup's *North America* Citi-branded and retail partner cards portfolios. As evidenced by the charts, delinquencies and net credit losses continued to improve during 2011. Citi currently expects some continued improvement in these metrics, although at a slower pace as the portfolios stabilize

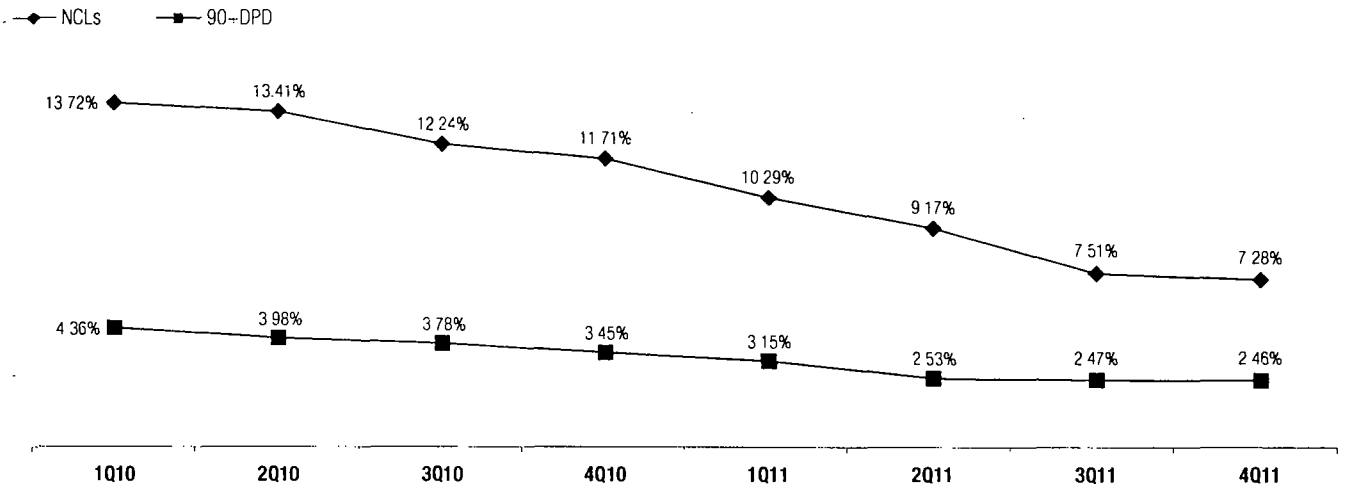
Citi-Branded Cards – Citigroup



In billions of dollars

EOP Loans: 4Q10-$77.5 3Q11-$73.8 4Q11-$75.9

Retail Partner Cards – Citigroup



In billions of dollars

EOP Loans: 4Q10-$46.4 3Q11-$41.1 4Q11-$42.8

North America Cards–Loan Loss Reserve Coverage

At December 31, 2011, approximately $10.1 billion of Citi's total loan loss reserves of $30.1 billion was allocated to Citi's *North America* cards portfolios, representing over 17 months of coincident net credit loss coverage as of such date

CONSUMER LOAN DETAILS

Consumer Loan Delinquency Amounts and Ratios

In millions of dollars, except EOP loan amounts in billions	Total loans[7] December 31, 2011	90+ days past due[1] December 31, 2011	2010	2009	30–89 days past due[1] December 31, 2011	2010	2009
Citicorp[2][3][4]							
Total	**$246.6**	**$2,410**	$ 3,101	$ 4,103	**$2,880**	$ 3,553	$ 4,338
Ratio		**0.98%**	1.35%	1.83%	**1.17%**	1.55%	1.93%
Retail banking							
Total	**$133.3**	**$ 736**	$ 760	$ 805	**$1,039**	$ 1,146	$ 1,107
Ratio		**0.56%**	0.66%	0.75%	**0.79%**	0.99%	1.03%
North America	**38.9**	**235**	228	106	**213**	212	81
Ratio		**0.63%**	0 76%	0 33%	**0.57%**	0.71%	0.25%
EMEA	**4.2**	**58**	84	129	**93**	136	223
Ratio		**1.38%**	2.00%	2 48%	**2.21%**	3.24%	4.29%
Latin America	**24.0**	**221**	223	311	**289**	265	344
Ratio		**0.92%**	1.09%	1.71%	**1.20%**	1.30%	1.89%
Asia	**66.2**	**222**	225	259	**444**	533	459
Ratio		**0.34%**	0.37%	0.50%	**0.67%**	0.88%	0.89%
Citi-branded cards							
Total	**$113.3**	**$1,674**	$ 2,341	$ 3,298	**$1,841**	$ 2,407	$ 3,231
Ratio		**1.48%**	2.05%	2.81%	**1.62%**	2 11%	2.75%
North America	**75.9**	**1,004**	1,597	2,371	**1,062**	1,539	2,182
Ratio		**1.32%**	2 06%	2 82%	**1.40%**	1.99%	2.59%
EMEA	**2.7**	**44**	58	85	**59**	72	140
Ratio		**1.63%**	2.07%	2.83%	**2.19%**	2.57%	4.67%
Latin America	**13.7**	**412**	446	565	**399**	456	556
Ratio		**3.01%**	3 33%	4 56%	**2.91%**	3 40%	4 48%
Asia	**21.0**	**214**	240	277	**321**	340	353
Ratio		**1.02%**	1 18%	1.55%	**1.53%**	1.67%	1.97%
Citi Holdings—*Local Consumer Lending*[2][3][5][6]							
Total	**$176.0**	**$6,971**	$10,216	$18,457	**$6,340**	$ 9,396	$14,105
Ratio		**4.18%**	4 76%	6.11%	**3.80%**	4.38%	4.67%
International	**10.8**	**422**	657	1,362	**498**	848	1,482
Ratio		**3.91%**	3 00%	4.22%	**4.61%**	3 87%	4 59%
North America retail partner cards	**42.8**	**1,054**	1,601	2,681	**1,282**	1,685	2,674
Ratio		**2.46%**	3 45%	4.42%	**3.00%**	3 63%	4 41%
North America (excluding cards)	**122.4**	**5,495**	7,958	14,414	**4,560**	6,863	9,949
Ratio		**4.85%**	5.43%	6 89%	**4.03%**	4 68%	4 76%
Total Citigroup (excluding *Special Asset Pool*)	**$422.6**	**$9,381**	$13.317	$22,560	**$9,220**	$12,949	$18,443
Ratio		**2.28%**	3.00%	4.29%	**2.24%**	2 92%	3.50%

(1) The ratios of 90+ days past due and 30–89 days past due are calculated based on end-of-period (EOP) loans

(2) The 90+ days past due balances for Citi-branded cards and retail partner cards are generally still accruing interest Citigroup's policy is generally to accrue interest on credit card loans until 180 days past due, unless notification of bankruptcy filing has been received earlier

(3) Periods prior to January 1, 2010 are presented on a managed basis Citigroup adopted SFAS 166/167 effective January 1, 2010 As a result, beginning in the first quarter of 2010, there is no longer a difference between reported and managed delinquencies Prior years' managed delinquencies are included herein for comparative purposes to the 2010 delinquencies Managed basis reporting historically impacted the *North America Regional Consumer Banking*—Citi-branded cards and the *LCL*—retail partner cards businesses The historical disclosures reflect the impact from credit card securitizations only See discussion of adoption of SFAS 166/167 in Note 1 to the Consolidated Financial Statements

(4) The 90+ days and 30–89 days past due and related ratios for *North America Regional Consumer Banking* exclude U S mortgage loans that are guaranteed by U S government agencies since the potential loss predominantly resides within the U.S agencies The amounts excluded for loans 90+ days past due and (EOP loans) are $611 million ($1 3 billion) and $235 million ($0 8 billion) at December 31, 2011 and December 31, 2010, respectively The amounts excluded for loans 30–89 days past due (end-of-period loans have the same adjustment as above) are $121 million and $30 million, as of December 31, 2011 and December 31, 2010, respectively

(5) The 90+ days and 30–89 days past due and related ratios for *North America LCL* (excluding cards) exclude U S mortgage loans that are guaranteed by U S government agencies since the potential loss predominantly resides within the U S agencies The amounts excluded for loans 90+ days past due and (EOP loans) for each period are $4 4 billion ($7 9 billion), $5 2 billion ($8 4 billion), and $5 4 billion ($9 0 billion) at December 31, 2011, December 31, 2010, and December 31, 2009, respectively The amounts excluded for loans 30–89 days past due (end-of-period loans have the same adjustment as above) for each period are $1 5 billion, $1 6 billion, and $1 0 billion, as of December 31, 2011, December 31, 2010, and December 31, 2009, respectively

(6) The December 31, 2011 and December 31, 2010 loans 90+ days past due and 30–89 days past due and related ratios for *North America* (excluding cards) exclude $1 3 billion and $1 7 billion, respectively, of loans that are carried at fair value

(7) Total loans include interest and fees on credit cards

Consumer Loan Net Credit Losses and Ratios

In millions of dollars, except average loan amounts in billions	Average loans[1] 2011	Net credit losses[2] 2011	2010	2009
Citicorp				
Total	**$236.5**	**$ 7,688**	$11,216	$ 5,395
Add: impact of credit card securitizations[3]		**—**	—	6,931
Managed NCL		**7,688**	11,216	12,326
Ratio		**3.25%**	5.11%	5.63%
Retail banking				
Total	**$126.3**	**$ 1,174**	$ 1,267	$ 1,555
Ratio		**0.93%**	1.16%	1.48%
North America	**34.5**	**300**	339	311
Ratio		**0.87%**	1.11%	0.90%
EMEA	**4.4**	**87**	167	287
Ratio		**1.99%**	3.88%	5.17%
Latin America	**22.6**	**475**	439	512
Ratio		**2.10%**	2.35%	3.08%
Asia	**64.8**	**312**	322	445
Ratio		**0.48%**	0.58%	0.92%
Citi-branded cards				
Total	**$110.2**	**$ 6,514**	$ 9,949	$ 3,840
Add: impact of credit card securitizations[3]		**—**	—	6,931
Managed NCL		**6,514**	9,949	10,771
Ratio		**5.92%**	9.04%	9.46%
North America	**73.1**	**4,649**	7,680	841
Add: impact of credit card securitizations[3]		**—**	—	6,931
Managed NCL		**4,649**	7,680	7,772
Ratio		**6.36%**	10.02%	9.41%
EMEA	**2.9**	**85**	149	185
Ratio		**2.98%**	5.32%	6.55%
Latin America	**13.7**	**1,209**	1,429	1,920
Ratio		**8.82%**	11.67%	16.10%
Asia	**20.5**	**571**	691	894
Ratio		**2.78%**	3.77%	5.42%
Citi Holdings—*Local Consumer Lending*				
Total	**$199.7**	**$10,659**	$17,040	$19,185
Add: impact of credit card securitizations[3]		**—**	—	4,590
Managed NCL		**10,659**	17,040	23,775
Ratio		**5.34%**	6.20%	7.03%
International	**16.8**	**1,057**	1,927	3,521
Ratio		**6.30%**	7.36%	9.18%
North America retail partner cards	**42.1**	**3,609**	6,564	3,485
Add: impact of credit card securitizations[3]		**—**	—	4,590
Managed NCL		**3,609**	6,564	8,075
Ratio		**8.58%**	12.82%	12.77%
North America (excluding cards)	**140.8**	**5,993**	8,549	12,179
Ratio		**4.25%**	4.33%	5.15%
Total Citigroup (excluding *Special Asset Pool*)	**$436.2**	**$18,347**	$28,256	$24,580
Add: impact of credit card securitizations[3]		**—**	—	11,521
Managed NCL		**18,347**	28,256	36,101
Ratio		**4.21%**	5.72%	6.48%

(1) Average loans include interest and fees on credit cards

(2) The ratios of net credit losses are calculated based on average loans, net of unearned income

(3) See Note 1 to the Consolidated Financial Statements for a discussion of the impact of SFAS 166/167

Consumer Loan Modification Programs

Citi has instituted a variety of loan modification programs to assist its borrowers with financial difficulties. Under these programs, the largest of which are predominately long-term modification programs targeted at residential first mortgage borrowers, the original loan terms are modified. Substantially all of these programs incorporate some form of interest rate reduction; other concessions may include reductions or waivers of accrued interest or fees, loan tenor extensions and/or the deferral or forgiveness of principal.

Loans modified under long-term modification programs (as well as short-term modifications originated since January 1, 2011) that provide concessions to borrowers in financial difficulty are reported as troubled debt restructurings (TDRs). Accordingly, loans modified under the programs described below, including modifications under short-term programs since January 1, 2011, are TDRs. These TDRs are concentrated in the U.S See Note 16 to the Consolidated Financial Statements for a discussion of TDRs and Note 1 to the Consolidated Financial Statements for a discussion of the allowance for loan losses for these loans.

A summary of Citi's more significant U.S. modification programs follows:

Residential First Mortgages

HAMP. The HAMP is a long-term modification program designed to reduce monthly residential first mortgage payments to a 31% housing debt ratio (monthly mortgage payment, including property taxes, insurance and homeowner dues, divided by monthly gross income) by lowering the interest rate, extending the term of the loan and deferring or forgiving (either on an absolute or contingent basis) principal of certain eligible borrowers who have defaulted on their mortgages or who are at risk of imminent default due to economic hardship. The interest rate reduction for residential first mortgages under HAMP is in effect for five years and the rate then increases up to 1% per year until the interest rate cap (the lower of the original rate or the Freddie Mac Weekly Primary Mortgage Market Survey rate for a 30-year fixed rate conforming loan as of the date of the modification) is reached. In order to be entitled to a HAMP loan modification, borrowers must provide the required documentation and complete a trial period (generally three months) by making the agreed payments.

Historically, Citi accounted for modifications under HAMP as TDRs when the borrower successfully completed the trial period and the loan was permanently modified. Effective in the fourth quarter of 2011, trial modifications are reported as TDRs at the beginning of the trial period. Accordingly, all loans in HAMP trials as of the end of 2011 are reported as TDRs.

Citi Supplemental. The Citi Supplemental (CSM) program is a long-term modification program designed to assist residential first mortgage borrowers ineligible for HAMP or who become ineligible through the HAMP trial period process. If the borrower already has less than a 31% housing debt ratio, the modification offered is an interest rate reduction (up to 2.5% with a floor rate of 4%), which is in effect for two years, and the rate then increases up to 1% per year until the interest rate is at the pre-modified contractual rate. If the borrower's housing debt ratio is greater than 31%, steps similar to those under HAMP, including potential interest rate reductions, will be taken to achieve a 31% housing debt ratio. The modified interest rate is in effect for two years, and then increases up to 1% per year until the interest rate is at the pre-modified contractual rate. Three trial payments are required prior to modification, which can be made during the trial period. As in the case of HAMP as discussed above, all loans in CSM trials as of the end of 2011 are reported as TDRs.

FHA/VA. Loans guaranteed by the FHA or VA are modified through the modification process required by those respective agencies and are long-term modification programs Borrowers must be delinquent, and concessions include interest rate reductions, principal forgiveness, extending maturity dates, and forgiving accrued interest and late fees. The interest rate reduction is in effect for the remaining loan term Losses on FHA loans are borne by the sponsoring agency, provided that the insurance terms have not been rescinded as a result of an origination defect The VA establishes a loan-level loss cap, beyond which Citi is liable for loss. Historically, Citi's losses on FHA and VA loans have been negligible.

Responsible Lending. Citi's Responsible Lending program is a long-term modification program designed to assist current residential first mortgage borrowers unable to refinance their loan due to negative equity in their home and/or other borrower characteristics. These loans are not eligible for modification under HAMP or CSM This program is designed to provide payment relief based on a floor interest rate by product type. All adjustable rate and interest only loans are converted to fixed rate, amortizing loans for the remaining mortgage term

CFNA Permanent Mortgage Adjustment of Terms. This long-term modification program is targeted to CitiFinancial's (part of Citi Holdings – *LCL*) consumer finance residential mortgage borrowers with a permanent hardship. Payment reduction is provided through the re-amortization of the remaining loan balance, typically at a lower interest rate Modified loan tenors may not exceed a period of 480 months Generally, the rescheduled payment cannot be less than 50% of the original payment amount unless the adjustment of terms is a result of participation in the CitiFinancial Home Affordability Modification Program (CHAMP) (terminated August 2010), or as a result of settlement, court order, judgment or bankruptcy. Borrowers must make a qualifying payment at the reduced payment amount in order to qualify for the modification In addition, borrowers must provide income and employment verification, and monthly obligations are validated through an updated credit report

CFNA Temporary Mortgage Adjustment of Terms. This short-term modification program is similar to the long-term program discussed above, but is targeted to CitiFinancial's consumer finance borrowers with a temporary hardship Under this program, which can include both an interest rate reduction and a term extension, the interest rate is reduced for either a five- or an eleven-month period At the end of the temporary modification period, the interest rate reverts to the pre-modification rate. Similar to the long-term program, borrowers must make a payment at the reduced payment amount prior to the adjustment of terms being processed to qualify, and they must meet the verification and validation requirements discussed above If the customer is still undergoing hardship at the conclusion of the temporary payment reduction, an extension of the temporary terms can be considered in either of the time period increments above, to a maximum of 24 months In cases where the account is over 60 days past due at the expiration of the temporary modification period, the terms of the modification are made permanent and the payment is kept at the reduced amount for the remaining life of the loan.

Credit Cards

Credit card long-term modification programs. Citi's long-term modification programs for its Citi-branded and retail partner cards borrowers are designed to liquidate a borrower's balance within 60 months. These programs are available to borrowers who indicate a long-term hardship. Payment requirements are decreased by reducing interest rates charged to either 9 9% or 0%, depending on the borrower's situation, and are designed to fully amortize the balance. Under these programs, fees are discontinued and charging privileges are permanently rescinded.

Universal Payment Program (UPP). The UPP is a short-term cards modification program offered to Citi-branded and retail partner cards borrowers and provides short-term interest rate reductions to assist borrowers experiencing temporary hardships. Under this program, a participant's APR is reduced by at least 500 basis points for a period of up to 12 months. The minimum payment is established based upon the borrower's specific circumstances and is designed to amortize at least 1% of the principal balance each month. The participant's APR returns to its original rate at the end of the program or earlier upon failure to make the required payments.

Modification Programs–Summary

The following table sets forth, as of December 31, 2011, information relating to Citi's significant U.S. loan modification programs.

In millions of dollars	Program balance	Average interest rate reduction	Average % payment relief	Average tenor of modified loans	Deferred principal	Principal forgiveness
U.S. Consumer mortgage lending						
HAMP	$4,282	4%	41%	30 years	$558	$ 7
CSM	2,061	3	21	26 years	94	1
FHA/VA	4,117	2	18	28 years	—	—
CFNA Adjustment of Terms (AOT)	3,796	3	23	29 years	—	—
Responsible Lending	1,694	2	18	28 years	—	—
CFNA Temporary Mortgage AOT	1,570	2	N/A	N/A	—	—
North America cards						
Long-term modification programs	5,035	15	—	5 years	—	—
UPP	515	20	N/A	N/A	—	—

Consumer Mortgage—Representations and Warranties

The majority of Citi's exposure to representation and warranty claims relates to its U.S. Consumer mortgage business within CitiMortgage.

CitiMortgage Servicing Portfolio

As of December 31, 2011, Citi services loans previously sold to the U.S. government sponsored entities (GSEs) and private investors as follows:

In millions	December 31, 2011 [1]	
Vintage sold[2]:	Number of loans	Unpaid principal balance
2005 and prior	1.4	$141,122
2006	0.3	43,040
2007	0.2	40,080
2008	0.3	39,279
2009	0.2	45,811
2010	0.2	40,474
2011	0.2	46,501
Total	**2.8**	**$396,307**

(1) Excludes the fourth quarter 2010 sale of servicing rights on 0.1 million loans with remaining unpaid principal balances of approximately $24,843 million as of December 31, 2011. Citi continues to be exposed to representation and warranty claims on these loans.

(2) Includes 0.7 million loans with remaining unpaid principal balance of approximately $80,690 million as of December 31, 2011 that are serviced by CitiMortgage pursuant to prior acquisitions of mortgage servicing rights. These loans are covered by indemnification agreements from third parties in favor of CitiMortgage, however, substantially all of these agreements will expire prior to March 1, 2012. The expiration of these indemnification agreements is considered in determining the repurchase reserve.

As previously disclosed, during the period 2005 through 2008, Citi sold approximately $25 billion of loans through private-label residential mortgage securitizations. As of December 31, 2011, approximately $11 billion of the $25 billion remained outstanding as a result of repayments of approximately $13 billion and cumulative losses (incurred by the issuing trusts) of approximately $1 billion. The remaining $11 billion outstanding is included in the $396 billion of serviced loans above. As of December 31, 2011, the amount that remained outstanding had a 90 days or more delinquency rate in the aggregate of approximately 12.9%. For information on litigation related to these and other Citi securitization activities, see "*Securities and Banking*-Sponsored Private-Label Residential Mortgage Securitizations—Representations and Warranties" below and Note 29 to the Consolidated Financial Statements.

Representations and Warranties

When selling a loan, Citi makes various representations and warranties relating to, among other things, the following:

- Citi's ownership of the loan;
- the validity of the lien securing the loan;
- the absence of delinquent taxes or liens against the property securing the loan;
- the effectiveness of title insurance on the property securing the loan,
- the process used in selecting the loans for inclusion in a transaction;
- the loan's compliance with any applicable loan criteria established by the buyer, and
- the loan's compliance with applicable local, state and federal laws.

The specific representations and warranties made by Citi depend on the nature of the transaction and the requirements of the buyer. Market conditions and credit-rating agency requirements may also affect representations and warranties and the other provisions to which Citi may agree in loan sales.

Repurchases or "Make-Whole" Payments

In the event of a breach of these representations and warranties, Citi may be required to either repurchase the mortgage loans with the identified defects (generally at unpaid principal balance plus accrued interest) or indemnify ("make-whole") the investors for their losses. Citi's representations and warranties are generally not subject to stated limits in amount or time of coverage.

Similar to 2010, during 2011, issues related to (i) misrepresentation of facts by either the borrower or a third party (e.g., income, employment, debts, FICO, etc.), (ii) appraisal issues (e.g., an error or misrepresentation of value), and (iii) program requirements (e.g., a loan that does not meet investor guidelines, such as contractual interest rate) have been the primary drivers of Citi's repurchases and make-whole payments. However, the type of defect that results in a repurchase or make-whole payment has continued and will continue to vary over time. More importantly, there has not been a meaningful difference in Citi's incurred or estimated loss for any particular type of defect.

In the case of a repurchase, Citi will bear any subsequent credit loss on the mortgage loan and the loan is typically considered a credit-impaired loan and accounted for under SOP 03-3, "Accounting for Certain Loans and Debt Securities Acquired in a Transfer" (now incorporated into ASC 310-30, *Receivables—Loans and Debt Securities Acquired with Deteriorated Credit Quality*). These repurchases have not had a material impact on Citi's non-performing loan statistics because credit-impaired purchased SOP 03-3 loans are not included in non-accrual loans, since they generally continue to accrue interest until write-off.

The unpaid principal balance of loans repurchased due to representation and warranty claims for the years ended December 31, 2011 and 2010, respectively, was as follows

In millions of dollars	December 31, 2011 Unpaid principal balance	December 31, 2010 Unpaid principal balance
GSEs	**$505**	$280
Private investors	**8**	26
Total	**$513**	$306

As evidenced in the tables above, Citi's repurchases have primarily been from the GSEs In addition to the amounts set forth in the tables above, Citi recorded make-whole payments of $530 million and $310 million for the years ended December 31, 2011 and 2010, respectively.

Repurchase Reserve

Citi has recorded a reserve for its exposure to losses from the obligation to repurchase or make-whole payments in respect of previously sold loans (referred to as the repurchase reserve) that is included in *Other liabilities* in the Consolidated Balance Sheet. In estimating the repurchase reserve, Citi considers reimbursements estimated to be received from third-party correspondent lenders and indemnification agreements relating to previous acquisitions of mortgage servicing rights. The estimated reimbursements are based on Citi's analysis of its most recent collection trends and the financial solvency of the correspondents.

In the case of a repurchase of a credit-impaired SOP 03-3 loan, the difference between the loan's fair value and unpaid principal balance at the time of the repurchase is recorded as a utilization of the repurchase reserve. Make-whole payments to the investor are also treated as utilizations and charged directly against the reserve The repurchase reserve is estimated when Citi sells loans (recorded as an adjustment to the gain on sale, which is included in *Other revenue* in the Consolidated Statement of Income) and is updated quarterly. Any change in estimate is recorded in *Other revenue*

The repurchase reserve is calculated by individual sales vintage (i e , the year the loans were sold) During 2011, the majority of Citi's repurchases continued to be from the 2006 through 2008 sales vintages, which also represented the vintages with the largest loss severity An insignificant percentage of repurchases have been from vintages prior to 2006, and Citi continues to believe that this percentage will continue to decrease, as those vintages are later in the credit cycle Although still early in the credit cycle, Citi continued to experience lower repurchases and loss per repurchase or make-whole from post-2008 sales vintages

The repurchase reserve is based on various assumptions. These assumptions contain a level of uncertainty and risk that, if different from actual results, could have a material impact on the reserve amounts (see "Sensitivity of Repurchase Reserve" below). The most significant assumptions used to calculate the reserve levels are as follows:

- *Loan documentation requests:* Assumptions regarding future expected loan documentation requests exist as a means to predict future repurchase claim trends. These assumptions are based on recent historical trends in loan documentation requests, recent trends in historical delinquencies, forecasted delinquencies and general industry knowledge about the current repurchase environment. During 2011, the actual number of loan documentation requests declined as compared to 2010. However, because such requests remain elevated from historical levels, and because of the continued increased focus on mortgage-related matters, the assumption for estimated future loan documentation requests increased during 2011. Citi currently believes the level of actual loan documentation requests will remain elevated from historical levels and will continue to be volatile.

- *Repurchase claims as a percentage of loan documentation requests:* Given that loan documentation requests are a potential indicator of future repurchase claims, an assumption is made regarding the conversion rate from loan documentation requests to repurchase claims, which assumption is based on historical performance During 2011, the conversion rate, or the number of repurchase claims as a percentage of loan documentation requests, increased as compared to 2010, and thus the assumption regarding future repurchase claims also increased. Citi currently believes the claims as a percentage of loan documentation requests will remain at elevated levels.

- *Claims appeal success rate.* This assumption represents Citi's expected success at rescinding a claim by satisfying the demand for more information, disputing the claim validity, or similar matters. This assumption is based on recent historical successful appeals rates, which can fluctuate based on changes in the validity or composition of claims. During 2011, Citi's appeal success rate remained stable as compared to 2010, meaning approximately half of the repurchase claims were successfully appealed and resulted in no loss to Citi.

- *Estimated loss per repurchase or make-whole:* The assumption of the estimated loss per repurchase or make-whole payment is based on actual and estimated losses of recent historical repurchases/make-whole payments calculated for each sales vintage year in order to capture volatile housing price highs and lows The estimated loss per repurchase or make-whole payment assumption is also impacted by estimates of loan size at the time of repurchase or make-whole payment. During 2011, the severity of losses increased slightly as compared to 2010, but was more than offset by the reduction in loan size, resulting in a decline in the actual loss per repurchase or make-whole payment. Citi would expect to continue to see reductions in loan size, including for the 2006 to 2008 sales vintages, as the loans continue to amortize through the loan cycle

In sum, the increase in estimated future loan documentation requests and repurchase claims as a percentage of loan documentation requests were the primary drivers of the $948 million increase in estimate for the repurchase reserve during 2011. These factors were also the primary drivers of the $305 million increase in estimate during the fourth quarter of 2011.

The table below sets forth the activity in the repurchase reserve for the years ended December 31, 2011 and 2010:

In millions of dollars	**Dec. 31, 2011**	Dec. 31, 2010
Balance, beginning of period	**$ 969**	$ 482
Additions for new sales	**20**	16
Change in estimate	**948**	917
Utilizations	**(749)**	(446)
Balance, end of period	**$1,188**	$ 969

The activity in the repurchase reserve for the three months ended December 31, 2011 was as follows.

In millions of dollars	**Dec. 31, 2011**
Balance, beginning of period	**$1,076**
Additions for new sales	**7**
Change in estimate	**305**
Utilizations	**(200)**
Balance, end of period	**$1,188**

Sensitivity of Repurchase Reserve

As discussed above, the repurchase reserve estimation process is subject to numerous estimates and judgments. The assumptions used to calculate the repurchase reserve contain a level of uncertainty and risk that, if different from actual results, could have a material impact on the reserve amounts For example, Citi estimates that if there were a simultaneous 10% adverse change in each of the significant assumptions noted above, the repurchase reserve would increase by approximately $620 million as of December 31, 2011. This potential change is hypothetical and intended to indicate the sensitivity of the repurchase reserve to changes in the key assumptions Actual changes in the key assumptions may not occur at the same time or to the same degree (i.e., an adverse change in one assumption may be offset by an improvement in another). Citi does not believe it has sufficient information to estimate a range of reasonably possible loss (as defined under ASC 450) relating to its Consumer representations and warranties

Representation and Warranty Claims—By Claimant

For the GSEs, Citi's response (i.e., agree or disagree to repurchase or make-whole) to any repurchase claim is required within 90 days of receipt of the claim. If Citi does not respond within 90 days, the claim is subject to discussions between Citi and the particular GSE. For private investors, the time period for responding to any repurchase claim is governed by the individual sale agreement; however, if the specified timeframe is exceeded, the investor may choose to initiate legal action. As of December 31, 2011, no such legal action has been initiated by private investors

The representation and warranty claims by claimant, as well as the number of unresolved claims by claimant, for the years ended December 31, 2011 and 2010, respectively, were as follows.

	Claims during				Unresolved claims as of			
	2011		2010		**December 31, 2011**		December 31, 2010	
In millions of dollars	**Number of claims**	**Original principal balance**	Number of claims	Original principal balance	**Number of claims**	**Original principal balance**	Number of claims	Original principal balance
GSEs	**13,584**	**$2,930**	11,520	$2,433	**5,344**	**$1,148**	5,257	$1,123
Private investors	**1,649**	**331**	1,221	313	**651**	**122**	581	128
Mortgage insurers[1]	**729**	**164**	274	60	**62**	**15**	78	17
Total[2]	**15,962**	**$3,425**	13,015	$2,806	**6,057**	**$1,285**	5,916	$1,268

(1) Represents the insurer's rejection of a claim for loss reimbursement that has yet to be resolved To the extent that mortgage insurance will not cover the claim on a loan, Citi may have to make the GSE or private investor whole As of December 31, 2011, approximately $31 billion of the total servicing portfolio of $396 billion has insurance through mortgage insurance companies Failure to collect from mortgage insurers is considered in determining the repurchase reserve Citi does not believe inability to collect reimbursement from mortgage insurers would have a material impact on its repurchase reserve

(2) Includes 1,738 and 2,914 claims, and $291 million and $612 million of original principal balance for claims during the years ended December 31, 2011 and 2010, respectively, and 633 and 1,333, and $123 million and $267 million of original principal balance for unresolved claims as of December 31, 2011 and 2010, respectively, that are serviced by CitiMortgage pursuant to prior acquisitions of mortgage servicing rights These loans are covered by indemnification agreements from third parties in favor of CitiMortgage, however, substantially all of these agreements will expire prior to March 1, 2012 The expiration of these indemnification agreements is considered in determining the repurchase reserve

Securities and Banking-Sponsored Legacy Private-Label Residential Mortgage Securitizations—Representations and Warranties

Overview

Citi is also exposed to representation and warranty claims through residential mortgage securitizations that had been sponsored by Citi's *S&B* business. However, *S&B*-sponsored legacy securitizations have represented a much smaller portion of Citi's business than Citi's Consumer residential mortgage business discussed above.

As previously disclosed, during the period 2005 through 2008, *S&B* had sponsored approximately $66 5 billion in legacy private-label mortgage-backed securitization transactions that were backed by loan collateral composed of approximately $15 5 billion prime, $12 4 billion Alt-A and $38 6 billion subprime residential mortgage loans As of December 31, 2011, approximately $23 4 billion of this amount remains outstanding as a result of repayments of approximately $34 5 billion and cumulative losses (incurred by the issuing trusts) of approximately $8.7 billion (of which approximately $6 6 billion related to subprime loans). Of the amount remaining outstanding, approximately $6 1 billion is backed by prime residential mortgage collateral at origination, approximately $4 9 billion by Alt-A and approximately $12.3 billion by subprime. As of December 31, 2011, the $23 4 billion remaining outstanding had a 90 days or more delinquency rate of approximately 27 2%

The mortgages included in these securitizations were purchased from parties outside of Citi. fewer than 2% of the mortgages underlying the transactions outstanding as of December 31, 2011 were originated by Citi. In addition, fewer than 10% of the mortgages are serviced by Citi (The mortgages serviced by Citi are included in the $396 billion of residential mortgage loans referenced under "Consumer Mortgage—Representations and Warranties" above)

Representation and Warranties

In connection with these securitization transactions, representations and warranties (representations) relating to the mortgages included in each trust issuing the securities were made either by Citi, by third-party sellers (Selling Entities, which were also often the originators of the loans), or both These representations were generally made or assigned to the issuing trust and related to, among other things, the following

- the absence of fraud on the part of the borrower, the seller or any appraiser, broker or other party involved in the origination of the mortgage (which was sometimes wholly or partially limited to the knowledge of the representation provider),
- whether the mortgage property was occupied by the borrower as his or her principal residence,
- the mortgage's compliance with applicable federal, state and local laws,
- whether the mortgage was originated in conformity with the originator's underwriting guidelines, and
- detailed data concerning the mortgages that were included on the mortgage loan schedule

The specific representations relating to the mortgages in each securitization varied, however, depending on various factors such as the Selling Entity, rating agency requirements and whether the mortgages were considered prime, Alt-A or subprime in credit quality.

In the event of a breach of its representations, Citi may be required either to repurchase the mortgage with the identified defects (generally at unpaid principal balance plus accrued interest) or indemnify the investors for their losses through make-whole payments. For securitizations in which Citi made representations, Citi generally also received from the Selling Entities similar representations, with the exception of certain limited representations required by, among others, the rating agencies. In cases where Citi made representations and also received the same representations from the Selling Entity for a particular loan, if Citi receives a claim based on breach of those representations in respect of the loan, it may have a contractual right to pursue a similar (back-to-back) claim against the Selling Entity (see discussion below). If only the Selling Entity made representations with respect to a particular loan, then only the Selling Entity should be responsible for a claim based on breach of the representations.

For the majority of the securitizations where Citi made representations and received similar representations from Selling Entities, Citi currently believes that with respect to the securitizations backed by prime and Alt-A collateral, if it received a repurchase claim for those loans, it would have back-to-back claims against the Selling Entities that the Selling Entities would likely be in a position to honor. However, for the significant majority of the subprime collateral where Citi has back-to-back claims against Selling Entities, Citi believes that those Selling Entities would be unlikely to honor back-to-back claims because they are in bankruptcy, liquidation, or financial distress. In those situations, in the event that claims for breaches of representations were made against Citi, the Selling Entities' financial condition might preclude Citi from obtaining back-to-back recoveries from them

To date, Citi has received actual claims for breaches of representations relating to only a small percentage of the mortgages included in these securitization transactions, although the pace of claims remains volatile and has recently increased. Citi has also experienced an increase in the level of inquiries, assertions and requests for loan files, among other matters, relating to the above securitization transactions from trustees of securitization trusts and others Trustee activities have been prompted in part by lawsuits and other actions by investors Given the continued increased focus on mortgage-related matters, as well as the increasing level of litigation and regulatory activity relating to mortgage loans and mortgage-backed securities, the level of inquiries and assertions regarding these securitizations may further increase These inquiries and assertions could lead to actual claims for breaches of representations, or to litigation relating to such breaches or other matters. For information on litigation, claims and regulatory proceedings regarding these and other S&B mortgage-related activities, see Note 29 to the Consolidated Financial Statements

CORPORATE LOAN DETAILS

For corporate clients and investment banking activities across Citigroup, the credit process is grounded in a series of fundamental policies, in addition to those described under "Managing Global Risk—Risk Management—Overview," above. These include:

- joint business and independent risk management responsibility for managing credit risks;
- a single center of control for each credit relationship that coordinates credit activities with that client;
- portfolio limits to ensure diversification and maintain risk/capital alignment;
- a minimum of two authorized credit officer signatures required on extensions of credit, one of which must be from a credit officer in credit risk management;
- risk rating standards, applicable to every obligor and facility; and
- consistent standards for credit origination documentation and remedial management

Corporate Credit Portfolio

The following table represents the Corporate credit portfolio (excluding private banking), before consideration of collateral, by maturity at December 31, 2011. The Corporate portfolio is broken out by direct outstandings, which include drawn loans, overdrafts, interbank placements, bankers' acceptances and leases, and unfunded commitments, which include unused commitments to lend, letters of credit and financial guarantees.

	At December 31, 2011				At December 31, 2010			
In billions of dollars	**Due within 1 year**	**Greater than 1 year but within 5 years**	**Greater than 5 years**	**Total exposure**	Due within 1 year	Greater than 1 year but within 5 years	Greater than 5 years	Total exposure
Direct outstandings	**$177**	**$ 62**	**$13**	**$252**	$191	$ 43	$ 8	$242
Unfunded lending commitments	**144**	**151**	**21**	**316**	174	94	19	287
Total	**$321**	**$213**	**$34**	**$568**	$365	$137	$27	$529

Portfolio Mix

Citi's Corporate credit portfolio is diverse across geography and counterparty. The following table shows the percentage of direct outstandings and unfunded commitments by region.

	December 31, 2011	December 31, 2010
North America	**47%**	47%
EMEA	**27**	28
Latin America	**8**	7
Asia	**18**	18
Total	**100%**	100%

The maintenance of accurate and consistent risk ratings across the Corporate credit portfolio facilitates the comparison of credit exposure across all lines of business, geographic regions and products.

Obligor risk ratings reflect an estimated probability of default for an obligor and are derived primarily through the use of validated statistical models, scorecard models and external agency ratings (under defined circumstances), in combination with consideration of factors specific to the obligor or market, such as management experience, competitive position, and regulatory environment. Facility risk ratings are assigned that reflect the probability of default of the obligor and factors that affect the loss-given default of the facility, such as support or collateral. Internal obligor ratings that generally correspond to BBB and above are considered investment grade, while those below are considered non-investment grade.

Citigroup also has incorporated climate risk assessment criteria for certain obligors, as necessary. Factors evaluated include consideration of climate risk to an obligor's business and physical assets.

The following table presents the Corporate credit portfolio by facility risk rating at December 31, 2011 and December 31, 2010, as a percentage of the total portfolio.

	Direct outstandings and unfunded commitments	
	December 31, 2011	December 31, 2010
AAA/AA/A	**55%**	56%
BBB	**29**	26
BB/B	**13**	13
CCC or below	**2**	5
Unrated	**1**	—
Total	**100%**	100%

Citi's Corporate credit portfolio is also diversified by industry, with a concentration in the financial sector, broadly defined, including banks, other financial institutions, insurance companies, investment banks and government and central banks. The following table shows the allocation of direct outstandings and unfunded commitments to industries as a percentage of the total Corporate portfolio:

	Direct outstandings and unfunded commitments	
	December 31, 2011	December 31, 2010
Public sector	**19%**	19%
Petroleum, energy, chemical and metal	**17**	15
Transportation and industrial	**16**	16
Banks/broker-dealers	**13**	14
Consumer retail and health	**13**	12
Technology, media and telecom	**8**	8
Insurance and special purpose vehicles	**5**	5
Hedge funds	**4**	3
Real estate	**3**	4
Other industries [1]	**2**	4
Total	**100%**	100%

(1) Includes all other industries, none of which exceeds 2% of total outstandings

Credit Risk Mitigation

As part of its overall risk management activities, Citigroup uses credit derivatives and other risk mitigants to hedge portions of the credit risk in its Corporate credit portfolio, in addition to outright asset sales. The purpose of these transactions is to transfer credit risk to third parties. The results of the mark to market and any realized gains or losses on credit derivatives are reflected in the *Principal transactions* line on the Consolidated Statement of Income.

At December 31, 2011 and December 31, 2010, $41.5 billion and $49.0 billion, respectively, of credit risk exposures were economically hedged. Citigroup's expected loss model used in the calculation of its loan loss reserve does not include the favorable impact of credit derivatives and other mitigants that are marked to market. In addition, the reported amounts of direct outstandings and unfunded commitments above do not reflect the impact of these hedging transactions. At December 31, 2011 and December 31, 2010, the credit protection was economically hedging underlying credit exposure with the following risk rating distribution, respectively:

Rating of Hedged Exposure

	December 31, 2011	December 31, 2010
AAA/AA/A	**41%**	53%
BBB	**45**	32
BB/B	**13**	11
CCC or below	**1**	4
Total	**100%**	100%

At December 31, 2011 and December 31, 2010, the credit protection was economically hedging underlying credit exposures with the following industry distribution:

Industry of Hedged Exposure

	December 31, 2011	December 31, 2010
Petroleum, energy, chemical and metal	**22%**	24%
Transportation and industrial	**22**	19
Consumer retail and health	**15**	19
Public sector	**12**	13
Technology, media and telecom	**12**	10
Banks/broker-dealers	**10**	7
Insurance and special purpose vehicles	**5**	4
Other industries [1]	**2**	4
Total	**100%**	100%

(1) Includes all other industries, none of which is greater than 2% of the total hedged amount

EXPOSURE TO COMMERCIAL REAL ESTATE

ICG and the *SAP*, through their business activities and as capital markets participants, incur exposures that are directly or indirectly tied to the commercial real estate (CRE) market, and each of *LCL* and *GCB* hold loans that are collateralized by CRE. These exposures are represented primarily by the following three categories:

(1) *Assets held at fair value* included approximately $5.5 billion at December 31, 2011, of which approximately $4.0 billion are securities, loans and other items linked to CRE that are carried at fair value as *Trading account assets*, approximately $1.1 billion are securities backed by CRE carried at fair value as available-for-sale (AFS) investments, and approximately $0.4 billion are other exposures classified as Other assets. Changes in fair value for these trading account assets are reported in current earnings, while for AFS investments change in fair value are reported in *Accumulated other comprehensive income* with credit-related other-than-temporary impairments reported in current earnings.

The majority of these exposures are classified as Level 3 in the fair value hierarchy. Over the last several years, weakened activity in the trading markets for some of these instruments resulted in reduced liquidity, thereby decreasing the observable inputs for such valuations, and could continue to have an adverse impact on how these instruments are valued in the future. See Note 25 to the Consolidated Financial Statements.

(2) *Assets held at amortized cost* include approximately $1.2 billion of securities classified as held-to-maturity (HTM) and approximately $26.2 billion of loans and commitments each as of December 31, 2011. HTM securities are accounted for at amortized cost, subject to an other-than-temporary impairment evaluation. Loans and commitments are recorded at amortized cost. The impact of changes in credit is reflected in the calculation of the allowance for loan losses and in net credit losses.

(3) *Equity and other investments* include approximately $3.6 billion of equity and other investments (such as limited partner fund investments) at December 31, 2011 that are accounted for under the equity method, which recognizes gains or losses based on the investor's share of the net income (loss) of the investee.

The following table provides a summary of Citigroup's global CRE funded and unfunded exposures at December 31, 2011 and 2010:

In billions of dollars	**December 31, 2011**	December 31, 2010
Institutional Clients Group		
CRE exposures carried at fair value (including AFS securities)	**$ 4.6**	$ 4.4
Loans and unfunded commitments	**19.9**	17.5
HTM securities	**1.2**	1.5
Equity method investments	**3.4**	3.5
Total *ICG*	**$29.1**	$26.9
Special Asset Pool		
CRE exposures carried at fair value (including AFS securities)	**$ 0.4**	$ 0.8
Loans and unfunded commitments	**2.4**	5.1
HTM securities	**—**	0.1
Equity method investments	**0.2**	0.2
Total *SAP*	**$ 3.0**	$ 6.2
Global Consumer Banking		
Loans and unfunded commitments	**$ 2.9**	$ 2.7
Local Consumer Lending		
Loans and unfunded commitments	**$ 1.0**	$ 4.0
Brokerage and Asset Management		
CRE exposures carried at fair value	**$ 0.5**	$ 0.5
Total Citigroup	**$36.5**	$40.3

The above table represents the vast majority of Citi's direct exposure to CRE. There may be other transactions that have indirect exposures to CRE that are not reflected in this table.

MARKET RISK

Market risk losses arise from fluctuations in the market value of trading and non-trading positions, including the changes in value resulting from fluctuations in rates. Market risk encompasses liquidity risk and price risk, both of which arise in the normal course of business of a global financial intermediary. For a discussion of funding and liquidity risk, see "Capital Resources and Liquidity—Funding and Liquidity" above. Price risk is the earnings risk from changes in interest rates, foreign exchange rates, equity and commodity prices, and in their implied volatilities. Price risk arises in non-trading portfolios, as well as in trading portfolios.

Market risks are measured in accordance with established standards to ensure consistency across businesses and the ability to aggregate risk. Each business is required to establish, with approval from Citi's market risk management, a market risk limit framework for identified risk factors that clearly defines approved risk profiles and is within the parameters of Citi's overall risk tolerance. These limits are monitored by independent market risk, country and business Asset and Liability Committees and the Global Finance and Asset and Liability Committee. In all cases, the businesses are ultimately responsible for the market risks taken and for remaining within their defined limits.

Price Risk–Non-Trading Portfolios

Net interest revenue and interest rate risk

One of Citi's primary business functions is providing financial products that meet the needs of its customers. Loans and deposits are tailored to the customers' requirements with regard to tenor, index (if applicable) and rate type. Net interest revenue (NIR), for interest rate exposure (IRE) purposes, is the difference between the yield earned on the non-trading portfolio assets (including customer loans) and the rate paid on the liabilities (including customer deposits or company borrowings). NIR is affected by changes in the level of interest rates. For example:

- At any given time, there may be an unequal amount of assets and liabilities that are subject to market rates due to maturation or repricing. Whenever the amount of liabilities subject to repricing exceeds the amount of assets subject to repricing, a company is considered "liability sensitive." In this case, a company's NIR will deteriorate in a rising rate environment.
- The assets and liabilities of a company may reprice at different speeds or mature at different times, subjecting both "liability-sensitive" and "asset-sensitive" companies to NIR sensitivity from changing interest rates. For example, a company may have a large amount of loans that are subject to repricing in the current period, but the majority of deposits are not scheduled for repricing until the following period. That company would suffer from NIR deterioration if interest rates were to fall.

NIR in any particular period is the result of customer transactions and the related contractual rates originated in prior periods as well as new transactions in the current period. Those prior-period transactions will be impacted by changes in rates on floating-rate assets and liabilities in the current period.

Due to the long-term nature of portfolios, NIR will vary from quarter to quarter even assuming no change in the shape or level of the yield curve as assets and liabilities reprice. These repricings are a function of implied forward interest rates, which represent the overall market's estimate of future interest rates and incorporate possible changes in the Federal Funds rate as well as the shape of the yield curve.

Interest Rate Risk Measurement

Citi's principal measure of risk to NIR is interest rate exposure (IRE). IRE measures the change in expected NIR in each currency resulting solely from unanticipated changes in forward interest rates. Factors such as changes in volumes, credit spreads, margins and the impact of prior-period pricing decisions are not captured by IRE. IRE also assumes that businesses make no additional changes in pricing or balances in response to the unanticipated rate changes.

For example, if the current 90-day LIBOR rate is 3% and the one-year-forward rate (i.e., the estimated 90-day LIBOR rate in one year) is 5%, the +100 bps IRE scenario measures the impact on the company's NIR of a 100 bps instantaneous change in the 90-day LIBOR to 6% in one year.

The impact of changing prepayment rates on loan portfolios is incorporated into the results. For example, in the declining interest rate scenarios, it is assumed that mortgage portfolios prepay faster and income is reduced. In addition, in a rising interest rate scenario, portions of the deposit portfolio are assumed to experience rate increases that may be less than the change in market interest rates.

Mitigation and Hedging of Risk

In order to manage changes in interest rates effectively, Citi may modify pricing on new customer loans and deposits, enter into transactions with other institutions or enter into off-balance-sheet derivative transactions that have the opposite risk exposures. Citi regularly assesses the viability of these and other strategies to reduce its interest rate risks and implements such strategies when it believes those actions are prudent.

Citigroup employs additional measurements, including: stress testing the impact of non-linear interest rate movements on the value of the balance sheet; the analysis of portfolio duration and volatility, particularly as they relate to mortgage loans and mortgage-backed securities; and the potential impact of the change in the spread between different market indices.

Non-Trading Portfolios—IRE

The exposures in the following table represent the approximate annualized risk to NIR assuming an unanticipated parallel instantaneous 100 bps change, as well as a more gradual 100 bps (25 bps per quarter) parallel change in interest rates compared with the market forward interest rates in selected currencies.

	December 31, 2011		December 31, 2010	
In millions of dollars	**Increase**	**Decrease**	Increase	Decrease
U.S. dollar [1]				
Instantaneous change	**$ 97**	**NM**	$(105)	NM
Gradual change	**110**	**NM**	25	NM
Mexican peso				
Instantaneous change	**$ 87**	**$(87)**	$ 181	$(181)
Gradual change	**54**	**(54)**	107	(107)
Euro				
Instantaneous change	**$ 69**	**NM**	$ (10)	NM
Gradual change	**35**	**NM**	(8)	NM
Japanese yen				
Instantaneous change	**$105**	**NM**	$ 93	NM
Gradual change	**61**	**NM**	52	NM
Pound sterling				
Instantaneous change	**$ 35**	**NM**	$ 33	NM
Gradual change	**24**	**NM**	21	NM

(1) Certain trading-oriented businesses within Citi have accrual-accounted positions that are excluded from the table. The U.S. dollar IRE associated with these businesses was $61 million for a 100 basis point instantaneous increase in interest rates as of December 31, 2011.

NM Not meaningful. A 100 basis point decrease in interest rates would imply negative rates for the yield curve.

The changes in the U.S. dollar IRE year over year reflected revised modeling of mortgages and the impact of lower rates, asset sales, swapping activities and repositioning of the liquidity portfolio.

The following table shows the risk to NIR from six different changes in the implied-forward rates. Each scenario assumes that the rate change will occur on a gradual basis every three months over the course of one year.

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6
Overnight rate change (bps)	—	100	200	(200)	(100)	—
10-year rate change (bps)	(100)	—	100	(100)	—	100
Impact to net interest revenue *(in millions of dollars)*	$(380)	$163	$247	NM	NM	$ (37)

Price Risk–Trading Portfolios

Price risk in Citi's trading portfolios is monitored using a series of measures, including but not limited to:

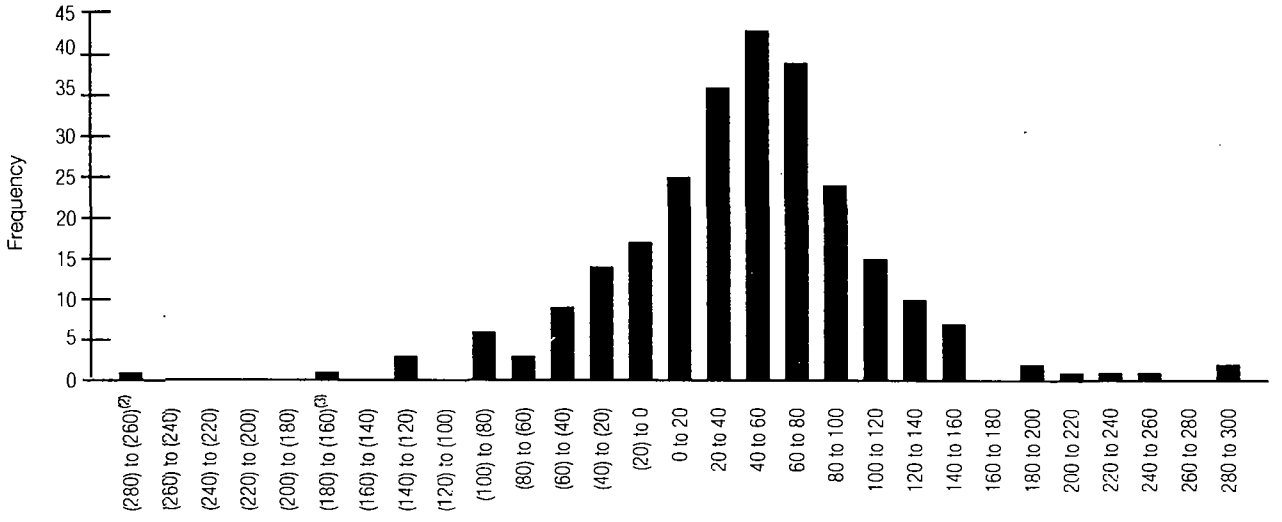
- Value at risk (VAR)
- Stress testing
- Factor sensitivities

Each trading portfolio across Citi's business segments (Citicorp, Citi Holdings and Corporate/Other) has its own market risk limit framework encompassing these measures and other controls, including permitted product lists and a new product approval process for complex products.

All trading positions are marked to market, with the result reflected in earnings. In 2011, negative trading-related revenue (net losses) was recorded for 54 of 260 trading days. Of the 54 days on which negative revenue (net losses) was recorded, 1 day was greater than $180 million.

The following histogram of total daily trading revenue (loss) captures trading volatility and shows the number of days in which Citi's VAR trading-related revenues fell within particular ranges. A substantial portion of the volatility relating to Citi's total daily trading revenue VAR is driven by changes in CVA on Citi's derivative assets, net of CVA hedges.

Histogram of Daily-Total-Trading Revenue[1]–Twelve Months Ended December 31, 2011 *(In millions of dollars)*



(1) Total trading revenue consists of (i) customer revenue, which includes spreads from customer flow and positions taken to facilitate customer orders, (ii) hedging activity, including hedging of the Corporate loan portfolio, MSRs, etc., (iii) proprietary trading activities in cash and derivative transactions, (iv) net interest revenue, and (v) CVA adjustments incurred due to changes in the credit quality of counterparties as well as any associated hedges to that CVA

(2) Principally related to trading revenue in *ICG* on the day of the U.S. government rating downgrade by S&P (August 2011)

(3) Principally related to trading revenue in ICG and CVA hedges on the day of the tsunami in Japan (March 2011)

Value at Risk

Value at risk (VAR) estimates, at a 99% confidence level, the potential decline in the value of a position or a portfolio under normal market conditions VAR statistics can be materially different across firms due to differences in portfolio composition, differences in VAR methodologies, and differences in model parameters. Citi believes VAR statistics can be used more effectively as indicators of trends in risk taking within a firm, rather than as a basis for inferring differences in risk taking across firms

Citi uses Monte Carlo simulation, which it believes is conservatively calibrated to incorporate the greater of short-term (most recent month) and long-term (three years) market volatility. The Monte Carlo simulation involves approximately 300,000 market factors, making use of 180,000 time series, with market factors updated daily and model parameters updated weekly.

The conservative features of the VAR calibration contribute approximately 20% add-on to what would be a VAR estimated under the assumption of stable and perfectly normally distributed markets. Under normal and stable market conditions, Citi would thus expect the number of days where trading losses exceed its VAR to be less than two or three exceptions per year. Periods of unstable market conditions could increase the number of these exceptions. During the last four quarters, there was one back-testing exception where trading losses exceeded the VAR estimate at the Citigroup level (back-testing is the process in which the daily VAR of a portfolio is compared to the actual daily change in the market value of transactions) This occurred on August 8, 2011, after the U S. government rating was downgraded by S&P.

The table below summarizes VAR for Citi-wide trading portfolios at and during 2011 and 2010, including quarterly averages. Historically, Citi included only the hedges associated with the CVA of its derivative transactions in its VAR calculations and disclosures (these hedges were, and continue to be, included within the relevant risk type (e g , interest rate, foreign exchange, equity, etc)). However, Citi now includes both the hedges associated with the CVA of its derivatives and the CVA on the derivative counterparty exposure (included in the line "Incremental Impact of Derivative CVA") The inclusion of the CVA on derivative counterparty exposure reduces Citi's total trading VAR. Citi believes this calculation and presentation reflect a more complete and accurate view of its mark-to-market risk profile as it incorporates both the CVA underlying derivative transactions and related hedges.

For comparison purposes, Citi has included in the table below (i) total VAR, the specific risk-only component of VAR and the isolated general market factor VAR, each as reported previously (i.e , including only hedges associated with the CVA of its derivatives counterparty exposures), (ii) the incremental impact of adding in the derivative counterparty CVA, and (iii) the total trading and CVA VAR

As set forth in the table below, Citi's total trading and CVA VAR was $183 million at December 31, 2011 and $186 million at December 31, 2010. Daily total trading and CVA VAR averaged $189 million in 2011 and ranged from $135 million to $255 million (prior period information is not available for comparability purposes). The change in total trading and CVA VAR year over year was driven by a reduction in Citi's trading exposures across *S&B*, particularly in the latter part of the year, offset by an increase in market volatility and an increase in CVA exposures and associated hedges

In millions of dollars	**Dec. 31, 2011**	**2011 Average**	Dec 31, 2010	2010 Average
Interest rate	**$ 250**	**$ 246**	$ 235	$ 234
Foreign exchange	**51**	**61**	52	61
Equity	**36**	**46**	56	59
Commodity	**16**	**22**	19	23
Covariance adjustment [1]	**(118)**	**(162)**	(171)	(172)
Total Trading VAR—all market risk factors, including general and specific risk (excluding derivative CVA)	**$ 235**	**$ 213**	$ 191	$ 205
Specific risk-only Component [2]	**$ 14**	**$ 22**	$ 8	$ 18
Total—general market factors only	**$ 221**	**$ 191**	$ 183	$ 187
Incremental Impact of Derivative CVA	**$ (52)**	**$ (24)**	$ (5)	N/A
Total Trading and CVA VAR	**$ 183**	**$ 189**	$ 186	N/A

(1) Covariance adjustment (also known as diversification benefit) equals the difference between the total VAR and the sum of the VARs tied to each individual risk type The benefit reflects the fact that the risks within each and across risk types are not perfectly correlated and, consequently, the total VAR on a given day will be lower than the sum of the VARs relating to each individual risk type The determination of the primary drivers of changes to the covariance adjustment is made by an examination of the impact of both model parameter and position changes

(2) The specific risk-only component represents the level of equity and fixed income issuer-specific risk embedded in VAR

N/A Not available

The table below provides the range of market factor VARs, inclusive of specific risk, that was experienced during 2011 and 2010

	2011		2010	
In millions of dollars	**Low**	**High**	Low	High
Interest rate	**$187**	**$322**	$171	$315
Foreign exchange	**34**	**105**	31	98
Equity	**26**	**86**	31	111
Commodity	**14**	**36**	15	39

The following table provides the VAR for *S&B* during 2011 excluding the CVA relating to derivative counterparties CVA and hedges of CVA.

In millions of dollars	**Dec. 31, 2011**
Total—all market risk factors, including general and specific risk	**$144**
Average—during year	**$153**
High—during year	**205**
Low—during year	**104**

Stress Testing

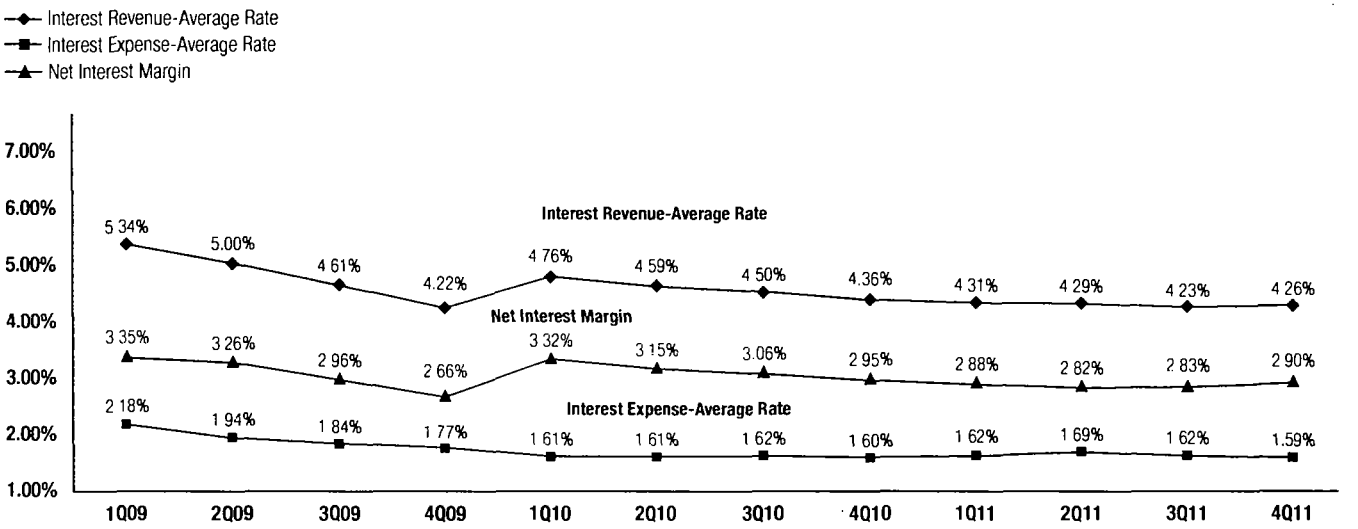
Stress testing is performed on trading portfolios on a regular basis to estimate the impact of extreme market movements It is performed on both individual trading portfolios and on aggregations of portfolios and businesses. Independent market risk management, in conjunction with the businesses, develops both systemic and specific stress scenarios, reviews the output of periodic stress-testing exercises, and uses the information to make judgments as to the ongoing appropriateness of exposure levels and limits.

Factor Sensitivities

Factor sensitivities are expressed as the change in the value of a position for a defined change in a market risk factor, such as a change in the value of a Treasury bill for a one-basis-point change in interest rates Citi's independent market risk management ensures that factor sensitivities are calculated, monitored, and in most cases, limited, for all relevant risks taken in a trading portfolio

INTEREST REVENUE/EXPENSE AND YIELDS

Average Rates—Interest Revenue, Interest Expense and Net Interest Margin



In millions of dollars	2011	2010	2009	Change 2011 vs. 2010	Change 2010 vs. 2009
Interest revenue	**$ 73,201**	$ 79,801	$ 77,069	**(8)%**	**4%**
Interest expense	**24,229**	25,096	27,881	**(3)**	(10)
Net interest revenue [1][2][3]	**$ 48,972**	$ 54,705	$ 49,188	**(10)%**	11%
Interest revenue—average rate	**4.27%**	4.55%	4 78%	**(28) bps**	(23) bps
Interest expense—average rate	**1.63**	1.61	1.93	**2 bps**	(32) bps
Net interest margin	**2.86**	3 12	3 05	**(26) bps**	7 bps
Interest-rate benchmarks					
Federal Funds rate—end of period	**0.00–0.25%**	0 00–0 25%	0 00–0 25%	—	—
Federal Funds rate—average rate	**0.00–0.25**	0.00–0 25	0 00–0 25	—	—
Two-year U S Treasury note—average rate	**0.45%**	0.70%	0.96%	**(25) bps**	(26) bps
10-year U S Treasury note—average rate	**2.78**	3.21	3 26	**(43) bps**	(5) bps
10-year vs two-year spread	**233 bps**	251 bps	230 bps		

(1) *Net interest revenue* includes the taxable equivalent adjustments (based on the U S federal statutory tax rate of 35%) of $525 million, $519 million, and $692 million for 2011, 2010, and 2009, respectively
(2) Excludes expenses associated with certain hybrid financial instruments These obligations are classified as *Long-term debt* and accounted for at fair value with changes recorded in *Principal transactions*
(3) The increase in the net interest revenue from the fourth quarter of 2009 to the first quarter of 2010 was primarily driven by the adoption of SFAS 166/167 on January 1, 2010 See Note 1 to the Consolidated Financial Statements for further information

As described under "Market Risk" above, a significant portion of Citi's business activities are based upon gathering deposits and borrowing money and then lending or investing those funds, or participating in market-making activities in tradable securities. Citi's net interest margin (NIM) is calculated by dividing gross interest revenue less gross interest expense by average interest earning assets

During 2011, Citi's NIM declined as compared to the prior year, decreasing by approximately 26 basis points, primarily driven by the continued run-off and sales of higher-yielding assets in Citi Holdings and lower investment yields driven by the continued low interest rate environment, partially offset by the growth of lower-yielding loans in Citicorp and lower borrowing costs (e.g., substituting maturing long-term debt with deposits as a funding source). Absent any significant changes or events (e.g., a significant portfolio sale in Citi Holdings), Citi expects NIM will likely continue to reflect the pressure of a low interest rate environment, but should generally stabilize around end-of-year-2011 levels.

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AVERAGE BALANCES AND INTEREST RATES–ASSETS [1][2][3][4]

Taxable Equivalent Basis

	Average volume			Interest revenue			% Average rate		
In millions of dollars	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009
Assets									
Deposits with banks [5]	**$ 169,688**	$ 166,120	$ 186,841	**$ 1,750**	$ 1,252	$ 1,478	**1.03%**	0.75%	0.79%
Federal funds sold and securities borrowed or purchased under agreements to resell [6]									
In U.S. offices	**$ 158,154**	$ 162,799	$ 138,579	**$ 1,487**	$ 1,774	$ 1,975	**0.94%**	1.09%	1.43%
In offices outside the U.S. [5]	**116,681**	86,926	63,909	**2,144**	1,382	1,109	**1.84**	1.59	1.74
Total	**$ 274,835**	$ 249,725	$ 202,488	**$ 3,631**	$ 3,156	$ 3,084	**1.32%**	1.26%	1.52%
Trading account assets [7][8]									
In U.S. offices	**$ 122,234**	$ 128,443	$ 140,233	**$ 4,270**	$ 4,352	$ 6,975	**3.49%**	3.39%	4.97%
In offices outside the U.S. [5]	**147,417**	151,717	126,309	**4,033**	3,819	3,879	**2.74**	2.52	3.07
Total	**$ 269,651**	$ 280,160	$ 266,542	**$ 8,303**	$ 8,171	$10,854	**3.08%**	2.92%	4.07%
Investments									
In U.S. offices									
Taxable	**$ 170,196**	$ 169,218	$ 124,404	**$ 3,313**	$ 4,806	$ 6,208	**1.95%**	2.84%	4.99%
Exempt from U.S. income tax	**13,592**	14,876	16,489	**922**	918	1,110	**6.78**	6.17	6.73
In offices outside the U.S. [5]	**122,298**	136,713	118,988	**4,478**	5,678	6,047	**3.66**	4.15	5.08
Total	**$ 306,086**	$ 320,807	$ 259,881	**$ 8,713**	$11,402	$13,365	**2.85%**	3.55%	5.14%
Loans (net of unearned income) [9]									
In U.S. offices	**$ 369,656**	$ 430,685	$ 378,937	**$ 29,111**	$ 34,773	$24,748	**7.88%**	8.07%	6.53%
In offices outside the U.S. [5]	**274,035**	255,168	267,683	**21,180**	20,312	22,766	**7.73**	7.96	8.50
Total	**$ 643,691**	$ 685,853	$ 646,620	**$ 50,291**	$ 55,085	$47,514	**7.81%**	8.03%	7.35%
Other interest-earning assets	**$ 49,467**	$ 50,936	$ 49,707	**$ 513**	$ 735	$ 774	**1.04%**	1.44%	1.56%
Total interest-earning assets	**$1,713,418**	$1,753,601	$1,612,079	**$ 73,201**	$ 79,801	$77,069	**4.27%**	4.55%	4.78%
Non-interest-earning assets [7]	**238,550**	225,271	264,165						
Total assets from discontinued operations	**668**	18,989	15,137						
Total assets	**$1,952,636**	$1,997,861	$1,891,381						

(1) *Net interest revenue* includes the taxable equivalent adjustments (based on the U.S. federal statutory tax rate of 35%) of $525 million, $519 million, and $692 million for 2011, 2010, and 2009, respectively

(2) Interest rates and amounts include the effects of risk management activities associated with the respective asset and liability categories

(3) Monthly or quarterly averages have been used by certain subsidiaries where daily averages are unavailable

(4) Detailed average volume, *Interest revenue* and *Interest expense* exclude *Discontinued operations*. See Note 3 to the Consolidated Financial Statements

(5) Average rates reflect prevailing local interest rates, including inflationary effects and monetary corrections in certain countries

(6) Average volumes of securities borrowed or purchased under agreements to resell are reported net pursuant to FIN 41 (ASC 210-20-45). However, *Interest revenue* excludes the impact of FIN 41 (ASC 210-20-45)

(7) The fair value carrying amounts of derivative contracts are reported in *Non-interest-earning assets* and *Other non-interest-bearing liabilities*

(8) Interest expense on *Trading account liabilities* of ICG is reported as a reduction of *Interest revenue*. Interest revenue and interest expense on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively

(9) Includes cash-basis loans

AVERAGE BALANCES AND INTEREST RATES–LIABILITIES AND EQUITY, AND NET INTEREST REVENUE [1][2][3][4]

Taxable Equivalent Basis

	Average volume			Interest expense			% Average rate		
In millions of dollars	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009
Liabilities									
Deposits									
In U.S. offices									
Savings deposits [5]	**$ 193,762**	$ 189,311	$ 174,260	**$ 1,922**	$ 1,872	$ 2,765	**0.99%**	0.99%	1.59%
Other time deposits	**29,034**	46,238	59,673	**249**	412	1,104	**0.86**	0.89	1.85
In offices outside the U.S. [6]	**485,101**	483,796	443,601	**6,385**	6,087	6,277	**1.32**	1.26	1.42
Total	**$ 707,897**	$ 719,345	$ 677,534	**$ 8,556**	$ 8,371	$10,146	**1.21%**	1.16%	1.50%
Federal funds purchased and securities loaned or sold under agreements to repurchase [7]									
In U.S. offices	**$ 120,039**	$ 123,425	$ 133,375	**$ 776**	$ 797	$ 988	**0.65%**	0.65%	0.74%
In offices outside the U.S. [6]	**99,848**	88,892	72,258	**2,421**	2,011	2,445	**2.42**	2.26	3.38
Total	**$ 219,887**	$ 212,317	$ 205,633	**$ 3,197**	$ 2,808	$ 3,433	**1.45%**	1.32%	1.67%
Trading account liabilities [8][9]									
In U.S. offices	**$ 37,279**	$ 36,115	$ 22,854	**$ 266**	$ 283	$ 222	**0.71%**	0.78%	0.97%
In offices outside the U.S. [6]	**49,162**	43,501	37,244	**142**	96	67	**0.29**	0.22	0.18
Total	**$ 86,441**	$ 79,616	$ 60,098	**$ 408**	$ 379	$ 289	**0.47%**	0.48%	0.48%
Short-term borrowings									
In U.S. offices	**$ 87,472**	$ 119,262	$ 123,168	**$ 139**	$ 674	$ 1,050	**0.16%**	0.57%	0.85%
In offices outside the U.S. [6]	**39,052**	35,533	33,379	**511**	243	375	**1.31**	0.68	1.12
Total	**$ 126,524**	$ 154,795	$ 156,547	**$ 650**	$ 917	$ 1,425	**0.51%**	0.59%	0.91%
Long-term debt [10]									
In U.S. offices	**$ 325,709**	$ 370,819	$ 316,223	**$10,697**	$11,757	$11,507	**3.28%**	3.17%	3.64%
In offices outside the U.S. [6]	**17,970**	22,176	29,132	**721**	864	1,081	**4.01**	3.90	3.71
Total	**$ 343,679**	$ 392,995	$ 345,355	**$11,418**	$12,621	$12,588	**3.32%**	3.21%	3.64%
Total interest-bearing liabilities	**$1,484,428**	$1,559,068	$1,445,167	**$24,229**	$25,096	$27,881	**1.63%**	1.61%	1.93%
Demand deposits in U.S. offices	**$ 16,410**	$ 16,117	$ 27,032						
Other non-interest-bearing liabilities [8]	**275,408**	245,481	263,296						
Total liabilities from discontinued operations	**10**	18,410	9,502						
Total liabilities	**$1,776,256**	$1,839,076	$1,744,997						
Citigroup stockholders' equity [11]	**$ 174,351**	$ 156,478	$ 144,510						
Noncontrolling interest	**2,029**	2,307	1,874						
Total equity [11]	**$ 176,380**	$ 158,785	$ 146,384						
Total liabilities and stockholders' equity	**$1,952,636**	$1,997,861	$1,891,381						
Net interest revenue as a percentage of average interest-earning assets [12]									
In U.S. offices	**$ 971,792**	$1,044,486	$ 962,084	**$25,723**	$30,928	$24,230	**2.65%**	2.96%	2.52%
In offices outside the U.S. [6]	**741,626**	709,115	649,995	**23,249**	23,777	24,958	**3.13**	3.35	3.84
Total	**$1,713,418**	$1,753,601	$1,612,079	**$48,972**	$54,705	$49,188	**2.86%**	3.12%	3.05%

(1) *Net interest revenue* includes the taxable equivalent adjustments (based on the U.S. federal statutory tax rate of 35%) of $525 million, $519 million, and $692 million for 2011, 2010, and 2009, respectively
(2) Interest rates and amounts include the effects of risk management activities associated with the respective asset and liability categories
(3) Monthly or quarterly averages have been used by certain subsidiaries where daily averages are unavailable
(4) Detailed average volume, interest revenue and interest expense exclude discontinued operations. See Note 3 to the Consolidated Financial Statements
(5) Savings deposits consist of Insured Money Market accounts, NOW accounts, and other savings deposits. The interest expense includes FDIC deposit insurance fees and charges
(6) Average rates reflect prevailing local interest rates, including inflationary effects and monetary corrections in certain countries
(7) Average volumes of securities loaned or sold under agreements to repurchase are reported net pursuant to FIN 41 (ASC 210-20-45). However, interest expense excludes the impact of FIN 41 (ASC 210-20-45).
(8) The fair value carrying amounts of derivative contracts are reported in *Non-interest-earning assets* and *Other non-interest-bearing liabilities*.
(9) Interest expense on *Trading account liabilities* of *ICG* is reported as a reduction of *Interest revenue*. Interest revenue and interest expense on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively.
(10) Excludes hybrid financial instruments and beneficial interests in consolidated VIEs that are classified as *Long-term debt*, as these obligations are accounted for at fair value with changes recorded in *Principal transactions*.
(11) Includes stockholders' equity from discontinued operations.
(12) Includes allocations for capital and funding costs based on the liquidity of the asset.

ANALYSIS OF CHANGES IN INTEREST REVENUE [1][2][3]

In millions of dollars	2011 vs. 2010 Increase (decrease) due to change in: Average volume	Average rate	Net change	2010 vs. 2009 Increase (decrease) due to change in: Average volume	Average rate	Net change
Deposits with banks [4]	**$ 27**	**$ 471**	**$ 498**	$ (158)	$ (68)	$ (226)
Federal funds sold and securities borrowed or purchased under agreements to resell						
In U.S. offices	**$ (49)**	**$ (238)**	**$ (287)**	$ 311	$ (512)	$ (201)
In offices outside the U S [4]	**524**	**238**	**762**	372	(99)	273
Total	**$ 475**	**$ —**	**$ 475**	$ 683	$ (611)	$ 72
Trading account assets [5]						
In U.S. offices	**$ (214)**	**$ 132**	**$ (82)**	$ (547)	$(2,076)	$ (2,623)
In offices outside the U.S. [4]	**(111)**	**325**	**214**	706	(766)	(60)
Total	**$ (325)**	**$ 457**	**$ 132**	$ 159	$(2,842)	$ (2,683)
Investments [1]						
In U.S offices	**$ (9)**	**$(1,480)**	**$(1,489)**	$ 1,854	$(3,448)	$ (1,594)
In offices outside the U S. [4]	**(565)**	**(635)**	**(1,200)**	827	(1,196)	(369)
Total	**$ (574)**	**$(2,115)**	**$(2,689)**	$ 2,681	$(4,644)	$ (1,963)
Loans (net of unearned income) [6]						
In U S offices	**$(4,824)**	**$ (838)**	**$(5,662)**	$ 3,672	$ 6,353	$10,025
In offices outside the U S [4]	**1,471**	**(603)**	**868**	(1,036)	(1,418)	(2,454)
Total	**$(3,353)**	**$(1,441)**	**$(4,794)**	$ 2,636	$ 4,935	$ 7,571
Other interest-earning assets	**$ (21)**	**$ (201)**	**$ (222)**	$ 19	$ (58)	$ (39)
Total interest revenue	**$(3,771)**	**$(2,829)**	**$(6,600)**	$ 6,020	$(3,288)	$ 2,732

(1) The taxable equivalent adjustment is based on the U S federal statutory tax rate of 35% and is included in this presentation
(2) Rate/volume variance is allocated based on the percentage relationship of changes in volume and changes in rate to the total net change
(3) Detailed average volume, interest revenue and interest expense exclude discontinued operations See Note 3 to the Consolidated Financial Statements
(4) Changes in average rates reflect changes in prevailing local interest rates, including inflationary effects and monetary corrections in certain countries
(5) Interest expense on *Trading account liabilities* of *ICG* is reported as a reduction of interest revenue Interest revenue and interest expense on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively
(6) Includes cash-basis loans

ANALYSIS OF CHANGES IN INTEREST EXPENSE AND NET INTEREST REVENUE [1][2][3]

In millions of dollars	2011 vs. 2010 Increase (decrease) due to change in: Average volume	Average rate	Net change	2010 vs. 2009 Increase (decrease) due to change in: Average volume	Average rate	Net change
Deposits						
In U.S. offices	**$ (124)**	**$ 11**	**$ (113)**	$ 27	$(1,612)	$(1,585)
In offices outside the U.S. [4]	**16**	**282**	**298**	540	(730)	(190)
Total	**$ (108)**	**$ 293**	**$ 185**	$ 567	$(2,342)	$(1,775)
Federal funds purchased and securities loaned or sold under agreements to repurchase						
In U.S. offices	**$ (22)**	**$ 1**	**$ (21)**	$ (70)	$ (121)	$ (191)
In offices outside the U.S. [4]	**259**	**151**	**410**	486	(920)	(434)
Total	**$ 237**	**$ 152**	**$ 389**	$ 416	$(1,041)	$ (625)
Trading account liabilities [5]						
In U.S. offices	**$ 9**	**$ (26)**	**$ (17)**	$ 110	$ (49)	$ 61
In offices outside the U.S. [4]	**14**	**32**	**46**	12	17	29
Total	**$ 23**	**$ 6**	**$ 29**	$ 122	$ (32)	$ 90
Short-term borrowings						
In U.S. offices	**$ (145)**	**$ (390)**	**$ (535)**	$ (32)	$ (344)	$ (376)
In offices outside the U.S. [4]	**26**	**242**	**268**	23	(155)	(132)
Total	**$ (119)**	**$ (148)**	**$ (267)**	$ (9)	$ (499)	$ (508)
Long-term debt						
In U.S. offices	**$(1,470)**	**$ 410**	**$(1,060)**	$ 1,840	$(1,590)	$ 250
In offices outside the U.S. [4]	**(168)**	**25**	**(143)**	(269)	52	(217)
Total	**$(1,638)**	**$ 435**	**$(1,203)**	$ 1,571	$(1,538)	$ 33
Total interest expense	**$(1,605)**	**$ 738**	**$ (867)**	$ 2,667	$(5,452)	$(2,785)
Net interest revenue	**$(2,166)**	**$(3,567)**	**$(5,733)**	$ 3,353	$ 2,164	$ 5,517

(1) The taxable equivalent adjustment is based on the U.S. federal statutory tax rate of 35% and is included in this presentation.
(2) Rate/volume variance is allocated based on the percentage relationship of changes in volume and changes in rate to the total net change.
(3) Detailed average volume, interest revenue and interest expense exclude discontinued operations. See Note 3 to the Consolidated Financial Statements.
(4) Changes in average rates reflect changes in prevailing local interest rates, including inflationary effects and monetary corrections in certain countries.
(5) Interest expense on *Trading account liabilities* of ICG is reported as a reduction of *Interest revenue*. Interest revenue and interest expense on cash collateral positions are reported in interest on *Trading account assets* and *Trading account liabilities*, respectively.

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes, systems or human factors, or from external events It includes the reputation and franchise risk associated with business practices or market conduct in which Citi is involved. Operational risk is inherent in Citigroup's global business activities and, as with other risk types, is managed through an overall framework designed to balance strong corporate oversight with well-defined independent risk management. This framework includes.

- recognized ownership of the risk by the businesses;
- oversight by Citi's independent risk management; and
- independent review by Citi's Audit and Risk Review (ARR).

The goal is to keep operational risk at appropriate levels relative to the characteristics of Citigroup's businesses, the markets in which it operates, its capital and liquidity, and the competitive, economic and regulatory environment Notwithstanding these controls, Citigroup incurs operational losses.

Framework

To monitor, mitigate and control operational risk, Citigroup maintains a system of comprehensive policies and has established a consistent framework for assessing and communicating operational risk and the overall effectiveness of the internal control environment across Citigroup. An Operational Risk Council provides oversight for operational risk across Citigroup. The Council's membership includes senior members of the Chief Risk Officer's organization covering multiple dimensions of risk management, with representatives of the Business and Regional Chief Risk Officers' organizations and the business management group (see "Managing Global Risk—Risk Management—Overview" above). The Council's focus is on identification and mitigation of operational risk and related incidents. The Council works with the business segments and the control functions with the objective of ensuring a transparent, consistent and comprehensive framework for managing operational risk globally

Each major business segment must implement an operational risk process consistent with the requirements of this framework. The process for operational risk management includes the following steps:

- identify and assess key operational risks,
- establish key risk indicators;
- produce a comprehensive operational risk report; and
- prioritize and assure adequate resources to actively improve the operational risk environment and mitigate emerging risks

The operational risk standards facilitate the effective communication and mitigation of operational risk both within and across businesses. As new products and business activities are developed, processes are designed, modified or sourced through alternative means and operational risks are considered Enterprise risk management, a newly formed organization within Citi's independent risk management, proactively assists the businesses, operations and technology and the other independent control groups in enhancing the effectiveness of controls and managing operational risks across products, business lines and regions.

Information about the businesses' operational risk, historical losses and the control environment is reported by each major business segment and functional area, and is summarized and reported to senior management as well as the Risk Management and Finance Committee of Citi's Board of Directors and the full Board of Directors.

Measurement and Basel II

To support advanced capital modeling and management, the businesses are required to capture relevant operational risk capital information. A risk capital model for operational risk has been developed and implemented across the major business segments as a step toward readiness for Basel II capital calculations. The risk capital calculation is designed to qualify as an "Advanced Measurement Approach" under Basel II. It uses a combination of internal and external loss data to support statistical modeling of capital requirement estimates, which are then adjusted to reflect qualitative data regarding the operational risk and control environment.

Information Security and Continuity of Business

Information security and the protection of confidential and sensitive customer data are a priority for Citigroup Citi has implemented an Information Security Program in accordance with the Gramm-Leach-Bliley Act and regulatory guidance. The Information Security Program is reviewed and enhanced periodically to address emerging threats to customers' information.

The Corporate Office of Business Continuity, with the support of senior management, continues to coordinate global preparedness and mitigate business continuity risks by reviewing and testing recovery procedures.

COUNTRY AND CROSS-BORDER RISK

Country Risk

Country risk is the risk that an event in a country (precipitated by developments within or external to a country) will impair the value of Citi's franchise or will adversely affect the ability of obligors within that country to honor their obligations to Citi. Country risk events may include sovereign defaults, banking defaults or crises, currency crises and/or political events. See also "Risk Factors—Market and Economic Risks" above.

The information below is based on Citi's internal risk management measures. The country designation in Citi's risk management systems is based on the country to which the client relationship, taken as a whole, is most directly exposed to economic, financial, sociopolitical or legal risks. This includes exposure to subsidiaries within the client relationship that are domiciled outside of the country

Citi assesses the risk of loss associated with certain of the country exposures on a regular basis These analyses take into consideration alternative scenarios that may unfold, as well as specific characteristics of Citi's portfolio, such as transaction structure and collateral Citi currently believes that the risk of loss associated with the exposures set forth below is likely materially lower than the exposure amounts disclosed below and is sized appropriately relative to its franchise in these countries. For additional information relating to Citi's risk management practices, see "Managing Global Risk" above.

The sovereign entities of all the countries disclosed below, as well as the financial institutions and corporations domiciled in these countries, are important clients in the global Citi franchise. Citi fully expects to maintain its presence in these markets to service all of its global customers. As such, Citi's exposure in these countries may vary over time, based upon its franchise, client needs and transaction structures

GIIPS and France

Several European countries, including Greece, Ireland, Italy, Portugal, Spain and France, have been the subject of credit deterioration due to weaknesses in their economic and fiscal situations. Given investor interest in this area, the table below sets forth Citi's exposures to these countries as of December 31, 2011.

In billions of U S dollars	GIIPS [1]	Greece	Ireland	Italy	Portugal	Spain	France
Funded loans, before reserves	$ 9.4	$ 1.1	$ 0.3	$ 1.9	$ 0.4	$ 5.7	$ 4.7
Derivative counterparty mark-to-market, inclusive of CVA [2]	10.8	0.6	0.6	7.3	0.3	2.0	7.0
Gross funded credit exposure	$20.2	$ 1.7	$ 0.9	$ 9.2	$ 0.7	$ 7.7	$11.7
Less: margin and collateral [3]	(4.2)	(0.2)	(0.4)	(1.2)	(0.1)	(2.3)	(5.3)
Less purchased credit protection [4]	(9.6)	(0.1)	(0.1)	(6.7)	(0.2)	(2.5)	(5.1)
Net current funded credit exposure	$ 6.4	$ 1.4	$ 0.4	$ 1.3	$ 0.4	$ 2.9	$ 1.3
Net trading exposure	$ 1.1	$ 0.1	$ 0.2	$ 0.2	$ —	$ 0.6	$ 0.3
AFS exposure	0.2	—	—	0.2	—	—	0.3
Net trading and AFS exposure	$ 1.3	$ 0.1	$ 0.2	$ 0.4	$ —	$ 0.6	$ 0.6
Net current funded exposure	$ 7.7	$ 1.5	$ 0.6	$ 1.7	$ 0.4	$ 3.5	$ 1.9
Additional collateral received, not reducing amounts above	$ (4.3)	$(1.2)	$(0.2)	$(0.4)	$ —	$(2.5)	$ (4.6)
Net current funded credit exposure detail:							
Sovereigns	$ 0.7	$ 0.1	$ —	$ 0.4	$ 0.2	$ —	$ —
Financial institutions	1.6	—	—	0.1	—	1.5	1.9
Corporations	4.1	1.3	0.4	0.8	0.2	1.4	(0.6)
Net current funded credit exposure	$ 6.4	$ 1.4	$ 0.4	$ 1.3	$ 0.4	$ 2.9	$ 1.3
Unfunded commitments:							
Sovereigns	$ 0.3	$ —	$ —	$ —	$ —	$ 0.3	$ 0.8
Financial institutions	0.3	—	—	0.1	—	0.2	3.4
Corporations	6.7	0.4	$ 0.5	3.1	0.3	2.4	11.9
Total unfunded commitments	$ 7.3	$ 0.4	$ 0.5	$ 3.2	$ 0.3	$ 2.9	$16.1

Note Information based on Citi's internal risk management measures

(1) Greece, Ireland, Italy, Portugal and Spain

(2) Includes the net credit exposure arising from secured financing transactions, such as repurchase agreements and reverse repurchase agreements See "Secured Financing Transactions" below

(3) Margin posted under legally enforceable margin agreements and collateral pledged under bankruptcy-remote structures Does not include collateral received on secured financing transactions

(4) Credit protection purchased from financial institutions predominately outside of GIIPS and France See "Credit Default Swaps" below

GIIPS

Gross funded credit exposure to the sovereign entities of Greece, Ireland, Italy, Portugal and Spain (GIIPS), as well as financial institutions and multinational and local corporations designated in these countries under Citi's risk management systems, was $20.2 billion at December 31, 2011. The $20.2 billion of gross credit exposure was made up of $9.4 billion in funded loans, before reserves, and $10.8 billion in derivative counterparty mark-to-market exposure, inclusive of credit valuation adjustments. The derivative counterparty mark-to-market exposure includes the net credit exposure arising from secured financing transactions, such as repurchase and reverse repurchase agreements. See "Secured Financing Transactions" below.

As of December 31, 2011, Citi's net current funded exposure to the GIIPS sovereigns, financial institutions and corporations was $7.7 billion. Included in the $7.7 billion net current funded exposure was $1.3 billion of net trading and available-for-sale securities exposure, and $6.4 billion of net current funded credit exposure. Each component is described below in more detail.

Net Trading and AFS Exposure - $1.3 billion

Included in the net current funded exposure at December 31, 2011 was a net position of $1.3 billion in securities and derivatives with the GIIPS sovereigns, financial institutions and corporations as the issuer or reference entity, which are held in Citi's trading and AFS portfolios. These portfolios are marked to market daily and, as previously disclosed, Citi's trading exposure levels vary as it maintains inventory consistent with customer needs.

Net Current Funded Credit Exposure - $6.4 billion

As of December 31, 2011, the net current funded credit exposure to the GIIPS sovereigns, financial institutions and corporations was $6.4 billion. Exposures were $0.7 billion to sovereigns, $1.6 billion to financial institutions and $4.1 billion to corporations.

Consistent with Citi's internal risk management measures and as set forth in the table above, net current funded credit exposure has been reduced by $4.2 billion of margin posted under legally enforceable margin agreements and collateral pledged under bankruptcy-remote structures. At December 31, 2011, the majority of this margin and collateral was in the form of cash, with the remainder in predominantly non-GIIPS, non-French securities, which are included at fair value.

Net current funded credit exposure also reflects a reduction for $9.6 billion in purchased credit protection, predominantly from financial institutions outside the GIIPS and France. Such protection generally pays out only upon the occurrence of certain credit events with respect to the country or borrower covered by the protection, as determined by a committee composed of dealers and other market participants. In addition to counterparty credit risks (see "Credit Default Swaps" below), the credit protection may not fully cover all situations that may adversely affect the value of Citi's exposure and, accordingly, Citi could still experience losses despite the existence of the credit protection.

Unfunded Commitments—$7.3 billion

As of December 31, 2011, Citi also had $7.3 billion of unfunded commitments to the GIIPS sovereigns, financial institutions and corporations, with $6.7 billion of this amount to corporations. These unfunded lines generally have standard conditions that must be met before they can be drawn.

Other Activities

Like other banks, Citi also provides settlement and clearing facilities for a variety of clients in these countries and actively monitors and manages these intra-day exposures. In addition, at December 31, 2011, Citi had approximately $7.4 billion of locally funded exposure in the GIIPS, generally to retail customers and small businesses as part of its local lending activities. The vast majority of this exposure is in Citi Holdings (Spain and Greece).

France

Gross funded credit exposure to the French sovereign, financial institutions and corporations was $11.7 billion at December 31, 2011. The $11.7 billion of gross credit exposure was made up of $4.7 billion in funded loans, before reserves, and $7.0 billion in derivative counterparty mark-to-market exposure, inclusive of credit valuation adjustments. The derivative counterparty mark-to-market exposure includes the net credit exposure arising from secured financing transactions, such as repurchase and reverse repurchase agreements. See "Secured Financing Transactions" below.

As of December 31, 2011, Citi's net current funded exposure to the French sovereign, financial institutions and corporations was $1.9 billion. Included in the $1.9 billion net current funded exposure was $0.6 billion of net trading and available-for-sale securities exposure, and $1.3 billion of net current funded credit exposure. Each component is described below in more detail.

Net Trading and AFS Exposure - $0.6 billion

Included in the net current funded exposure at December 31, 2011 was a net position of $0.6 billion in securities and derivatives with the French sovereign, financial institutions and corporations as the issuer or reference entity, which are held in Citi's trading and AFS portfolios. These portfolios are marked to market daily and, as previously disclosed, Citi's trading exposure levels vary as it maintains inventory consistent with customer needs.

Net Current Funded Credit Exposure - $1.3 billion

As of December 31, 2011, the net current funded credit exposure to the French sovereign, financial institutions and corporations was $1.3 billion. Exposures were $1.9 billion to financial institutions and $(0.6) billion to corporations.

Consistent with Citi's internal risk management measures and as set forth in the table above, net current funded credit exposure has been reduced by $5.3 billion of margin posted under legally enforceable margin agreements and collateral pledged under bankruptcy-remote structures. As of December 31, 2011, the majority of this margin and collateral was in the form of cash, with the remainder in non-GIIPS, non-French securities, which are included at fair value.

Net current funded credit exposure also reflects a reduction for $5.1 billion in purchased credit protection, predominantly from financial institutions outside GIIPS and France. Such protection generally pays out only upon the occurrence of certain credit events with respect to the country or borrower covered by the protection, as determined by a committee composed of dealers and other market participants. In addition to counterparty credit risks (see "Credit Default Swaps" below), the credit protection may not fully cover all situations that may adversely affect the value of Citi's exposure and, accordingly, Citi could still experience losses despite the existence of the credit protection.

Unfunded Commitments—$16.1 billion

As of December 31, 2011, Citi also had $16.1 billion of unfunded commitments to the French sovereign, financial institutions and corporations, with $11.9 billion of this amount to corporations. These unfunded lines generally have standard conditions that must be met before they can be drawn.

Other Activities

Similar to other banks, Citi also provides settlement and clearing facilities for a variety of clients in France and actively monitors and manages these intra-day exposures. Citi also has locally funded exposure in France, however, as of December 31, 2011, the amount of this exposure was not material.

Credit Default Swaps

Citi buys and sells credit protection, through credit default swaps, on underlying GIIPS or French entities as part of its market-making activities for clients in its trading portfolios. Citi also purchases credit protection, through credit default swaps, to hedge its own credit exposure to these underlying entities that arises from loans to these entities or derivative transactions with these entities.

Citi buys and sells credit default swaps as part of its market-making activity, and purchases credit default swaps for credit protection, with financial institutions that Citi believes are of high quality. The counterparty credit exposure that can arise from the purchase or sale of credit default swaps is usually covered by legally enforceable netting and margining agreements with a given counterparty, so that the credit exposure to that counterparty is measured and managed in aggregate across all products covered by a given netting or margining agreement.

The notional amount of credit protection purchased or sold on GIIPS or French underlying single reference entities as of December 31, 2011 is set forth in the table below. The net notional contract amounts, less mark-to-market adjustments, are included in "net current funded exposure" in the table under "GIIPS and France" above, and appear in either "net trading exposure" when part of a trading strategy or in "purchased credit protection" when purchased as a hedge against a credit exposure (see note 1 to the table below).

	Credit default swaps purchased or sold on underlying single reference entities in these countries [1]						
In billions of U.S. dollars	**GIIPS**	**Greece**	**Ireland**	**Italy**	**Portugal**	**Spain**	**France**
Notional CDS contracts on underlying reference entities [1]							
Net purchased [2]	**$(16.9)**	**$(1.0)**	**$(1.0)**	**$(9.2)**	**$(1.9)**	**$(7.6)**	**$(10.4)**
Net sold [2]	**7.8**	**1.0**	**0.7**	**2.7**	**2.0**	**5.3**	**6.4**
Sovereign underlying reference entity							
Net purchased [2]	(11.7)	(0.8)	(0.6)	(7.4)	(1.2)	(4.5)	(4.6)
Net sold [2]	5.7	0.8	0.6	1.9	1.2	4.0	4.5
Financial institution underlying reference entity							
Net purchased [2]	(2.9)	—	(0.4)	(1.3)	(0.4)	(1.3)	(1.8)
Net sold [2]	2.4	—	0.1	1.4	0.4	1.0	1.6
Corporate underlying reference entity							
Net purchased [2]	(5.2)	(0.4)	(0.2)	(2.4)	(0.7)	(2.8)	(6.7)
Net sold [2]	2.6	0.3	0.2	1.4	0.8	1.2	3.0

(1) The net notional contract amounts, less mark-to-market adjustments, are included in Citi's "net current funded exposure" in the table under "GIIPS and France" on page 107. These amounts are reflected in two places in such table: $9.6 billion and $5.1 billion for GIIPS and France, respectively, are included in "purchased credit protection" hedging "gross funded credit exposure." The remaining activity is reflected in "net trading exposure" since these positions are part of a trading strategy.

(2) The summation of notional amounts for each GIIPS country does not equal the notional amount presented in the GIIPS total column in the table above as additional netting is achieved at the agreement level with a specific counterparty across various GIIPS countries.

When Citi purchases credit default swaps as a hedge against a credit exposure, Citi generally seeks to purchase products with a maturity date similar to the exposure against which the protection is purchased While certain exposures may have longer maturities that extend beyond the credit default swap tenors readily available in the market, Citi generally will purchase credit protection with a maximum tenor that is readily available in the market.

The above table contains all net credit default swaps (CDSs) purchased or sold on GIIPS or French underlying entities, whether part of a trading strategy or as purchased credit protection. With respect to the $16.9 billion net purchased CDS contracts on underlying GIIPS reference entities, approximately 89% has been purchased from non-GIIPS counterparties. With respect to the $10 4 billion net purchased CDS contracts on underlying French reference entities, approximately 72% has been purchased from non-French counterparties. The net credit exposure to any counterparties arising from these transactions, including any GIIPS or French counterparties, is managed and mitigated through legally enforceable netting and margining agreements. When Citi purchases credit default swaps as a hedge against a credit exposure, it generally seeks to purchase products from counterparties that would not be correlated with the underlying credit exposure it is hedging.

Secured Financing Transactions

As part of its banking activities with its clients, Citi enters into secured financing transactions, such as repurchase agreements and reverse repurchase agreements These transactions typically involve the lending of cash, against which securities are taken as collateral. The amount of cash loaned against the securities collateral is a function of the liquidity and quality of the collateral as well as the credit quality of the counterparty. The collateral is typically marked to market daily, and Citi has the ability to call for additional collateral (usually in the form of cash), if the value of the securities falls below a pre-defined threshold.

As of December 31, 2011, Citi had loaned $19.2 billion in cash through secured financing transactions with GIIPS or French counterparties, usually through reverse repurchase agreements, as shown in the table below. Against those loans, it held approximately $21 2 billion fair value of securities collateral as well as $1.1 billion in variation margin, most of which was in cash.

Consistent with Citi's risk management systems, secured financing transactions are included in the counterparty derivative mark-to-market exposure at their net credit exposure value, which is typically small or zero given the over-collateralized structure of these transactions.

In billions of dollars	Cash financing out	Securities collateral in [1]
Lending to GIIPS and French counterparties through secured financing transactions	$19.2	$21.2

(1) Citi has also received approximately $1 1 billion in variation margin, predominately cash, associated with secured financing transactions with these counterparties

Collateral taken in against secured financing transactions is generally high quality, marketable securities, consisting of government debt, corporate debt, or asset-backed securities.

The table below sets forth the fair value of the securities collateral taken in by Citi against secured financing transactions as of December 31, 2011.

In billions of dollars	Total	Government bonds	Municipal or corporate bonds	Asset-backed bonds
Securities pledged by GIIPS or French counterparties in secured financing transaction lending [1]	$21.2	$10.3	$0.7	$10.2
Investment grade	$20.3	$10.2	$0.4	$ 9.8
Non-investment grade	0.2	0.2	0.1	—
Not rated	0.7	—	0.2	0.4

(1) Total includes approximately $2 8 billion in correlated risk collateral predominately French sovereign debt pledged by French counterparties

Secured financing transactions can be short term or can extend beyond one year. In most cases, Citi has the right to call for additional margin daily, and can terminate the transaction and liquidate the collateral if the counterparty fails to post the additional margin

The table below sets forth the remaining transaction tenor for these transactions as of December 31, 2011.

		Remaining transaction tenor		
In billions of dollars	Total	<1 year	1-3 years	3-4 years [1]
Cash extended to GIIPS or French counterparties in secured financing transactions lending [1]	$19.2	$11.6	$6.1	$1.5

(1) The longest remaining tenor trades mature January 2015

Cross-Border Risk

Cross-border risk is the risk that actions taken by a non-U.S. government may prevent the conversion of local currency into non-local currency and/or the transfer of funds outside the country, among other risks, thereby impacting the ability of Citigroup and its customers to transact business across borders. Examples of cross-border risk include actions taken by foreign governments such as exchange controls and restrictions on the remittance of funds. These actions might restrict the transfer of funds or the ability of Citigroup to obtain payment from customers on their contractual obligations. Management of cross-border risk at Citi is performed through a formal review process that includes annual setting of cross-border limits and ongoing monitoring of cross-border exposures as well as monitoring of economic conditions globally through Citi's Global Country Risk Management. See also "Risk Factors—Market and Economic Risks" above.

Under Federal Financial Institutions Examination Council (FFIEC) regulatory guidelines, total reported cross-border outstandings include cross-border claims on third parties, as well as investments in and funding of local franchises. Cross-border claims on third parties (trade and short-, medium- and long-term claims) include cross-border loans, securities, deposits with banks, investments in affiliates, and other monetary assets, as well as net revaluation gains on foreign exchange and derivative products.

FFIEC cross-border risk measures exposure to the immediate obligors or counterparties domiciled in the given country or, if applicable, by the location of collateral or guarantors of the legally binding guarantees. Cross-border outstandings are reported based on the country of the obligor or guarantor. Outstandings backed by cash collateral are assigned to the country in which the collateral is held. For securities received as collateral, cross-border outstandings are reported in the domicile of the issuer of the securities. Cross-border resale agreements are presented based on the domicile of the counterparty.

Investments in and funding of local franchises represent the excess of local country assets over local country liabilities. Local country assets are claims on local residents recorded by branches and majority-owned subsidiaries of Citigroup domiciled in the country, adjusted for externally guaranteed claims and certain collateral. Local country liabilities are obligations of non-U.S. branches and majority-owned subsidiaries of Citigroup for which no cross-border guarantee has been issued by another Citigroup office.

The table below sets forth the countries where Citigroup's total cross-border outstandings, as defined by FFIEC guidelines, exceeded 0.75% of total Citigroup assets as of December 31, 2011 and December 31, 2010.

	December 31, 2011								December 31, 2010	
	Cross-border claims on third parties									
In billions of U.S. dollars	Banks	Public	Private	Total	Trading and short-term claims[1]	Investments in and funding of local franchises	Total cross-border outstandings[2]	Commitments[3]	Total cross-border outstandings[2]	Commitments[3]
United Kingdom	$20.2	$ 1.0	$21.9	$43.1	$38.8	$ —	$43.1	$101.8	$34.7	$105.5
Germany	15.8	18.6	4.2	38.6	37.6	0.6	39.2	64.7	33.6	59.5
France	15.6	3.2	19.6	38.4	35.9	—	38.4	69.3	37.5	57.3
India	4.1	0.9	6.7	11.7	11.0	18.8	30.5	5.3	28.6	4.6
Cayman Islands	0.2	—	22.7	22.9	22.5	—	22.9	1.4	20.6	0.3
Brazil	2.3	2.3	7.5	12.1	8.9	8.4	20.5	22.8	16.0	22.1
Netherlands	6.2	1.3	10.2	17.7	14.1	0.5	18.2	24.4	14.2	25.6
Mexico	—	3.0	4.7	7.7	4.7	10.2	17.9	12.3	16.2	12.0
Korea	1.9	0.9	3.2	6.0	4.7	9.9	15.9	24.5	15.8	22.6
Spain	4.4	1.0	4.4	9.8	7.4	4.2	14.0	27.7	11.5	20.3
Italy	1.5	7.7	1.7	10.9	10.4	0.5	11.4	37.0	13.0	25.9

(1) Included in total cross-border claims on third parties.

(2) Cross-border outstandings, as described above and as required by FFIEC guidelines, generally do not recognize the benefit of margin received or hedge positions and recognize offsetting exposures only for certain products and relationships. As a result, market volatility in interest rates, foreign exchange rates and credit spreads, such as experienced in the third quarter of 2011, will cause the level of reported cross-border outstandings to increase, all else being equal.

(3) Commitments (not included in total cross-border outstandings) include legally binding cross-border letters of credit and other commitments and contingencies as defined by the FFIEC. The FFIEC definition of commitments includes commitments to local residents to be funded with local currency liabilities originated within the country.

Differences Between Country and Cross-Border Risk

As described in more detail in the sections above, there are significant differences between the reporting of country risk and cross-border risk. A general summary of the more significant differences is as follows:

- Country risk is the risk that an event within a country will impair the value of Citi's franchise or adversely affect the ability of obligors within the country to honor their obligations to Citi. Country risk reporting in Citi's internal risk management systems is based on the identification of the country where the client relationship, taken as a whole, is most directly exposed to the economic, financial, sociopolitical or legal risks. Generally, country risk includes the benefit of margin received as well as offsetting exposures and hedge positions As such, country risk, which is reported based on Citi's internal risk management standards, measures net exposure to a credit or market risk event.
- Cross-border risk, as defined by the FFIEC, focuses on the potential exposure if foreign governments take actions, such as enacting exchange controls, that prevent the conversion of local currency to non-local currency or restrict the remittance of funds outside the country Unlike country risk, FFIEC cross-border risk measures exposure to the immediate obligors or counterparties domiciled in the given country or, if applicable, by the location of collateral or guarantors of the legally binding guarantees, generally without the benefit of margin received or hedge positions, and recognizes offsetting exposures only for certain products.

The differences between the presentation of country risk and cross-border risk can be substantial, including the identification of the country of risk, as described above. In addition, some of the more significant differences by product are described below.

- For country risk, net derivative receivables are generally reported based on fair value, netting receivables and payables under the same legally binding netting agreement, and recognizing the benefit of margin received and any hedge positions in place For cross-border risk, these items are also reported based on fair value and allow for netting of receivables and payables if a legally binding netting agreement is in place, but only with the same specific counterparty, and do not recognize the benefit of margin received or hedges in place.
- For country risk, secured financing transactions, such as repurchase agreements and reverse repurchase agreements, as well as securities loaned and borrowed, are reported based on the net credit exposure arising from the transaction, which is typically small or zero given the over-collateralized structure of these transactions. For cross-border risk, reverse repurchase agreements and securities borrowed are reported based on notional amounts and do not include the value of any collateral received (repurchase agreements and securities loaned are not included in cross-border risk reporting).
- For country risk, loans are reported net of hedges and collateral pledged under bankruptcy-remote structures. For cross-border risk, loans are reported without taking hedges into account.
- For country risk, securities in AFS and trading portfolios are reported on a net basis, netting long positions against short positions. For cross-border risk, securities in AFS and trading portfolios are not netted
- For country risk, credit default swaps (CDSs) are reported based on the net notional amount of CDSs purchased and sold, assuming zero recovery from the underlying entity, and adjusted for any mark-to-market receivable or payable position For cross-border risk, CDSs are included based on the gross notional amount sold, and do not include any offsetting purchased CDSs on the same underlying entity.

Venezuelan Operations

In 2003, the Venezuelan government enacted currency restrictions that have restricted Citigroup's ability to obtain U S dollars in Venezuela at the official foreign currency rate. In May 2010, the government enacted new laws that have closed the parallel foreign exchange market and established a new foreign exchange market. Citigroup does not have access to U.S. dollars in this new market. Citigroup uses the official rate to re-measure the foreign currency transactions in the financial statements of its Venezuelan operations, which have U.S. dollar functional currencies, into U.S. dollars At December 31, 2011 and 2010, Citigroup had net monetary assets in its Venezuelan operations denominated in bolivars of approximately $241 million and $200 million, respectively

FAIR VALUE ADJUSTMENTS FOR DERIVATIVES AND STRUCTURED DEBT

The following discussions relate to the derivative obligor information and the fair valuation for derivatives and structured debt See Note 23 to the Consolidated Financial Statements for additional information on Citi's derivative activities

Fair Valuation Adjustments for Derivatives

The fair value adjustments applied by Citigroup to its derivative carrying values consist of the following items:

- Liquidity adjustments are applied to items in Level 2 or Level 3 of the fair-value hierarchy (see Note 25 to the Consolidated Financial Statements for more details) to ensure that the fair value reflects the price at which the entire position could be liquidated. The liquidity reserve is based on the bid/offer spread for an instrument, adjusted to take into account the size of the position
- Credit valuation adjustments (CVA) is applied to over-the-counter derivative instruments, in which the base valuation generally discounts expected cash flows using LIBOR interest rate curves. Because not all counterparties have the same credit risk as that implied by the relevant LIBOR curve, a CVA is necessary to incorporate the market view of both counterparty credit risk and Citi's own credit risk in the valuation.

Citigroup CVA methodology comprises two steps First, the exposure profile for each counterparty is determined using the terms of all individual derivative positions and a Monte Carlo simulation or other quantitative analysis to generate a series of expected cash flows at future points in time The calculation of this exposure profile considers the effect of credit risk mitigants, including pledged cash or other collateral and any legal right of offset that exists with a counterparty through arrangements such as netting agreements Individual derivative contracts that are subject to an enforceable master netting agreement with a counterparty are aggregated for this purpose, since it is those aggregate net cash flows that are subject to nonperformance risk This process identifies specific, point-in-time future cash flows that are subject to nonperformance risk, rather than using the current recognized net asset or liability as a basis to measure the CVA

Second, market-based views of default probabilities derived from observed credit spreads in the CDS market are applied to the expected future cash flows determined in step one Citi's own-credit CVA is determined using Citi-specific CDS spreads for the relevant tenor Generally, counterparty CVA is determined using CDS spread indices for each credit rating and tenor For certain identified facilities where individual analysis is practicable (for example, exposures to monoline counterparties), counterparty-specific CDS spreads are used.

The CVA adjustment is designed to incorporate a market view of the credit risk inherent in the derivative portfolio However, most derivative instruments are negotiated bilateral contracts and are not commonly transferred to third parties Derivative instruments are normally settled contractually or, if terminated early, are terminated at a value negotiated bilaterally between the counterparties. Therefore, the CVA (both counterparty and own-credit) may not be realized upon a settlement or termination in the normal course of business In addition, all or a portion of the CVA may be reversed or otherwise adjusted in future periods in the event of changes in the credit risk of Citi or its counterparties, or changes in the credit mitigants (collateral and netting agreements) associated with the derivative instruments

The table below summarizes the CVA applied to the fair value of derivative instruments as of December 31, 2011 and 2010.

	Credit valuation adjustment contra-liability (contra-asset)	
In millions of dollars	**December 31, 2011**	December 31, 2010
Non-monoline counterparties	**$(5,392)**	$(3,015)
Citigroup (own)	**2,176**	1,285
Net non-monoline CVA	**$(3,216)**	$(1,730)
Monoline counterparties[1]	**—**	(1,548)
Total CVA—derivative instruments	**$(3,216)**	$(3,278)

(1) The reduction in CVA on derivative instruments with monoline counterparties includes $1 4 billion of utilizations in 2011

Own DVA for Structured Debt

Own debt valuation adjustments (DVA) are recognized on Citi's debt liabilities for which the fair value option (FVO) has been elected using Citi's credit spreads observed in the bond market. Accordingly, the fair value of debt liabilities for which the fair value option has been elected (other than non-recourse and similar liabilities) is impacted by the narrowing or widening of Citi's credit spreads. Changes in fair value resulting from changes in Citi's instrument-specific credit risk are estimated by incorporating Citi's current credit spreads observable in the bond market into the relevant valuation technique used to value each liability.

The table below summarizes pretax gains (losses) related to changes in CVA on derivative instruments, net of hedges, and DVA on own FVO debt:

	Credit/debt valuation adjustment gain (loss)	
In millions of dollars	**2011**	2010
CVA on derivatives, excluding monolines, net of hedges	**$ 33**	$ 120
CVA related to monoline counterparties, net of hedges	**179**	523
Total CVA—derivative instruments	**$ 212**	$ 643
DVA related to own FVO debt	**$1,774**	$ (589)
Total CVA and DVA	**$1,986**	$ 54

The CVA and DVA amounts shown above do not include the effect of counterparty credit risk embedded in non-derivative instruments. Losses on non-derivative instruments, such as bonds and loans, related to counterparty credit risk are not included in the table above.

CREDIT DERIVATIVES

Citigroup makes markets in and trades a range of credit derivatives, both on behalf of clients as well as for its own account Through these contracts, Citi either purchases or writes protection on either a single-name or portfolio basis Citi primarily uses credit derivatives to help mitigate credit risk in its corporate loan portfolio and other cash positions, and to facilitate client transactions.

Credit derivatives generally require that the seller of credit protection make payments to the buyer upon the occurrence of predefined events (settlement triggers). These settlement triggers, which are defined by the form of the derivative and the referenced credit, are generally limited to the market standard of failure to pay indebtedness and bankruptcy (or comparable events) of the reference credit and, in a more limited range of transactions, debt restructuring.

Credit derivative transactions referring to emerging market reference credits will also typically include additional settlement triggers to cover the acceleration of indebtedness and the risk of repudiation or a payment moratorium In certain transactions on a portfolio of referenced credits or asset-backed securities, the seller of protection may not be required to make payment until a specified amount of losses has occurred with respect to the portfolio and/or may only be required to pay for losses up to a specified amount.

The fair values shown below are prior to the application of any netting agreements, cash collateral, and market or credit valuation adjustments.

Citi actively participates in trading a variety of credit derivatives products as both an active two-way market-maker for clients and to manage credit risk. The majority of this activity was transacted with other financial intermediaries, including both banks and broker-dealers. Citi generally has a mismatch between the total notional amounts of protection purchased and sold and it may hold the reference assets directly, rather than entering into offsetting credit derivative contracts as and when desired. The open risk exposures from credit derivative contracts are largely matched after certain cash positions in reference assets are considered and after notional amounts are adjusted, either to a duration-based equivalent basis or to reflect the level of subordination in tranched structures

Citi actively monitors its counterparty credit risk in credit derivative contracts. Approximately 96% and 89% of the gross receivables are from counterparties with which Citi maintains collateral agreements as of December 31, 2011 and December 31, 2010, respectively. A majority of Citi's top 15 counterparties (by receivable balance owed to Citi) are banks, financial institutions or other dealers. Contracts with these counterparties do not include ratings-based termination events However, counterparty ratings downgrades may have an incremental effect by lowering the threshold at which Citi may call for additional collateral.

The following tables summarize the key characteristics of Citi's credit derivatives portfolio by counterparty and derivative form as of December 31, 2011 and December 31, 2010:

December 31, 2011	Fair values		Notionals	
In millions of dollars	Receivable	Payable	Beneficiary	Guarantor
By industry/counterparty				
Bank	**$57,175**	**$53,638**	**$ 981,085**	**$ 929,608**
Broker-dealer	**21,963**	**21,952**	**343,909**	**321,293**
Monoline	**10**	**—**	**238**	**—**
Non-financial	**95**	**130**	**1,797**	**1,048**
Insurance and other financial institutions	**11,611**	**9,132**	**185,861**	**142,579**
Total by industry/counterparty	**$90,854**	**$84,852**	**$1,512,890**	**$1,394,528**
By instrument				
Credit default swaps and options	**$89,998**	**$83,419**	**$1,491,053**	**$1,393,082**
Total return swaps and other	**856**	**1,433**	**21,837**	**1,446**
Total by instrument	**$90,854**	**$84,852**	**$1,512,890**	**$1,394,528**
By rating				
Investment grade	**$26,457**	**$23,846**	**$ 681,406**	**$ 611,447**
Non-investment grade[1]	**64,397**	**61,006**	**831,484**	**783,081**
Total by rating	**$90,854**	**$84,852**	**$1,512,890**	**$1,394,528**
By maturity				
Within 1 year	**$ 5,707**	**$ 5,244**	**$ 281,373**	**$ 266,723**
From 1 to 5 years	**56,740**	**54,553**	**1,031,575**	**947,211**
After 5 years	**28,407**	**25,055**	**199,942**	**180,594**
Total by maturity	**$90,854**	**$84,852**	**$1,512,890**	**$1,394,528**

December 31, 2010	Fair values		Notionals	
In millions of dollars	Receivable	Payable	Beneficiary	Guarantor
By industry/counterparty				
Bank	$37,586	$35,727	$ 820,211	$ 784,080
Broker-dealer	15,428	16,239	319,625	312,131
Monoline	1,914	2	4,409	—
Non-financial	93	70	1,277	1,463
Insurance and other financial institutions	10,108	7,760	177,171	125,442
Total by industry/counterparty	$65,129	$59,798	$1,322,693	$1,223,116
By instrument				
Credit default swaps and options	$64,840	$58,225	$1,301,514	$1,221,211
Total return swaps and other	289	1,573	21,179	1,905
Total by instrument	$65,129	$59,798	$1,322,693	$1,223,116
By rating				
Investment grade	$18,427	$15,368	$ 547,171	$ 487,270
Non-investment grade[1]	46,702	44,430	775,522	735,846
Total by rating	$65,129	$59,798	$1,322,693	$1,223,116
By maturity				
Within 1 year	$ 1,716	$ 1,817	$ 164,735	$ 162,075
From 1 to 5 years	33,853	34,298	935,632	853,808
After 5 years	29,560	23,683	222,326	207,233
Total by maturity	$65,129	$59,798	$1,322,693	$1,223,116

(1) Also includes not-rated credit derivative instruments

SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES

Note 1 to the Consolidated Financial Statements contains a summary of Citigroup's significant accounting policies, including a discussion of recently issued accounting pronouncements. These policies, as well as estimates made by management, are integral to the presentation of Citi's results of operations and financial condition While all of these policies require a certain level of management judgment and estimates, this section highlights and discusses the significant accounting policies that require management to make highly difficult, complex or subjective judgments and estimates at times regarding matters that are inherently uncertain and susceptible to change. Management has discussed each of these significant accounting policies, the related estimates, and its judgments with the Audit Committee of the Board of Directors. Additional information about these policies can be found in Note 1 to the Consolidated Financial Statements

Valuations of Financial Instruments

Citigroup holds fixed income and equity securities, derivatives, retained interests in securitizations, investments in private equity, and other financial instruments In addition, Citi purchases securities under agreements to resell (reverse repos) and sells securities under agreements to repurchase (repos). Citigroup holds its investments, trading assets and liabilities, and resale and repurchase agreements on the Consolidated Balance Sheet to meet customer needs, to manage liquidity needs and interest rate risks, and for proprietary trading and private equity investing.

Substantially all of the assets and liabilities described in the preceding paragraph are reflected at fair value on Citi's Consolidated Balance Sheet. In addition, certain loans, short-term borrowings, long-term debt and deposits as well as certain securities borrowed and loaned positions that are collateralized with cash are carried at fair value. Approximately 38 8% and 37 3% of total assets, and 15.7% and 16.6% of total liabilities, were accounted for at fair value as of December 31, 2011 and 2010, respectively

When available, Citi generally uses quoted market prices to determine fair value and classifies such items within Level 1 of the fair value hierarchy established under ASC 820-10, *Fair Value Measurements and Disclosures* (see Note 25 to the Consolidated Financial Statements). If quoted market prices are not available, fair value is based upon internally developed valuation models that use, where possible, current market-based or independently sourced market parameters, such as interest rates, currency rates and option volatilities Where a model is internally developed and used to price a significant product, it is subject to validation and testing by independent personnel Such models are often based on a discounted cash flow analysis In addition, items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation Thus, an item may be classified in Level 3 even though there may be some significant inputs that are readily observable

The credit crisis caused some markets to become illiquid, thus reducing the availability of certain observable data used by Citi's valuation techniques. This illiquidity, in at least certain markets, continued through 2011. When or if liquidity returns to these markets, the valuations will revert to using the related observable inputs in verifying internally calculated values. For additional information on Citigroup's fair value analysis, see "Managing Global Risk "

Recognition of Changes in Fair Value

Changes in the valuation of the trading assets and liabilities, as well as all other assets (excluding available-for-sale securities and derivatives in qualifying cash flow hedging relationships) and liabilities carried at fair value, are recorded in the Consolidated Statement of Income. Changes in the valuation of available-for-sale securities, other than write-offs and credit impairments, and the effective portion of changes in the valuation of derivatives in qualifying cash flow hedging relationships generally are recorded in *Accumulated other comprehensive income (loss)* (AOCI), which is a component of *Stockholders' equity* on the Consolidated Balance Sheet A full description of Citi's policies and procedures relating to recognition of changes in fair value can be found in Notes 1, 25, 26 and 27 to the Consolidated Financial Statements.

Evaluation of Other-than-Temporary Impairment

Citi conducts and documents periodic reviews of all securities with unrealized losses to evaluate whether the impairment is other-than-temporary. Under the guidance for debt securities, other-than-temporary impairment (OTTI) is recognized in earnings in the Consolidated Statement of Income for debt securities that Citi has an intent to sell or that Citi believes it is more likely than not that it will be required to sell prior to recovery of the amortized cost basis For those securities that Citi does not intend to sell or expect to be required to sell, credit-related impairment is recognized in earnings, with the non-credit-related impairment recorded in AOCI

An unrealized loss exists when the current fair value of an individual security is less than its amortized cost basis. Unrealized losses that are determined to be temporary in nature are recorded, net of tax, in AOCI for available-for-sale securities, while such losses related to held-to-maturity securities are not recorded, as these investments are carried at their amortized cost (less any other-than-temporary impairment) For securities transferred to held-to-maturity from *Trading account assets*, amortized cost is defined as the fair value amount of the securities at the date of transfer plus any accretion income and less any impairments recognized in earnings subsequent to transfer For securities transferred to held-to-maturity from available-for-sale, amortized cost is defined as the original purchase cost, plus or minus any accretion or amortization of a purchase discount or premium, less any impairment recognized in earnings

Regardless of the classification of the securities as available-for-sale or held-to-maturity, Citi assesses each position with an unrealized loss for OTTI

Management assesses equity method investments with fair value less than carrying value for OTTI, as discussed in Note 15 to the Consolidated Financial Statements For investments that management does not plan to sell prior to recovery of value, or Citi is not likely to be required to sell, various factors are considered in assessing OTTI. For investments that Citi plans to sell prior to recovery of value, or would likely be required to sell and there is no expectation that the fair value will recover prior to the expected sale date, the full impairment would be recognized in the Consolidated Statement of Income.

At December 31, 2011, Citi had several equity method investments that had temporary impairment, including its investments in Akbank and the Morgan Stanley Smith Barney joint venture As of December 31, 2011, management does not plan to sell those investments prior to recovery of value and it is not more likely than not that Citi will be required to sell those investments For additional information on these equity method investments, see Note 15 to the Consolidated Financial Statements (Evaluating Investments for Other-Than-Temporary Impairments) below

CVA/DVA Methodology

ASC 820-10 requires that Citi's own credit risk be considered in determining the market value of any Citi liability carried at fair value These liabilities include derivative instruments as well as debt and other liabilities for which the fair value option has been elected. The credit valuation adjustment (CVA) is recognized on the balance sheet as a reduction or increase in the associated derivative asset or liability to arrive at the fair value (carrying value) of the derivative asset or liability. The debt valuation adjustment (DVA) is recognized on the balance sheet as a reduction or increase in the associated fair value option debt liability to arrive at the fair value of the liability For additional information, see "Fair Value Adjustments for Derivatives and Structured Debt" above.

Allowance for Credit Losses

Allowance for Funded Lending Commitments

Management provides reserves for an estimate of probable losses inherent in the funded loan portfolio on the Consolidated Balance Sheet in the form of an allowance for loan losses These reserves are established in accordance with Citigroup's credit reserve policies, as approved by the Audit Committee of the Board of Directors. Citi's Chief Risk Officer and Chief Financial Officer review the adequacy of the credit loss reserves each quarter with representatives from the risk management and finance staffs for each applicable business area. Applicable business areas include those having classifiably managed portfolios, where internal credit-risk ratings are assigned (primarily *Institutional Clients Group* and *Global Consumer Banking*), or modified Consumer loans, where concessions were granted due to the borrowers' financial difficulties

The above-mentioned representatives covering these respective business areas present recommended reserve balances for their funded and unfunded lending portfolios along with supporting quantitative and qualitative data. The quantitative data include:

- *Estimated probable losses for non-performing, non-homogeneous exposures within a business line's classifiably managed portfolio and impaired smaller-balance homogeneous loans whose terms have been modified due to the borrowers' financial difficulties, where it was determined that a concession was granted to the borrower.* Consideration may be given to the following, as appropriate, when determining this estimate: (i) the present value of expected future cash flows discounted at the loan's original effective rate; (ii) the borrower's overall financial condition, resources and payment record; and (iii) the prospects for support from financially responsible guarantors or the realizable value of any collateral. When impairment is measured based on the present value of expected future cash flows, the entire change in present value is recorded in the *Provision for loan losses*.
- *Statistically calculated losses inherent in the classifiably managed portfolio for performing and de minimis non-performing exposures.* The calculation is based upon: (i) Citigroup's internal system of credit-risk ratings, which are analogous to the risk ratings of the major credit rating agencies; and (ii) historical default and loss data, including rating agency information regarding default rates from 1983 to 2011, and internal data dating to the early 1970s on severity of losses in the event of default.
- *Additional adjustments.* These include (i) statistically calculated estimates to cover the historical fluctuation of the default rates over the credit cycle, the historical variability of loss severity among defaulted loans, and the degree to which there are large obligor concentrations in the global portfolio, and (ii) adjustments made for specifically known items, such as current environmental factors and credit trends

In addition, representatives from both the risk management and finance staffs that cover business areas with delinquency-managed portfolios containing smaller homogeneous loans present their recommended reserve balances based upon leading credit indicators, including loan delinquencies and changes in portfolio size, as well as economic trends, including housing prices, unemployment and GDP This methodology is applied separately for each individual product within each different geographic region in which these portfolios exist

This evaluation process is subject to numerous estimates and judgments. The frequency of default, risk ratings, loss recovery rates, the size and diversity of individual large credits, and the ability of borrowers with foreign currency obligations to obtain the foreign currency necessary for orderly debt servicing, among other things, are all taken into account during this review Changes in these estimates could have a direct impact on Citi's credit costs in any quarter and could result in a change in the allowance. Changes to the allowance are recorded in the *Provision for loan losses.*

Allowance for Unfunded Lending Commitments
A similar approach to the allowance for loan losses is used for calculating a reserve for the expected losses related to unfunded loan commitments and standby letters of credit. This reserve is classified on the Consolidated Balance Sheet in *Other liabilities* Changes to the allowance for unfunded lending commitments are recorded in the *Provision for unfunded lending commitments.*

For a further description of the loan loss reserve and related accounts, see Notes 1 and 17 to the Consolidated Financial Statements.

Securitizations

Citigroup securitizes a number of different asset classes as a means of strengthening its balance sheet and accessing competitive financing rates in the market. Under these securitization programs, assets are transferred into a trust and used as collateral by the trust to obtain financing The cash flows from assets in the trust service the corresponding trust liabilities and equity interests. If the structure of the trust meets certain accounting guidelines, trust assets are treated as sold and are no longer reflected as assets of Citi If these guidelines are not met, the assets continue to be recorded as Citi's assets, with the financing activity recorded as liabilities on Citi's Consolidated Balance Sheet

Citigroup also assists its clients in securitizing their financial assets and packages and securitizes financial assets purchased in the financial markets. Citi may also provide administrative, asset management, underwriting, liquidity facilities and/or other services to the resulting securitization entities and may continue to service some of these financial assets

Elimination of Qualifying Special Purpose Entities (QSPEs) and Changes in the Consolidation Model for VIEs
In June 2009, the FASB issued SFAS No. 166, *Accounting for Transfers of Financial Assets, an amendment of FASB Statement No. 140* (SFAS 166, now incorporated into ASC Topic 860) and SFAS No 167, *Amendments to FASB Interpretation No. 46(R)* (SFAS 167, now incorporated into ASC Topic 810) Citigroup adopted both standards on January 1, 2010 and elected to apply SFAS 166 and SFAS 167 prospectively Accordingly, prior periods have not been restated.

SFAS 166 eliminated the concept of QSPEs from U.S GAAP and amends the guidance on accounting for transfers of financial assets. SFAS 167 details three key changes to the consolidation model. First, former QSPEs are now included in the scope of SFAS 167. Second, the FASB has changed the method of analyzing which party to a variable interest entity (VIE) should consolidate the VIE (known as the primary beneficiary) to a qualitative determination of which party to the VIE has "power," combined with potentially significant benefits or losses, instead of the previous quantitative risks and rewards model The party that has "power" has the ability to direct the activities of the VIE that most significantly impact the VIE's economic performance. Third, the new standard requires that the primary beneficiary analysis be re-evaluated whenever circumstances change. The previous rules required reconsideration of the primary beneficiary only when specified reconsideration events occurred.

As a result of implementing these new accounting standards, Citigroup consolidated certain of the VIEs and former QSPEs with which it had involvement on January 1, 2010. Further, certain asset transfers, including transfers of portions of assets, that would have been considered sales under SFAS 140 are considered secured borrowings under the new standards. Citigroup consolidated all required VIEs and former QSPEs, as of January 1, 2010, at carrying values or unpaid principal amounts, except for certain private-label residential mortgage and mutual fund deferred sales commissions VIEs, for which the fair value option was elected.

The incremental impact of these changes on GAAP assets and resulting risk-weighted assets for those VIEs and former QSPEs that were consolidated or deconsolidated for accounting purposes as of January 1, 2010 was an increase in GAAP assets of $137 3 billion and $24.0 billion in risk-weighted assets. In addition, the cumulative effect of adopting these new accounting standards as of January 1, 2010 resulted in an aggregate after-tax charge to *Retained earnings* of $8 4 billion, reflecting the net effect of an overall pretax charge to *Retained earnings* (primarily relating to the establishment of loan loss reserves and the reversal of residual interests held) of $13 4 billion and the recognition of related deferred tax assets amounting to $5.0 billion

Non-Consolidation of Certain Investment Funds
The FASB issued Accounting Standards Update No 2010-10, *Consolidation (Topic 810), Amendments for Certain Investment Funds* (ASU 2010-10) in the first quarter of 2010. ASU 2010-10 provides a deferral of the requirements of SFAS 167 for certain investment funds Citigroup has determined that a majority of the investment vehicles managed by it are provided a deferral from the requirements of SFAS 167 as they meet these criteria These vehicles continue to be evaluated under the requirements of FIN 46(R) (ASC 810-10), prior to the implementation of SFAS 167.

Where Citi has determined that certain investment vehicles are subject to the consolidation requirements of SFAS 167, the consolidation conclusions reached upon initial application of SFAS 167 are consistent with the consolidation conclusions reached under the requirements of ASC 810-10, prior to the implementation of SFAS 167

For additional information, see Notes 1 and 22 to the Consolidated Financial Statements

Goodwill

Citigroup has recorded *Goodwill* of $25.4 billion (1.4% of assets) and $26 2 billion (1.4% of assets) on its Consolidated Balance Sheet at December 31, 2011 and December 31, 2010, respectively No goodwill impairment was recorded during 2009, 2010 and 2011

Goodwill is allocated to Citi's reporting units at the date the goodwill is initially recorded. Once goodwill has been allocated to the reporting units, it generally no longer retains its identification with a particular acquisition, but instead becomes identified with the reporting unit as a whole. As a result, the full fair value of each reporting unit is available to support the value of goodwill allocated to the unit. As of December 31, 2011, Citigroup operated in three core business segments, as discussed above Goodwill impairment testing is performed at the reporting unit level, one level below the business segment

The reporting unit structure in 2011 was consistent with the reporting units identified in the second quarter of 2009 as a result of the change in Citi's organizational structure During 2011, goodwill was allocated to disposals and tested for impairment under these reporting units. The nine reporting units were *North America Regional Consumer Banking, EMEA Regional Consumer Banking, Asia Regional Consumer Banking, Latin America Regional Consumer Banking, Securities and Banking, Transaction Services, Brokerage and Asset Management, Local Consumer Lending—Cards* and *Local Consumer Lending—Other.*

Under ASC 350, *Intangibles—Goodwill and Other,* the goodwill impairment analysis is done in two steps The first step requires a comparison of the fair value of the individual reporting unit to its carrying value, including goodwill If the fair value of the reporting unit is in excess of the carrying value, the related goodwill is considered not to be impaired and no further analysis is necessary If the carrying value of the reporting unit exceeds the fair value, there is an indication of potential impairment and a second step of testing is performed to measure the amount of impairment, if any, for that reporting unit

When required, the second step of testing involves calculating the implied fair value of goodwill for each of the affected reporting units The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination, which is the excess of the fair value of the reporting unit determined in step one over the fair value of the net assets and identifiable intangibles as if the reporting unit were being acquired If the amount of the goodwill allocated to the reporting unit exceeds the implied fair value of the goodwill in the pro forma purchase price allocation, an impairment charge is recorded for the excess. A recognized impairment charge cannot exceed the amount of goodwill allocated to a reporting unit and cannot subsequently be reversed even if the fair value of the reporting unit recovers.

Goodwill impairment testing involves management judgment, requiring an assessment of whether the carrying value of the reporting unit can be supported by the fair value of the individual reporting unit using widely accepted valuation techniques, such as the market approach (earnings multiples and/or transaction multiples) and/or the income approach (discounted cash flow (DCF) method). In applying these methodologies, Citi utilizes a number of factors, including actual operating results, future business plans, economic projections, and market data Management may engage an independent valuation specialist to assist in Citi's valuation process

Citigroup engaged the services of an independent valuation specialist in 2010 and 2011 to assist in Citi's valuation for most of the reporting units employing both the market approach and DCF method. Citi believes that the DCF method, using management projections for the selected reporting units and an appropriate risk-adjusted discount rate, is most reflective of a market participant's view of fair values given current market conditions. For the reporting units where both methods were utilized in 2010 and 2011, the resulting fair values were relatively consistent and appropriate weighting was given to outputs from both methods.

The DCF method used at the time of each impairment test used discount rates that Citi believes adequately reflected the risk and uncertainty in the financial markets generally and specifically in the internally generated cash flow projections. The DCF method employs a capital asset pricing model in estimating the discount rate Citi continues to value the remaining reporting units where it believes the risk of impairment to be low, using primarily the market approach.

Citi prepares a formal three-year strategic plan for its businesses on an annual basis These projections incorporate certain external economic projections developed at the point in time the strategic plan is developed. For the purpose of performing any impairment test, the three-year forecast is updated by Citi to reflect current economic conditions as of the testing date. Citi used updated long-range financial forecasts as a basis for its annual goodwill impairment test performed as of July 1, 2011

The results of the July 1, 2011 test validated that the fair values exceeded the carrying values for the reporting units that had goodwill at the testing date. Citi is also required to test goodwill for impairment whenever events or circumstances make it more likely than not that impairment may have occurred, such as a significant adverse change in the business climate, a decision to sell or dispose of all or a significant portion of a reporting unit, or a significant decline in Citi's stock price. No interim goodwill impairment tests were performed during 2011.

Since none of the Company's reporting units are publicly traded, individual reporting unit fair value determinations cannot be directly correlated to Citigroup's stock price. The sum of the fair values of the reporting units at July 1, 2011 exceeded the overall market capitalization of Citi as of July 1, 2011. However, Citi believes that it was not meaningful to reconcile the sum of the fair values of its reporting units to its market capitalization during the 2011 annual impairment test due to the fact that Citi's market capitalization reflects the execution risk in a transaction involving Citigroup due to its size. The individual reporting units' fair values are not subject to the same level of execution risk or a business model that is perceived to be complex.

See also Note 18 to the Consolidated Financial Statements.

Income Taxes

Citi is subject to the income tax laws of the U.S., its states and local municipalities and the foreign jurisdictions in which Citi operates. These tax laws are complex and are subject to differing interpretations by the taxpayer and the relevant governmental taxing authorities. Disputes over interpretations of the tax laws may be subject to review and adjudication by the court systems of the various tax jurisdictions or may be settled with the taxing authority upon audit.

In establishing a provision for income tax expense, Citi must make judgments and interpretations about the application of these inherently complex tax laws. Citi must also make estimates about when in the future certain items will affect taxable income in the various tax jurisdictions, both domestic and foreign. Deferred taxes are recorded for the future consequences of events that have been recognized in the financial statements or tax returns, based upon enacted tax laws and rates. Deferred tax assets (DTAs) are recognized subject to management's judgment that realization is more likely than not.

At December 31, 2011, Citi had recorded net DTAs of approximately $51.5 billion, a decrease of $0.6 billion from $52.1 billion at December 31, 2010.

Although realization is not assured, Citi believes that the realization of the recognized net DTA of $51.5 billion at December 31, 2011 is more likely than not based upon expectations as to future taxable income in the jurisdictions in which the DTAs arise and based on available tax planning strategies (as defined in ASC 740, *Income Taxes*) that would be implemented, if necessary, to prevent a carryforward from expiring.

In general, Citi would need to generate approximately $111 billion of taxable income during the respective carryforward periods (discussed below) to fully realize its U.S. federal, state and local DTAs. Citi's net DTAs will decline primarily as additional domestic GAAP taxable income is generated.

As of December 31, 2011, Citi was no longer in a three-year cumulative loss position for purposes of evaluating its DTAs. While this removes a significant piece of negative evidence in evaluating the need for a valuation allowance, Citi will continue to weigh the evidence supporting its DTAs. Citi has concluded that there are two pieces of positive evidence that support the full realizability of its DTAs. First, Citi forecasts sufficient taxable income in the carryforward period, exclusive of tax planning strategies. Second, Citi has sufficient tax planning strategies, including potential sales of assets, in which it could realize the excess of appreciated value over the tax basis of its assets. The amount of the DTAs considered realizable, however, is necessarily subject to Citi's estimates of future taxable income in the jurisdictions in which it operates during the respective carry-forward periods, which is in turn subject to overall market and global economic conditions.

The following table summarizes Citi's net DTAs balance at December 31, 2011 and 2010:

Jurisdiction/Component

In billions of dollars	**DTA balance December 31, 2011**	DTA balance December 31, 2010
U.S. federal[1]		
Consolidated tax return net operating loss (NOL)	**$ —**	$ 3.8
Consolidated tax return foreign tax credit (FTC)	**15.8**	13.9
Consolidated tax return general business credit (GBC)	**2.1**	1.7
Future tax deductions and credits	**23.0**	21.8
Other[2]	**1.4**	0.4
Total U.S. federal	**$42.3**	$41.6
State and local		
New York NOLs	**$ 1.3**	$ 1.7
Other state NOLs	**0.7**	0.8
Future tax deductions	**2.2**	2.1
Total state and local	**$ 4.2**	$ 4.6
Foreign		
APB 23 subsidiary NOLs	**$ 0.5**	$ 0.5
Non-APB 23 subsidiary NOLs	**1.8**	1.5
Future tax deductions	**2.7**	3.9
Total foreign	**$ 5.0**	$ 5.9
Total	**$51.5**	$52.1

(1) Included in the net U.S. federal DTAs of $42.3 billion at December 31, 2011 are deferred tax liabilities of $3 billion that will reverse in the relevant carryforward period and may be used to support the DTAs, and $0.2 billion in compensation deductions that reduced additional paid-in capital in January 2012 and for which no adjustment to such DTAs is permitted at December 31, 2011 because the related stock compensation was not yet deductible to Citi.

(2) Includes $1.2 billion and $0.1 billion for 2011 and 2010, respectively, of tax carryforwards related to companies that file U.S. federal tax returns separate from Citigroup's consolidated U.S. federal tax return.

The U S federal consolidated tax return NOL carry-forward component of the DTAs of $3 8 billion at December 31, 2010 was utilized in 2011 For the reasons discussed herein, Citi believes the U S federal and New York state and city NOL carryforward period of 20 years provides enough time to fully utilize the DTAs pertaining to the existing NOL carryforwards and any NOL that would be created by the reversal of the future net deductions that have not yet been taken on a tax return

Because the U.S federal consolidated tax return NOL carryforward has been utilized, Citi can begin to utilize its foreign tax credit (FTC) and general business credit (GBC) carryforwards. The U S. FTC carryforward period is 10 years. Utilization of foreign tax credits in any year is restricted to 35% of foreign source taxable income in that year. However, overall domestic losses that Citi has incurred of approximately $56 billion as of December 31, 2011 are allowed to be reclassified as foreign source income to the extent of 50% of domestic source income produced in subsequent years, and such resulting foreign source income would in fact be sufficient to cover the foreign tax credits being carried forward. As such, Citi believes the foreign source taxable income limitation will not be an impediment to the foreign tax credit carryforward usage as long as Citi can generate sufficient domestic taxable income within the 10-year carryforward period

Regarding the estimate of future taxable income, Citi has projected its pretax earnings, predominantly based upon the "core" businesses that Citi intends to conduct going forward. These "core" businesses have produced steady and strong earnings in the past. Citi believes that it will generate sufficient pretax earnings within the 10-year carryforward period referenced above to be able to fully utilize the foreign tax credit carryforward, in addition to any foreign tax credits produced in such period

As mentioned above, Citi has examined tax planning strategies available to it in accordance with ASC 740 that would be employed, if necessary, to prevent a carryforward from expiring and to accelerate the usage of its carryforwards These strategies include repatriating low-taxed foreign source earnings for which an assertion that the earnings have been indefinitely reinvested has not been made, accelerating U.S taxable income into or deferring U.S tax deductions out of the latter years of the carryforward period (e.g , selling appreciated intangible assets and electing straight-line depreciation), accelerating deductible temporary differences outside the U S , holding onto available-for-sale debt securities with losses until they mature and selling certain assets that produce tax-exempt income, while purchasing assets that produce fully taxable income. In addition, the sale or restructuring of certain businesses can produce significant U S taxable income within the relevant carryforward periods

As previously disclosed, Citi's ability to utilize its DTAs to offset future taxable income may be significantly limited if Citi experiences an "ownership change," as defined in Section 382 of the Internal Revenue Code of 1986, as amended (Code). Generally, an ownership change will occur if there is a cumulative change in Citi's ownership by "5-percent shareholders" (as defined in the Code) that exceeds 50 percentage points over a rolling three-year period. Any limitation on Citi's ability to utilize its DTAs arising from an ownership change under Section 382 will depend on the value of Citi's stock at the time of the ownership change.

See Note 10 to the Consolidated Financial Statements for a further description of Citi's tax provision and related income tax assets and liabilities.

Approximately $11 billion of the net DTAs was included in Tier 1 Common and Tier 1 Capital as of December 31, 2011.

Litigation Accruals

See the discussion in Note 29 to the Consolidated Financial Statements for information regarding Citi's policies on establishing accruals for legal and regulatory claims.

Accounting Changes and Future Application of Accounting Standards

See Note 1 to the Consolidated Financial Statements for a discussion of "Accounting Changes" and the "Future Application of Accounting Standards."

DISCLOSURE CONTROLS AND PROCEDURES

Citi's disclosure controls and procedures are designed to ensure that information required to be disclosed under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, including without limitation that information required to be disclosed by Citi in its SEC filings is accumulated and communicated to management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) as appropriate to allow for timely decisions regarding required disclosure.

Citi's Disclosure Committee assists the CEO and CFO in their responsibilities to design, establish, maintain and evaluate the effectiveness of Citi's disclosure controls and procedures The Disclosure Committee is responsible for, among other things, the oversight, maintenance and implementation of the disclosure controls and procedures, subject to the supervision and oversight of the CEO and CFO.

Citi's management, with the participation of its CEO and CFO, has evaluated the effectiveness of Citigroup's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of December 31, 2011 and, based on that evaluation, the CEO and CFO have concluded that at that date Citigroup's disclosure controls and procedures were effective.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Citi's management is responsible for establishing and maintaining adequate internal control over financial reporting. Citi's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with U.S. generally accepted accounting principles. Citi's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of Citi's assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that Citi's receipts and expenditures are made only in accordance with authorizations of Citi's management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Citi's assets that could have a material effect on its financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. In addition, given Citi's large size, complex operations and global footprint, lapses or deficiencies in internal controls may occur from time to time.

Citi management assessed the effectiveness of Citigroup's internal control over financial reporting as of December 31, 2011 based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on this assessment, management believes that, as of December 31, 2011, Citi's internal control over financial reporting was effective. In addition, there were no changes in Citi's internal control over financial reporting during the fiscal quarter ended December 31, 2011 that materially affected, or are reasonably likely to materially affect, Citi's internal control over financial reporting

The effectiveness of Citi's internal control over financial reporting as of December 31, 2011 has been audited by KPMG LLP, Citi's independent registered public accounting firm, as stated in their report below, which expressed an unqualified opinion on the effectiveness of Citi's internal control over financial reporting as of December 31, 2011.

FORWARD-LOOKING STATEMENTS

Certain statements in this Form 10-K including but not limited to statements included within the Management's Discussion and Analysis of Financial Condition and Results of Operations, are "forward-looking statements" within the meaning of the rules and regulations of the SEC. In addition, Citigroup also may make forward-looking statements in its other documents filed or furnished with the SEC, and its management may make forward-looking statements orally to analysts, investors, representatives of the media and others

Generally, forward-looking statements are not based on historical facts but instead represent only Citigroup's and its management's beliefs regarding future events Such statements may be identified by words such as *believe, expect, anticipate, intend, estimate, may increase, may fluctuate*, and similar expressions, or future or conditional verbs such as *will, should, would* and *could*.

Such statements are based on management's current expectations and are subject to uncertainty and changes in circumstances. Actual results and capital and other financial condition may differ materially from those included in these statements due to a variety of factors, including without limitation the precautionary statements included in this Form 10-K, the factors listed and described under "Risk Factors" above and the factors described below.

- the ongoing potential impact of significant regulatory changes around the world on Citi's businesses, revenues and earnings, and the possibility of additional regulatory requirements beyond those already proposed, adopted or currently contemplated by U S or international regulators,
- the uncertainty around the ongoing implementation of The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), as well as international efforts, on Citi's ability to manage its businesses, the amount and timing of increased costs, and Citi's ability to compete with U S and foreign competitors,
- Citi's ability to meet prospective new regulatory capital requirements in the timeframe expected by the market or its regulators, the impact the continued lack of certainty surrounding Citi's capital requirements has on Citi's long-term capital planning, and the extent to which Citi will be disadvantaged by capital requirements compared to U S and non-U.S. competitors,
- the impact of the proposed rules relating to the regulation of derivatives under the Dodd-Frank Act, as well as similar proposed international derivatives regulations, on Citi's competitiveness in, and earnings from, these businesses,
- the impact of the proposed restrictions under the "Volcker Rule" provisions of the Dodd-Frank Act on Citi's market-making activities, the significant compliance costs associated with those proposals, and the potential that Citi could be forced to dispose of certain investments at less than fair value,
- the potential impact of the newly formed Consumer Financial Protection Bureau on Citi's practices and operations with respect to a number of its U S Consumer businesses and the potential significant costs associated with implementing and complying with any new regulatory requirements;
- the potential negative impact to Citi of regulatory requirements in the U.S. and other jurisdictions aimed at facilitating the orderly resolution of large financial institutions;
- Citi's ability to hire and retain highly qualified employees as a result of regulatory requirements regarding compensation practices or otherwise;
- the impact of existing and potential future regulations on Citi's ability and costs to participate in securitization transactions, as well as the nature and profitability of securitization transactions generally;
- potential future changes to key accounting standards utilized by Citi and their impact on how Citi records and reports its financial condition and results of operations, including whether Citi would be able to meet any required transition timelines;
- the potential negative impact the ongoing Eurozone debt crisis could have on Citi's businesses, results of operations, financial condition and liquidity, particularly if sovereign debt defaults, significant bank failures or defaults and/or the exit of one or more countries from the European Monetary Union occur;
- the continued uncertainty relating to the sustainability and pace of economic recovery and their continued effect on certain of Citi's businesses, particularly *S&B* and the U.S. mortgage businesses within *Citi Holdings – Local Consumer Lending*;
- the potential impact of any further downgrade of the U.S. government credit rating, or concerns regarding a potential downgrade, on Citi's businesses, results of operations, capital and funding and liquidity;
- risks arising from Citi's extensive operations outside the U.S., particularly in emerging markets, including, without limitation, exchange controls, limitations on foreign investments, sociopolitical instability, nationalization, closure of branches or subsidiaries, confiscation of assets, and sovereign volatility, as well as increased compliance and regulatory risks and costs;
- the impact of external factors, such as market disruptions or negative market perceptions of Citi or the financial services industry generally, on Citi's liquidity and/or costs of funding,
- the potential negative impact on Citi's funding and liquidity of a reduction in Citi's or its subsidiaries' credit ratings,
- the potential outcome of the extensive litigation, investigations and inquiries pertaining to Citi's U.S. mortgage-related activities and the impact of any such outcomes on Citi's businesses, business practices, reputation, financial condition or results of operations;
- the negative impact of the remaining assets in Citi Holdings on Citi's results of operations and Citi's ability to more productively utilize the capital supporting these assets;
- the potential negative impact to Citi's common stock price and market perception if Citi is unable to increase its common stock dividend or initiate a share repurchase program;

- Citi's ability to achieve its targeted expense reduction levels as well as ensuring the highest level of productivity of Citi's previous or future investment spending,
- the potential negative impact on the value of Citi's deferred tax assets (DTAs) if U.S., state or foreign tax rates are reduced, or if other changes are made to the U.S. tax system, such as changes to the tax treatment of foreign business income;
- the expiration of the active financing income exception on Citi's tax expense;
- the potential impact to Citi from evolving cybersecurity and other technological risks and attacks, which could result in additional costs, reputational damage, regulatory penalties and financial losses;
- the accuracy of Citi's assumptions and estimates used to prepare its financial statements and the potential for Citi to experience significant losses if these assumptions or estimates are incorrect;
- the inability to predict the potential outcome of the extensive legal and regulatory proceedings that Citi is subject to at any given time, and the impact of any such outcomes on Citi's businesses, business practices, reputation, financial condition or results of operations;
- Citi's inability to maintain the value of the Citi brand; and
- Citi's concentration of risk and the potential ineffectiveness of Citi's risk management processes, including its risk monitoring and risk mitigation techniques.

Any forward-looking statements made by or on behalf of Citigroup speak only as to the date they are made, and Citi does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM—INTERNAL CONTROL OVER FINANCIAL REPORTING

The Board of Directors and Stockholders
Citigroup Inc :

We have audited Citigroup Inc. and subsidiaries' (the "Company" or "Citigroup") internal control over financial reporting as of December 31, 2011, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying management's annual report on internal control over financial reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Citigroup maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Citigroup as of December 31, 2011 and 2010, and the related consolidated statements of income, changes in stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2011, and our report dated February 24, 2012 expressed an unqualified opinion on those consolidated financial statements.

KPMG LLP

New York, New York
February 24, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM—CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors and Stockholders
Citigroup Inc.:

We have audited the accompanying consolidated balance sheets of Citigroup Inc. and subsidiaries (the "Company" or "Citigroup") as of December 31, 2011 and 2010, and the related consolidated statements of income, changes in stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2011. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Citigroup as of December 31, 2011 and 2010, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2011, in conformity with U.S. generally accepted accounting principles.

As discussed in Note 1 to the Consolidated Financial Statements, in 2010 the Company changed its method of accounting for qualifying special purpose entities, variable interest entities and embedded credit derivatives.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Citigroup's internal control over financial reporting as of December 31, 2011, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 24, 2012 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

KPMG LLP

New York, New York
February 24, 2012

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CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

Citigroup Inc. and Subsidiaries

In millions of dollars, except per-share amounts	Year ended December 31, 2011	2010	2009
Revenues			
Interest revenue	**$ 72,681**	$ 79,282	$ 76,398
Interest expense	**24,234**	25,096	27,902
Net interest revenue	**$ 48,447**	$ 54,186	$ 48,496
Commissions and fees	**$ 12,850**	$ 13,658	$ 15,485
Principal transactions	**7,234**	7,517	6,068
Administration and other fiduciary fees	**3,995**	4,005	5,195
Realized gains (losses) on sales of investments, net	**1,997**	2,411	1,996
Other-than-temporary impairment losses on investments			
Gross impairment losses	**(2,413)**	(1,495)	(7,262)
Less: Impairments recognized in AOCI	**159**	84	4,356
Net impairment losses recognized in earnings	**(2,254)**	(1,411)	$ (2,906)
Insurance premiums	**2,647**	$ 2,684	$ 3,020
Other revenue	**3,437**	3,551	2,931
Total non-interest revenues	**$ 29,906**	$ 32,415	$ 31,789
Total revenues, net of interest expense	**$ 78,353**	$ 86,601	$ 80,285
Provisions for credit losses and for benefits and claims			
Provision for loan losses	**$ 11,773**	$ 25,194	$ 38,760
Policyholder benefits and claims	**972**	965	1,258
Provision (release) for unfunded lending commitments	**51**	(117)	244
Total provisions for credit losses and for benefits and claims	**$ 12,796**	$ 26,042	$ 40,262
Operating expenses			
Compensation and benefits	**$ 25,688**	$ 24,430	$ 24,987
Premises and equipment	**3,326**	3,331	3,697
Technology/communication	**5,133**	4,924	5,215
Advertising and marketing	**2,346**	1,645	1,415
Restructuring	**—**	—	(113)
Other operating	**14,440**	13,045	12,621
Total operating expenses	**$ 50,933**	$ 47,375	$ 47,822
Income (loss) from continuing operations before income taxes	**$ 14,624**	$ 13,184	$ (7,799)
Provision (benefit) for income taxes	**3,521**	2,233	(6,733)
Income (loss) from continuing operations	**$ 11,103**	$ 10,951	$ (1,066)
Discontinued operations			
Income (loss) from discontinued operations	**$ 23**	$ 72	$ (653)
Gain (loss) on sale	**155**	(702)	102
Provision (benefit) for income taxes	**66**	(562)	(106)
Income (loss) from discontinued operations, net of taxes	**$ 112**	$ (68)	$ (445)
Net income (loss) before attribution of noncontrolling interests	**$ 11,215**	$ 10,883	$ (1,511)
Net income attributable to noncontrolling interests	**148**	281	95
Citigroup's net income (loss)	**$ 11,067**	$ 10,602	$ (1,606)
Basic earnings per share[1][2]			
Income (loss) from continuing operations	**$ 3.69**	$ 3.66	$ (7.61)
Income (loss) from discontinued operations, net of taxes	**0.04**	(0.01)	(0.38)
Net income (loss)	**$ 3.73**	$ 3.65	$ (7.99)
Weighted average common shares outstanding	**2,909.8**	2,877.6	1,156.8
Diluted earnings per share[1][2]			
Income (loss) from continuing operations	**$ 3.59**	$ 3.55	$ (7.61)
Income (loss) from discontinued operations, net of taxes	**0.04**	(0.01)	(0.38)
Net income (loss)	**$ 3.63**	$ 3.54	$ (7.99)
Adjusted weighted average common shares outstanding	**2,998.8**	2,967.8	1,209.9

(1) Earnings per share amounts and adjusted weighted average common shares outstanding for all periods reflect Citigroup's 1-for-10 reverse stock split, which was effective May 6, 2011.

(2) Due to the net loss available to common shareholders in 2009, loss available to common stockholders for basic EPS was used to calculate diluted EPS, including the effect of dilutive securities would result in anti-dilution.

See Notes to the Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEET

Citigroup Inc and Subsidiaries

In millions of dollars, except shares	December 31, 2011	December 31, 2010
Assets		
Cash and due from banks (including segregated cash and other deposits)	**$ 28,701**	$ 27,972
Deposits with banks	**155,784**	162,437
Federal funds sold and securities borrowed or purchased under agreements to resell (including $142,862 and $87,512 as of December 31, 2011 and 2010, respectively, at fair value)	**275,849**	246,717
Brokerage receivables	**27,777**	31,213
Trading account assets (including $109,719 and $117,554 pledged to creditors at December 31, 2011 and 2010, respectively)	**291,734**	317,272
Investments (including $14,940 and $12,546 pledged to creditors at December 31, 2011 and 2010, respectively, and $274,040 and $281,174 at December 31, 2011 and 2010, respectively, at fair value)	**293,413**	318,164
Loans, net of unearned income		
Consumer (including $1,326 and $1,745 as of December 31, 2011 and 2010, respectively, at fair value)	**423,731**	455,732
Corporate (including $3,939 and $2,627 at December 31, 2011 and 2010, respectively, at fair value)	**223,511**	193,062
Loans, net of unearned income	**$ 647,242**	$ 648,794
Allowance for loan losses	**(30,115)**	(40,655)
Total loans, net	**$ 617,127**	$ 608,139
Goodwill	**25,413**	26,152
Intangible assets (other than MSRs)	**6,600**	7,504
Mortgage servicing rights (MSRs)	**2,569**	4,554
Other assets (including $11,241 and $19,530 as of December 31, 2011 and 2010, respectively, at fair value)	**148,911**	163,778
Total assets	**$1,873,878**	$1,913,902

The following table presents certain assets of consolidated variable interest entities (VIEs), which are included in the Consolidated Balance Sheet above. The assets in the table below include only those assets that can be used to settle obligations of consolidated VIEs on the following page, and are in excess of those obligations. Additionally, the assets in the table below include third-party assets of consolidated VIEs only, and exclude intercompany balances that eliminate in consolidation.

In millions of dollars	December 31, 2011	December 31, 2010
Assets of consolidated VIEs that can only be used to settle obligations of consolidated VIEs		
Cash and due from banks	**$ 536**	$ 799
Trading account assets	**567**	6,509
Investments	**10,582**	7,946
Loans, net of unearned income		
Consumer (including $1,292 and $1,718 as of December 31, 2011 and December 31, 2010, respectively, fair value)	**103,275**	117,768
Corporate (including $198 and $425 as of December 31, 2011 and December 31, 2010, respectively, fair value)	**23,780**	23,537
Loans, net of unearned income	**$127,055**	$141,305
Allowance for loan losses	**(8,000)**	(11,346)
Total loans, net	**$119,055**	$129,959
Other assets	**859**	680
Total assets of consolidated VIEs that can only be used to settle obligations of consolidated VIEs	**$131,599**	$145,893

Statement continues on the next page.

CONSOLIDATED BALANCE SHEET (Continued)

In millions of dollars, except shares	*Citigroup Inc and Subsidiaries* December 31, 2011	2010
Liabilities		
Non-interest-bearing deposits in U.S. offices	**$ 119,437**	$ 78,268
Interest-bearing deposits in U.S offices (including $848 and $662 at December 31, 2011 and 2010, respectively, at fair value)	**223,851**	225,731
Non-interest-bearing deposits in offices outside the U.S.	**57,357**	55,066
Interest-bearing deposits in offices outside the U.S. (including $478 and $603 at December 31, 2011 and 2010, respectively, at fair value)	**465,291**	485,903
Total deposits	**$ 865,936**	$ 844,968
Federal funds purchased and securities loaned or sold under agreements to repurchase (including $112,770 and $121,193 as of December 31, 2011 and 2010, respectively, at fair value)	**198,373**	189,558
Brokerage payables	**56,696**	51,749
Trading account liabilities	**126,082**	129,054
Short-term borrowings (including $1,354 and $2,429 at December 31, 2011 and 2010, respectively, at fair value)	**54,441**	78,790
Long-term debt (including $24,172 and $25,997 at December 31, 2011 and 2010, respectively, at fair value)	**323,505**	381,183
Other liabilities (including $3,742 and $9,710 as of December 31, 2011 and 2010, respectively, at fair value)	**69,272**	72,811
Total liabilities	**$1,694,305**	$1,748,113
Stockholders' equity		
Preferred stock ($1.00 par value; authorized shares 30 million), issued shares **12,038 at December 31, 2011** and December 31, 2010, at aggregate liquidation value	**$ 312**	$ 312
Common stock ($0.01 par value, authorized shares 6 billion), issued shares **2,937,755,921 at December 31, 2011** and 2,922,401,623 at December 31, 2010	**29**	29
Additional paid-in capital	**105,804**	101,287
Retained earnings	**90,520**	79,559
Treasury stock, at cost **2011—13,877,688 shares** and 2010—16,565,572 shares	**(1,071)**	(1,442)
Accumulated other comprehensive income (loss)	**(17,788)**	(16,277)
Total Citigroup stockholders' equity	**$ 177,806**	$ 163,468
Noncontrolling interest	**1,767**	2,321
Total equity	**$ 179,573**	$ 165,789
Total liabilities and equity	**$1,873,878**	$1,913,902

The following table presents certain liabilities of consolidated VIEs, which are included in the Consolidated Balance Sheet above. The liabilities in the table below include third-party liabilities of consolidated VIEs only, and exclude intercompany balances that eliminate in consolidation. The liabilities also exclude amounts where creditors or beneficial interest holders have recourse to the general credit of Citigroup.

In millions of dollars	December 31, 2011	2010
Liabilities of consolidated VIEs for which creditors or beneficial interest holders do not have recourse to the general credit of Citigroup		
Short-term borrowings	**$ 21,009**	$ 22,046
Long-term debt (including $1,558 and $3,942 as of December 31, 2011 and December 31, 2010, respectively, fair value)	**50,451**	69,710
Other liabilities	**587**	813
Total liabilities of consolidated VIEs for which creditors or beneficial interest holders do not have recourse to the general credit of Citigroup	**$ 72,047**	$ 92,569

See Notes to the Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

Citigroup Inc. and Subsidiaries

	Year ended December 31,					
	Amounts			Shares		
In millions of dollars, except shares in thousands	**2011**	2010	2009	**2011**	2010	2009
Preferred stock at aggregate liquidation value						
Balance, beginning of year	**$ 312**	$ 312	$ 70,664	**12**	12	829
Redemption or retirement of preferred stock	**—**	—	(74,005)	**—**	—	(824)
Issuance of new preferred stock	**—**	—	3,530	**—**	—	7
Preferred stock Series H discount accretion	**—**	—	123	**—**	—	—
Balance, end of year	**$ 312**	$ 312	$ 312	**12**	12	12
Common stock and additional paid-in capital						
Balance, beginning of year	**$101,316**	$ 98,428	$ 19,222	**2,922,402**	2,862,610	567,174
Employee benefit plans	**766**	(736)	(4,395)	**3,540**	46,703	—
Conversion of preferred stock to common stock	**—**	—	61,963	**—**	—	1,737,259
Reset of convertible preferred stock conversion price	**—**	—	1,285	**—**	—	—
Issuance of shares and T-DECs for TARP repayment	**—**	—	20,298	**—**	1,270	558,177
Issuance of TARP-related warrants	**—**	—	88	**—**	—	—
ADIA Upper Decs Equity Units Purchase Contract	**3,750**	3,750	—	**11,781**	11,781	—
Other	**1**	(126)	(33)	**33**	38	—
Balance, end of year	**$105,833**	$101,316	$ 98,428	**2,937,756**	2,922,402	2,862,610
Retained earnings						
Balance, beginning of year	**$ 79,559**	$ 77,440	$ 86,521			
Adjustment to opening balance, net of taxes [1][2]	**—**	(8,483)	413			
Adjusted balance, beginning of period	**$ 79,559**	$ 68,957	$ 86,934			
Citigroup's net income (loss)	**11,067**	10,602	(1,606)			
Common dividends [3]	**(81)**	10	(36)			
Preferred dividends	**(26)**	(9)	(3,202)			
Preferred stock Series H discount accretion	**—**	—	(123)			
Reset of convertible preferred stock conversion price	**—**	—	(1,285)			
Conversion of preferred stock to common stock	**—**	—	(3,242)			
Other	**1**	(1)	—			
Balance, end of year	**$ 90,520**	$ 79,559	$ 77,440			
Treasury stock, at cost						
Balance, beginning of year	**$ (1,442)**	$ (4,543)	$ (9,582)	**(16,566)**	(14,283)	(22,168)
Issuance of shares pursuant to employee benefit plans	**372**	3,106	5,020	**2,714**	(2,128)	7,925
Treasury stock acquired [4]	**(1)**	(6)	(3)	**(26)**	(162)	(97)
Other	**—**	1	22	**—**	7	57
Balance, end of year	**$ (1,071)**	$ (1,442)	$ (4,543)	**(13,878)**	(16,566)	(14,283)

Statement continues on the next page.

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (Continued)

Citigroup Inc. and Subsidiaries

	Year ended December 31,					
	Amounts			Shares		
In millions of dollars, except shares in thousands	**2011**	2010	2009	**2011**	2010	2009
Accumulated other comprehensive income (loss)						
Balance, beginning of year	**$ (16,277)**	$ (18,937)	$ (25,195)			
Adjustment to opening balance, net of taxes [2]	**—**	—	(413)			
Adjusted balance, beginning of year	**$ (16,277)**	$ (18,937)	$ (25,608)			
Net change in unrealized gains and losses on investment securities, net of taxes	**2,360**	1,952	5,713			
Net change in cash flow hedges, net of taxes	**(170)**	532	2,007			
Net change in foreign currency translation adjustment, net of taxes and hedges	**(3,524)**	820	(203)			
Pension liability adjustment, net of taxes [5]	**(177)**	(644)	(846)			
Net change in *Accumulated other comprehensive income (loss)* before attribution of noncontrolling interest	**$ (1,511)**	$ 2,660	$ 6,671			
Balance, end of year	**$ (17,788)**	$ (16,277)	$ (18,937)			
Total Citigroup common stockholders' equity and common shares outstanding	**$177,494**	$163,156	$152,388	**2,923,878**	2,905,836	2,848,327
Total Citigroup stockholders' equity	**$177,806**	$163,468	$152,700			
Noncontrolling interest						
Balance, beginning of year	**$ 2,321**	$ 2,273	$ 2,392			
Initial origination of a noncontrolling interest	**28**	412	285			
Transactions between noncontrolling-interest shareholders and the related consolidated subsidiary	**—**	—	(134)			
Transactions between Citigroup and the noncontrolling-interest shareholders	**(274)**	(231)	(354)			
Net income attributable to noncontrolling-interest shareholders	**148**	281	95			
Dividends paid to noncontrolling-interest shareholders	**(67)**	(99)	(17)			
Accumulated other comprehensive income—net change in unrealized gains and losses on investment securities, net of tax	**(5)**	1	5			
Accumulated other comprehensive income (loss)—net change in FX translation adjustment, net of tax	**(87)**	(27)	39			
All other	**(297)**	(289)	(38)			
Net change in noncontrolling interests	**$ (554)**	$ 48	$ (119)			
Balance, end of year	**$ 1,767**	$ 2,321	$ 2,273			
Total equity	**$179,573**	$165,789	$154,973			
Comprehensive income (loss)						
Net income (loss) before attribution of noncontrolling interests	**$ 11,215**	$ 10,883	$ (1,511)			
Net change in *Accumulated other comprehensive income (loss)*	**(1,603)**	2,634	6,715			
Total comprehensive income (loss)	**$ 9,612**	$ 13,517	$ 5,204			
Comprehensive income (loss) attributable to the noncontrolling interests	**$ 56**	$ 255	$ 139			
Comprehensive income (loss) attributable to Citigroup	**$ 9,556**	$ 13,262	$ 5,065			

(1) The adjustment to the opening balance for *Retained earnings* in 2010 represents the cumulative effect of initially adopting ASC 810, *Consolidation* (SFAS 167) and ASU 2010-11 (Scope Exception Related to Embedded Credit Derivatives). See Note 1 to the Consolidated Financial Statements.

(2) The adjustment to the opening balances for *Retained earnings* and *Accumulated other comprehensive income (loss)* in 2009 represents the cumulative effect of initially adopting ASC 320-10-35-34 (FSP FAS 115-2 and FAS 124-2). See Note 1 to the Consolidated Financial Statements.

(3) Common dividends in 2010 represent a reversal of dividends accrued on forfeitures of previously issued but unvested employee stock awards related to employees who have left Citigroup. Common dividends declared were as follows: $0.01 per share in the second, third and fourth quarters of 2011, $0.01 per share in the first quarter of 2009.

(4) All open market repurchases were transacted under an existing authorized share repurchase plan and relate to customer fails/errors.

(5) Reflects adjustments to the funded status of pension and postretirement plans, which is the difference between the fair value of the plan assets and the projected benefit obligation. See Note 9 to the Consolidated Financial Statements.

See Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Citigroup Inc. and Subsidiaries

In millions of dollars	Year ended December 31, 2011	2010	2009
Cash flows from operating activities of continuing operations			
Net income (loss) before attribution of noncontrolling interests	**$ 11,215**	$ 10,883	$ (1,511)
Net income attributable to noncontrolling interests	**148**	281	95
Citigroup's net income (loss)	**$ 11,067**	$ 10,602	$ (1,606)
Income (loss) from discontinued operations, net of taxes	**17**	215	(402)
Gain (loss) on sale, net of taxes	**95**	(283)	(43)
Income (loss) from continuing operations—excluding noncontrolling interests	**$ 10,955**	$ 10,670	$ (1,161)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities of continuing operations			
Amortization of deferred policy acquisition costs and present value of future profits	**$ 250**	$ 302	$ 434
(Additions)/reductions to deferred policy acquisition costs	**(54)**	(98)	(461)
Depreciation and amortization	**2,872**	2,664	2,853
Deferred tax benefit	**(74)**	(964)	(7,709)
Provision for credit losses	**11,824**	25,077	39,004
Change in trading account assets	**25,538**	15,601	25,864
Change in trading account liabilities	**(2,972)**	(8,458)	(25,382)
Change in federal funds sold and securities borrowed or purchased under agreements to resell	**(29,132)**	(24,695)	(43,726)
Change in federal funds purchased and securities loaned or sold under agreements to repurchase	**8,815**	35,277	(47,669)
Change in brokerage receivables net of brokerage payables	**8,383**	(6,676)	1,847
Realized gains from sales of investments	**(1,997)**	(2,411)	(1,996)
Change in loans held-for-sale	**1,021**	2,483	(1,711)
Other, net	**9,312**	(13,086)	5,203
Total adjustments	**$ 33,786**	$ 25,016	$ (53,449)
Net cash provided by (used in) operating activities of continuing operations	**$ 44,741**	$ 35,686	$ (54,610)
Cash flows from investing activities of continuing operations			
Change in deposits with banks	**$ 6,653**	$ 4,977	$ 2,519
Change in loans	**(11,559)**	60,730	(148,651)
Proceeds from sales and securitizations of loans	**10,022**	9,918	241,367
Purchases of investments	**(314,250)**	(406,046)	(281,115)
Proceeds from sales of investments	**182,566**	183,688	85,395
Proceeds from maturities of investments	**139,959**	189,814	133,614
Capital expenditures on premises and equipment and capitalized software	**(3,448)**	(2,363)	(2,264)
Proceeds from sales of premises and equipment, subsidiaries and affiliates, and repossessed assets	**1,323**	2,619	6,303
Net cash provided by (used in) investing activities of continuing operations	**$ 11,266**	$ 43,337	$ 37,168
Cash flows from financing activities of continuing operations			
Dividends paid	**$ (107)**	$ (9)	$ (3,237)
Issuance of common stock	**—**	—	17,514
Issuances of T-DECs—APIC	**—**	—	2,784
Issuance of ADIA Upper Decs equity units purchase contract	**3,750**	3,750	—
Treasury stock acquired	**(1)**	(6)	(3)
Stock tendered for payment of withholding taxes	**(230)**	(806)	(120)
Issuance of long-term debt	**30,242**	33,677	110,088
Payments and redemptions of long-term debt	**(89,091)**	(75,910)	(123,743)
Change in deposits	**23,858**	9,065	61,718
Change in short-term borrowings	**(25,067)**	(47,189)	(51,995)
Net cash (used in) provided by financing activities of continuing operations	**$ (56,646)**	$ (77,428)	$ 13,006
Effect of exchange rate changes on cash and cash equivalents	**$ (1,301)**	$ 691	$ 632
Discontinued operations			
Net cash provided by (used in) discontinued operations	**$ 2,669**	$ 214	$ 23
Change in cash and due from banks	**$ 729**	$ 2,500	$ (3,781)
Cash and due from banks at beginning of period	**27,972**	25,472	29,253
Cash and due from banks at end of period	**$ 28,701**	$ 27,972	$ 25,472
Supplemental disclosure of cash flow information for continuing operations			
Cash paid/(received) during the year for income taxes	**$ 2,705**	$ 4,307	$ (289)
Cash paid during the year for interest	**$ 21,230**	$ 23,209	$ 28,389
Non-cash investing activities			
Transfers to OREO and other repossessed assets	**$ 1,284**	$ 2,595	$ 2,880
Transfers to trading account assets from investments (available-for-sale)	**—**	12,001	—
Transfers to trading account assets from investments (held-to-maturity)	**$ 12,700**	$ —	$ —

See Notes to the Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The Consolidated Financial Statements include the accounts of Citigroup and its subsidiaries. The Company consolidates subsidiaries in which it holds, directly or indirectly, more than 50% of the voting rights or where it exercises control Entities where the Company holds 20% to 50% of the voting rights and/or has the ability to exercise significant influence, other than investments of designated venture capital subsidiaries, or investments accounted for at fair value under the fair value option, are accounted for under the equity method, and the pro rata share of their income (loss) is included in *Other revenue* Income from investments in less than 20%-owned companies is recognized when dividends are received As discussed below, Citigroup consolidates entities deemed to be variable interest entities when Citigroup is determined to be the primary beneficiary Gains and losses on the disposition of branches, subsidiaries, affiliates, buildings, and other investments are included in *Other revenue*.

Throughout these Notes, "Citigroup", "Citi" and "the Company" refer to Citigroup Inc. and its consolidated subsidiaries.

Certain reclassifications have been made to the prior-periods' financial statements and notes to conform to the current period's presentation

Citibank, N.A.

Citibank, N.A is a commercial bank and wholly owned subsidiary of Citigroup Inc. Citibank's principal offerings include Consumer finance, mortgage lending, and retail banking products and services; investment banking, commercial banking, cash management, trade finance and e-commerce products and services, and private banking products and services

Variable Interest Entities

An entity is referred to as a variable interest entity (VIE) if it meets the criteria outlined in ASC 810, *Consolidation* (formerly SFAS No. 167, *Amendments to FASB Interpretation No. 46(R)*) (SFAS 167), which are: (1) the entity has equity that is insufficient to permit the entity to finance its activities without additional subordinated financial support from other parties, or (2) the entity has equity investors that cannot make significant decisions about the entity's operations or that do not absorb their proportionate share of the entity's expected losses or expected returns

Prior to January 1, 2010, the Company consolidated a VIE if it had a majority of the expected losses or a majority of the expected residual returns or both As of January 1, 2010, when the Company adopted SFAS 167's amendments to the VIE consolidation guidance, the Company consolidates a VIE when it has both the power to direct the activities that most significantly impact the VIE's economic success and a right to receive benefits or absorb losses of the entity that could be potentially significant to the VIE (that is, it is the primary beneficiary).

Along with the VIEs that are consolidated in accordance with these guidelines, the Company has variable interests in other VIEs that are not consolidated because the Company is not the primary beneficiary. These include multi-seller finance companies, certain collateralized debt obligations (CDOs), many structured finance transactions, and various investment funds.

However, these VIEs as well as all other unconsolidated VIEs are continually monitored by the Company to determine if any events have occurred that could cause its primary beneficiary status to change. These events include:

- additional purchases or sales of variable interests by Citigroup or an unrelated third party, which cause Citigroup's overall variable interest ownership to change,
- changes in contractual arrangements in a manner that reallocates expected losses and residual returns among the variable interest holders;
- changes in the party that has power to direct activities of a VIE that most significantly impact the entity's economic performance; and
- providing support to an entity that results in an implicit variable interest.

All other entities not deemed to be VIEs with which the Company has involvement are evaluated for consolidation under other subtopics of ASC 810 (formerly Accounting Research Bulletin (ARB) No. 51, *Consolidated Financial Statements*, SFAS No. 94, *Consolidation of All Majority-Owned Subsidiaries*, and EITF Issue No 04-5, "Determining Whether a General Partner, or the General Partners as a Group, Controls a Limited Partnership or Similar Entity When the Limited Partners Have Certain Rights").

Foreign Currency Translation

Assets and liabilities of foreign operations are translated from their respective functional currencies into U.S dollars using period-end spot foreign-exchange rates. The effects of those translation adjustments are reported in a separate component of stockholders' equity, along with related hedge and tax effects, until realized upon sale or liquidation of the foreign operation Revenues and expenses of foreign operations are translated monthly from their respective functional currencies into U S dollars at amounts that approximate weighted average exchange rates

For transactions whose terms are denominated in a currency other than the functional currency, including transactions denominated in the local currencies of foreign operations with the U S dollar as their functional currency, the effects of changes in exchange rates are primarily included in *Principal transactions*, along with the related hedge effects Instruments used to hedge foreign currency exposures include foreign currency forward, option and swap contracts and designated issues of non-U S. dollar debt. Foreign operations in countries with highly inflationary economies designate the U.S. dollar as their functional currency, with the effects of changes in exchange rates primarily included in *Other revenue*

Investment Securities

Investments include fixed income and equity securities. Fixed income instruments include bonds, notes and redeemable preferred stocks, as well as certain loan-backed and structured securities that are subject to prepayment risk. Equity securities include common and nonredeemable preferred stock.

Investment securities are classified and accounted for as follows:

- Fixed income securities classified as "held-to-maturity" represent securities that the Company has both the ability and the intent to hold until maturity, and are carried at amortized cost. Interest income on such securities is included in *Interest revenue*.
- Fixed income securities and marketable equity securities classified as "available-for-sale" are carried at fair value with changes in fair value reported in a separate component of *Stockholders' equity*, net of applicable income taxes. As described in more detail in Note 15 to the Consolidated Financial Statements, credit-related declines in fair value that are determined to be other–than-temporary are recorded in earnings immediately. Realized gains and losses on sales are included in income primarily on a specific identification cost basis. Interest and dividend income on such securities is included in *Interest revenue*.
- Venture capital investments held by Citigroup's private equity subsidiaries that are considered investment companies are carried at fair value with changes in fair value reported in *Other revenue*. These subsidiaries include entities registered as Small Business Investment Companies and engage exclusively in venture capital activities.
- Certain investments in non-marketable equity securities and certain investments that would otherwise have been accounted for using the equity method are carried at fair value, since the Company has elected to apply fair value accounting. Changes in fair value of such investments are recorded in earnings.
- Certain non-marketable equity securities are carried at cost and periodically assessed for other-than-temporary impairment, as set out in Note 15 to the Consolidated Financial Statements.

For investments in fixed income securities classified as held-to-maturity or available-for-sale, accrual of interest income is suspended for investments that are in default or on which it is likely that future interest payments will not be made as scheduled.

The Company uses a number of valuation techniques for investments carried at fair value, which are described in Note 25 to the Consolidated Financial Statements. Realized gains and losses on sales of investments are included in income.

Trading Account Assets and Liabilities

Trading account assets include debt and marketable equity securities, derivatives in a receivable position, residual interests in securitizations and physical commodities inventory. In addition (as described in Note 26 to the Consolidated Financial Statements), certain assets that Citigroup has elected to carry at fair value under the fair value option, such as loans and purchased guarantees, are also included in *Trading account assets*.

Trading account liabilities include securities sold, not yet purchased (short positions), and derivatives in a net payable position, as well as certain liabilities that Citigroup has elected to carry at fair value (as described in Note 26 to the Consolidated Financial Statements).

Other than physical commodities inventory, all trading account assets and liabilities are carried at fair value. Revenues generated from trading assets and trading liabilities are generally reported in *Principal transactions* and include realized gains and losses as well as unrealized gains and losses resulting from changes in the fair value of such instruments. Interest income on trading assets is recorded in *Interest revenue* reduced by interest expense on trading liabilities.

Physical commodities inventory is carried at the lower of cost or market with related losses reported in *Principal transactions*. Realized gains and losses on sales of commodities inventory are included in *Principal transactions*.

Derivatives used for trading purposes include interest rate, currency, equity, credit, and commodity swap agreements, options, caps and floors, warrants, and financial and commodity futures and forward contracts. Derivative asset and liability positions are presented net by counterparty on the Consolidated Balance Sheet when a valid master netting agreement exists and the other conditions set out in ASC 210-20, *Balance Sheet—Offsetting* are met.

The Company uses a number of techniques to determine the fair value of trading assets and liabilities, which are described in Note 25 to the Consolidated Financial Statements.

Securities Borrowed and Securities Loaned

Securities borrowing and lending transactions generally do not constitute a sale of the underlying securities for accounting purposes, and so are treated as collateralized financing transactions when the transaction involves the exchange of cash. Such transactions are recorded at the amount of cash advanced or received plus accrued interest. As described in Note 26 to the Consolidated Financial Statements, the Company has elected to apply fair value accounting to a number of securities borrowing and lending transactions. Irrespective of whether the Company has elected fair value accounting, fees paid or received for all securities lending and borrowing transactions are recorded in *Interest expense* or *Interest revenue* at the contractually specified rate.

With respect to securities borrowed or loaned, the Company monitors the market value of securities borrowed or loaned on a daily basis and obtains or posts additional collateral in order to maintain contractual margin protection.

As described in Note 25 to the Consolidated Financial Statements, the Company uses a discounted cash flow technique to determine the fair value of securities lending and borrowing transactions.

Repurchase and Resale Agreements

Securities sold under agreements to repurchase (repos) and securities purchased under agreements to resell (reverse repos) generally do not constitute a sale for accounting purposes of the underlying securities and so

are treated as collateralized financing transactions. As set out in Note 26 to the Consolidated Financial Statements, the Company has elected to apply fair value accounting to a majority of such transactions, with changes in fair value reported in earnings. Any transactions for which fair value accounting has not been elected are recorded at the amount of cash advanced or received plus accrued interest. Irrespective of whether the Company has elected fair value accounting, interest paid or received on all repo and reverse repo transactions is recorded in *Interest expense* or *Interest revenue* at the contractually specified rate.

Where the conditions of ASC 210-20-45-11, *Balance Sheet—Offsetting: Repurchase and Reverse Repurchase Agreements*, are met, repos and reverse repos are presented net on the Consolidated Balance Sheet.

The Company's policy is to take possession of securities purchased under reverse repurchase agreements. The Company monitors the market value of securities subject to repurchase or resale on a daily basis and obtains or posts additional collateral in order to maintain contractual margin protection.

As described in Note 25 to the Consolidated Financial Statements, the Company uses a discounted cash flow technique to determine the fair value of repo and reverse repo transactions. See related discussion of the assessment of the effective control for repurchase agreements in "Future Application of Accounting Standards" below.

Repurchase and Resale Agreements, and Securities Lending and Borrowing Agreements, Accounted for as Sales

Where certain conditions are met under ASC 860-10, *Transfers and Servicing* (formerly FASB Statement No. 166, *Accounting for Transfers of Financial Assets*), the Company accounts for certain repurchase agreements and securities lending agreements as sales. The key distinction resulting in these agreements being accounted for as sales is a reduction in initial margin or restriction in daily maintenance margin. At December 31, 2011 and December 31, 2010, a nominal amount of these transactions were accounted for as sales that reduced *Trading account assets*.

Loans

Loans are reported at their outstanding principal balances net of any unearned income and unamortized deferred fees and costs except that credit card receivable balances also include accrued interest and fees. Loan origination fees and certain direct origination costs are generally deferred and recognized as adjustments to income over the lives of the related loans.

As described in Note 26 to the Consolidated Financial Statements, Citi has elected fair value accounting for certain loans. Such loans are carried at fair value with changes in fair value reported in earnings. Interest income on such loans is recorded in *Interest revenue* at the contractually specified rate.

Loans for which the fair value option has not been elected are classified upon origination or acquisition as either held-for-investment or held-for-sale. This classification is based on management's initial intent and ability with regard to those loans.

Loans that are held-for-investment are classified as *Loans, net of unearned income* on the Consolidated Balance Sheet, and the related cash flows are included within the cash flows from investing activities category in the Consolidated Statement of Cash Flows on the line *Change in loans*. However, when the initial intent for holding a loan has changed from held-for-investment to held-for-sale, the loan is reclassified to held-for-sale, but the related cash flows continue to be reported in cash flows from investing activities in the Consolidated Statement of Cash Flows on the line *Proceeds from sales and securitizations of loans*.

Consumer loans

Consumer loans represent loans and leases managed primarily by the *Global Consumer Banking* and *Local Consumer Lending* businesses.

Non-accrual and re-aging policies

As a general rule, interest accrual ceases for installment and real estate (both open- and closed-end) loans when payments are 90 days contractually past due. For credit cards and unsecured revolving loans, however, Citi generally accrues interest until payments are 180 days past due. Loans that have been modified to grant a short-term or long-term concession to a borrower who is in financial difficulty may not be accruing interest at the time of the modification. The policy for returning such modified loans to accrual status varies by product and/or region. In most cases, a minimum number of payments (ranging from one to six) are required, while in other cases the loan is never returned to accrual status.

For U.S. Consumer loans, one of the conditions to qualify for modification is that a minimum number of payments (typically ranging from one to three) must be made. Upon modification, the loan is re-aged to current status. However, re-aging practices for certain open-ended Consumer loans, such as credit cards, are governed by Federal Financial Institutions Examination Council (FFIEC) guidelines. For open-ended Consumer loans subject to FFIEC guidelines, one of the conditions for the loan to be re-aged to current status is that at least three consecutive minimum monthly payments, or the equivalent amount, must be received. In addition, under FFIEC guidelines, the number of times that such a loan can be re-aged is subject to limitations (generally once in twelve months and twice in five years). Furthermore, Federal Housing Administration (FHA) and Department of Veterans Affairs (VA) loans are modified under those respective agencies' guidelines and payments are not always required in order to re-age a modified loan to current.

Charge-off policies

Citi's charge-off policies follow the general guidelines below.

- Unsecured installment loans are charged off at 120 days past due.
- Unsecured revolving loans and credit card loans are charged off at 180 days contractually past due.
- Loans secured with non-real estate collateral are written down to the estimated value of the collateral, less costs to sell, at 120 days past due.
- Real estate-secured loans are written down to the estimated value of the property, less costs to sell, at 180 days contractually past due.

- Non-bank loans secured by real estate are written down to the estimated value of the property, less costs to sell, at the earlier of the receipt of title or 12 months in foreclosure (a process that must commence when payments are 120 days contractually past due).
- Non-bank auto loans are written down to the estimated value of the collateral, less costs to sell, at repossession or, if repossession is not pursued, no later than 180 days contractually past due.
- Non-bank unsecured personal loans are charged off when the loan is 180 days contractually past due if there have been no payments within the last six months, but in no event can these loans exceed 360 days contractually past due.
- Unsecured loans in bankruptcy are charged off within 60 days of notification of filing by the bankruptcy court or in accordance with Citi's charge-off policy, whichever occurs earlier.
- Real estate-secured loans in bankruptcy are written down to the estimated value of the property, less costs to sell, at the later of 60 days after notification or 60 days contractually past due.
- Non-bank unsecured personal loans in bankruptcy are charged off when they are 30 days contractually past due.
- Commercial market loans are written down to the extent that principal is judged to be uncollectable.

Corporate loans

Corporate loans represent loans and leases managed by *ICG* or the *Special Asset Pool*. Corporate loans are identified as impaired and placed on a cash (non-accrual) basis when it is determined, based on actual experience and a forward-looking assessment of the collectability of the loan in full, that the payment of interest or principal is doubtful or when interest or principal is 90 days past due, except when the loan is well collateralized and in the process of collection. Any interest accrued on impaired Corporate loans and leases is reversed at 90 days and charged against current earnings, and interest is thereafter included in earnings only to the extent actually received in cash When there is doubt regarding the ultimate collectability of principal, all cash receipts are thereafter applied to reduce the recorded investment in the loan

Impaired Corporate loans and leases are written down to the extent that principal is judged to be uncollectable Impaired collateral-dependent loans and leases, where repayment is expected to be provided solely by the sale of the underlying collateral and there are no other available and reliable sources of repayment, are written down to the lower of cost or collateral value. Cash-basis loans are returned to an accrual status when all contractual principal and interest amounts are reasonably assured of repayment and there is a sustained period of repayment performance in accordance with the contractual terms

Loans Held-for-Sale

Corporate and Consumer loans that have been identified for sale are classified as loans held-for-sale included in *Other assets*. The practice of the U.S prime mortgage business has been to sell substantially all of its conforming loans. As such, U S. prime mortgage conforming loans are classified as held-for-sale and the fair value option is elected at the time of origination. With the exception of these loans for which the fair value option has been elected, held-for-sale loans are accounted for at the lower of cost or market value, with any write-downs or subsequent recoveries charged to *Other revenue* The related cash flows are classified in the Consolidated Statement of Cash Flows in the cash flows from operating activities category on the line *Change in loans held-for-sale.*

Allowance for Loan Losses

Allowance for loan losses represents management's best estimate of probable losses inherent in the portfolio, as well as probable losses related to large individually evaluated impaired loans and troubled debt restructurings. Attribution of the allowance is made for analytical purposes only, and the entire allowance is available to absorb probable loan losses inherent in the overall portfolio Additions to the allowance are made through the *Provision for loan losses*. Loan losses are deducted from the allowance, and subsequent recoveries are added. Assets received in exchange for loan claims in a restructuring are initially recorded at fair value, with any gain or loss reflected as a recovery or charge-off to the allowance.

Corporate loans

In the corporate portfolios, the *Allowance for loan losses* includes an asset-specific component and a statistically based component. The asset-specific component is calculated under ASC 310-10-35, *Receivables—Subsequent Measurement* (formerly SFAS 114) on an individual basis for larger-balance, non-homogeneous loans, which are considered impaired. An asset-specific allowance is established when the discounted cash flows, collateral value (less disposal costs), or observable market price of the impaired loan is lower than its carrying value This allowance considers the borrower's overall financial condition, resources, and payment record, the prospects for support from any financially responsible guarantors (discussed further below) and, if appropriate, the realizable value of any collateral The asset-specific component of the allowance for smaller balance impaired loans is calculated on a pool basis considering historical loss experience

The allowance for the remainder of the loan portfolio is calculated under ASC 450, *Contingencies* (formerly SFAS 5) using a statistical methodology, supplemented by management judgment. The statistical analysis considers the portfolio's size, remaining tenor, and credit quality as measured by internal risk ratings assigned to individual credit facilities, which reflect probability of default and loss given default. The statistical analysis considers historical default rates and historical loss severity in the event of default, including historical average levels and historical variability The result is an estimated range for inherent losses The best estimate within the range is then determined by management's quantitative and qualitative assessment

of current conditions, including general economic conditions, specific industry and geographic trends, and internal factors including portfolio concentrations, trends in internal credit quality indicators, and current and past underwriting standards

For both the asset-specific and the statistically based components of the *Allowance for loan losses*, management may incorporate guarantor support. The financial wherewithal of the guarantor is evaluated, as applicable, based on net worth, cash flow statements and personal or company financial statements which are updated and reviewed at least annually. Citi seeks performance on guarantee arrangements in the normal course of business Seeking performance entails obtaining satisfactory cooperation from the guarantor or borrower to achieve Citi's strategy in the specific situation This regular cooperation is indicative of pursuit and successful enforcement of the guarantee; the exposure is reduced without the expense and burden of pursuing a legal remedy. Enforcing a guarantee via legal action against the guarantor is not the primary means of resolving a troubled loan situation and rarely occurs. A guarantor's reputation and willingness to work with Citigroup is evaluated based on the historical experience with the guarantor and the knowledge of the marketplace. In the rare event that the guarantor is unwilling or unable to perform or facilitate borrower cooperation, Citi pursues a legal remedy If Citi does not pursue a legal remedy, it is because Citi does not believe that the guarantor has the financial wherewithal to perform regardless of legal action or because there are legal limitations on simultaneously pursuing guarantors and foreclosure. A guarantor's reputation does not impact our decision or ability to seek performance under the guarantee

In cases where a guarantee is a factor in the assessment of loan losses, it is included via adjustment to the loan's internal risk rating, which in turn is the basis for the adjustment to the statistically based component of the *Allowance for loan losses* To date, it is only in rare circumstances that an impaired commercial or commercial real estate (CRE) loan is carried at a value in excess of the appraised value due to a guarantee .

When Citi's monitoring of the loan indicates that the guarantor's wherewithal to pay is uncertain or has deteriorated, there is either no change in the risk rating, because the guarantor's credit support was never initially factored in, or the risk rating is adjusted to reflect that uncertainty or deterioration. Accordingly, a guarantor's ultimate failure to perform or a lack of legal enforcement of the guarantee does not materially impact the allowance for loan losses, as there is typically no further significant adjustment of the loan's risk rating at that time Where Citi is not seeking performance under the guarantee contract, it provides for loans losses as if the loans were non-performing and not guaranteed.

Consumer loans

For Consumer loans, each portfolio of non-modified smaller-balance, homogeneous loans is independently evaluated by product type (e g., residential mortgage, credit card, etc) for impairment in accordance with ASC 450-20. The allowance for loan losses attributed to these loans is established via a process that estimates the probable losses inherent in the specific portfolio This process includes migration analysis, in which historical delinquency and credit loss experience is applied to the current aging of the portfolio, together with analyses that reflect current and anticipated economic conditions, including changes in housing prices and unemployment trends. Citi's allowance for loan losses under ASC 450-20 only considers contractual principal amounts due, except for credit card loans where estimated loss amounts related to accrued interest receivable are also included.

Management also considers overall portfolio indicators, including historical credit losses, delinquent, non-performing, and classified loans, trends in volumes and terms of loans, an evaluation of overall credit quality, the credit process, including lending policies and procedures, and economic, geographical, product and other environmental factors.

Separate valuation allowances are determined for impaired smaller-balance homogeneous loans whose terms have been modified in a troubled debt restructuring (TDR). Long-term modification programs as well as short-term (less than 12 months) modifications originated from January 1, 2011) that provide concessions (such as interest rate reductions) to borrowers in financial difficulty are reported as TDRs In addition, loans included in the U.S. Treasury's Home Affordable Modification Program (HAMP) trial period at December 31, 2011 are reported as TDRs. The allowance for loan losses for TDRs is determined in accordance with ASC 310-10-35 considering all available evidence, including, as appropriate, the present value of the expected future cash flows discounted at the loan's original contractual effective rate, the secondary market value of the loan and the fair value of collateral less disposal costs. These expected cash flows incorporate modification program default rate assumptions. The original contractual effective rate for credit card loans is the pre-modification rate, which may include interest rate increases under the original contractual agreement with the borrower

Where short-term concessions have been granted prior to January 1, 2011, the allowance for loan losses is materially consistent with the requirements of ASC 310-10-35.

Valuation allowances for commercial market loans, which are classifiably managed Consumer loans, are determined in the same manner as for Corporate loans and are described in more detail in the following section. Generally, an asset-specific component is calculated under ASC 310-10-35 on an individual basis for larger-balance, non-homogeneous loans that are considered impaired and the allowance for the remainder of the classifiably managed Consumer loan portfolio is calculated under ASC 450 using a statistical methodology, supplemented by management adjustment

Reserve Estimates and Policies

Management provides reserves for an estimate of probable losses inherent in the funded loan portfolio on the balance sheet in the form of an allowance for loan losses. These reserves are established in accordance with Citigroup's credit reserve policies, as approved by the Audit Committee of the Board of Directors. Citi's Chief Risk Officer and Chief Financial Officer review the adequacy of the credit loss reserves each quarter with representatives from the risk management and finance staffs for each applicable business area Applicable business areas include those having classifiably managed

portfolios, where internal credit-risk ratings are assigned (primarily *Institutional Clients Group* and *Global Consumer Banking*) or modified Consumer loans, where concessions were granted due to the borrowers' financial difficulties

The above-mentioned representatives covering these respective business areas present recommended reserve balances for their funded and unfunded lending portfolios along with supporting quantitative and qualitative data. The quantitative data include:

- *Estimated probable losses for non-performing, non-homogeneous exposures within a business line's classifiably managed portfolio and impaired smaller-balance homogeneous loans whose terms have been modified due to the borrowers' financial difficulties, and it was determined that a concession was granted to the borrower.* Consideration may be given to the following, as appropriate, when determining this estimate: (i) the present value of expected future cash flows discounted at the loan's original effective rate; (ii) the borrower's overall financial condition, resources and payment record; and (iii) the prospects for support from financially responsible guarantors or the realizable value of any collateral. In the determination of the allowance for loan losses for TDRs, management considers a combination of historical re-default rates, the current economic environment and the nature of the modification program when forecasting expected cash flows. When impairment is measured based on the present value of expected future cash flows, the entire change in present value is recorded in the *Provision for loan losses*.
- *Statistically calculated losses inherent in the classifiably managed portfolio for performing and de minimis non-performing exposures* The calculation is based upon. (i) Citigroup's internal system of credit-risk ratings, which are analogous to the risk ratings of the major rating agencies; and (ii) historical default and loss data, including rating agency information regarding default rates from 1983 to 2010 and internal data dating to the early 1970s on severity of losses in the event of default.
- *Additional adjustments include*: (i) statistically calculated estimates to cover the historical fluctuation of the default rates over the credit cycle, the historical variability of loss severity among defaulted loans, and the degree to which there are large obligor concentrations in the global portfolio; and (ii) adjustments made for specific known items, such as current environmental factors and credit trends.

In addition, representatives from each of the risk management and finance staffs that cover business areas with delinquency-managed portfolios containing smaller-balance homogeneous loans present their recommended reserve balances based upon leading credit indicators, including loan delinquencies and changes in portfolio size as well as economic trends, including housing prices, unemployment and GDP. This methodology is applied separately for each individual product within each geographic region in which these portfolios exist

This evaluation process is subject to numerous estimates and judgments. The frequency of default, risk ratings, loss recovery rates, the size and diversity of individual large credits, and the ability of borrowers with foreign currency obligations to obtain the foreign currency necessary for orderly debt servicing, among other things, are all taken into account during this review. Changes in these estimates could have a direct impact on the credit costs in any period and could result in a change in the allowance. Changes to the *Allowance for loan losses* are recorded in the *Provision for loan losses*.

Allowance for Unfunded Lending Commitments

A similar approach to the allowance for loan losses is used for calculating a reserve for the expected losses related to unfunded loan commitments and standby letters of credit. This reserve is classified on the balance sheet in *Other liabilities*. Changes to the allowance for unfunded lending commitments are recorded in the *Provision for unfunded lending commitments*.

Mortgage Servicing Rights

Mortgage servicing rights (MSRs) are recognized as intangible assets when purchased or when the Company sells or securitizes loans acquired through purchase or origination and retains the right to service the loans. Mortgage servicing rights are accounted for at fair value, with changes in value recorded in *Other Revenue* in the Company's Consolidated Statement of Income.

Additional information on the Company's MSRs can be found in Note 22 to the Consolidated Financial Statements

Consumer Mortgage–Representations and Warranties

The majority of Citi's exposure to representation and warranty claims relates to its U.S. Consumer mortgage business within CitiMortgage.

When selling a loan, Citi makes various representations and warranties relating to, among other things, the following:

- Citi's ownership of the loan;
- the validity of the lien securing the loan,
- the absence of delinquent taxes or liens against the property securing the loan;
- the effectiveness of title insurance on the property securing the loan;
- the process used in selecting the loans for inclusion in a transaction,
- the loan's compliance with any applicable loan criteria established by the buyer; and
- the loan's compliance with applicable local, state and federal laws

The specific representations and warranties made by Citi depend on the nature of the transaction and the requirements of the buyer. Market conditions and credit rating agency requirements may also affect representations and warranties and the other provisions to which Citi may agree in loan sales.

In the event of a breach of these representations and warranties, Citi may be required to either repurchase the mortgage loans with the identified defects (generally at unpaid principal balance plus accrued interest) or indemnify ("make-whole") the investors for their losses. Citi's representations and warranties are generally not subject to stated limits in amount or time of coverage.

In the case of a repurchase, Citi will bear any subsequent credit loss on the mortgage loan and the loan is typically considered a credit-impaired loan and accounted for under SOP 03-3, "Accounting for Certain Loans and Debt Securities Acquired in a Transfer" (now incorporated into ASC 310-30, *Receivables—Loans and Debt Securities Acquired with Deteriorated Credit Quality*) (SOP 03-3). These repurchases have not had a material impact on Citi's non-performing loan statistics because credit-impaired purchased SOP 03-3 loans are not included in non-accrual loans, since they generally continue to accrue interest until write-off. Citi's repurchases have primarily been from the U.S. government sponsored entities (GSEs).

Citi has recorded a reserve for its exposure to losses from the obligation to repurchase previously sold loans (referred to as the repurchase reserve) that is included in *Other liabilities* in the Consolidated Balance Sheet. In estimating the repurchase reserve, Citi considers reimbursements estimated to be received from third-party correspondent lenders and indemnification agreements relating to previous acquisitions of mortgage servicing rights. The estimated reimbursements are based on Citi's analysis of its most recent collection trends and the financial solvency of the correspondents.

In the case of a repurchase of a credit-impaired SOP 03-3 loan, the difference between the loan's fair value and unpaid principal balance at the time of the repurchase is recorded as a utilization of the repurchase reserve. Make-whole payments to the investor are also treated as utilizations and charged directly against the reserve. The repurchase reserve is estimated when Citi sells loans (recorded as an adjustment to the gain on sale, which is included in *Other revenue* in the Consolidated Statement of Income) and is updated quarterly. Any change in estimate is recorded in *Other revenue*.

The repurchase reserve is calculated by individual sales vintage (i.e., the year the loans were sold) and is based on various assumptions. These assumptions contain a level of uncertainty and risk that, if different from actual results, could have a material impact on the reserve amount. The most significant assumptions used to calculate the reserve levels are as follows:

- loan documentation requests,
- repurchase claims as a percentage of loan documentation requests,
- claims appeal success rate, and
- estimated loss per repurchase or make-whole.

Securities and Banking-Sponsored Legacy Private Label Residential Mortgage Securitizations—Representations and Warranties

Legacy mortgage securitizations sponsored by Citi's *S&B* business have represented a much smaller portion of Citi's mortgage business.

The mortgages included in *S&B*-sponsored legacy securitizations were purchased from parties outside of *S&B*. Representations and warranties relating to the mortgage loans included in each trust issuing the securities were made either by Citi, by third-party sellers (which were also often the originators of the loans), or both. These representations and warranties were generally made or assigned to the issuing trust and related to, among other things, the following:

- the absence of fraud on the part of the borrower, the seller or any appraiser, broker or other party involved in the origination of the mortgage (which was sometimes wholly or partially limited to the knowledge of the representation and warranty provider);
- whether the mortgage property was occupied by the borrower as his or her principal residence,
- the mortgage's compliance with applicable federal, state and local laws,
- whether the mortgage was originated in conformity with the originator's underwriting guidelines; and
- detailed data concerning the mortgages that were included on the mortgage loan schedule.

In the event of a breach of its representations and warranties, Citi may be required either to repurchase the mortgage with the identified defects (generally at unpaid principal balance plus accrued interest) or indemnify the investors for their losses through make-whole payments.

To date, Citi has received actual claims for breaches of representations and warranties relating to only a small percentage of the mortgages included in these securitization transactions, although the pace of claims remains volatile and has recently increased.

Goodwill

Goodwill represents the excess of acquisition cost over the fair value of net tangible and intangible assets acquired. Goodwill is subject to annual impairment tests, whereby Goodwill is allocated to the Company's reporting units and an impairment is deemed to exist if the carrying value of a reporting unit exceeds its estimated fair value. Furthermore, on any business dispositions, Goodwill is allocated to the business disposed of based on the ratio of the fair value of the business disposed of to the fair value of the reporting unit.

Intangible Assets

Intangible assets—including core deposit intangibles, present value of future profits, purchased credit card relationships, other customer relationships, and other intangible assets, but excluding MSRs—are amortized over their estimated useful lives. Intangible assets deemed to have indefinite useful lives, primarily certain asset management contracts

and trade names, are not amortized and are subject to annual impairment tests An impairment exists if the carrying value of the indefinite-lived intangible asset exceeds its fair value. For other Intangible assets subject to amortization, an impairment is recognized if the carrying amount is not recoverable and exceeds the fair value of the Intangible asset

Other Assets and Other Liabilities

Other assets include, among other items, loans held-for-sale, deferred tax assets, equity-method investments, interest and fees receivable, premises and equipment, repossessed assets, and other receivables. *Other liabilities* include, among other items, accrued expenses and other payables, deferred tax liabilities, and reserves for legal claims, taxes, unfunded lending commitments, repositioning reserves, and other matters.

Other Real Estate Owned and Repossessed Assets

Real estate or other assets received through foreclosure or repossession are generally reported in *Other assets*, net of a valuation allowance for selling costs and net of subsequent declines in fair value.

Securitizations

The Company primarily securitizes credit card receivables and mortgages Other types of securitized assets include corporate debt instruments (in cash and synthetic form) and student loans

There are two key accounting determinations that must be made relating to securitizations. Citi first makes a determination as to whether the securitization entity would be consolidated. Second, it determines whether the transfer of financial assets to the entity is considered a sale under GAAP. If the securitization entity is a VIE, the Company consolidates the VIE if it is the primary beneficiary.

The Company consolidates VIEs when it has both (1) power to direct activities of the VIE that most significantly impact the entity's economic performance and (2) an obligation to absorb losses or right to receive benefits from the entity that could potentially be significant to the VIE.

For all other securitization entities determined not to be VIEs in which Citigroup participates, a consolidation decision is based on who has voting control of the entity, giving consideration to removal and liquidation rights in certain partnership structures Only securitization entities controlled by Citigroup are consolidated

Interests in the securitized and sold assets may be retained in the form of subordinated or senior interest-only strips, subordinated tranches, spread accounts, and servicing rights. In credit card securitizations, the Company retains a seller's interest in the credit card receivables transferred to the trusts, which is not in securitized form. In the case of consolidated securitization entities, including the credit card trusts, these retained interests are not reported on Citi's Consolidated Balance Sheet, rather, the securitized loans remain on the balance sheet. Substantially all of the Consumer loans sold or securitized through non-consolidated trusts by Citigroup are U S. prime residential mortgage loans. Retained interests in non-consolidated mortgage securitization trusts are classified as *Trading Account Assets*, except for MSRs which are included in *Mortgage Servicing Rights* on Citigroup's Consolidated Balance Sheet.

Debt

Short-term borrowings and long-term debt are accounted for at amortized cost, except where the Company has elected to report the debt instruments, including certain structured notes, at fair value or the debt is in a fair value hedging relationship.

Transfers of Financial Assets

For a transfer of financial assets to be considered a sale: the assets must have been isolated from the Company, even in bankruptcy or other receivership; the purchaser must have the right to pledge or sell the assets transferred or, if the purchaser is an entity whose sole purpose is to engage in securitization and asset-backed financing activities and that entity is constrained from pledging the assets it receives, each beneficial interest holder must have the right to sell the beneficial interests; and the Company may not have an option or obligation to reacquire the assets. If these sale requirements are met, the assets are removed from the Company's Consolidated Balance Sheet. If the conditions for sale are not met, the transfer is considered to be a secured borrowing, the assets remain on the Consolidated Balance Sheet, and the sale proceeds are recognized as the Company's liability. A legal opinion on a sale is generally obtained for complex transactions or where the Company has continuing involvement with assets transferred or with the securitization entity. For a transfer to be eligible for sale accounting, those opinions must state that the asset transfer is considered a sale and that the assets transferred would not be consolidated with the Company's other assets in the event of the Company's insolvency.

For a transfer of a portion of a financial asset to be considered a sale, the portion transferred must meet the definition of a participating interest. A participating interest must represent a pro rata ownership in an entire financial asset; all cash flows must be divided proportionally, with the same priority of payment; no participating interest in the transferred asset may be subordinated to the interest of another participating interest holder, and no party may have the right to pledge or exchange the entire financial asset unless all participating interest holders agree Otherwise, the transfer is accounted for as a secured borrowing

See Note 22 to the Consolidated Financial Statements for further discussion.

Risk Management Activities—Derivatives Used for Hedging Purposes

The Company manages its exposures to market rate movements outside its trading activities by modifying the asset and liability mix, either directly or through the use of derivative financial products, including interest-rate swaps, futures, forwards, and purchased options, as well as foreign-exchange contracts These end-user derivatives are carried at fair value in *Other assets, Other liabilities, Trading account assets* and *Trading account liabilities*.

To qualify as an accounting hedge under the hedge accounting rules (versus a management hedge where hedge accounting is not sought), a derivative must be highly effective in offsetting the risk designated as being hedged. The hedge relationship must be formally documented at inception, detailing the particular risk management objective and strategy for the hedge, which includes the item and risk that is being hedged and the

derivative that is being used, as well as how effectiveness will be assessed and ineffectiveness measured. The effectiveness of these hedging relationships is evaluated on a retrospective and prospective basis, typically using quantitative measures of correlation with hedge ineffectiveness measured and recorded in current earnings.

If a hedge relationship is found to be ineffective, it no longer qualifies as an accounting hedge and hedge accounting would not be applied. Any gains or losses attributable to the derivatives, as well as subsequent changes in fair value, are recognized in *Other revenue* or *Principal transactions* with no offset on the hedged item, similar to trading derivatives

The foregoing criteria are applied on a decentralized basis, consistent with the level at which market risk is managed, but are subject to various limits and controls. The underlying asset, liability or forecasted transaction may be an individual item or a portfolio of similar items.

For fair value hedges, in which derivatives hedge the fair value of assets or liabilities, changes in the fair value of derivatives are reflected in *Other revenue* or *Principal transactions*, together with changes in the fair value of the hedged item related to the hedged risk. These are expected to, and generally do, offset each other. Any net amount, representing hedge ineffectiveness, is reflected in current earnings. Citigroup's fair value hedges are primarily hedges of fixed-rate long-term debt and available-for-sale securities.

For cash flow hedges, in which derivatives hedge the variability of cash flows related to floating- and fixed-rate assets, liabilities or forecasted transactions, the accounting treatment depends on the effectiveness of the hedge To the extent these derivatives are effective in offsetting the variability of the hedged cash flows, the effective portion of the changes in the derivatives' fair values will not be included in current earnings, but is reported in *Accumulated other comprehensive income (loss)* These changes in fair value will be included in earnings of future periods when the hedged cash flows impact earnings. To the extent these derivatives are not effective, changes in their fair values are immediately included in *Other revenue* Citigroup's cash flow hedges primarily include hedges of floating-rate debt, as well as rollovers of short-term fixed-rate liabilities and floating-rate liabilities and forecasted debt issuances.

For net investment hedges in which derivatives hedge the foreign currency exposure of a net investment in a foreign operation, the accounting treatment will similarly depend on the effectiveness of the hedge The effective portion of the change in fair value of the derivative, including any forward premium or discount, is reflected in *Accumulated other comprehensive income (loss)* as part of the foreign currency translation adjustment.

End-user derivatives that are economic hedges, rather than qualifying for hedge accounting, are also carried at fair value, with changes in value included in *Principal transactions* or *Other revenue* Citigroup often uses economic hedges when qualifying for hedge accounting would be too complex or operationally burdensome, examples are hedges of the credit risk component of commercial loans and loan commitments Citigroup periodically evaluates its hedging strategies in other areas and may designate either a qualifying hedge or an economic hedge, after considering the relative cost and benefits. Economic hedges are also employed when the hedged item itself is marked to market through current earnings, such as hedges of commitments to originate one-to-four-family mortgage loans to be held for sale and MSRs.

For those accounting hedge relationships that are terminated or when hedge designations are removed, the hedge accounting treatment described in the paragraphs above is no longer applied. Instead, the end-user derivative is terminated or transferred to the trading account For fair value hedges, any changes in the fair value of the hedged item remain as part of the basis of the asset or liability and are ultimately reflected as an element of the yield. For cash flow hedges, any changes in fair value of the end-user derivative remain in *Accumulated other comprehensive income (loss)* and are included in earnings of future periods when the hedged cash flows impact earnings. However, if it becomes probable that the hedged forecasted transaction will not occur, any amounts that remain in *Accumulated other comprehensive income (loss)* are immediately reflected in *Other revenue*.

Employee Benefits Expense

Employee benefits expense includes current service costs of pension and other postretirement benefit plans, which are accrued on a current basis, contributions and unrestricted awards under other employee plans, the amortization of restricted stock awards and costs of other employee benefits.

Stock-Based Compensation

The Company recognizes compensation expense related to stock and option awards over the requisite service period, generally based on the instruments' grant date fair value, reduced by expected forfeitures Compensation cost related to awards granted to employees who meet certain age plus years-of-service requirements (retirement eligible employees) is accrued in the year prior to the grant date, in the same manner as the accrual for cash incentive compensation. Certain stock awards with performance conditions or certain clawback provisions are subject to variable accounting, pursuant to which the associated charges fluctuate with changes in Citigroup's stock price.

Income Taxes

The Company is subject to the income tax laws of the U S , its states and municipalities and those of the foreign jurisdictions in which the Company operates These tax laws are complex and subject to different interpretations by the taxpayer and the relevant governmental taxing authorities In establishing a provision for income tax expense, the Company must make judgments and interpretations about the application of these inherently complex tax laws. The Company must also make estimates about when in the future certain items will affect taxable income in the various tax jurisdictions, both domestic and foreign

Disputes over interpretations of the tax laws may be subject to review/ adjudication by the court systems of the various tax jurisdictions or may be settled with the taxing authority upon examination or audit. The Company treats interest and penalties on income taxes as a component of *Income tax expense*.

Deferred taxes are recorded for the future consequences of events that have been recognized for financial statements or tax returns, based upon enacted tax laws and rates. Deferred tax assets are recognized subject to management's judgment that realization is more likely than not. FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" (FIN 48) (now incorporated into ASC 740, Income Taxes), sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. This interpretation uses a two-step approach wherein a tax benefit is recognized if a position is more likely than not to be sustained. The amount of the benefit is then measured to be the highest tax benefit that is greater than 50% likely to be realized FIN 48 also sets out disclosure requirements to enhance transparency of an entity's tax reserves.

See Note 10 to the Consolidated Financial Statements for a further description of the Company's provision and related income tax assets and liabilities.

Commissions, Underwriting and Principal Transactions

Commissions revenues are recognized in income generally when earned. Underwriting revenues are recognized in income typically at the closing of the transaction. Principal transactions revenues are recognized in income on a trade-date basis. See Note 6 to the Consolidated Financial Statements for a description of the Company's revenue recognition policies for commissions and fees

Earnings per Share

Earnings per share (EPS) is computed after deducting preferred stock dividends. The Company has granted restricted and deferred share awards with dividend rights that are considered to be participating securities, which are akin to a second class of common stock. Accordingly, a portion of Citigroup's earnings is allocated to those participating securities in the EPS calculation.

Basic earnings per share is computed by dividing income available to common stockholders after the allocation of dividends and undistributed earnings to the participating securities by the weighted average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised It is computed after giving consideration to the weighted average dilutive effect of the Company's stock options and warrants, convertible securities, T-DECs, and the shares that could have been issued under the Company's Management Committee Long-Term Incentive Plan and after the allocation of earnings to the participating securities

All per share amounts and Citigroup shares outstanding for all periods reflect Citigroup's 1-for-10 reverse stock split, which was effective May 6, 2011

Use of Estimates

Management must make estimates and assumptions that affect the Consolidated Financial Statements and the related footnote disclosures. Such estimates are used in connection with certain fair value measurements. See Note 25 to the Consolidated Financial Statements for further discussions on estimates used in the determination of fair value. The Company also uses estimates in determining consolidation decisions for special-purpose entities as discussed in Note 22. Moreover, estimates are significant in determining the amounts of other-than-temporary impairments, impairments of goodwill and other intangible assets, provisions for probable losses that may arise from credit-related exposures and probable and estimable losses related to litigation and regulatory proceedings, and tax reserves. While management makes its best judgment, actual amounts or results could differ from those estimates. Current market conditions increase the risk and complexity of the judgments in these estimates.

Cash Flows

Cash equivalents are defined as those amounts included in cash and due from banks. Cash flows from risk management activities are classified in the same category as the related assets and liabilities.

Related Party Transactions

The Company has related party transactions with certain of its subsidiaries and affiliates. These transactions, which are primarily short-term in nature, include cash accounts, collateralized financing transactions, margin accounts, derivative trading, charges for operational support and the borrowing and lending of funds, and are entered into in the ordinary course of business.

ACCOUNTING CHANGES

Credit Quality and Allowance for Credit Losses Disclosures

In July 2010, the FASB issued ASU No. 2010-20, Receivables (Topic 310): *Disclosures about Credit Quality of Financing Receivables and Allowance for Credit Losses*. The ASU required a greater level of disaggregated information about the allowance for credit losses and the credit quality of financing receivables. The period-end balance disclosure requirements for loans and the allowance for loan losses were effective for reporting periods ending on or after December 15, 2010 and were included in the Company's 2010 Annual Report on Form 10-K, while disclosures for activity during a reporting period in the loan and allowance for loan losses accounts were effective for reporting periods beginning on or after December 15, 2010 and were included in the Company's Forms 10-Q beginning with the first quarter of 2011 (see Notes 16 and 17 to the Consolidated Financial Statements). The troubled debt restructuring disclosure requirements that were part of this ASU became effective in the third quarter of 2011 (see below).

Troubled Debt Restructurings (TDRs)

In April 2011, the FASB issued ASU No. 2011-02, *Receivables (Topic 310): A Creditor's Determination of whether a Restructuring is a Troubled Debt Restructuring*, to clarify the guidance for accounting for troubled debt restructurings. The ASU clarified the guidance on a creditor's evaluation of whether it has granted a concession and whether a debtor is experiencing financial difficulties, such as:

- Any shortfall in contractual loan payments is considered a concession.
- Creditors cannot assume that debt extensions at or above a borrower's original contractual rate do not constitute troubled debt restructurings because the new contractual rate could still be below the market rate.
- If a borrower doesn't have access to funds at a market rate for debt with characteristics similar to the restructured debt, that may indicate that the creditor has granted a concession.
- A borrower that is not currently in default may still be considered to be experiencing financial difficulty when payment default is considered "probable in the foreseeable future."

Effective in the third quarter of 2011, as a result of adopting ASU 2011-02, certain loans modified under short-term programs since January 1, 2011 that were previously measured for impairment under ASC 450 are now measured for impairment under ASC 310-10-35. At the end of the first interim period of adoption (September 30, 2011), the recorded investment in receivables previously measured under ASC 450 was $1,170 million and the allowance for credit losses associated with those loans was $467 million. The effect of adopting the ASU was approximately $60 million.

Change in Accounting for Embedded Credit Derivatives

In March 2010, the FASB issued ASU 2010-11, *Scope Exception Related to Embedded Credit Derivatives*. The ASU clarifies that certain embedded derivatives, such as those contained in certain securitizations, CDOs and structured notes, should be considered embedded credit derivatives subject to potential bifurcation and separate fair value accounting. The ASU allows any beneficial interest issued by a securitization vehicle to be accounted for under the fair value option at transition on July 1, 2010.

The Company has elected to account for certain beneficial interests issued by securitization vehicles under the fair value option that are included in the table below. Beneficial interests previously classified as held-to-maturity (HTM) were reclassified to available-for-sale (AFS) on June 30, 2010, because as of that reporting date, the Company did not have the intent to hold the beneficial interests until maturity.

The following table also shows the gross gains and gross losses that make up the pretax cumulative-effect adjustment to retained earnings for reclassified beneficial interests, recorded on July 1, 2010:

		July 1, 2010		
		Pretax cumulative effect adjustment to Retained earnings		
In millions of dollars at June 30, 2010	Amortized cost	Gross unrealized losses recognized in AOCI [1]	Gross unrealized gains recognized in AOCI	Fair value
Mortgage-backed securities				
Prime	$ 390	$ —	$ 49	$ 439
Alt A	550	—	54	604
Subprime	221	—	6	227
Non-U.S. residential	2,249	—	38	2,287
Total mortgage-backed securities	$ 3,410	$ —	$ 147	$ 3,557
Asset-backed securities				
Auction rate securities	$ 4,463	$ 401	$ 48	$ 4,110
Other asset-backed	4,189	19	164	4,334
Total asset-backed securities	$ 8,652	$ 420	$ 212	$ 8,444
Total reclassified debt securities	$12,062	$ 420	$ 359	$12,001

(1) All reclassified debt securities with gross unrealized losses were assessed for other-than-temporary-impairment as of June 30, 2010, including an assessment of whether the Company intends to sell the security. For securities that the Company intends to sell, impairment charges of $176 million were recorded in earnings in the second quarter of 2010.

Beginning July 1, 2010, the Company elected to account for these beneficial interests under the fair value option for various reasons, including:

(1) To reduce the operational burden of assessing beneficial interests for bifurcation under the guidance in the ASU,
(2) Where bifurcation would otherwise be required under the ASU, to avoid the complicated operational requirements of bifurcating the embedded derivatives from the host contracts and accounting for each separately. The Company reclassified substantially all beneficial interests where bifurcation would otherwise be required under the ASU; and
(3) To permit more economic hedging strategies without generating volatility in reported earnings.

Additional Disclosures Regarding Fair Value Measurements

In January 2010, the FASB issued ASU 2010-06, *Improving Disclosures about Fair Value Measurements*. The ASU requires disclosure of the amounts of significant transfers in and out of Levels 1 and 2 of the fair value hierarchy and the reasons for the transfers. The disclosures are effective for reporting periods beginning after December 15, 2009. Additionally, disclosures of the gross purchases, sales, issuances and settlements activity in Level 3 of the fair value measurement hierarchy are required for fiscal years beginning after December 15, 2010 The Company adopted ASU 2010-06 as of January 1, 2010. The required disclosures are included in Note 25 to the Consolidated Financial Statements

Elimination of Qualifying Special Purpose Entities (QSPEs) and Changes in the Consolidation Model for VIEs

In June 2009, the FASB issued SFAS No. 166, *Accounting for Transfers of Financial Assets, an amendment of FASB Statement No. 140* (SFAS 166, now incorporated into ASC Topic 860) and SFAS No. 167, *Amendments to FASB Interpretation No. 46(R)* (SFAS 167, now incorporated into ASC Topic 810). Citigroup adopted both standards on January 1, 2010. Citigroup has elected to apply SFAS 166 and SFAS 167 prospectively Accordingly, prior periods have not been restated

SFAS 166 eliminates the concept of QSPEs from U.S GAAP and amends the guidance on accounting for transfers of financial assets. SFAS 167 details three key changes to the consolidation model. First, former QSPEs are now included in the scope of SFAS 167. Second, the FASB has changed the method of analyzing which party to a VIE should consolidate the VIE (known as the primary beneficiary) to a qualitative determination of which party to the VIE has "power," combined with potentially significant benefits or losses, instead of the previous quantitative risks and rewards model The party that has "power" has the ability to direct the activities of the VIE that most significantly impact the VIE's economic performance. Third, the new standard requires that the primary beneficiary analysis be re-evaluated whenever circumstances change The previous rules required reconsideration of the primary beneficiary only when specified reconsideration events occurred

As a result of implementing these new accounting standards, Citigroup consolidated certain of the VIEs and former QSPEs with which it had involvement on January 1, 2010 Further, certain asset transfers, including transfers of portions of assets, that would have been considered sales under SFAS 140 are considered secured borrowings under the new standards.

In accordance with SFAS 167, Citigroup employed three approaches for newly consolidating certain VIEs and former QSPEs as of January 1, 2010. The first approach requires initially measuring the assets, liabilities, and noncontrolling interests of the VIEs and former QSPEs at their carrying values (the amounts at which the assets, liabilities, and noncontrolling interests would have been carried in the Consolidated Financial Statements, if Citigroup had always consolidated these VIEs and former QSPEs). The second approach measures assets at their unpaid principal amount, and is applied when determining carrying values is not practicable. The third approach is to elect the fair value option, in which all of the financial assets and liabilities of certain designated VIEs and former QSPEs are recorded at fair value upon adoption of SFAS 167 and continue to be marked to market thereafter, with changes in fair value reported in earnings.

Citigroup consolidated all required VIEs and former QSPEs, as of January 1, 2010, at carrying values or unpaid principal amounts, except for certain private label residential mortgage and mutual fund deferred sales commissions VIEs, for which the fair value option was elected. The following tables present the impact of adopting these new accounting standards applying these approaches.

The incremental impact of these changes on GAAP assets and resulting risk-weighted assets for those VIEs and former QSPEs that were consolidated or deconsolidated for accounting purposes as of January 1, 2010 was as follows.

In billions of dollars	GAAP assets	Incremental Risk-weighted assets[1]
Impact of consolidation		
Credit cards	$ 86.3	$ 0.8
Commercial paper conduits	28.3	13.0
Student loans	13.6	3.7
Private label Consumer mortgages	4.4	1.3
Municipal tender option bonds	0.6	0.1
Collateralized loan obligations	0.5	0.5
Mutual fund deferred sales commissions	0.5	0.5
Subtotal	$134.2	$19.9
Impact of deconsolidation		
Collateralized debt obligations[2]	$ 1.9	$ 3.6
Equity-linked notes[3]	1.2	0.5
Total	$137.3	$24.0

(1) The net increase in risk-weighted assets (RWA) was $10 billion, principally reflecting the deduction from gross RWA of $13 billion of loan loss reserves (LLR) recognized from the adoption of SFAS 166/167, which exceeded the 1.25% limitation on LLRs includable in Tier 2 Capital

(2) The implementation of SFAS 167 resulted in the deconsolidation of certain synthetic and cash collateralized debt obligation (CDO) VIEs that were previously consolidated under the requirements of ASC 810 (FIN 46(R)). Due to the deconsolidation of these synthetic CDOs, Citigroup's Consolidated Balance Sheet now reflects the recognition of current receivables and payables related to purchased and written credit default swaps entered into with these VIEs, which had previously been eliminated in consolidation. The deconsolidation of certain cash CDOs has a minimal impact on GAAP assets, but causes a sizable increase in risk-weighted assets. The impact on risk-weighted assets results from replacing, in Citigroup's trading account, largely investment grade securities owned by these VIEs when consolidated, with Citigroup's holdings of non-investment grade or unrated securities issued by these VIEs when deconsolidated.

(3) Certain equity-linked note client intermediation transactions that had previously been consolidated under the requirements of ASC 810 (FIN 46 (R)) because Citigroup had repurchased and held a majority of the notes issued by the VIE were deconsolidated with the implementation of SFAS 167, because Citigroup does not have the power to direct the activities of the VIE that most significantly impact the VIE's economic performance. Upon deconsolidation, Citigroup's Consolidated Balance Sheet reflects both the equity-linked notes issued by the VIEs and held by Citigroup as trading assets as well as related trading liabilities in the form of prepaid equity derivatives. These trading assets and trading liabilities were formerly eliminated in consolidation.

The following table reflects the incremental impact of adopting SFAS 166/167 on Citigroup's GAAP assets, liabilities, and stockholders' equity.

In billions of dollars	January 1, 2010
Assets	
Trading account assets	$ (9.9)
Investments	(0.6)
Loans	159.4
Allowance for loan losses	(13.4)
Other assets	1.8
Total assets	$137.3
Liabilities	
Short-term borrowings	$ 58.3
Long-term debt	86.1
Other liabilities	1.3
Total liabilities	$145.7
Stockholders' equity	
Retained earnings	$ (8.4)
Total stockholders' equity	$ (8.4)
Total liabilities and stockholders' equity	$137.3

The preceding tables reflect: (i) the portion of the assets of former QSPEs to which Citigroup, acting as principal, had transferred assets and received sales treatment prior to January 1, 2010 (totaling approximately $712.0 billion), and (ii) the assets of significant VIEs as of January 1, 2010 with which Citigroup was involved (totaling approximately $219.2 billion) that were previously unconsolidated and are required to be consolidated under the new accounting standards. Due to the variety of transaction structures and the level of Citigroup's involvement in individual former QSPEs and VIEs, only a portion of the former QSPEs and VIEs with which the Company was involved were required to be consolidated.

In addition, the cumulative effect of adopting these new accounting standards as of January 1, 2010 resulted in an aggregate after-tax charge to *Retained earnings* of $8.4 billion, reflecting the net effect of an overall pretax charge to *Retained earnings* (primarily relating to the establishment of loan loss reserves and the reversal of residual interests held) of $13.4 billion and the recognition of related deferred tax assets amounting to $5.0 billion.

Non-Consolidation of Certain Investment Funds

The FASB issued Accounting Standards Update No. 2010-10, *Consolidation (Topic 810), Amendments for Certain Investment Funds* (ASU 2010-10) in the first quarter of 2010. ASU 2010-10 provides a deferral of the requirements of SFAS 167 where the following criteria are met:

- The entity being evaluated for consolidation is an investment company, as defined in ASC 946-10, Financial Services—Investment Companies, or an entity for which it is acceptable based on industry practice to apply measurement principles that are consistent with an investment company;
- The reporting enterprise does not have an explicit or implicit obligation to fund losses of the entity that could potentially be significant to the entity; and
- The entity being evaluated for consolidation is not:
  - a securitization entity;
  - an asset-backed financing entity, or
  - an entity that was formerly considered a qualifying special-purpose entity.

The Company has determined that a majority of the investment vehicles managed by Citigroup are provided a deferral from the requirements of SFAS 167 because they meet these criteria. These vehicles continue to be evaluated under the requirements of FIN 46(R) (ASC 810-10), prior to the implementation of SFAS 167.

Where the Company has determined that certain investment vehicles are subject to the consolidation requirements of SFAS 167, the consolidation conclusions reached upon initial application of SFAS 167 are consistent with the consolidation conclusions reached under the requirements of ASC 810-10, prior to the implementation of SFAS 167.

Investments in Certain Entities that Calculate Net Asset Value per Share

As of December 31, 2009, the Company adopted Accounting Standards Update (ASU) No. 2009-12, *Investments in Certain Entities that Calculate Net Asset Value per Share (or its Equivalent)*, which provides guidance on measuring the fair value of certain alternative investments. The ASU permits entities to use net asset value as a practical expedient to measure the fair value of their investments in certain investment funds. The ASU also requires additional disclosures regarding the nature and risks of such investments and provides guidance on the classification of such investments as Level 2 or Level 3 of the fair value hierarchy. This ASU did not have a material impact on the Company's accounting for its investments in alternative investment funds.

Multiple Foreign Exchange Rates

In May 2010, the FASB issued ASU 2010-19, *Foreign Currency Issues: Multiple Foreign Currency Exchange Rates*. The ASU requires certain disclosure in situations when an entity's reported balances in U.S. dollar monetary assets held by its foreign entities differ from the actual U.S. dollar-denominated balances due to different foreign exchange rates used in remeasurement and translation. The ASU also clarifies the reporting for the difference between the reported balances and the U.S. dollar-denominated balances upon the initial adoption of highly inflationary accounting. The ASU does not have a material impact on the Company's accounting.

Effect of a Loan Modification When the Loan Is Part of a Pool Accounted for as a Single Asset (ASU No. 2010-18)

In April 2010, the FASB issued ASU No. 2010-18, *Effect of a Loan Modification When the Loan is Part of a Pool Accounted for as a Single Asset*. As a result of the amendments in this ASU, modifications of loans that are accounted for within a pool do not result in the removal of those loans from the pool, even if the modification of those loans would otherwise be considered a troubled debt restructuring. An entity will continue to be required to consider whether the pool of assets in which the loan is included is impaired if expected cash flows for the pool change. The ASU was effective for reporting periods ending on or after July 15, 2010. The ASU had no material effect on the Company's financial statements.

Measuring Liabilities at Fair Value

As of September 30, 2009, the Company adopted ASU No. 2009-05, *Measuring Liabilities at Fair Value*. This ASU provides clarification that in circumstances in which a quoted price in an active market for the identical liability is not available, a reporting entity is required to measure fair value using one or more of the following techniques:

- a valuation technique that uses quoted prices for similar liabilities (or an identical liability) when traded as assets; or
- another valuation technique that is consistent with the principles of ASC 820.

This ASU also clarifies that both a quoted price in an active market for the identical liability at the measurement date and the quoted price for the identical liability when traded as an asset in an active market when no adjustments to the quoted price of the asset are required are Level 1 fair value measurements. This ASU did not have a material impact on the Company's fair value measurements.

Other-Than-Temporary Impairments on Investment Securities

In April 2009, the FASB issued FSP FAS 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments* (FSP FAS 115-2) (now ASC 320-10-35-34, *Investments—Debt and Equity Securities: Recognition of an Other-Than-Temporary Impairment*), which amends the recognition guidance for other-than-temporary impairments (OTTI) of debt securities and expands the financial statement disclosures for OTTI on debt and equity securities. Citigroup adopted the FSP in the first quarter of 2009

As a result of the FSP, the Company's Consolidated Statement of Income reflects the full impairment (that is, the difference between the security's amortized cost basis and fair value) on debt securities that the Company intends to sell or would more-likely-than-not be required to sell before the expected recovery of the amortized cost basis For available-for-sale (AFS) and held-to-maturity (HTM) debt securities that management has no intent to sell and believes that it more-likely-than-not will not be required to sell prior to recovery, only the credit loss component of the impairment is recognized in earnings, while the rest of the fair value loss is recognized in *Accumulated other comprehensive income* (AOCI). The credit loss component recognized in earnings is identified as the amount of principal cash flows not expected to be received over the remaining term of the security as projected using the Company's cash flow projections and its base assumptions. As a result of the adoption of the FSP, Citigroup's income in the first quarter of 2009 was higher by $631 million on a pretax basis ($391 million on an after-tax basis) and AOCI was decreased by a corresponding amount

The cumulative effect of the change included an increase in the opening balance of *Retained earnings* at January 1, 2009 of $665 million on a pretax basis ($413 million after-tax) See Note 15 to the Consolidated Financial Statements for disclosures related to the Company's investment securities and OTTI.

Noncontrolling Interests in Subsidiaries

In December 2007, the FASB issued Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements* (now ASC 810-10-45-15, *Consolidation—Noncontrolling Interests in a Subsidiary*), which establishes standards for the accounting and reporting of noncontrolling interests in subsidiaries (previously called minority interests) in consolidated financial statements and for the loss of control of subsidiaries The Standard requires that the equity interest of noncontrolling shareholders, partners, or other equity holders in subsidiaries be presented as a separate item in *Total equity*, rather than as a liability. After the initial adoption, when a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary must be measured at fair value at the date of deconsolidation.

The gain or loss on the deconsolidation of the subsidiary is measured using the fair value of the remaining investment, rather than the previous carrying amount of that retained investment

Citigroup adopted the Standard on January 1, 2009. As a result, $2.392 billion of noncontrolling interests were reclassified from *Other liabilities to Total equity*.

DVA Accounting Misstatement

In January 2010, the Company determined that an error existed in the process used to value certain liabilities for which the Company elected the fair value option (FVO) The error related to a calculation intended to measure the impact on the liability's fair value attributable to Citigroup's credit spreads. Because of the error in the process, both an initial Citi contractual credit spread and an initial own-credit valuation adjustment were being included at the time of issuance of new Citi FVO debt. The own-credit valuation adjustment was properly included, therefore, the initial Citi contractual credit spread should have been excluded. (See Note 26 to the Consolidated Financial Statements for a description of own-credit valuation adjustments.) The cumulative effect of this error from January 1, 2007 (the date that SFAS 157 (ASC 820), requiring the valuation of own-credit for FVO liabilities, was adopted) through December 31, 2008 was to overstate income and retained earnings by $204 million ($330 million on a pretax basis). The impact of this adjustment was determined not to be material to the Company's results of operations and financial position for any previously reported period. Consequently, in the accompanying financial statements, the cumulative effect through December 31, 2008 was recorded in 2009

FUTURE APPLICATION OF ACCOUNTING STANDARDS

Repurchase Agreements - Assessment of Effective Control

In April 2011, the FASB issued ASU No. 2011-03, *Transfers and Servicing (Topic 860) – Reconsideration of Effective Control for Repurchase Agreements*. The amendments in the ASU remove from the assessment of effective control: (1) the criterion requiring the transferor to have the ability to repurchase or redeem the financial assets on substantially the agreed terms, even in the event of default by the transferee, and (2) the collateral maintenance implementation guidance related to that criterion. Other criteria applicable to the assessment of effective control are not changed by the amendments in the ASU.

The ASU became effective for Citigroup on January 1, 2012. The guidance is to be applied prospectively to transactions or modifications of existing transactions that occur on or after the effective date. The ASU did not have a material effect on the Company's financial statements. A nominal amount of the Company's repurchase transactions are currently accounted for as sales, because of a reduction in initial margin or restriction in daily maintenance margin. Such transactions will be accounted for as financing transactions if executed on or after January 1, 2012.

Fair Value Measurement

In May 2011, the FASB issued ASU No. 2011-04, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS*. The amendment creates a common definition of fair value for U.S. GAAP and IFRS and aligns the measurement and disclosure requirements. It requires significant additional disclosures both of a qualitative and quantitative nature, particularly on those instruments measured at fair value that are classified in Level 3 of the fair value hierarchy. Additionally, the amendment provides guidance on when it is appropriate to measure fair value on a portfolio basis and expands the prohibition on valuation adjustments from Level 1 to all levels of the fair value hierarchy where the size of the Company's position is a characteristic of the adjustment. The amendment became effective for Citigroup on January 1, 2012. As a result of implementing the prohibition on valuation adjustments where the size of the Company's position is a characteristic, the Company will release reserves of approximately $125 million, increasing pretax income in the first quarter of 2012.

Deferred Asset Acquisition Costs

In October 2010, the FASB issued ASU No. 2010-26, *Financial Services – Insurance (Topic 944): Accounting for Costs Associated with Acquiring or Renewing Insurance Contracts*. The ASU amends the guidance for insurance entities that requires deferral and subsequent amortization of certain costs incurred during the acquisition of new or renewed insurance contracts, commonly referred to as deferred acquisition costs (DAC). The new guidance limits DAC to those costs directly related to the successful acquisition of insurance contracts; all other acquisition-related costs must be expensed as incurred. Under current guidance, DAC consists of those costs that vary with, and primarily relate to, the acquisition of insurance contracts. The amendment became effective for Citigroup on January 1, 2012. The Company continues to evaluate the impact of adopting this statement.

Offsetting

In December 2011, the FASB issued Accounting Standards Update No. 2011-11—*Balance Sheet (Topic 210): Disclosures about Offsetting Assets and Liabilities*. The standard requires new disclosures about certain financial instruments and derivative instruments that are either offset in the balance sheet (presented on a net basis) or subject to an enforceable master netting arrangement or similar arrangement. The standard requires disclosures that provide both gross and net information in the notes to the financial statements for relevant assets and liabilities. This ASU does not change the existing offsetting eligibility criteria or the permitted balance sheet presentation for those instruments that meet the eligibility criteria. The new disclosure requirements should enhance comparability between those companies that prepare their financial statements on the basis of U.S. GAAP and those that prepare their financial statements in accordance with IFRS. For many financial institutions, the differences in the offsetting requirements between U.S. GAAP and IFRS result in a significant difference in the amounts presented in the balance sheets prepared in accordance with U.S. GAAP and IFRS. The disclosure standard will become effective for annual and quarterly periods beginning January 1, 2013. The disclosures are required retrospectively for all comparative periods presented.

Potential Amendments to Current Accounting Standards

The FASB and IASB, either jointly or separately, are currently working on several major projects, including amendments to existing accounting standards governing financial instruments, lease accounting, consolidation and investment companies. As part of the joint financial instruments project, the FASB is proposing sweeping changes to the classification and measurement of financial instruments, hedging and impairment guidance. The FASB is also working on a joint project that would require all leases to be capitalized on the balance sheet. Additionally, the FASB has issued a proposal on principal-agent considerations that would change the way the Company needs to evaluate whether to consolidate VIEs and non-VIE partnerships. Furthermore, the FASB has issued a proposed Accounting Standards Update that would change the criteria used to determine whether an entity is subject to the accounting and reporting requirements of an investment company. The principal-agent consolidation proposal would require all VIEs, including those that are investment companies, to be evaluated for consolidation under the same requirements.

In addition to the major projects, the FASB has also proposed changes regarding the Company's release of any cumulative translation adjustment into earnings when it ceases to have a controlling financial interest in certain groups of assets that constitute a business within a consolidated foreign subsidiary. All these projects may have significant impacts for the Company. Upon completion of the standards, the Company will need to re-evaluate its accounting and disclosures. However, due to ongoing deliberations of the standard-setters, the Company is currently unable to determine the effect of future amendments or proposals.

2. BUSINESS DIVESTITURES

The following divestitures occurred in 2009, 2010 and 2011 and do not qualify as *Discontinued operations*. Divestitures that qualified as *Discontinued operations* are discussed in Note 3 to the Consolidated Financial Statements.

Sale of Primerica

In April 2010, Citi completed the IPO of Primerica, which was part of Citi Holdings, and sold approximately 34% to public investors. Also in April 2010, Citi completed the sale of approximately 22% of Primerica to Warburg Pincus, a private equity firm. Citi contributed 4% of the Primerica shares to Primerica for employee and agent stock-based awards immediately prior to the sales. Citi retained an approximate 40% interest in Primerica after the sales and recorded the investment under the equity method. Citi recorded an after-tax gain on sale of $26 million.

Concurrent with the sale of the shares, Citi entered into co-insurance agreements with Primerica to reinsure up to 90% of the risk associated with the in-force insurance policies. During 2011, Citi sold its remaining shares in Primerica for an after-tax loss of $11 million.

Sale of Phibro LLC

On December 31, 2009, the Company sold 100% of its interest in Phibro LLC, which was part of Citicorp—*Securities and Banking*, to Occidental Petroleum Corporation for a purchase price equal to approximately the net asset value of the business. The decision to sell Phibro was the outcome of an evaluation of a variety of alternatives and was consistent with Citi's core strategy of a client-centered business model. The sale of Phibro did not affect Citi's client-facing commodities business lines, which continue to operate and serve the needs of Citi's clients throughout the world.

Sale of Citi's Nikko Asset Management Business and Trust and Banking Corporation

On October 1, 2009, the Company completed the sale of its entire stake in Nikko Asset Management (Nikko AM) to the Sumitomo Trust and Banking Co., Ltd. (Sumitomo Trust) and completed the sale of Nikko Citi Trust and Banking Corporation (Nikko Citi Trust) to Nomura Trust & Banking Co. Ltd. Nikko AM and Nikko Citi Trust were part of Citi Holdings.

The Nikko AM transaction was valued at 120 billion yen (U.S. $1.3 billion at an exchange rate of 89.60 yen to U.S. $1.00 as of September 30, 2009). The Company received all-cash consideration of 75.6 billion yen (U.S. $844 million), after certain deal-related expenses and adjustments, for its 64% beneficial ownership interest in Nikko AM. Sumitomo Trust also acquired the beneficial ownership interests in Nikko AM held by various minority investors in Nikko AM, bringing Sumitomo Trust's total ownership stake in Nikko AM to 98.55% at closing.

For the sale of Nikko Citi Trust, the Company received all-cash consideration of 19 billion yen (U.S. $212 million at an exchange rate of 89.60 yen to U.S. $1.00 as of September 30, 2009) as part of the transaction.

Retail Partner Cards Sales

During 2009, Citigroup sold its Financial Institutions (FI) and Diners Club North America credit card businesses. Total credit card receivables disposed of in these transactions was approximately $2.2 billion. During 2010, Citigroup sold its Canadian MasterCard business and U.S. retail sales finance portfolios. Total credit card receivables disposed of in these transactions was approximately $3.6 billion. Each of these businesses was in Citi Holdings.

Joint Venture with Morgan Stanley

On June 1, 2009, Citi and Morgan Stanley established a joint venture (JV) that combined the Global Wealth Management platform of Morgan Stanley with Citigroup's Smith Barney, Quilter and Australia private client networks. Citi sold 100% of these businesses to Morgan Stanley in exchange for a 49% stake in the JV and an upfront cash payment of $2.75 billion. Citigroup recorded a pretax gain of approximately $11.1 billion ($6.7 billion after-tax) on this sale. Both Morgan Stanley and Citi will access the JV for retail distribution, and each firm's institutional businesses will continue to execute order flow from the JV.

Citigroup's 49% ownership in the JV is recorded as an equity method investment. In determining the value of its 49% interest in the JV, Citigroup utilized the assistance of an independent third-party valuation firm upon acquisition and utilized both the income and the market approaches.

3. DISCONTINUED OPERATIONS

Sale of Egg Banking PLC Credit Card Business

On March 1, 2011, the Company announced that Egg Banking plc (Egg), an indirect subsidiary which was part of the Citi Holdings segment, entered into a definitive agreement to sell its credit card business to Barclays PLC. The sale closed on April 28, 2011.

This sale is reported as discontinued operations for the full year of 2011 only. Prior periods were not reclassified due to the immateriality of the impact in those periods. An after-tax gain on sale of $126 million was recognized upon closing. Egg operations had total assets and total liabilities of approximately $2.7 billion and $39 million, respectively, at the time of sale.

Summarized financial information for *Discontinued operations*, including cash flows, for the credit card operations related to Egg follows.

In millions of dollars	2011
Total revenues, net of interest expense [1]	**$ 340**
Income from discontinued operations	$ 24
Gain on sale	143
Provision for income taxes	58
Income from discontinued operations, net of taxes	**$ 109**

In millions of dollars	2011
Cash flows from operating activities	$ (146)
Cash flows from investing activities	2,827
Cash flows from financing activities	(12)
Net cash provided by discontinued operations	**$2,669**

(1) Total revenues include gain or loss on sale, if applicable

Sale of The Student Loan Corporation

On September 17, 2010, the Company announced that The Student Loan Corporation (SLC), an indirect subsidiary that was 80% owned by Citibank and 20% owned by public shareholders, and which was part of the Citi Holdings segment, entered into definitive agreements that resulted in the divestiture of Citi's private student loan business and approximately $31 billion of its approximate $40 billion in assets to Discover Financial Services (Discover) and SLM Corporation (Sallie Mae). The transaction closed on December 31, 2010. As part of the transaction, Citi provided Sallie Mae with $1.1 billion of seller-financing. Additionally, as part of the transactions, Citibank, N.A. purchased approximately $8.6 billion of assets from SLC prior to the sale of SLC.

This sale was reported as discontinued operations for the third and fourth quarters of 2010 only. Prior periods were not reclassified due to the immateriality of the impact in those periods. The total 2010 impact from the sale of SLC resulted in an after-tax loss of $427 million. SLC operations had total assets and total liabilities of approximately $31 billion and $29 billion, respectively, at the time of sale.

Summarized financial information for discontinued operations, including cash flows, related to the sale of SLC follows.

In millions of dollars	2011	2010 [1]
Total revenues, net of interest expense [2]	**$—**	$ (577)
Income (loss) from discontinued operations	$—	$ 97
Loss on sale	—	(825)
Benefit for income taxes	—	(339)
Loss from discontinued operations, net of taxes	**$—**	$ (389)

In millions of dollars	2011	2010 [1]
Cash flows from operating activities	$—	$ 5,106
Cash flows from investing activities	—	1,532
Cash flows from financing activities	—	(6,483)
Net cash provided by discontinued operations	**$—**	$ 155

(1) Amounts reflect activity from July 1, 2010 through December 31 2010 only
(2) Total revenues include gain or loss on sale, if applicable

Sale of Nikko Cordial

On October 1, 2009 the Company announced the successful completion of the sale of Nikko Cordial Securities to Sumitomo Mitsui Banking Corporation. The transaction had a total cash value to Citi of 776 billion yen (U.S. $8.7 billion at an exchange rate of 89 60 yen to U.S. $1 00 as of September 30, 2009). The cash value was composed of the purchase price for the transferred business of 545 billion yen, the purchase price for certain Japanese-listed equity securities held by Nikko Cordial Securities of 30 billion yen, and 201 billion yen of excess cash derived through the repayment of outstanding indebtedness to Citi. After considering the impact of foreign exchange hedges of the proceeds of the transaction, the sale resulted in an immaterial gain in 2009 A total of about 7,800 employees were included in the transaction.

The Nikko Cordial operations had total assets and total liabilities of approximately $24 billion and $16 billion, respectively, at the time of sale, which were reflected in Citi Holdings prior to the sale

Results for all of the Nikko Cordial businesses sold are reported as *Discontinued operations* for all periods presented

Summarized financial information for *Discontinued operations*, including cash flows, related to the sale of Nikko Cordial is as follows.

In millions of dollars	**2011**	2010	2009
Total revenues, net of interest expense [1]	**$—**	$ 92	$ 646
Loss from discontinued operations	**$—**	$ (7)	$ (623)
Gain on sale	—	94	97
Benefit for income taxes	—	(122)	(78)
Income (loss) from discontinued operations, net of taxes	**$—**	$ 209	$ (448)

In millions of dollars	**2011**	2010	2009
Cash flows from operating activities	**$—**	$(134)	$(1,830)
Cash flows from investing activities	—	185	1,824
Cash flows from financing activities	—	—	—
Net cash provided by (used in) discontinued operations	**$—**	$ 51	$ (6)

(1) Total revenues include gain or loss on sale, if applicable

Combined Results for Discontinued Operations

The following is summarized financial information for the Egg credit card, SLC, Nikko Cordial Securities, German retail banking and CitiCapital businesses. The SLC business, which was sold on December 31, 2010, is reported as discontinued operations for the third and fourth quarters of 2010 only and the sale of the Egg credit card business is reported as discontinued operations for the full year 2011 only due to the immateriality of the impact of that presentation in other periods. The Nikko Cordial Securities business, which was sold on October 1, 2009, the German retail banking business, which was sold on December 5, 2008, and the CitiCapital business, which was sold on July 31, 2008, continue to have minimal residual costs associated with the sales Additionally, during 2009, contingent consideration payments of $29 million pretax ($19 million after tax) were received related to the sale of Citigroup's asset management business, which was sold in December 2005.

In millions of dollars	**2011**	2010	2009
Total revenues, net of interest expense [1]	**$ 352**	$ (410)	$ 779
Income (loss) from discontinued operations	**$ 23**	$ 72	$ (653)
Gain (loss) on sale	**155**	(702)	102
Provision (benefit) for income taxes	**66**	(562)	(106)
Income (loss) from discontinued operations, net of taxes	**$ 112**	$ (68)	$ (445)

In millions of dollars	**2011**	2010	2009
Cash flows from operating activities	**$ (146)**	$ 4,974	$(1,825)
Cash flows from investing activities	**2,827**	1,726	1,854
Cash flows from financing activities	**(12)**	(6,486)	(6)
Net cash provided by discontinued operations	**$2,669**	$ 214	$ 23

(1) Total revenues include gain or loss on sale if applicable

4. BUSINESS SEGMENTS

Citigroup is a diversified bank holding company whose businesses provide a broad range of financial services to Consumer and Corporate customers around the world. The Company's activities are conducted through the *Global Consumer Banking (GCB), Institutional Clients Group (ICG),* Citi Holdings and *Corporate/Other* business segments.

The *Global Consumer Banking* segment includes a global, full-service Consumer franchise delivering a wide array of banking, credit card lending, and investment services through a network of local branches, offices and electronic delivery systems and is composed of four *Regional Consumer Banking (RCB)* businesses: *North America, EMEA, Latin America* and *Asia*

The Company's *ICG* segment is composed of *Securities and Banking* and *Transaction Services* and provides corporations, governments, institutions and investors in approximately 100 countries with a broad range of banking and financial products and services.

The Citi Holdings segment is composed of *Brokerage and Asset Management, Local Consumer Lending* and *Special Asset Pool.*

Corporate/Other includes net treasury results, unallocated corporate expenses, offsets to certain line-item reclassifications (eliminations), the results of discontinued operations and unallocated taxes.

The accounting policies of these reportable segments are the same as those disclosed in Note 1 to the Consolidated Financial Statements.

The prior-period balances reflect reclassifications to conform the presentation in those periods to the current period's presentation. These reclassifications related to Citi's re-allocation of certain expenses between businesses and segments and the transfer of certain commercial market loans from *GCB* to *ICG*.

The following table presents certain information regarding the Company's continuing operations by segment:

	Revenues, net of interest expense[1]			Provision (benefit) for income taxes			Income (loss) from continuing operations[1][2]			Identifiable assets at year end	
In millions of dollars, except identifiable assets in billions	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010
Global Consumer Banking	**$32,585**	$32,374	$ 24,754	**$ 2,601**	$ 1,343	$ (142)	**$ 6,196**	$ 4,661	$ 2,389	**$ 340**	$ 328
Institutional Clients Group	**31,986**	33,186	36,958	**2,845**	3,499	4,622	**8,302**	10,172	12,973	**979**	956
Subtotal Citicorp	**$64,571**	$65,560	$ 61,712	**$ 5,446**	$ 4,842	$ 4,480	**$14,498**	$14,833	$15,362	**$1,319**	$1,284
Citi Holdings	**12,896**	19,287	29,128	**(1,161)**	(2,573)	(6,988)	**(2,524)**	(4,056)	(9,059)	**269**	359
Corporate/Other	**886**	1,754	(10,555)	**(764)**	(36)	(4,225)	**(871)**	174	(7,369)	**286**	271
Total	**$78,353**	$86,601	$ 80,285	**$ 3,521**	$ 2,233	$(6,733)	**$11,103**	$10,951	$ (1,066)	**$1,874**	$1,914

(1) Includes Citicorp total revenues, net of interest expense, in *North America* of $23.6 billion, $26.7 billion and $19.9 billion, in *EMEA* of $12.2 billion, $11.7 billion and $15.0 billion, in *Latin America* of $13.6 billion, $12.8 billion and $12.7 billion, and in *Asia* of $15.2 billion, $14.4 billion and $14.1 billion in 2011, 2010 and 2009, respectively. Regional numbers exclude Citi Holdings and *Corporate/Other*, which largely operate within the U.S.

(2) Includes pretax provisions (credits) for credit losses and for benefits and claims in the *GCB* results of $4.9 billion, $9.8 billion and $7.4 billion, in the *ICG* results of $(52) million, $(82) million and $1.8 billion, and in the Citi Holdings results of $7.8 billion, $16.3 billion and $31.1 billion for 2011, 2010 and 2009, respectively.

5. INTEREST REVENUE AND EXPENSE

For the years ended December 31, 2011, 2010 and 2009, respectively, interest revenue and expense consisted of the following:

In millions of dollars	**2011**	2010	2009
Interest revenue			
Loan interest, including fees	**$50,281**	$ 55,056	$ 47,457
Deposits with banks	**1,750**	1,252	1,478
Federal funds sold and securities borrowed or purchased under agreements to resell	**3,631**	3,156	3,084
Investments, including dividends	**8,320**	11,004	12,882
Trading account assets[1]	**8,186**	8,079	10,723
Other interest	**513**	735	774
Total interest revenue	**$72,681**	$ 79,282	$ 76,398
Interest expense			
Deposits[2]	**$ 8,556**	$ 8,371	$ 10,146
Federal funds purchased and securities loaned or sold under agreements to repurchase	**3,197**	2,808	3,433
Trading account liabilities[1]	**408**	379	289
Short-term borrowings	**650**	917	1,425
Long-term debt	**11,423**	12,621	12,609
Total interest expense	**$24,234**	$ 25,096	$ 27,902
Net interest revenue	**$48,447**	$ 54,186	$ 48,496
Provision for loan losses	**11,773**	25,194	38,760
Net interest revenue after provision for loan losses	**$36,674**	$ 28,992	$ 9,736

(1) Interest expense on *Trading account liabilities* of ICG is reported as a reduction of interest revenue from *Trading account assets*

(2) Includes deposit insurance fees and charges of $1.3 billion, $961 million and $1.5 billion for the 12 months ended December 31, 2011, 2010 and 2009, respectively. The 12-month period ended December 31, 2009 includes the one-time FDIC special assessment

6. COMMISSIONS AND FEES

The table below sets forth Citigroup's *Commissions and fees* revenue for the twelve months ended December 31, 2011, 2010 and 2009, respectively. The primary components of *Commissions and fees* revenue for the twelve months ended December 31, 2011 were credit card and bank card fees, investment banking fees and trading-related fees.

Credit card and bank card fees are primarily composed of interchange revenue and certain card fees, including annual fees, reduced by reward program costs. Interchange revenue and fees are recognized when earned, except for annual card fees which are deferred and amortized on a straight-line basis over a 12-month period. Reward costs are recognized when points are earned by the customers.

Investment banking fees are substantially composed of underwriting and advisory revenues. Investment banking fees are recognized when Citigroup's performance under the terms of the contractual arrangements is completed, which is typically at the closing of the transaction. Underwriting revenue is recorded in *Commissions and fees* net of both reimbursable and non-reimbursable expenses, consistent with the AICPA Audit and Accounting Guide for Brokers and Dealers in Securities (codified in ASC 940-605-05-1). Expenses associated with advisory transactions are recorded in *Other operating expenses*, net of client reimbursements. Out-of-pocket expenses are deferred and recognized at the time the related revenue is recognized. In general, expenses incurred related to investment banking transactions that fail to close (are not consummated) are recorded gross in *Other operating expenses*.

Trading-related fees primarily include commissions and fees from the following: executing transactions for clients on exchanges and over-the-counter markets; sale of mutual funds, insurance and other annuity products; and assisting clients in clearing transactions, providing brokerage services and other such activities. Trading-related fees are recognized when earned in *Commissions and fees*. Gains or losses, if any, on these transactions are included in *Principal transactions*.

The following table presents commissions and fees revenue for the years ended December 31:

In millions of dollars	**2011**	2010	2009
Credit cards and bank cards	**$ 3,603**	$ 3,774	$ 4,110
Investment banking	**2,451**	2,977	3,462
Smith Barney	**—**	—	837
Trading-related	**2,587**	2,368	2,316
Transaction services	**1,520**	1,454	1,306
Other Consumer[1]	**931**	1,156	1,272
Checking-related	**926**	1,023	1,043
Primerica	**—**	91	314
Loan servicing	**251**	353	226
Corporate finance[2]	**519**	439	678
Other	**62**	23	(79)
Total commissions and fees	**$12,850**	$13,658	$15,485

(1) Primarily consists of fees for investment fund administration and management, third-party collections, commercial demand deposit accounts and certain credit card services

(2) Consists primarily of fees earned from structuring and underwriting loan syndications

7. PRINCIPAL TRANSACTIONS

Principal transactions revenue consists of realized and unrealized gains and losses from trading activities. Trading activities include revenues from fixed income, equities, credit and commodities products, as well as foreign exchange transactions. Not included in the table below is the impact of net interest revenue related to trading activities, which is an integral part of trading activities' profitability. See Note 5 to the Consolidated Financial Statements for information about net interest revenue related to trading activity. The following table presents principal transactions revenue for the years ended December 31:

In millions of dollars	**2011**	2010	2009
Global Consumer Banking	**$ 716**	$ 533	$ 1,569
Institutional Clients Group	**4,873**	5,567	5,626
Subtotal Citicorp	**$5,589**	$6,100	$ 7,195
Local Consumer Lending	**(102)**	(217)	896
Brokerage and Asset Management	**(11)**	(37)	30
Special Asset Pool	**1,713**	2,078	(2,606)
Subtotal Citi Holdings	**$1,600**	$1,824	$(1,680)
Corporate/Other	**45**	(407)	553
Total Citigroup	**$7,234**	$7,517	$ 6,068

In millions of dollars	**2011**	2010	2009
Interest rate contracts[1]	**$5,136**	$3,231	$ 6,211
Foreign exchange contracts[2]	**2,309**	1,852	2,762
Equity contracts[3]	**3**	995	(334)
Commodity and other contracts[4]	**76**	126	924
Credit derivatives[5]	**(290)**	1,313	(3,495)
Total Citigroup	**$7,234**	$7,517	$ 6,068

(1) Includes revenues from government securities and corporate debt, municipal securities, preferred stock, mortgage securities, and other debt instruments. Also includes spot and forward trading of currencies and exchange-traded and over-the-counter (OTC) currency options, options on fixed income securities, interest rate swaps, currency swaps, swap options, caps and floors, financial futures, OTC options, and forward contracts on fixed income securities.

(2) Includes revenues from foreign exchange spot, forward, option and swap contracts, as well as translation gains and losses.

(3) Includes revenues from common, preferred and convertible preferred stock, convertible corporate debt, equity-linked notes, and exchange-traded and OTC equity options and warrants.

(4) Primarily includes revenues from crude oil, refined oil products, natural gas, and other commodities trades.

(5) Includes revenues from structured credit products.

8. INCENTIVE PLANS

The Company administers award programs involving grants of stock options, restricted or deferred stock awards, and stock payments. The award programs are used to attract, retain and motivate officers, employees and non-employee directors, to provide incentives for their contributions to the long-term performance and growth of the Company, and to align their interests with those of stockholders. These programs are administered by the Personnel and Compensation Committee of the Citigroup Board of Directors (the Committee), which is composed entirely of independent non-employee directors. All grants of equity awards since April 19, 2005 have been made pursuant to stockholder-approved stock incentive plans.

At December 31, 2011, approximately 77.5 million shares were authorized and available for grant under Citigroup's 2009 Stock Incentive Plan, the only plan from which equity awards are currently granted.

The 2009 Stock Incentive Plan and predecessor plans permit the use of treasury stock or newly issued shares in connection with awards granted under the plans. Until recently, Citigroup's practice was to deliver shares from treasury stock upon the exercise or vesting of equity awards. However, newly issued shares were issued as stock payments in April 2010 (to settle "common stock equivalent" awards granted in January 2010), in January 2011 (as current stock payments in lieu of cash bonuses) and in January 2012 (to settle the vesting of deferred stock awards granted in prior years). The new issuances in April 2010 and January 2011 were specifically intended to increase the Company's equity capital. Restricted stock awards that vested in January 2012 were settled with shares that were previously issued out of treasury. There is no income statement impact from treasury stock issuances and issuances of new shares.

The following table shows components of compensation expense relating to the Company's stock-based compensation programs as recorded during 2011, 2010 and 2009:

In millions of dollars	**2011**	2010	2009
Charges for estimated awards to retirement-eligible employees	**$ 338**	$ 366	$ 207
Option expense	**161**	197	55
Amortization of deferred cash awards and deferred cash stock units	**208**	280	113
Amortization of MC LTIP awards[1]	**—**	—	19
Salary stock award expense	**—**	173	162
Immediately vested stock award expense[2]	**52**	174	1,723
Amortization of restricted and deferred stock awards[3]	**871**	747	1,543
Total	**$1,630**	$1,937	$3,822

(1) Management Committee Long-Term Incentive Plan (MC LTIP) awards were granted in 2007. The awards expired in December 2009 without the issuance of shares.

(2) This represents expense for immediately vested stock awards that generally were stock payments in lieu of cash compensation. The expense is generally accrued for as cash incentive compensation in the year prior to grant. The 2009 amount is for the "common stock equivalent" awards, which are described in more detail below.

(3) All periods include amortization expense for all unvested awards to non-retirement-eligible employees. Amortization is recognized net of estimated forfeitures of awards.

Stock Award Programs

Citigroup issues (and/or has issued) shares of its common stock in the form of restricted stock awards, deferred stock awards, and stock payments pursuant to the 2009 Stock Incentive Plan (and predecessor plans) to its officers, employees and non-employee directors.

For all stock award programs, during the applicable vesting period, the shares awarded are not issued to participants (in the case of a deferred stock award) or cannot be sold or transferred by the participants (in the case of a restricted stock award), until after the vesting conditions have been satisfied Recipients of deferred stock awards do not have any stockholder rights until shares are delivered to them, but they generally are entitled to receive dividend-equivalent payments during the vesting period. Recipients of restricted stock awards are entitled to a limited voting right and to receive dividend or dividend-equivalent payments during the vesting period. (Dividend equivalents are paid through payroll and recorded as an offset to retained earnings on those shares expected to vest.) Once a stock award vests, the shares may become freely transferable, but in the case of certain executives, may be subject to transfer restrictions by their terms or a stock ownership commitment.

The total expense to be recognized for the stock awards described below represents the fair value of Citigroup common stock at the date of grant The expense is recognized as a charge to income ratably over the vesting period, except for those awards granted to retirement-eligible employees, and salary stock and other immediately vested awards For awards of deferred stock expected to be made to retirement-eligible employees, the charge to income is accelerated based on the dates the retirement rules are or will be met If the retirement rules will have been met on or prior to the expected award date, the entire estimated expense is recognized in the year prior to grant in the same manner as cash incentive compensation is accrued, rather than amortized over the applicable vesting period of the award. Salary stock and other immediately vested awards generally were granted in lieu of cash compensation and are also recognized in the year prior to the grant in the same manner as cash compensation is accrued Certain stock awards with performance conditions or certain clawback provisions may be subject to variable accounting, pursuant to which the associated charges fluctuate with changes in Citigroup's stock price over the applicable vesting periods The total amount that will be recognized as expense cannot be determined in full until the awards vest

Annual Award Programs. Citigroup's primary stock award program is the Capital Accumulation Program (CAP) Generally, CAP awards of restricted or deferred stock constitute a percentage of annual incentive compensation and vest ratably over three- or four-year periods, beginning on or about the first anniversary of the award date.

Continuous employment within Citigroup is generally required to vest in CAP and other stock award programs. Typical exceptions include vesting for participants whose employment is terminated involuntarily during the vesting period for a reason other than "gross misconduct," who meet specified age and service requirements before leaving employment (retirement-eligible participants), or who die or become disabled during the vesting period. Post-employment vesting by retirement-eligible participants is generally conditioned upon their refraining from competition with Citigroup during the remaining vesting period.

In a change from prior years, incentive awards in January 2012 to individual employees who have influence over the Company's material risks (covered employees) were delivered as a mix of immediate cash bonuses, deferred stock awards under CAP and deferred cash awards. (Previously, annual incentives were traditionally awarded as a combination of cash bonus and CAP.) For covered employees, the minimum percentage of incentive pay required to be deferred was raised from 25% to 40%, with a maximum deferral of 60% for the most highly paid employees. For incentive awards made to covered employees in January 2012 (in respect of 2011 performance), only 50% of the deferred portion was delivered as a CAP award; the other 50% was delivered in the form of a deferred cash award. The 2012 deferred cash award is subject to a performance-based vesting condition that results in cancellation of unvested amounts on a formulaic basis if a participant's business has losses in any year of the vesting period. The 2012 deferred cash award also earns notional interest at an annual rate of 3.55%, compounded annually

CAP awards made in January 2012 and January 2011 to "identified staff" in the European Union (EU) have several features that differ from the generally applicable CAP provisions described above. "Identified staff" are those Citigroup employees whose compensation is subject to various banking regulations on sound incentive compensation policies in the EU. CAP awards to these employees are scheduled to vest over three years of service, but vested shares are subject to a six-month sale restriction, and awards are subject to cancellation, in the sole discretion of the Committee, if (a) there is reasonable evidence a participant engaged in misconduct or committed material error in connection with his or her employment, or (b) the Company or the employee's business unit suffers a material downturn in its financial performance or a material failure of risk management (the EU clawback) For these CAP awards, the EU clawback is in addition to the clawback provision described below. CAP awards containing the EU clawback provision are subject to variable accounting

A portion of the immediately vested cash incentive compensation awarded in January 2011 to selected highly compensated employees (and in January 2012 to such employees in the EU) was delivered in immediately-vested stock payments. In the EU, the shares awarded were subject to a six-month sale restriction.

Annual incentive awards made in January 2011, January 2010, and December 2009 to certain executive officers and highly compensated employees were made in the form of long-term restricted stock (LTRS), with terms prescribed by the Emergency Economic Stabilization Act of 2008, as amended. (See *EESA-related Stock Compensation* below for additional information.)

The annual incentive awards made in January 2011 to executive officers have a performance-based vesting condition. If Citigroup has pretax net losses during any of the years of the deferral period, the Committee may exercise its discretion to eliminate or reduce the number of shares that vest for that year. This performance-based vesting condition applies to CAP and LTRS awards made in January 2011 to executive officers. These awards are subject to variable accounting. Compensation expense was accrued based on Citigroup's stock price at year end and the estimated outcome of meeting the performance conditions.

All CAP awards made in January 2011 and 2012 and all LTRS awards made in January 2011 provide for a clawback that applies to specified cases, including in the case of employee misconduct or where the awards were based on earnings that were misstated. Some of these awards are subject to variable accounting.

Generally, in order to reduce the use of shares under Citigroup's stockholder-approved stock incentive plan, the percentages of total annual incentives awarded pursuant to CAP in January 2010 and January 2009 were reduced and were instead awarded as deferred cash awards primarily in the U S and the U K. The deferred cash awards are subject to two-year and four-year vesting schedules, but the other terms and conditions are the same as CAP awards made in those years. The deferred cash awards earn a return during the vesting period based on LIBOR, in 2010 only, a portion of the deferred cash award was denominated as a stock unit, the value of which will fluctuate based on the price of Citi common stock In both cases, only cash will be delivered at vesting.

In January 2009, members of the Management Executive Committee (except the CEO and CFO) received 30% of their incentive awards for 2008 as performance vesting-equity awards. These awards vest 50% if the price of Citigroup common stock meets a price target of $106 10, and 50% for a price target of $178.50, in each case on or prior to January 14, 2013 The price target will be met only if the NYSE closing price equals or exceeds the applicable price target for at least 20 NYSE trading days within any period of 30 consecutive NYSE trading days ending on or before January 14, 2013 Any shares that have not vested by such date will vest according to a fraction, the numerator of which is the share price on the delivery date and the denominator of which is the price target of the unvested shares No dividend equivalents are paid on unvested awards The fair value of the awards is recognized as compensation expense ratably over the vesting period. This fair value was determined using the following assumptions:

Weighted-average per-share fair value	**$22.97**
Weighted-average expected life	**3.85 years**
Valuation assumptions	
Expected volatility	36.07%
Risk-free interest rate	1.21%
Expected dividend yield	0.88%

From 2003 to 2007, Citigroup granted annual stock awards under its Citigroup Ownership Program (COP) to a broad base of employees who were not eligible for CAP. The COP awards of restricted or deferred stock vest after three years, but otherwise have terms similar to CAP Amortization of restricted and deferred stock awards shown in the table above for 2010 and 2009 includes expense associated with these awards.

EESA-related Stock Compensation. Incentive compensation in respect of 2009 performance for the senior executive officers and the next 95 most highly compensated employees (2009 Top 100) was administered in accordance with the Emergency Economic Stabilization Act of 2008, as amended (EESA) pursuant to structures approved by the Special Master for TARP Executive Compensation (Special Master). Pursuant to such structures, the affected employees did not participate in CAP and instead received equity compensation in the form of fully vested stock payments, LTRS and other restricted and deferred stock awards subject to vesting requirements and sale restrictions The other restricted and deferred stock awards to the 2009 Top 100 vest ratably over three years pursuant to terms similar to CAP awards, but vested shares are subject to sale restrictions until the later of the first anniversary of the regularly scheduled vesting date or January 20, 2013 Pursuant to EESA-prescribed structures, incentive compensation in respect of 2010 performance was delivered to the senior executive officers and next 20 most highly compensated employees for 2010 (2010 Top 25), in the form of LTRS awards. The LTRS awards to the 2009 Top 100 and 2010 Top 25 vest in full after three years of service and there are no provisions for early vesting in the event of retirement, involuntary termination of employment or change in control, but early vesting will occur upon death or disability

In 2009 and January 2010, the 2009 Top 100 received salary stock payments that become transferrable in monthly installments over periods of either one year or three years beginning in January 2010 In September 2010, salary stock payments were made to the 2010 Top 25 (other than the CEO) in a manner consistent with the salary stock payments made in 2009 pursuant to rulings issued by the Special Master. The salary stock paid for 2010, net of tax withholdings, is transferable over a 12-month period beginning in January 2011. There are no provisions for early release of the transfer restrictions on salary stock in the event of retirement, involuntary termination of employment, change in control, or any other reason

In connection with its agreement to repay $20 billion of its TARP obligations to the U S. Treasury Department in December 2009, Citigroup announced that $1 7 billion of incentive compensation that would have otherwise been awarded in cash to employees in respect of 2009 performance would instead be awarded as "common stock equivalent" awards denominated in U S. dollars or in local currency that were settled by stock payments in April 2010. The awards were generally accrued as compensation expense in the year 2009 and were recorded as a liability from the January 2010 grant date until the settlement date in April 2010. The recorded liability was reclassified to equity when newly issued shares were delivered to participating employees on the settlement date.

Sign-on and Long-Term Awards. From time to time, restricted or deferred stock awards and/or stock option grants are made outside of the annual incentive program to induce talented employees to join Citigroup or as special retention awards to key employees. Vesting periods vary, but are generally two to four years. Generally, recipients must remain employed through the vesting dates to vest in the awards, except in cases of death, disability, or involuntary termination other than for "gross misconduct." Unlike CAP, these awards do not usually provide for post-employment vesting by retirement-eligible participants.

On May 17, 2011, the Committee approved a deferred stock retention award to CEO Vikram Pandit. The award vests in three equal installments on December 31, 2013, December 31, 2014 and December 31, 2015 if the Committee determines that he has satisfied discretionary performance criteria dealing with regulatory compliance, Citi culture and talent management and Mr Pandit remains employed through the vesting date Any vested shares from the December 31, 2013, and December 31, 2014 vestings will be sale-restricted until December 31, 2015 This award is subject to variable accounting

On July 17, 2007, the Committee approved the Management Committee Long-Term Incentive Plan (MC LTIP) (pursuant to the terms of the shareholder-approved 1999 Stock Incentive Plan) under which participants received an equity award that could be earned based on Citigroup's performance against various metrics relative to peer companies and publicly stated return on equity (ROE) targets measured at the end of each calendar year beginning with 2007 The final expense for each of the three consecutive calendar years was adjusted based on the results of the ROE tests No awards were earned for 2009, 2008 or 2007 and no shares were issued because performance targets were not met No new awards were made under the MC LTIP since the initial award in July 2007

Directors. Non-employee directors receive part of their compensation in the form of deferred stock awards that vest in two years, and may elect to receive part of their retainer in the form of a stock payment, which they may elect to defer

A summary of the status of Citigroup's unvested stock awards that are not subject to variable accounting at December 31, 2011 and changes during the 12 months ended December 31, 2011 are presented below:

Unvested stock awards	Shares	Weighted-average grant date fair value
Unvested at January 1, 2011	32,508,167	$72.84
New awards	33,189,925	49.59
Cancelled awards	(1,894,723)	54.39
Vested awards[1]	(13,590,245)	99.73
Unvested at December 31, 2011	50,213,124	$50.90

(1) The weighted-average fair value of the vestings during 2011 was approximately $46 10 per share

A summary of the status of Citigroup's unvested stock awards that are subject to variable accounting at December 31, 2011 and changes during the 12 months ended December 31, 2011 are presented below:

Unvested stock awards	Shares	Weighted-average award issuance fair value
Unvested at January 1, 2011	—	$ —
New awards	5,337,863	49.31
Cancelled awards	(47,065)	50.20
Vested awards	—	—
Unvested at December 31, 2011	5,290,798	$49.30

At December 31, 2011, there was $985 million of total unrecognized compensation cost related to unvested stock awards net of the forfeiture provision That cost is expected to be recognized over a weighted-average period of 2 3 years However, the cost of awards subject to variable accounting will fluctuate with changes in Citigroup's stock price

Stock Option Programs

While the Company no longer grants options as part of its annual incentive award programs, Citi may grant stock options to employees or directors on a one-time basis, as sign-on awards or as retention awards All stock options are granted on Citigroup common stock with exercise prices that are no less than the fair market value at the time of grant (which is defined under the 2009 Stock Incentive Plan to be the NYSE closing price on the trading day immediately preceding the grant date or on the grant date for grants to executive officers)

On May 17, 2011, the Committee approved a retention award to the CEO that included an option grant with exercise prices at or above the market price of Citi common stock on the grant date. The price of Citi common stock on the grant date was $41 54 and the committee awarded options with exercise prices of $41 54, $52 50 and $60 00 These options vest in three equal installments on the first three anniversaries of the grant date, and vested options remain exercisable for their entire 10-year term Unvested options will be forfeited if the CEO terminates employment with the Company for any reason before the applicable vesting date, except in the event of his death or disability The options have risk-adjustment features such as a one-year holding period for incremental shares if the options are exercised before the fifth anniversary of the grant date, and unvested and vested but unexercised option shares may be cancelled or forfeited pursuant to a clawback provision

On February 14, 2011, Citigroup granted options exercisable for approximately 2.9 million shares of Citi common stock to certain of its executive officers. The options have six-year terms and vest in three equal annual installments beginning on February 14, 2012 The exercise price of the options is $49.10, which was the closing price of a share of Citi common stock on the grant date On any exercise of the options before the fifth anniversary of the grant date, the shares received on exercise (net of the amount required to pay taxes and the exercise price) are subject to a one-year transfer restriction.

On April 20, 2010, Citigroup made an option grant to a group of employees who were not eligible for the October 29, 2009, broad-based grant described below The options were awarded with an exercise price equal to the NYSE closing price on the trading day immediately preceding the date of grant ($48 80). The options vest in three annual installments beginning on October 29, 2010 The options have a six-year term

On October 29, 2009, Citigroup made a one-time broad-based option grant to employees worldwide. The options have a six-year term, and generally vest in three equal installments over three years, beginning on the first anniversary of the grant date The options were awarded with an exercise price equal to the NYSE closing price on the trading day immediately preceding the date of grant ($40 80) The CEO and other employees whose 2009 compensation was subject to structures approved by the Special Master did not participate in this grant.

In January 2009, members of the Management Executive Committee received 10% of their awards as performance-priced stock options, with an exercise price that placed the awards significantly "out of the money" on the date of grant Half of each executive's options have an exercise price of $178 50 and half have an exercise price of $106 10 The options were granted on a day on which Citi's closing price was $45 30 The options have a 10-year term and vest ratably over a four-year period

Prior to 2009, stock options were granted to CAP participants who elected to receive stock options in lieu of restricted or deferred stock awards, and to non-employee directors who elected to receive their compensation in the form of a stock option grant. Beginning in 2009, Citi eliminated the stock option election for all directors and employees (except certain CAP participants who were permitted to make a stock option election for awards made in 2009)

Generally, options granted from 2003 through 2009 have six-year terms and vest ratably over three- or four-year periods; however options granted to directors provided for cliff vesting. Vesting schedules for sign-on or retention grants may vary. The sale of shares acquired through the exercise of employee stock options granted from 2003 through January 2009 is restricted for a two-year period (and may be subject to the stock ownership commitment of senior executives thereafter).

On January 22, 2008, the CEO was awarded stock options to purchase three hundred thousand shares of common stock. The options vest 25% per year beginning on the first anniversary of the grant date and expire on the tenth anniversary of the grant date. One-third of the options have an exercise price equal to the NYSE closing price of Citigroup stock on the grant date ($244.00), one-third have an exercise price equal to a 25% premium over the grant-date closing price ($305.00), and one-third have an exercise price equal to a 50% premium over the grant date closing price ($366 00). These options do not have a reload feature.

Prior to 2003, Citigroup options, including options granted since the date of the merger of Citicorp and Travelers Group, Inc , generally vested at a rate of 20% per year over five years (with the first vesting date occurring 12 to 18 months following the grant date) and had 10-year terms. Certain options, mostly granted prior to January 1, 2003 and with 10-year terms, permit an employee exercising an option under certain conditions to be granted new options (reload options) in an amount equal to the number of common shares used to satisfy the exercise price and the withholding taxes due upon exercise. The reload options are granted for the remaining term of the related original option and vest after six months. Reload options may in turn be exercised using the reload method, given certain conditions. An option may not be exercised using the reload method unless the market price on the date of exercise is at least 20% greater than the option to purchase

From 1997 to 2002, a broad base of employees participated in annual option grant programs. The options vested over five-year periods, or cliff vested after five years, and had 10-year terms but no reload features No grants have been made under these programs since 2002 and all options that remain outstanding will expire in 2012

Information with respect to stock option activity under Citigroup stock option programs for the years ended December 31, 2011, 2010 and 2009 is as follows.

	2011			2010			2009		
	Options	Weighted-average exercise price	Intrinsic value per share	Options	Weighted-average exercise price	Intrinsic value per share	Options	Weighted-average exercise price	Intrinsic value per share
Outstanding, beginning of period	**37,486,011**	**$ 93.70**	**$ —**	40,404,481	$127 50	$ —	14,386,066	$418.40	$—
Granted—original	**3,425,000**	**48.86**	**—**	4,450,017	47 80	—	32,124,473	42.70	—
Forfeited or exchanged	**(1,539,227)**	**176.41**	**—**	(4,368,086)	115 10	—	(3,928,531)	369.80	—
Expired	**(1,610,450)**	**487.24**	**—**	(2,935,863)	458 70	—	(2,177,527)	362.10	—
Exercised	**(165,305)**	**40.80**	**6.72**	(64,538)	40 80	3 80	—	—	—
Outstanding, end of period	**37,596,029**	**$ 69.60**	**$ —**	37,486,011	$ 93.70	$ —	40,404,481	$127.50	$—
Exercisable, end of period	**23,237,069**			15,189,710			7,893,909		

The following table summarizes the information about stock options outstanding under Citigroup stock option programs at December 31, 2011:

	Options outstanding			Options exercisable	
Range of exercise prices	Number outstanding	Weighted-average contractual life remaining	Weighted-average exercise price	Number exercisable	Weighted-average exercise price
$29.70–$49 99	**33,982,017**	**4.1 years**	**$ 42.38**	**20,302,484**	**$ 41.79**
$50 00–$99.99	**203,614**	**9.3 years**	**56.44**	**1,807**	**67.10**
$100.00–$199.99	**532,152**	**6.9 years**	**147.20**	**298,788**	**150.89**
$200.00–$299.99	**852,842**	**2.6 years**	**244.51**	**658,586**	**244.50**
$300 00–$399.99	**366,912**	**3.6 years**	**346.94**	**316,912**	**348.74**
$400.00–$499.99	**1,216,690**	**0.1 years**	**428.22**	**1,216,690**	**428.22**
$500.00–$564.10	**441,802**	**0.3 years**	**520.90**	**441,802**	**520.90**
	37,596,029	**4.0 years**	**$ 69.60**	**23,237,069**	**$ 82.47**

As of December 31, 2011, there was $122 5 million of total unrecognized compensation cost related to stock options, this cost is expected to be recognized over a weighted-average period of 0 8 years.

Fair Value Assumptions

Valuation and related assumption information for Citigroup option programs is presented below. Citigroup uses a lattice-type model to value stock options.

For options granted during	**2011**	2010	2009
Weighted-average per-share fair value, at December 31	**$ 13.90**	$ 16.60	$ 13.80
Weighted-average expected life			
Original grants	**4.95 yrs.**	6.06 yrs.	5.87 yrs.
Valuation assumptions			
Expected volatility	**35.64%**	36 42%	35 89%
Risk-free interest rate	**2.33%**	2.88%	2.79%
Expected dividend yield	**0.00%**	0 00%	0.02%
Expected annual forfeitures			
Original and reload grants	**9.62%**	9 62%	7.60%

Profit Sharing Plan

In October 2010, the Committee approved awards under the 2010 Key Employee Profit Sharing Plan (KEPSP) which may entitle participants to profit-sharing payments based on an initial performance measurement period of January 1, 2010 through December 31, 2012 Generally, if a participant remains employed and all other conditions to vesting and payment are satisfied, the participant will be entitled to an initial payment in 2013, as well as a holdback payment in 2014 that may be reduced based on performance during the subsequent holdback period (generally, January 1, 2013 through December 31, 2013). If the vesting and performance conditions are satisfied, a participant's initial payment will equal two-thirds of the product of the cumulative pretax income of Citicorp (as defined in the KEPSP) for the initial performance period and the participant's applicable percentage The initial payment will be paid after January 20, 2013, but no later than March 15, 2013.

The participant's holdback payment, if any, will equal the product of (a) the lesser of cumulative pretax income of Citicorp for the initial performance period and cumulative pretax income of Citicorp for the initial performance period and the holdback period combined (generally, January 1, 2010 through December 31, 2013), and (b) the participant's applicable percentage, less the initial payment, provided that the holdback payment may not be less than zero The holdback payment, if any, will be paid after January 20, 2014, but no later than March 15, 2014 The holdback payment, if any, will be credited with notional interest during the holdback period It is intended that the initial payment and holdback payment will be paid in cash, however, awards may be paid in Citi common stock if required by regulatory authority Regulators have required that U K participants receive at least 50% of their initial payment and at least 50% of their holdback payment, if any, in shares of Citi common stock that will be subject to a six-month sales restriction Clawbacks apply to the award.

Independent risk function employees were not eligible to participate in the KEPSP as the independent risk function participates in the determination of whether payouts will be made under the KEPSP

On February 14, 2011, the Committee approved grants of awards under the 2011 KEPSP to certain executive officers, and on May 17, 2011, to the CEO. These awards have a performance period of January 1, 2011 to December 31, 2012, and other terms of the awards are similar to the 2010 KEPSP.

Expense taken in 2011 in respect of the KEPSP was $285 million.

Other Incentive Compensation

Citigroup may at times issue Cash in Lieu of Equity awards, which are deferred cash awards given to new hires in replacement of prior employer's awards or other forfeited compensation. The vesting schedules and terms and conditions of these deferred cash awards are generally structured to match the terms of awards or other compensation from a prior employer that was forfeited to accept employment with the Company. Expense taken in 2011 for these awards was $172 million

Additionally, certain subsidiaries or business units of the Company operate and may from time to time introduce other incentive plans for certain employees that have an incentive-based award component. These awards are not considered material to Citigroup's operations.

9. RETIREMENT BENEFITS

Pension and Postretirement Plans

The Company has several non-contributory defined benefit pension plans covering certain U.S. employees and has various defined benefit pension and termination indemnity plans covering employees outside the United States. The U.S. qualified defined benefit plan was frozen effective January 1, 2008, for most employees Accordingly, no additional compensation-based contributions were credited to the cash balance portion of the plan for existing plan participants after 2007. However, certain employees covered under the prior final pay plan formula continue to accrue benefits. The Company also offers postretirement health care and life insurance benefits to certain eligible U.S. retired employees, as well as to certain eligible employees outside the United States.

The following table summarizes the components of net (benefit) expense recognized in the Consolidated Statement of Income for the Company's U.S. qualified and nonqualified pension plans, postretirement plans and plans outside the United States. The Company uses a December 31 measurement date for its U.S and non-U.S. plans

Contributions

Citigroup's funding policy for U.S. and non-U.S. pension plans is generally to fund to minimum funding requirements in accordance with applicable local laws and regulations The Company may increase its contributions above the minimum required contribution, if appropriate For the U.S. pension plans, at December 31, 2011 and 2010, there were no minimum required cash contributions. During 2010, a discretionary cash contribution of $995 million was made to the plan. For the U.S. non-qualified pension plans, the Company contributed $51 million in benefits paid directly during 2011, $51 million during 2010 and $55 million during 2009. No contributions are expected for the U S qualified pension plan for 2012 and $53 million of direct payments are expected for the U.S. non-qualified plans for 2012

For the non-U.S pension plans, the Company reported $389 million in employer contributions during 2011, which includes $47 million in benefits paid directly by the Company. For the non-U S. pension plans, discretionary cash contributions for 2012 are anticipated to be approximately $211 million. In addition, the Company expects to contribute $43 million of benefits to be paid directly by the Company for its non-U.S. pension plans. For the U S postretirement benefit plans, there are no expected or required contributions for 2012 other than $55 million of benefit payments expected to be paid directly by the Company

For the non-U.S. postretirement benefit plans, the Company reported $75 million in employer contributions during 2011, which includes $5 million in benefits paid directly by the Company during the year For the non-U.S. postretirement benefit plans, expected cash contributions for 2012 are $83 million including $4 million of benefits to be paid directly by the Company

These estimates are subject to change, since contribution decisions are affected by various factors, such as market performance and regulatory requirements. In addition, management has the ability to change funding policy

Net (Benefit) Expense

	Pension plans						Postretirement benefit plans					
	U.S. plans			Non-U.S. plans			U.S. plans			Non-U.S. plans		
In millions of dollars	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009	**2011**	2010	2009
Qualified Plans												
Benefits earned during the year	**$ 13**	$ 14	$ 18	**$ 203**	$ 167	$ 148	**$—**	$ 1	$ 1	**$ 28**	$ 23	$ 26
Interest cost on benefit obligation	**612**	644	649	**382**	342	301	**53**	59	61	**118**	105	89
Expected return on plan assets	**(890)**	(874)	(912)	**(422)**	(378)	(336)	**(6)**	(8)	(10)	**(117)**	(100)	(77)
Amortization of unrecognized												
Net transition obligation	**—**	—	—	**(1)**	(1)	(1)	**—**	—	—	**—**	—	—
Prior service cost (benefit)	**(1)**	(1)	(1)	**4**	4	4	**(3)**	(3)	(1)	**—**	—	—
Net actuarial loss	**64**	47	10	**72**	57	60	**3**	11	2	**24**	20	18
Curtailment (gain) loss[1]	**—**	—	47	**4**	1	(8)	**—**	—	—	**—**	—	—
Settlement (gain) loss	**—**	—	—	**10**	7	15	**—**	—	—	**—**	—	—
Special termination benefits	**—**	—	—	**27**	5	15	**—**	—	—	**—**	—	—
Net qualified (benefit) expense	**$(202)**	$(170)	$(189)	**$ 279**	$ 204	$ 198	**$47**	$60	$ 53	**$ 53**	$ 48	$ 56
Nonqualified plans expense	**$ 42**	$ 41	$ 41	**$ —**	$ —	$ —	**$—**	$—	$—	**$ —**	$ —	$ —
Total net (benefit) expense	**$(160)**	$(129)	$(148)	**$ 279**	$ 204	$ 198	**$47**	$60	$ 53	**$ 53**	$ 48	$ 56

(1) The 2009 curtailment gain in the non-U S pension plans includes an $18 million gain reflecting the sale of Citigroup's Nikko operations See Note 2 to the Consolidated Financial Statements for further discussion of the sale of Nikko operations

The estimated net actuarial loss, prior service cost and net transition obligation that will be amortized from *Accumulated other comprehensive income (loss)* into net expense in 2012 are approximately $181 million, $2 million and $(1) million, respectively, for defined benefit pension plans. For postretirement plans, the estimated 2012 net actuarial loss and prior service cost amortizations are approximately $32 million and $(1) million, respectively.

The following table summarizes the funded status and amounts recognized in the Consolidated Balance Sheet for the Company's U.S. qualified and nonqualified pension plans, postretirement plans and plans outside the United States.

Net Amount Recognized

	Pension plans				Postretirement benefit plans			
	U.S. plans[1]		Non-U.S. plans		U.S. plans		Non-U.S. plans	
In millions of dollars	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
Change in projected benefit obligation								
Projected benefit obligation at beginning of year	**$11,730**	$11,178	**$6,189**	$5,400	**$ 1,179**	$ 1,086	**$1,395**	$1,141
Benefits earned during the year	**13**	14	**203**	167	**—**	1	**28**	23
Interest cost on benefit obligation	**612**	644	**382**	342	**53**	59	**118**	105
Plan amendments	**—**	—	**2**	8	**—**	—	**—**	—
Actuarial (gain) loss	**655**	537	**59**	459	**(44)**	108	**29**	120
Benefits paid	**(633)**	(643)	**(288)**	(264)	**(79)**	(87)	**(54)**	(47)
Expected Medicare Part D subsidy	**—**	—	**—**	—	**10**	12	**—**	—
Settlements	**—**	—	**(44)**	(49)	**—**	—	**—**	—
Curtailments	**—**	—	**3**	(5)	**—**	—	**—**	—
Special/contractual termination benefits	**—**	—	**27**	5	**—**	—	**—**	—
Foreign exchange impact and other	**—**	—	**(271)**	126	**8**	—	**(148)**	53
Projected benefit obligation at year end	**$12,377**	$11,730	**$6,262**	$6,189	**$ 1,127**	$ 1,179	**$1,368**	$1,395
Change in plan assets								
Plan assets at fair value at beginning of year	**$11,561**	$ 9,934	**$6,145**	$5,592	**$ 95**	$ 114	**$1,176**	$ 967
Actual return on plan assets	**1,063**	1,271	**526**	432	**5**	10	**40**	126
Company contributions[2]	**—**	999	**389**	305	**53**	58	**75**	75
Plan participants contributions	**—**	—	**6**	6	**—**	—	**—**	—
Settlements	**—**	—	**(44)**	(49)	**—**	—	**—**	—
Benefits paid	**(633)**	(643)	**(288)**	(264)	**(79)**	(87)	**(54)**	(47)
Foreign exchange impact and other	**—**	—	**(313)**	123	**—**	—	**(141)**	55
Plan assets at fair value at year end	**$11,991**	$11,561	**$6,421**	$6,145	**$ 74**	$ 95	**$1,096**	$1,176
Funded status of the plan at year end[3]	**$ (386)**	$ (169)	**$ 159**	$ (44)	**$(1,053)**	$(1,084)	**$ (272)**	$ (219)
Net amount recognized								
Benefit asset	**$ —**	$ —	**$ 874**	$ 528	**$ —**	$ —	**$ —**	$ 52
Benefit liability	**(386)**	(169)	**(715)**	(572)	**(1,053)**	(1,084)	**(272)**	(271)
Net amount recognized on the balance sheet	**$ (386)**	$ (169)	**$ 159**	$ (44)	**$(1,053)**	$(1,084)	**$ (272)**	$ (219)
Amounts recognized in *Accumulated other comprehensive income (loss)*								
Net transition obligation	**$ —**	$ —	**$ (1)**	$ (2)	**$ —**	$ —	**$ 1**	$ 1
Prior service cost (benefit)	**(1)**	(1)	**23**	26	**(3)**	(6)	**(5)**	(6)
Net actuarial loss	**4,440**	4,021	**1,454**	1,652	**152**	194	**509**	486
Net amount recognized in equity—pretax	**$ 4,439**	$ 4,020	**$1,476**	$1,676	**$ 149**	$ 188	**$ 505**	$ 481
Accumulated benefit obligation at year end	**$12,337**	$11,689	**$5,463**	$5,576	**$ 1,127**	$ 1,179	**$1,368**	$1,395

(1) The U.S. plans exclude nonqualified pension plans, for which the aggregate projected benefit obligation was $713 million and $658 million and the aggregate accumulated benefit obligation was $694 million and $648 million at December 31, 2011 and 2010, respectively. These plans are unfunded. As such, the funded status of these plans is $(713) million and $(658) million at December 31, 2011 and 2010, respectively. *Accumulated other comprehensive income (loss)* reflects pretax charges of $231 million and $167 million at December 31, 2011 and 2010, respectively, that primarily relate to net actuarial loss.

(2) There were no Company contributions to the U.S. pension plan during 2011 and $999 million during 2010, which includes a discretionary cash contribution of $995 million in 2010 and advisory fees paid to Citi Alternative Investments. Company contributions to the non-U.S. pension plans include $47 million and $40 million of benefits paid directly by the Company during 2011 and 2010, respectively.

(3) The U.S. qualified pension plan is fully funded under specified ERISA funding rules as of January 1, 2011 and no minimum required funding is expected for 2011 and 2012.

The following table shows the change in *Accumulated other comprehensive income (loss)* for the years ended December 31, 2011 and 2010

In millions of dollars	**2011**	2010
Balance, January 1, net of tax [1]	**$(4,105)**	$(3,461)
Actuarial assumptions changes and plan experience [2]	**(820)**	(1,257)
Net asset gain due to actual returns exceeding expected returns	**197**	479
Net amortizations	**183**	137
Foreign exchange impact and other	**28**	(437)
Change in deferred taxes, net	**235**	434
Change, net of tax	**$ (177)**	$ (644)
Balance, December 31, net of tax [1]	**$(4,282)**	$(4,105)

(1) See Note 21 to the Consolidated Financial Statements for further discussion of net *Accumulated other comprehensive income (loss)* balance.
(2) Includes $70 million and $33 million in net actuarial losses related to U.S. nonqualified pension plans for 2011 and 2010, respectively.

At the end of 2011 and 2010, for both qualified and nonqualified plans and for both funded and unfunded plans, the aggregate projected benefit obligation (PBO), the aggregate accumulated benefit obligation (ABO), and the aggregate fair value of plan assets are presented for pension plans with a projected benefit obligation in excess of plan assets and for pension plans with an accumulated benefit obligation in excess of plan assets as follows

	PBO exceeds fair value of plan assets				**ABO exceeds fair value of plan assets**			
	U.S. plans [1]		**Non-U.S. plans**		**U.S. plans [1]**		**Non-U.S. plans**	
In millions of dollars	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
Projected benefit obligation	**$13,089**	$12,388	**$2,386**	$2,305	**$13,089**	$12,388	**$1,970**	$1,549
Accumulated benefit obligation	**13,031**	12,337	**1,992**	1,949	**13,031**	12,337	**1,691**	1,340
Fair value of plan assets	**11,991**	11,561	**1,671**	1,732	**11,991**	11,561	**1,139**	1,046

(1) In 2011, the PBO and ABO of the U.S. plans include $12,377 million and $12,337 million, respectively, relating to the qualified plan and $712 million and $694 million, respectively, relating to the nonqualified plans. In 2010, the PBO and ABO of the U.S. plans include $11,730 million and $11,689 million, respectively, relating to the qualified plan and $658 million and $648 million, respectively, relating to the nonqualified plans.

At December 31, 2011, combined accumulated benefit obligations for the U.S. and non-U.S. pension plans, excluding U.S. nonqualified plans, exceeded plan assets by $0.6 billion. At December 31, 2010, combined accumulated benefit obligations for the U.S. and non-U.S. pension plans, excluding U.S. nonqualified plans, exceeded plan assets by $0.4 billion.

Plan Assumptions

Citigroup utilizes a number of assumptions to determine plan obligations and expense. Changes in one or a combination of these assumptions will have an impact on the Company's pension and postretirement PBO, funded status and benefit expense. Changes in the plans' funded status resulting from changes in the PBO and fair value of plan assets will have a corresponding impact on *Accumulated other comprehensive income (loss)*. A discussion of certain assumptions follows

Discount Rate

The discount rates for the U.S. pension and postretirement plans were selected by reference to a Citigroup-specific analysis using each plan's specific cash flows and compared with high quality corporate bond indices for reasonableness. Citigroup's policy is to round to the nearest five hundredths of a percent. Accordingly, at December 31, 2011, the discount rate was set at 4.70% for the pension plans and 4.30% for the postretirement plans. At December 31, 2010, the discount rate was set at 5.45% for the pension plans and 5.10% for the postretirement plans, referencing a Citigroup-specific cash flow analysis.

The discount rates for the non-U.S. pension and postretirement plans are selected by reference to high quality corporate bond rates in countries that have developed corporate bond markets. However, where developed corporate bond markets do not exist, the discount rates are selected by reference to local government bond rates with a premium added to reflect the additional risk for corporate bonds

The discount rate and future rate of compensation assumptions used in determining pension and postretirement benefit obligations and net benefit expense for the Company's plans are shown in the following table:

At year end	**2011**	2010
Discount rate		
U.S. plans [1]		
Pension	**4.70%**	5.45%
Postretirement	**4.30**	5.10
Non-U.S. pension plans		
Range	**1.75 to 13.25**	1.75 to 14.00
Weighted average	**5.94**	6.23
Future compensation increase rate		
U.S. plans [2]	**3.00**	3.00
Non-U.S. pension plans		
Range	**1.60 to 13.30**	1.0 to 11.0
Weighted average	**4.04**	4.66

During the year	**2011**	2010
Discount rate		
U.S. plans [1]		
Pension	**5.45%**	5.90%
Postretirement	**5.10**	5.55
Non-U.S. pension plans		
Range	**1.75 to 14.00**	2.00 to 13.25
Weighted average	**6.23**	6.50
Future compensation increase rate		
U.S. plans [2]	**3.00**	3.00
Non-U.S. pension plans		
Range	**1.00 to 11.00**	1.00 to 12.00
Weighted average	**4.66**	4.60

(1) Weighted-average rates for the U.S. plans equal the stated rates

(2) Effective January 1, 2008, the U.S. qualified pension plan was frozen except for certain grandfathered employees accruing benefits under a final pay plan formula. Only the future compensation increases for these grandfathered employees will affect future pension expense and obligations. Future compensation increase rates for small groups of employees were 4%

A one-percentage-point change in the discount rates would have the following effects on pension expense.

	One-percentage-point increase			One-percentage-point decrease		
In millions of dollars	**2011**	2010	2009	**2011**	2010	2009
Effect on pension expense for U.S plans [1]	**$ 19**	$ 19	$ 14	**$ (34)**	$(34)	$(27)
Effect on pension expense for non-U.S. plans	**(57)**	(49)	(40)	**70**	56	62

(1) Due to the freeze of the U S qualified pension plan commencing January 1, 2008, the majority of the prospective service cost has been eliminated and the gain/loss amortization period was changed to the life expectancy for inactive participants As a result, pension expense for the U S qualified pension plan is driven more by interest costs than service costs, and an increase in the discount rate would increase pension expense, while a decrease in the discount rate would decrease pension expense

Assumed health-care cost-trend rates were as follows.

	2011	2010
Health-care cost increase rate for U.S. plans		
Following year	**9.00%**	9 50%
Ultimate rate to which cost increase is assumed to decline	**5.00**	5 00
Year in which the ultimate rate is reached	**2020**	2020

A one-percentage-point change in assumed health-care cost-trend rates would have the following effects:

	One-percentage-point increase		One-percentage-point decrease	
In millions of dollars	**2011**	2010	**2011**	2010
Effect on benefits earned and interest cost for U S. plans	**$ 2**	$ 3	**$ (2)**	S (2)
Effect on accumulated postretirement benefit obligation for U.S plans	**43**	49	**(38)**	(44)

Expected Rate of Return

Citigroup determines its assumptions for the expected rate of return on plan assets for its U.S pension and postretirement plans using a "building block" approach, which focuses on ranges of anticipated rates of return for each asset class. A weighted range of nominal rates is then determined based on target allocations to each asset class Market performance over a number of earlier years is evaluated covering a wide range of economic conditions to determine whether there are sound reasons for projecting any past trends.

Citigroup considers the expected rate of return to be a long-term assessment of return expectations and does not anticipate changing this assumption annually unless there are significant changes in investment strategy or economic conditions This contrasts with the selection of the discount rate, future compensation increase rate, and certain other assumptions, which are reconsidered annually in accordance with generally accepted accounting principles.

The expected rate of return for the U S pension and postretirement plans was 7 50% at December 31, 2011, 7 50% at December 31, 2010, and 7 75% at December 31, 2009, reflecting a change in investment allocations during 2010. Actual returns in 2011 and 2010 were greater than the expected returns, while actual returns in 2009 were less than the expected returns. This expected amount reflects the expected annual appreciation of the plan assets and reduces the annual pension expense of Citigroup It is deducted from the sum of service cost, interest and other components of pension expense to arrive at the net pension (benefit) expense. Net pension (benefit) expense for the U S pension plans for 2011, 2010, and 2009 reflects deductions of $890 million, $874 million, and $912 million of expected returns, respectively.

The following table shows the expected versus actual rate of return on plan assets for 2011, 2010 and 2009 for the U S. pension and postretirement plans:

	2011	2010	2009
Expected rate of return	**7.50%**	7 50%	7 75%
Actual rate of return [1]	**11.13%**	14.11%	(2.77)%

(1) Actual rates of return are presented gross of fees

For the non-U S plans, pension expense for 2011 was reduced by the expected return of $422 million, compared with the actual return of $526 million. Pension expense for 2010 and 2009 was reduced by expected returns of $378 million and $336 million, respectively Actual returns were higher in 2011, 2010, and 2009 than the expected returns in those years

The expected long-term rates of return on assets used in determining the Company's pension expense are shown below.

	2011	2010
Rate of return on assets		
U S plans [1]	**7.50%**	7 75%
Non-U S pension plans		
Range	**1.00 to 12.50**	1 75 to 13.00
Weighted average	**6.89**	6 96

(1) Weighted-average rates for the U S plans equal the stated rates

A one-percentage-point change in the expected rates of return would have the following effects on pension expense

	One-percentage-point increase			One-percentage-point decrease		
In millions of dollars	**2011**	2010	2009	**2011**	2010	2009
Effect on pension expense for U.S plans	**$(118)**	$(119)	$(109)	**$118**	$119	$109
Effect on pension expense for non-U.S plans	**(62)**	(54)	(44)	**62**	54	44

Plan Assets

Citigroup's pension and postretirement plans' asset allocations for the U.S. plans at the end of 2011 and 2010, and the target allocations for 2012 by asset category based on asset fair values, are as follows:

	Target asset allocation	U.S. pension assets at December 31,		U.S. postretirement assets at December 31,	
Asset category [1]	2012	**2011**	2010	**2011**	2010
Equity securities [2]	0-34%	**16%**	15%	**16%**	15%
Debt securities	30-67	**44**	40	**44**	39
Real estate	0-7	**5**	5	**5**	5
Private equity	0-15	**13**	16	**13**	16
Other investments	8-29	**22**	24	**22**	25
Total		**100%**	100%	**100%**	100%

(1) Target asset allocations for the U S plans are set by investment strategy, not by investment product For example, private equities with an underlying investment in real estate are classified in the real estate asset category, not private equity

(2) Equity securities in the U S pension plans include no Citigroup common stock at the end of 2011 and 2010

Third-party investment managers and advisors provide their services to Citigroup's U S pension plans. Assets are rebalanced as the Pension Plan Investment Committee deems appropriate. Citigroup's investment strategy, with respect to its pension assets, is to maintain a globally diversified investment portfolio across several asset classes that, when combined with Citigroup's contributions to the plans, will maintain the plans' ability to meet all required benefit obligations

Citigroup's pension and postretirement plans' weighted-average asset allocations for the non-U S. plans and the actual ranges at the end of 2011 and 2010, and the weighted-average target allocations for 2012 by asset category based on asset fair values are as follows

				Non-U.S. pension plans	
	Weighted-average target asset allocation	Actual range at December 31,		Weighted-average at December 31,	
Asset category	2012	**2011**	2010	**2011**	2010
Equity securities	20%	**0 to 65%**	0 to 67%	**19%**	22%
Debt securities	73	**0 to 99**	0 to 100	**71**	68
Real estate	1	**0 to 42**	0 to 43	**1**	1
Other investments	6	**0 to 100**	0 to 100	**9**	9
Total	100%			**100%**	100%

				Non-U.S. postretirement plans	
	Weighted-average target asset allocation	Actual range at December 31,		Weighted-average at December 31,	
Asset category	2012	**2011**	2010	**2011**	2010
Equity securities	44%	**0 to 44%**	0 to 43%	**44%**	43%
Debt securities	45	**45 to 100**	47 to 100	**45**	47
Other investments	11	**0 to 11**	0 to 10	**11**	10
Total	100%			**100%**	100%

Fair Value Disclosure

For information on fair value measurements, including descriptions of Level 1, 2 and 3 of the fair value hierarchy and the valuation methodology utilized by the Company, see "Significant Accounting Policies and Significant Estimates" and Note 25 to the Consolidated Financial Statements.

Certain investments may transfer between the fair value hierarchy classifications during the year due to changes in valuation methodology and pricing sources. There were no significant transfers of investments between level 1 and level 2 during the years ended December 31, 2011 and 2010.

Plan assets by detailed asset categories and the fair value hierarchy are as follows:

In millions of dollars	U.S. pension and postretirement benefit plans [1]			
	Fair value measurement at December 31, 2011			
Asset categories	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity securities				
U.S. equity	$ 572	$ 5	$ 51	$ 628
Non-U.S. equity	229	—	19	248
Mutual funds	137	—	—	137
Commingled funds	440	594	—	1,034
Debt securities				
U.S. Treasuries	1,760	—	—	1,760
U.S. agency	—	120	—	120
U.S. corporate bonds	2	1,073	5	1,080
Non-U.S. government debt	—	352	—	352
Non-U.S. corporate bonds	4	271	—	275
State and municipal debt	—	122	—	122
Hedge funds	—	1,087	870	1,957
Asset-backed securities	—	19	—	19
Mortgage-backed securities	—	32	—	32
Annuity contracts	—	—	155	155
Private equity	—	—	2,474	2,474
Derivatives	691	36	—	727
Other investments	92	20	121	233
Total investments at fair value	$3,927	$3,731	$3,695	$11,353
Cash and short-term investments	$ 412	$ 402	$ —	$ 814
Other investment receivables	—	393	221	614
Total assets	$4,339	$4,526	$3,916	$12,781
Other investment liabilities	$ (683)	$ (33)	$ —	$ (716)
Total net assets	$3,656	$4,493	$3,916	$12,065

(1) The investments of the U.S. pension and postretirement benefit plans are commingled in one trust. At December 31, 2011, the allocable interests of the U.S. pension and postretirement benefit plans were 99.2% and 0.8%, respectively.

In millions of dollars	U.S. pension and postretirement benefit plans [1]			
	Fair value measurement at December 31, 2010			
Asset categories [2]	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity securities				
U.S. equity	$ 530	$ 9	$ —	$ 539
Non-U.S. equity	432	4	—	436
Mutual funds	920	—	—	920
Commingled funds	773	—	—	773
Debt securities				
U.S. Treasuries	1,039	—	—	1,039
U.S. agency	—	90	—	90
U.S. corporate bonds	—	1,050	5	1,055
Non-U.S. government debt	—	243	—	243
Non-U.S. corporate bonds	—	219	1	220
State and municipal debt	—	62	—	62
Hedge funds	—	1,521	1,014	2,535
Asset-backed securities	—	28	—	28
Mortgage-backed securities	—	25	—	25
Annuity contracts	—	—	187	187
Private equity	—	—	2,920	2,920
Derivatives	9	634	—	643
Other investments	9	—	4	13
Total investments at fair value	$3,712	$3,885	$4,131	$11,728
Cash and short-term investments	$ 152	$ 361	$ —	$ 513
Other investment receivables	—	21	—	21
Total assets	$3,864	$4,267	$4,131	$12,262
Other investment liabilities	$ (16)	$ (590)	$ —	$ (606)
Total net assets	$3,848	$3,677	$4,131	$11,656

(1) The investments of the U.S. pension and postretirement benefit plans are commingled in one trust. At December 31, 2010, the allocable interests of the U.S. pension and postretirement benefit plans were 99.2% and 0.8%, respectively.

(2) Balances at December 31, 2010 have been reclassified to conform to the current year's presentation.

In millions of dollars	Non-U.S. pension and postretirement benefit plans			
	Fair value measurement at December 31, 2011			
Asset categories	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity securities				
U.S. equity	**$ 12**	**$ —**	**$ —**	**$ 12**
Non-U.S. equity	**48**	**180**	**5**	**233**
Mutual funds	**11**	**4,439**	**32**	**4,482**
Commingled funds	**26**	**—**	**—**	**26**
Debt securities				
U.S. Treasuries	**1**	**—**	**—**	**1**
U.S. corporate bonds	**1**	**379**	**—**	**380**
Non-U.S. government debt	**1,484**	**129**	**5**	**1,618**
Non-U.S. corporate bonds	**5**	**318**	**3**	**326**
State and municipal debt	**—**	**—**	**—**	**—**
Hedge funds	**—**	**3**	**12**	**15**
Mortgage-backed securities	**1**	**—**	**—**	**1**
Annuity contracts	**—**	**3**	**—**	**3**
Derivatives	**—**	**3**	**—**	**3**
Other investments	**3**	**6**	**240**	**249**
Total investments at fair value	**$1,592**	**$5,460**	**$297**	**$7,349**
Cash and short-term investments	**$ 168**	**$ —**	**$ —**	**$ 168**
Total assets	**$1,760**	**$5,460**	**$297**	**$7,517**

In millions of dollars	Non-U.S. pension and postretirement benefit plans			
	Fair value measurement at December 31, 2010			
Asset categories[1]	**Level 1**	**Level 2**	**Level 3**	**Total**
Equity securities				
U.S. equity	$ 12	$ 20	$ —	$ 32
Non-U.S. equity	117	423	3	543
Mutual funds	183	4,773	—	4,956
Commingled funds	—	—	—	—
Debt securities				
U.S. Treasuries	2	26	—	28
U.S. corporate bonds	—	354	—	354
Non-U.S. government debt	167	404	—	571
Non-U.S. corporate bonds	4	354	107	465
State and municipal debt	—	15	—	15
Hedge funds	4	—	14	18
Mortgage-backed securities	—	2	—	2
Annuity contracts	—	—	—	—
Derivatives	—	—	—	—
Other investments	9	29	189	227
Total investments at fair value	$498	$6,400	$313	$7,211
Cash and short-term investments	$ 92	$ 18	$ —	$ 110
Total assets	$590	$6,418	$313	$7,321

(1) Balances at December 31, 2010 have been reclassified to conform to the current year's presentation

Level 3 Roll Forward

The reconciliations of the beginning and ending balances during the period for Level 3 assets are as follows

In millions of dollars					U.S. pension and postretirement benefit plans	
Asset categories	**Beginning Level 3 fair value at Dec. 31, 2010**	**Realized gains (losses)**	**Unrealized gains (losses)**	**Purchases, sales, and issuances**	**Transfers in and/or out of Level 3**	**Ending Level 3 fair value at Dec. 31, 2011**
Equity securities						
U.S. equity	$ —	$ —	$ —	$ —	$ 51	$ 51
Non-U.S. equity	—	—	(1)	—	20	19
Debt securities						
U.S. corporate bonds	5	(2)	(1)	(1)	4	5
Non-U.S. corporate bonds	1	—	—	(1)	—	—
Hedge funds	1,014	42	(45)	(131)	(10)	870
Annuity contracts	187	—	3	(35)	—	155
Private equity	2,920	89	94	(497)	(132)	2,474
Other investments	4	—	(6)	—	123	121
Total investments	$4,131	$129	$ 44	$(665)	$ 56	$3,695
Other investment receivables	—	—	—	221	—	221
Total assets	$4,131	$129	$ 44	$(444)	$ 56	$3,916

In millions of dollars					U.S. pension and postretirement benefit plans	
Asset categories	**Beginning Level 3 fair value at Dec. 31, 2009**	**Realized gains (losses)**	**Unrealized gains (losses)**	**Purchases, sales, and issuances**	**Transfers in and/or out of Level 3**	**Ending Level 3 fair value at Dec. 31, 2010**
Equity securities						
U.S. equity	$ 1	$ (1)	$ —	$ —	$ —	$ —
Non-U.S. equity	1	(1)	—	—	—	—
Debt securities						
U.S. corporate bonds	1	—	—	3	1	5
Non-U.S. corporate bonds	—	—	—	1	—	1
Hedge funds	1,235	(15)	85	(220)	(71)	1,014
Annuity contracts	215	(44)	55	(39)	—	187
Private equity	2,539	148	292	(59)	—	2,920
Other investments	148	(66)	(66)	(16)	4	4
Total assets	$4,140	$ 21	$366	$(330)	$(66)	$4,131

In millions of dollars					Non-U.S. pension and postretirement benefit plans	
Asset categories [1]	**Beginning Level 3 fair value at Dec. 31, 2010**	**Realized gains (losses)**	**Unrealized gains (losses)**	**Purchases, sales, and issuances**	**Transfers in and/or out of Level 3**	**Ending Level 3 fair value at Dec. 31, 2011**
Equity securities						
Non-U.S. equity	$ 3	$—	$ 2	$—	$ —	$ 5
Mutual funds	—	—	—	—	32	32
Debt securities						
Non-U.S. government bonds	—	—	—	—	5	5
Non U.S. corporate bonds	107	—	—	2	(105)	4
Hedge funds	14	(2)	—	—	—	12
Other investments	189	4		(10)	56	239
Total assets	$313	$ 2	$ 2	$ (8)	$ (12)	$297

(1) Balances at December 31, 2010 have been reclassified to conform to the current year's presentation

In millions of dollars	Non-U.S. pension and postretirement benefit plans					
Asset categories[1]	**Beginning Level 3 fair value at Dec. 31, 2009**	**Realized gains (losses)**	**Unrealized gains (losses)**	**Purchases, sales, and issuances**	**Transfers in and/or out of Level 3**	**Ending Level 3 fair value at Dec. 31, 2010**
Equity securities						
Non-U.S. equity	$ 2	$—	$ 1	$—	$ —	$ 3
Debt securities						
Non-U S corporate bonds	91	—	—	16	—	107
Hedge funds	14	—	—	—	—	14
Other investments	205	(5)	3	—	(14)	189
Total assets	$312	$ (5)	$ 4	$16	$ (14)	$313

(1) Balances have been reclassified to conform to the current year's presentation

Investment Strategy

Citigroup's global pension and postretirement funds' investment strategies are to invest in a prudent manner for the exclusive purpose of providing benefits to participants. The investment strategies are targeted to produce a total return that, when combined with Citigroup's contributions to the funds, will maintain the funds' ability to meet all required benefit obligations Risk is controlled through diversification of asset types and investments in domestic and international equities, fixed-income securities and cash and short-term investments. The target asset allocation in most locations outside the U.S. is to have the majority of the assets in equity and debt securities. These allocations may vary by geographic region and country depending on the nature of applicable obligations and various other regional considerations The wide variation in the actual range of plan asset allocations for the funded non-U.S. plans is a result of differing local statutory requirements and economic conditions. For example, in certain countries local law requires that all pension plan assets must be invested in fixed-income investments, government funds, or local-country securities

Significant Concentrations of Risk in Plan Assets

The assets of Citigroup's pension plans are diversified to limit the impact of any individual investment. The U S pension plan is diversified across multiple asset classes, with publicly traded fixed income, hedge funds and private equity representing the most significant asset allocations Investments in these three asset classes are further diversified across funds, managers, strategies, vintages, sectors and geographies, depending on the specific characteristics of each asset class The pension assets for Citigroup's largest non-U S plans are primarily invested in publicly traded fixed income and publicly traded equity securities

Oversight and Risk Management Practices

The framework for Citigroup's pensions oversight process includes monitoring of retirement plans by plan fiduciaries and/or management at the global, regional or country level, as appropriate. Independent risk management contributes to the risk oversight and monitoring for Citigroup's U S pension plans and largest non-U S. pension plans. Although the specific components of the oversight process are tailored to the requirements of each region, country and plan, the following elements are common to Citigroup's monitoring and risk management process

- Periodic asset/liability management studies and strategic asset allocation reviews
- Periodic monitoring of funding levels and funding ratios
- Periodic monitoring of compliance with asset allocation guidelines
- Periodic monitoring of asset class and/or investment manager performance against benchmarks
- Periodic risk capital analysis and stress testing

Estimated Future Benefit Payments

The Company expects to pay the following estimated benefit payments in future years

	U.S. plans		Non-U.S. plans	
In millions of dollars	Pension benefits	Postretirement benefits	Pension benefits	Postretirement benefits
2012	$ 748	$102	$ 331	$ 50
2013	762	93	324	50
2014	773	90	344	53
2015	785	91	358	56
2016	800	89	380	60
2017–2021	4,271	407	2,235	377

Prescription Drugs

In December 2003, the Medicare Prescription Drug Improvement and Modernization Act of 2003 (Act of 2003) was enacted The Act of 2003 established a prescription drug benefit under Medicare known as "Medicare Part D," and a federal subsidy to sponsors of U.S. retiree health-care benefit plans that provide a benefit that is at least actuarially equivalent to Medicare Part D. The benefits provided to certain participants are at least actuarially equivalent to Medicare Part D and, accordingly, the Company is entitled to a subsidy

The expected subsidy reduced the accumulated postretirement benefit obligation (APBO) by approximately $96 million and $139 million as of December 31, 2011 and 2010, respectively, and the postretirement expense by approximately $10 million and $9 million for 2011 and 2010, respectively.

The following table shows the estimated future benefit payments without the effect of the subsidy and the amounts of the expected subsidy in future years:

		Expected U.S. postretirement benefit payments	
In millions of dollars	Before Medicare Part D subsidy	Medicare Part D subsidy	After Medicare Part D subsidy
2012	$112	$10	$102
2013	103	10	93
2014	101	11	90
2015	99	8	91
2016	97	8	89
2017–2021	440	33	407

The Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively, the Act of 2010) were signed into law in the U S in March 2010 One provision that impacted Citigroup was the elimination of the tax deductibility for benefits paid that are related to the Medicare Part D subsidy, starting in 2013 Citigroup was required to recognize the full accounting impact in 2010, the period in which the Act of 2010 was signed. As a result, there was a $45 million reduction in deferred tax assets with a corresponding charge to earnings from continuing operations. The other provisions of the Act of 2010 are not expected to have a significant impact on Citigroup's pension and postretirement plans

Defined Contribution Plans

Citigroup administers defined contribution plans in the U S. and in certain non-U S locations, all of which are administered in accordance with local laws The most significant plan of these plans is the Citigroup 401(k) plan in the U S

Under the Citigroup 401(k) plan, eligible U.S employees received matching contributions of up to 6% of their compensation for 2011 and up to 4% for 2010, subject to statutory limits. The matching contribution is invested according to participants' individual elections Additionally, for eligible employees whose compensation is $100,000 or less, a fixed contribution of up to 2% of compensation is provided The matching and fixed contributions are invested according to participants' individual elections. The pretax expense associated with this plan amounted to approximately $383 million, $301 million and $442 million in 2011, 2010 and 2009, respectively. The change in expense, year-over-year, reflects the fluctuations of the matching contribution rate.

Postemployment Plans

Citigroup sponsors U S postemployment plans that provide income continuation and health and welfare benefits to certain eligible U S. employees on long term disability For the years ended December 31, 2011 and 2010, the plans' funded status recognized in the Company's Consolidated Balance Sheet was $(469) million and $(436) million, respectively The net expense recognized in the Consolidated Statement of Income during 2011, 2010, and 2009 were $67 million, $69 million, and $57 million, respectively The estimated net actuarial loss and prior service cost that will be amortized from *Accumulated other comprehensive income (loss)* into net expense in 2012 are approximately $169 million and $19 million, respectively

10. INCOME TAXES

In millions of dollars	**2011**	2010	2009
Current			
Federal	**$ (144)**	$ (249)	$(1,711)
Foreign	**3,498**	3,239	3,101
State	**241**	207	(414)
Total current income taxes	**$3,595**	$ 3,197	$ 976
Deferred			
Federal	**$ (793)**	$ (933)	$(6,892)
Foreign	**628**	279	(182)
State	**91**	(310)	(635)
Total deferred income taxes	**$ (74)**	$ (964)	$(7,709)
Provision (benefit) for income tax on continuing operations before noncontrolling interests [1]	**$3,521**	$ 2,233	$(6,733)
Provision (benefit) for income taxes on discontinued operations	**66**	(562)	(106)
Provision (benefit) for income taxes on cumulative effect of accounting changes	**—**	(4,978)	—
Income tax expense (benefit) reported in stockholders' equity related to:			
Foreign currency translation	**(609)**	(739)	(415)
Securities available-for-sale	**1,495**	1,167	2,765
Employee stock plans	**297**	600	1,351
Cash flow hedges	**(92)**	325	1,165
Pension liability adjustments	**(235)**	(434)	(513)
Tax on exchange offer booked to retained earnings	**—**	—	3,523
Income taxes before noncontrolling interests	**$4,443**	$(2,388)	$ 1,037

(1) Includes the effect of securities transactions and OTTI losses resulting in a provision (benefit) of $699 million and $(789) million in 2011, $844 million and $(494) million in 2010 and $698 million and $(1,017) million in 2009, respectively

The reconciliation of the federal statutory income tax rate to the Company's effective income tax rate applicable to income from continuing operations (before noncontrolling interests and the cumulative effect of accounting changes) for the years ended December 31 was as follows:

	2011	2010	2009
Federal statutory rate	**35.0%**	35.0%	35.0%
State income taxes, net of federal benefit	**1.5**	(0.1)	8.4
Foreign income tax rate differential	**(8.6)**	(10.0)	26.0
Audit settlements [1]	**—**	(0.5)	4.4
Effect of tax law changes [2]	**2.0**	(0.1)	—
Tax advantaged investments	**(6.0)**	(6.7)	11.8
Other, net	**0.2**	(0.7)	0.7
Effective income tax rate	**24.1%**	16.9%	86.3%

(1) For 2010 and 2009, relates to the conclusion of the audit of various issues in the Company's 2003–2005 U.S. federal tax audit. For 2009, also includes a tax benefit relating to the release of tax reserves on interchange fees.

(2) Includes the results of the Japan tax rate change in 2011, which resulted in a $300 million DTA charge.

Deferred income taxes at December 31 related to the following:

In millions of dollars	**2011**	2010
Deferred tax assets		
Credit loss deduction	**$12,481**	$16,085
Deferred compensation and employee benefits	**4,936**	4,998
Restructuring and settlement reserves	**1,331**	785
Unremitted foreign earnings	**7,362**	5,673
Investment and loan basis differences	**2,358**	1,906
Cash flow hedges	**1,673**	1,581
Tax credit and net operating loss carryforwards	**22,764**	23,204
Other deferred tax assets	**2,127**	1,563
Gross deferred tax assets	**$55,032**	$55,795
Valuation allowance	**—**	—
Deferred tax assets after valuation allowance	**$55,032**	$55,795
Deferred tax liabilities		
Deferred policy acquisition costs and value of insurance in force	**$ (591)**	$ (737)
Fixed assets and leases	**(1,361)**	(1,325)
Intangibles	**(710)**	(1,188)
Debt valuation adjustment on Citi liabilities	**(533)**	(124)
Other deferred tax liabilities	**(307)**	(326)
Gross deferred tax liabilities	**$ (3,502)**	$ (3,700)
Net deferred tax asset	**$51,530**	$52,095

The following is a roll-forward of the Company's unrecognized tax benefits.

In millions of dollars	**2011**	2010	2009
Total unrecognized tax benefits at January 1	**$4,035**	$3,079	$3,468
Net amount of increases for current year's tax positions	**193**	1,039	195
Gross amount of increases for prior years' tax positions	**251**	371	392
Gross amount of decreases for prior years' tax positions	**(507)**	(421)	(870)
Amounts of decreases relating to settlements	**(11)**	(14)	(104)
Reductions due to lapse of statutes of limitation	**(38)**	(11)	(12)
Foreign exchange, acquisitions and dispositions	**—**	(8)	10
Total unrecognized tax benefits at December 31	**$3,923**	$4,035	$3,079

Total amount of unrecognized tax benefits at December 31, 2011, 2010 and 2009 that, if recognized, would affect the effective tax rate are $2.2 billion, $2.1 billion and $2.2 billion, respectively. The remainder of the uncertain tax positions have offsetting amounts in other jurisdictions or are temporary differences, except for $0 9 billion at December 31, 2011, which would be booked directly to *Retained earnings.*

Interest and penalties (not included in "unrecognized tax benefits" above) are a component of the *Provision for income taxes*

		2011		2010		2009
In millions of dollars	**Pretax**	**Net of tax**	Pretax	Net of tax	Pretax	Net of tax
Total interest and penalties in the Consolidated Balance Sheet at January 1	**$348**	**$223**	$370	$239	$ 663	$ 420
Total interest and penalties in the Consolidated Statement of Income	**61**	**41**	(16)	(12)	(250)	(154)
Total interest and penalties in the Consolidated Balance Sheet at December 31 [1]	**404**	**261**	348	223	370	239

(1) Includes $14 million for foreign penalties and $4 million for state penalties

The Company is currently under audit by the Internal Revenue Service and other major taxing jurisdictions around the world. It is thus reasonably possible that significant changes in the gross balance of unrecognized tax benefits may occur within the next 12 months, but the Company does not expect such audits to result in amounts that would cause a significant change to its effective tax rate, other than the following items

The Company expects to conclude the IRS audit of its U.S federal consolidated income tax returns for the years 2006-2008 and may resolve certain issues with IRS Appeals for the years 2003-2005 within the next 12 months. The gross uncertain tax positions at December 31, 2011 for the items that may be resolved for 2003-2008 are as much as $1,510 million plus gross interest of $70 million. Because of the number of issues remaining to be resolved, the potential tax benefit to continuing operations could be anywhere in a range between $0 and $1,200 million In addition, the Company expects to conclude a New York City audit for 2006-2008 in the first quarter of 2012 that will result in a reduction of approximately $82 million in gross uncertain tax positions and a reduction in gross interest of approximately $13 million and which could result in a tax benefit to continuing operations of approximately $56 million.

The following are the major tax jurisdictions in which the Company and its affiliates operate and the earliest tax year subject to examination

Jurisdiction	**Tax year**
United States	2006
Mexico	2008
New York State and City	2005
United Kingdom	2010
Japan	2009
Brazil	2007
Singapore	2005
Hong Kong	2006
Ireland	2007

Foreign pretax earnings approximated $13 1 billion in 2011, $12.3 billion in 2010 and $6.1 billion in 2009 (of which $0 2 billion profit, $0 1 billion profit and $0.6 billion loss, respectively, are in discontinued operations) As a U.S. corporation, Citigroup and its U S. subsidiaries are currently subject to U.S taxation on all foreign pretax earnings earned by a foreign branch. Pretax earnings of a foreign subsidiary or affiliate are subject to U S. taxation when effectively repatriated The Company provides income taxes on the undistributed earnings of non-U.S. subsidiaries except to the extent that such earnings are indefinitely reinvested outside the United States. At December 31, 2011, $35 9 billion of accumulated undistributed earnings of non-U.S subsidiaries were indefinitely invested At the existing U S federal income tax rate, additional taxes (net of U S. foreign tax credits) of $9 5 billion would have to be provided if such earnings were remitted currently The current year's effect on the income tax expense from continuing operations is included in the "Foreign income tax rate differential" line in the reconciliation of the federal statutory rate to the Company's effective income tax rate in the table above

Income taxes are not provided for the Company's "savings bank base year bad debt reserves" that arose before 1988, because under current U S tax rules, such taxes will become payable only to the extent such amounts are distributed in excess of limits prescribed by federal law At December 31, 2011, the amount of the base year reserves totaled approximately $358 million (subject to a tax of $125 million).

The Company has no valuation allowance on its deferred tax assets (DTAs) at December 31, 2011 and December 31, 2010

In billions of dollars

Jurisdiction/component	DTA balance December 31, 2011	DTA balance December 31, 2010
U.S. federal [1]		
Consolidated tax return net operating losses (NOLs)	**$ —**	$ 3 8
Consolidated tax return foreign tax credits (FTCs)	**15.8**	13 9
Consolidated tax return general business credits (GBCs)	**2.1**	1 7
Future tax deductions and credits	**23.0**	21 8
Other [2]	**1.4**	0 4
Total U.S. federal	**$42.3**	$41.6
State and local		
New York NOLs	**$ 1.3**	$ 1.7
Other state NOLs	**0.7**	0.8
Future tax deductions	**2.2**	2 1
Total state and local	**$ 4.2**	$ 4.6
Foreign		
APB 23 subsidiary NOLs	**$ 0.5**	$ 0.5
Non-APB 23 subsidiary NOLs	**1.8**	1.5
Future tax deductions	**2.7**	3 9
Total foreign	**$ 5.0**	$ 5.9
Total	**$51.5**	$52 1

(1) Included in the net U S federal DTAs of $42 3 billion are deferred tax liabilities of $3 billion that will reverse in the relevant carryforward period and may be used to support the DTAs, and $0 2 billion in compensation deductions that reduced additional paid-in capital in January 2012 and for which no adjustment was permitted to such DTAs at December 31, 2011 because the related stock compensation was not yet deductible to Citi

(2) Includes $1 2 billion and $0 1 billion for 2011 and 2010, respectively, of tax carryforwards related to companies that file U S federal tax returns separate from Citigroup's consolidated U S federal tax return

The following table summarizes the amounts of tax carryforwards and their expiration dates as of December 31, 2011:

In billions of dollars

Year of expiration	Amount
U.S. consolidated tax return foreign tax credit carryforwards	
2016	$ 0.4
2017	4 9
2018	5.3
2019	1.3
2020	2 2
2021	1.7
Total U.S. consolidated tax return foreign tax credit carryforwards	**$15.8**
U.S. consolidated tax return general business credit carryforwards	
2027	$ 0 3
2028	0.4
2029	0.4
2030	0.5
2031	0.5
Total U.S. consolidated tax return general business credit carryforwards	**$ 2.1**
U.S. separate tax returns federal net operating loss (NOL) carryforwards	
2028	$ 0 2
2031	2.9
Total U.S. separate tax returns federal NOL carryforwards [1]	**$ 3.1**
New York State NOL carryforwards	
2027	$ 0.1
2028	7.4
2029	2 0
2030	0.3
Total New York State NOL carryforwards [1]	**$ 9.8**
New York City NOL carryforwards	
2027	$ 0.1
2028	3.1
2029	1 5
2030	0 2
Total New York City NOL carryforwards [1]	**$ 4.9**
APB 23 subsidiary NOL carryforwards	
2012	$ 0 4
Various	0 1
Total APB 23 subsidiary NOL carryforwards	**$ 0.5**

(1) Pretax

Although realization is not assured, the Company believes that the realization of the recognized net DTA of $51.5 billion at December 31, 2011 is more likely than not based upon expectations as to future taxable income in the jurisdictions in which the DTAs arise and available tax planning strategies, as defined in ASC 740, *Income Taxes* (formerly SFAS 109), that would be implemented, if necessary, to prevent a carryforward from expiring.

In general, Citi would need to generate approximately $111 billion of taxable income during the respective carryforward periods to fully realize its U.S. federal, state and local DTAs. Citi's net DTAs will decline primarily as additional domestic GAAP taxable income is generated.

As of December 31, 2011, Citi was no longer in a three-year cumulative loss position for purposes of evaluating its DTAs. While this removes a significant piece of negative evidence in evaluating the need for a valuation allowance, Citi will continue to weigh the evidence supporting its DTAs. Citi has concluded that there are two pieces of positive evidence which support the full realizability of its DTAs. First, Citi forecasts sufficient taxable income in the carryforward period, exclusive of tax planning strategies. Second, Citi has sufficient tax planning strategies, including potential sales of assets, in which it could realize the excess of appreciated value over the tax basis of its assets. The amount of the DTAs considered realizable, however, is necessarily subject to Citi's estimates of future taxable income in the jurisdictions in which it operates during the respective carryforward periods, which is in turn subject to overall market and global economic conditions.

The U.S. federal consolidated tax return NOL carryforward component of the DTAs of $3.8 billion at December 31, 2010 was utilized in 2011. Based upon the foregoing discussion, as well as tax planning opportunities and other factors discussed below, Citi believes the U.S. federal and New York state and city NOL carryforward period of 20 years provides enough time to fully utilize the DTAs pertaining to the existing NOL carryforwards and any NOL that would be created by the reversal of the future net deductions that have not yet been taken on a tax return.

Because the U.S. federal consolidated tax return NOL carryforward has been utilized, Citi can begin to utilize its foreign tax credit (FTC) and general business credit (GBC) carryforwards. The U.S. FTC carryforward period is 10 years. Utilization of foreign tax credits in any year is restricted to 35% of foreign source taxable income in that year. However, overall domestic losses that the Company has incurred of approximately $56 billion as of December 31, 2011 are allowed to be reclassified as foreign source income to the extent of 50% of domestic source income produced in subsequent years and such resulting foreign source income would in fact be sufficient to cover the foreign tax credits being carried forward. As such, Citi believes the foreign source taxable income limitation will not be an impediment to the foreign tax credit carryforward usage as long as Citi can generate sufficient domestic taxable income within the 10-year carryforward period.

Regarding the estimate of future taxable income, Citi has projected its pretax earnings, predominantly based upon the "core" businesses that Citi intends to conduct going forward. These "core" businesses have produced steady and strong earnings in the past. Citi believes that it will generate sufficient pretax earnings within the 10-year carryforward period referenced above to be able to fully utilize the foreign tax credit carryforward, in addition to any foreign tax credits produced in such period.

As mentioned above, Citi has also examined tax planning strategies available to it in accordance with ASC 740 that would be employed, if necessary, to prevent a carryforward from expiring and to accelerate the usage of its carryforwards. These strategies include repatriating low taxed foreign source earnings for which an assertion that the earnings have been indefinitely reinvested has not been made, accelerating U.S. taxable income into or deferring U.S. tax deductions out of the latter years of the carryforward period (e.g., selling appreciated intangible assets and electing straight-line depreciation), accelerating deductible temporary differences outside the U.S., holding onto available-for-sale debt securities with losses until they mature and selling certain assets that produce tax exempt income, while purchasing assets that produce fully taxable income. In addition, the sale or restructuring of certain businesses can produce significant U.S. taxable income within the relevant carryforward periods.

As previously disclosed, Citi's ability to utilize its DTAs to offset future taxable income may be significantly limited if Citi experiences an "ownership change," as defined in Section 382 of the Internal Revenue Code of 1986, as amended (the Code). Generally, an ownership change will occur if there is a cumulative change in Citi's ownership by "5% shareholders" (as defined in the Code) that exceeds 50 percentage points over a rolling three-year period. Any limitation on Citi's ability to utilize its DTAs arising from an ownership change under Section 382 will depend on the value of Citi's stock at the time of the ownership change.

11. EARNINGS PER SHARE

The following is a reconciliation of the income and share data used in the basic and diluted earnings per share (EPS) computations for the years ended December 31

In millions, except per-share amounts	2011 [1]	2010 [1]	2009 [1]
Income (loss) from continuing operations before attribution of noncontrolling interests	**$ 11,103**	$ 10,951	$ (1,066)
Less. Noncontrolling interests from continuing operations	**148**	329	95
Net income (loss) from continuing operations (for EPS purposes)	**$ 10,955**	$ 10,622	$ (1,161)
Income (loss) from discontinued operations, net of taxes	**112**	(68)	(445)
Less Noncontrolling interests from discontinuing operations	**—**	(48)	—
Citigroup's net income (loss)	**$ 11,067**	$ 10,602	$ (1,606)
Less: Impact of the public and private preferred stock exchange offers	**—**	—	3,242
Less: Preferred dividends	**26**	9	2,988
Less: Impact of the conversion price reset related to the $12 5 billion convertible preferred stock private issuance	**—**	—	1,285
Less. Preferred stock Series H discount accretion	**—**	—	123
Net income (loss) available to common shareholders	**$ 11,041**	$ 10,593	$ (9,244)
Less: Dividends and undistributed earnings allocated to employee restricted and deferred shares that contain nonforfeitable rights to dividends, applicable to basic EPS	**186**	90	2
Net income (loss) allocated to common shareholders for basic EPS [2]	**$ 10,855**	$ 10.503	$ (9,246)
Add. Interest expense, net of tax, on convertible securities and adjustment of undistributed earnings allocated to employee restricted and deferred shares that contain nonforfeitable rights to dividends, applicable to diluted EPS	**17**	2	540
Net income (loss) allocated to common shareholders for diluted EPS [2]	**$ 10,872**	$ 10,505	$ (8,706)
Weighted-average common shares outstanding applicable to basic EPS	**2,909.8**	2,877 6	1,156.8
Effect of dilutive securities			
Convertible securities	**0.1**	0 1	31.2
Other employee plans	**0.5**	1 9	—
Options	**0.8**	0.4	—
TDECs	**87.6**	87 8	21 9
Adjusted weighted-average common shares outstanding applicable to diluted EPS [3]	**2,998.8**	2,967 8	1,209.9
Basic earnings per share			
Income (loss) from continuing operations	**$ 3.69**	$ 3 66	$ (7 61)
Discontinued operations	**0.04**	(0 01)	(0 38)
Net income (loss)	**$ 3.73**	$ 3 65	$ (7.99)
Diluted earnings per share [2][3]			
Income (loss) from continuing operations	**$ 3.59**	$ 3 55	$ (7.61)
Discontinued operations	**0.04**	(0.01)	(0.38)
Net income (loss)	**$ 3.63**	$ 3 54	$ (7 99)

(1) All per-share amounts and Citigroup shares outstanding for all periods reflect Citigroup's 1-for-10 reverse stock split, which was effective May 6, 2011

(2) Due to the net loss available to common shareholders in 2009, loss available to common stockholders for basic EPS was used to calculate diluted EPS. Including the effect of dilutive securities would result in anti-dilution

(3) Due to the net loss available to common shareholders in 2009, basic shares were used to calculate diluted EPS. Adding dilutive securities to the denominator would result in anti-dilution

During 2011, 2010 and 2009, weighted-average options to purchase 24 1 million, 38 6 million and 16 6 million shares of common stock, respectively, were outstanding but not included in the computation of earnings per share because the weighted-average exercise prices of $123.47, $102 89 and $315.65, respectively, were greater than the average market price of the Company's common stock

Warrants issued to the U S. Treasury as part of TARP and the loss-sharing agreement (all of which were subsequently sold to the public in January 2011), with exercise prices of $178 50 and $106 10 for approximately 21.0 million and 25.5 million shares of common stock, respectively, were not included in the computation of earnings per share in 2010 and 2009, because they were anti-dilutive

Equity awards granted under the Management Committee Long-Term Incentive Plan (MC LTIP) were not included in the 2009 computation of earnings per share because the performance targets under the terms of the awards were not met and, as a result, the awards expired in the first quarter of 2010

The final tranche of equity units held by the Abu Dhabi Investment Authority (ADIA) converted into 5.9 million shares of Citigroup common stock during the third quarter of 2011 Equity units of approximately 11 8 million shares and 23 5 million shares of Citigroup common stock held by ADIA were not included in the computation of earnings per share in 2010 and 2009, respectively, because the exercise price of $318 30 was greater than the average market price of the Company's common stock

12. FEDERAL FUNDS/SECURITIES BORROWED, LOANED, AND SUBJECT TO REPURCHASE AGREEMENTS

Federal funds sold and securities borrowed or purchased under agreements to resell, at their respective carrying values, consisted of the following at December 31:

In millions of dollars	**2011**	2010
Federal funds sold	**$ 37**	$ 227
Securities purchased under agreements to resell[1]	**153,492**	129,918
Deposits paid for securities borrowed	**122,320**	116,572
Total	**$275,849**	$246,717

(1) Securities purchased under agreements to resell are reported net by counterparty, when applicable requirements for net presentation are met. The amounts in the table above were reduced for allowable netting by $53.0 billion and $54.7 billion at December 31, 2011 and 2010, respectively.

Federal funds purchased and securities loaned or sold under agreements to repurchase, at their respective carrying values, consisted of the following at December 31:

In millions of dollars	**2011**	2010
Federal funds purchased	**$ 688**	$ 478
Securities sold under agreements to repurchase[1]	**164,849**	160,598
Deposits received for securities loaned	**32,836**	28,482
Total	**$198,373**	$189,558

(1) Securities sold under agreements to repurchase are reported net by counterparty, when applicable requirements for net presentation are met. The amounts in the table above were reduced for allowable netting by $53.0 billion and $54.7 billion at December 31, 2011 and 2010, respectively.

The resale and repurchase agreements represent collateralized financing transactions. The Company executes these transactions through its broker-dealer subsidiaries to facilitate customer matched-book activity and to efficiently fund a portion of the Company's trading inventory. Transactions executed by the Company's bank subsidiaries primarily facilitate customer financing activity.

It is the Company's policy to take possession of the underlying collateral, monitor its market value relative to the amounts due under the agreements and, when necessary, require prompt transfer of additional collateral in order to maintain contractual margin protection. Collateral typically consists of government and government-agency securities, corporate and municipal bonds, and mortgage-backed and other asset-backed securities. In the event of counterparty default, the financing agreement provides the Company with the right to liquidate the collateral held.

The majority of the resale and repurchase agreements are recorded at fair value. The remaining portion is carried at the amount of cash initially advanced or received, plus accrued interest, as specified in the respective agreements.

A majority of securities borrowing and lending agreements are recorded at the amount of cash advanced or received and are collateralized principally by government and government-agency securities and corporate debt and equity securities. The remaining portion is recorded at fair value as the Company elected the fair value option for certain securities borrowed and loaned portfolios. With respect to securities loaned, the Company receives cash collateral in an amount generally in excess of the market value of the securities loaned. The Company monitors the market value of securities borrowed and securities loaned on a daily basis and obtains or posts additional collateral in order to maintain contractual margin protection.

13. BROKERAGE RECEIVABLES AND BROKERAGE PAYABLES

The Company has receivables and payables for financial instruments purchased from and sold to brokers, dealers and customers, which arise in the ordinary course of business The Company is exposed to risk of loss from the inability of brokers, dealers or customers to pay for purchases or to deliver the financial instruments sold, in which case the Company would have to sell or purchase the financial instruments at prevailing market prices. Credit risk is reduced to the extent that an exchange or clearing organization acts as a counterparty to the transaction and performs for the broker, dealer or customer in question.

The Company seeks to protect itself from the risks associated with customer activities by requiring customers to maintain margin collateral in compliance with regulatory and internal guidelines. Margin levels are monitored daily and customers deposit additional collateral as required. Where customers cannot meet collateral requirements, the Company will liquidate sufficient underlying financial instruments to bring the customer into compliance with the required margin level.

Exposure to credit risk is impacted by market volatility, which may impair the ability of clients to satisfy their obligations to the Company. Credit limits are established and closely monitored for customers and for brokers and dealers engaged in forwards, futures and other transactions deemed to be credit sensitive

Brokerage receivables and brokerage payables consisted of the following at December 31

In millions of dollars	**2011**	2010
Receivables from customers	**$19,991**	$21,952
Receivables from brokers, dealers, and clearing organizations	**7,786**	9,261
Total brokerage receivables[1]	**$27,777**	$31,213
Payables to customers	**$40,111**	$36,142
Payables to brokers, dealers, and clearing organizations	**16,585**	15,607
Total brokerage payables[1]	**$56,696**	$51,749

(1) Brokerage receivables/payables are reported net by counterparty when applicable requirements for net presentation are met

14. TRADING ACCOUNT ASSETS AND LIABILITIES

Trading account assets and *Trading account liabilities*, at fair value, consisted of the following at December 31.

In millions of dollars	**2011**	2010
Trading account assets		
Mortgage-backed securities[1]		
U.S. government-sponsored agency guaranteed	**$ 27,535**	$ 27,127
Prime	**877**	1,514
Alt-A	**609**	1,502
Subprime	**989**	2,036
Non-U S residential	**396**	1,052
Commercial	**2,333**	1,758
Total mortgage-backed securities	**$ 32,739**	$ 34,989
U S. Treasury and federal agency securities		
U S Treasury	**$ 18,227**	$ 20,168
Agency obligations	**1,172**	3,418
Total U.S. Treasury and federal agency securities	**$ 19,399**	$ 23,586
State and municipal securities	**$ 5,364**	$ 7,493
Foreign government securities	**79,551**	88,311
Corporate	**37,026**	51,267
Derivatives[2]	**62,327**	50,213
Equity securities	**33,230**	37,436
Asset-backed securities[1]	**7,071**	8,761
Other debt securities	**15,027**	15,216
Total trading account assets	**$291,734**	$317,272
Trading account liabilities		
Securities sold, not yet purchased	**$ 69,809**	$ 69,324
Derivatives[2]	**56,273**	59,730
Total trading account liabilities	**$126,082**	$129,054

(1) The Company invests in mortgage-backed and asset-backed securities These securitizations are generally considered VIEs The Company's maximum exposure to loss from these VIEs is equal to the carrying amount of the securities, which is reflected in the table above For mortgage-backed and asset-backed securitizations in which the Company has other involvement, see Note 22 to the Consolidated Financial Statements

(2) Presented net, pursuant to master netting agreements See Note 23 to the Consolidated Financial Statements for a discussion regarding the accounting and reporting for derivatives

15. INVESTMENTS

Overview

In millions of dollars	**2011**	2010
Securities available-for-sale	**$265,204**	$274,079
Debt securities held-to-maturity [1]	**11,483**	29,107
Non-marketable equity securities carried at fair value [2]	**8,836**	7,095
Non-marketable equity securities carried at cost [3]	**7,890**	7,883
Total investments	**$293,413**	$318,164

(1) Recorded at amortized cost less impairment for securities that have credit-related impairment
(2) Unrealized gains and losses for non-marketable equity securities carried at fair value are recognized in earnings
(3) Non-marketable equity securities carried at cost primarily consist of shares issued by the Federal Reserve Bank, Federal Home Loan Banks, foreign central banks and various clearing houses of which Citigroup is a member

Securities Available-for-Sale

The amortized cost and fair value of securities available-for-sale (AFS) at December 31, 2011 and December 31, 2010 were as follows:

	2011				2010			
In millions of dollars	**Amortized cost**	**Gross unrealized gains**	**Gross unrealized losses**	**Fair value**	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
Debt securities AFS								
Mortgage-backed securities [1]								
U.S. government-sponsored agency guaranteed	**$ 44,394**	**$ 1,438**	**$ 51**	**$ 45,781**	$ 23,433	$ 425	$ 235	$ 23,623
Prime	**118**	**1**	**6**	**113**	1,985	18	177	1,826
Alt-A	**1**	**—**	**—**	**1**	46	2	—	48
Subprime	**—**	**—**	**—**	**—**	119	1	1	119
Non-U.S. residential	**4,671**	**9**	**22**	**4,658**	315	1	—	316
Commercial	**465**	**16**	**9**	**472**	592	21	39	574
Total mortgage-backed securities	**$ 49,649**	**$ 1,464**	**$ 88**	**$ 51,025**	$ 26,490	$ 468	$ 452	$ 26,506
U.S. Treasury and federal agency securities								
U.S. Treasury	**$ 48,790**	**$ 1,439**	**$ —**	**$ 50,229**	$ 58,069	$ 435	$ 56	$ 58,448
Agency obligations	**34,310**	**601**	**2**	**34,909**	43,294	375	55	43,614
Total U.S. Treasury and federal agency securities	**$ 83,100**	**$ 2,040**	**$ 2**	**$ 85,138**	$101,363	$ 810	$ 111	$102,062
State and municipal	**$ 16,819**	**$ 134**	**$ 2,554**	**$ 14,399**	$ 15,660	$ 75	$ 2,500	$ 13,235
Foreign government	**84,360**	**558**	**404**	**84,514**	99,110	984	415	99,679
Corporate	**10,005**	**305**	**53**	**10,257**	15,417	319	59	15,677
Asset-backed securities [1]	**11,053**	**31**	**81**	**11,003**	9,085	31	68	9,048
Other debt securities	**670**	**13**	**—**	**683**	1,948	24	60	1,912
Total debt securities AFS	**$255,656**	**$ 4,545**	**$ 3,182**	**$257,019**	$269,073	$ 2,711	$ 3,665	$268,119
Marketable equity securities AFS	**$ 6,722**	**$ 1,658**	**$ 195**	**$ 8,185**	$ 3,791	$ 2,380	$ 211	$ 5,960
Total securities AFS	**$262,378**	**$ 6,203**	**$ 3,377**	**$265,204**	$272,864	$ 5,091	$ 3,876	$274,079

(1) The Company invests in mortgage-backed and asset-backed securities These securitizations are generally considered VIEs The Company's maximum exposure to loss from these VIEs is equal to the carrying amount of the securities, which is reflected in the table above For mortgage-backed and asset-backed securitizations in which the Company has other involvement, see Note 22 to the Consolidated Financial Statements

At December 31, 2011, the amortized cost of approximately 4,000 investments in equity and fixed-income securities exceeded their fair value by $3.377 billion. Of the $3.377 billion, the gross unrealized loss on equity securities was $195 million Of the remainder, $362 million represents fixed-income investments that have been in a gross-unrealized-loss position for less than a year and, of these, 99% are rated investment grade; $2.820 billion represents fixed-income investments that have been in a gross-unrealized-loss position for a year or more and, of these, 95% are rated investment grade

The AFS mortgage-backed securities portfolio fair value balance of $51.025 billion consists of $45 781 billion of government-sponsored agency securities, and $5 244 billion of privately sponsored securities, of which the majority is backed by mortgages that are not Alt-A or subprime.

As discussed in more detail below, the Company conducts and documents periodic reviews of all securities with unrealized losses to evaluate whether the impairment is other than temporary Any credit-related impairment related to debt securities the Company does not plan to sell and is not likely to be required to sell is recognized in the Consolidated Statement of Income, with the non-credit-related impairment recognized in AOCI For other impaired debt securities, the entire impairment is recognized in the Consolidated Statement of Income

The table below shows the fair value of AFS securities that have been in an unrealized loss position for less than 12 months or for 12 months or longer as of December 31, 2011 and December 31, 2010:

	Less than 12 months		12 months or longer		Total	
In millions of dollars	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses	Fair value	Gross unrealized losses
December 31, 2011						
Securities AFS						
Mortgage-backed securities						
U.S. government-sponsored agency guaranteed	$ 5,398	$ 32	$ 51	$ 19	$ 5,449	$ 51
Prime	27	1	40	5	67	6
Alt-A	—	—	—	—	—	—
Subprime	—	—	—	—	—	—
Non-U.S. residential	3,418	22	57	—	3,475	22
Commercial	35	1	31	8	66	9
Total mortgage-backed securities	$ 8,878	$ 56	$ 179	$ 32	$ 9,057	$ 88
U.S. Treasury and federal agency securities						
U.S. Treasury	$ 553	$ —	$ —	$ —	$ 553	$ —
Agency obligations	2,970	2	—	—	2,970	2
Total U.S. Treasury and federal agency securities	$ 3,523	$ 2	$ —	$ —	$ 3,523	$ 2
State and municipal	$ 59	$ 2	$ 11,591	$ 2,552	$ 11,650	$ 2,554
Foreign government	33,109	211	11,205	193	44,314	404
Corporate	2,104	24	203	29	2,307	53
Asset-backed securities	4,625	68	466	13	5,091	81
Other debt securities	164	—	—	—	164	—
Marketable equity securities AFS	47	5	1,457	190	1,504	195
Total securities AFS	$ 52,509	$ 368	$ 25,101	$ 3,009	$ 77,610	$ 3,377
December 31, 2010						
Securities AFS						
Mortgage-backed securities						
U.S. government-sponsored agency guaranteed	$ 8,321	$ 214	$ 38	$ 21	$ 8,359	$ 235
Prime	89	3	1,506	174	1,595	177
Alt-A	10	—	—	—	10	—
Subprime	118	1	—	—	118	1
Non-U.S. residential	—	—	135	—	135	—
Commercial	81	9	53	30	134	39
Total mortgage-backed securities	$ 8,619	$ 227	$ 1,732	$ 225	$ 10,351	$ 452
U.S. Treasury and federal agency securities						
U.S. Treasury	$ 9,229	$ 21	$ 725	$ 35	$ 9,954	$ 56
Agency obligations	9,680	55	—	—	9,680	55
Total U.S. Treasury and federal agency securities	$ 18,909	$ 76	$ 725	$ 35	$ 19,634	$ 111
State and municipal	$ 626	$ 60	$ 11,322	$ 2,440	$ 11,948	$ 2,500
Foreign government	32,731	271	6,609	144	39,340	415
Corporate	1,357	32	631	27	1,988	59
Asset-backed securities	2,533	64	14	4	2,547	68
Other debt securities	—	—	559	60	559	60
Marketable equity securities AFS	68	3	2,039	208	2,107	211
Total securities AFS	$ 64,843	$ 733	$ 23,631	$ 3,143	$ 88,474	$ 3,876

The following table presents the amortized cost and fair value of AFS debt securities by contractual maturity dates as of December 31, 2011 and December 31, 2010

	December 31, 2011		December 31, 2010	
In millions of dollars	**Amortized cost**	**Fair value**	Amortized cost	Fair value
Mortgage-backed securities [1]				
Due within 1 year	**$ —**	**$ —**	$ —	$ —
After 1 but within 5 years	**422**	**423**	403	375
After 5 but within 10 years	**2,757**	**2,834**	402	419
After 10 years [2]	**46,470**	**47,768**	25,685	25,712
Total	**$ 49,649**	**$ 51,025**	$ 26,490	$ 26,506
U.S. Treasury and federal agency securities				
Due within 1 year	**$ 14,615**	**$ 14,637**	$ 36,411	$ 36,443
After 1 but within 5 years	**62,241**	**63,823**	52,558	53,118
After 5 but within 10 years	**5,862**	**6,239**	10,604	10,647
After 10 years [2]	**382**	**439**	1,790	1,854
Total	**$ 83,100**	**$ 85,138**	$101,363	$102,062
State and municipal				
Due within 1 year	**$ 142**	**$ 142**	$ 9	$ 9
After 1 but within 5 years	**455**	**457**	145	149
After 5 but within 10 years	**182**	**188**	230	235
After 10 years [2]	**16,040**	**13,612**	15,276	12,842
Total	**$ 16,819**	**$ 14,399**	$ 15,660	$ 13,235
Foreign government				
Due within 1 year	**$ 34,924**	**$ 34,864**	$ 41,856	$ 41,387
After 1 but within 5 years	**41,612**	**41,675**	49,983	50,739
After 5 but within 10 years	**6,993**	**6,998**	6,143	6,264
After 10 years [2]	**831**	**977**	1,128	1,289
Total	**$ 84,360**	**$ 84,514**	$ 99,110	$ 99,679
All other [3]				
Due within 1 year	**$ 4,055**	**$ 4,072**	$ 2,162	$ 2,164
After 1 but within 5 years	**9,843**	**9,928**	17,838	17,947
After 5 but within 10 years	**3,009**	**3,160**	2,610	2,714
After 10 years [2]	**4,821**	**4,783**	3,840	3,812
Total	**$ 21,728**	**$ 21,943**	$ 26,450	$ 26,637
Total debt securities AFS	**$255,656**	**$257,019**	$269,073	$268,119

(1) Includes mortgage-backed securities of U S government-sponsored agencies
(2) Investments with no stated maturities are included as contractual maturities of greater than 10 years Actual maturities may differ due to call or prepayment rights.
(3) Includes corporate, asset-backed and other debt securities

The following table presents interest and dividends on investments:

In millions of dollars	**2011**	2010	2009
Taxable interest	**$7,441**	$10,160	$11,970
Interest exempt from U S. federal income tax	**562**	523	627
Dividends	**317**	321	285
Total interest and dividends	**$8,320**	$11,004	$12,882

The following table presents realized gains and losses on all investments The gross realized investment losses exclude losses from other-than-temporary impairment.

In millions of dollars	**2011**	2010	2009
Gross realized investment gains	**$2,498**	$2,873	$2,090
Gross realized investment losses	**(501)**	(462)	(94)
Net realized gains (losses)	**$1,997**	$2,411	$1,996

During 2010 and 2011, the Company sold several corporate debt securities and various mortgage-backed and asset-backed securities that were classified as held-to-maturity These sales were in response to a significant deterioration in the creditworthiness of the issuers or securities The corporate debt securities sold during 2010 had a carrying value of $413 million and the Company recorded a realized loss of $49 million. The mortgage-backed and asset-backed securities sold during 2011 had a carrying value of $1,612 million and the Company recorded a realized loss of $299 million

Debt Securities Held-to-Maturity

The carrying value and fair value of debt securities held-to-maturity (HTM) at December 31, 2011 and December 31, 2010 were as follows

In millions of dollars	Amortized cost[1]	Net unrealized loss recognized in AOCI	Carrying value[2]	Gross unrealized gains	Gross unrealized losses	Fair value
December 31, 2011						
Debt securities held-to-maturity						
Mortgage-backed securities[3]						
Prime	$ 360	$ 73	$ 287	$ 21	$ 20	$ 288
Alt-A	4,732	1,404	3,328	20	319	3,029
Subprime	383	47	336	1	71	266
Non-U.S. residential	3,487	520	2,967	59	290	2,736
Commercial	513	1	512	4	52	464
Total mortgage-backed securities	$ 9,475	$2,045	$ 7,430	$ 105	$ 752	$ 6,783
State and municipal	$ 1,422	$ 95	$ 1,327	$ 68	$ 72	$ 1,323
Corporate	1,862	113	1,749	—	254	1,495
Asset-backed securities[3]	1,000	23	977	9	87	899
Total debt securities held-to-maturity	$13,759	$2,276	$11,483	$ 182	$1,165	$10,500
December 31, 2010						
Debt securities held-to-maturity						
Mortgage-backed securities[3]						
Prime	$ 4,748	$ 794	$ 3,954	$ 379	$ 11	$ 4,322
Alt-A	11,816	3,008	8,808	536	166	9,178
Subprime	708	75	633	9	72	570
Non-U.S. residential	5,010	793	4,217	259	72	4,404
Commercial	908	21	887	18	96	809
Total mortgage-backed securities	$23,190	$4,691	$18,499	$1,201	$ 417	$19,283
State and municipal	$ 2,523	$ 127	$ 2,396	$ 11	$ 104	$ 2,303
Corporate	6,569	145	6,424	447	267	6,604
Asset-backed securities[3]	1,855	67	1,788	57	54	1,791
Total debt securities held-to-maturity	$34,137	$5,030	$29,107	$1,716	$ 842	$29,981

(1) For securities transferred to HTM from *Trading account assets* in 2008, amortized cost is defined as the fair value of the securities at the date of transfer plus any accretion income and less any impairments recognized in earnings subsequent to transfer For securities transferred to HTM from AFS in 2008, amortized cost is defined as the original purchase cost, plus or minus any accretion or amortization of a purchase discount or premium, less any impairment recognized in earnings

(2) HTM securities are carried on the Consolidated Balance Sheet at amortized cost less any unrealized gains and losses recognized in AOCI The changes in the values of these securities are not reported in the financial statements, except for other-than-temporary impairments For HTM securities, only the credit loss component of the impairment is recognized in earnings, while the remainder of the impairment is recognized in AOCI

(3) The Company invests in mortgage-backed and asset-backed securities These securitizations are generally considered VIEs The Company's maximum exposure to loss from these VIEs is equal to the carrying amount of the securities, which is reflected in the table above For mortgage-backed and asset-backed securitizations in which the Company has other involvement, see Note 22 to the Consolidated Financial Statements

The Company has the positive intent and ability to hold these securities to maturity absent any unforeseen further significant changes in circumstances, including deterioration in credit or with regard to regulatory capital requirements

The net unrealized losses classified in AOCI relate to debt securities reclassified from AFS investments to HTM investments in a prior year Additionally, for HTM securities that have suffered credit impairment, declines in fair value for reasons other than credit losses are recorded in AOCI. The AOCI balance was $2.3 billion as of December 31, 2011, compared to $5 0 billion as of December 31, 2010 The AOCI balance for HTM securities is amortized over the remaining life of the related securities as an adjustment of yield in a manner consistent with the accretion of discount on the same debt securities This will have no impact on the Company's net income because the amortization of the unrealized holding loss reported in equity will offset the effect on interest income of the accretion of the discount on these securities.

For any credit-related impairment on HTM securities, the credit loss component is recognized in earnings

During the first quarter of 2011, the Company determined that it no longer had the intent to hold $12.7 billion of HTM securities to maturity. As a result, the Company reclassified $10.0 billion carrying value of mortgage-backed, other asset-backed, state and municipal, and corporate debt securities from *Investments* held-to-maturity to *Trading account assets*. The Company also sold an additional $2.7 billion of such HTM securities, recognizing a corresponding receivable from the unsettled sales as of March 31, 2011. As a result of these actions, a net pretax loss of $709 million ($427 million after tax) was recognized in the Consolidated Statement of Income for the three months ended March 31, 2011, composed of gross unrealized gains of $311 million included in *Other revenue*, gross unrealized losses of $1,387 million included in *Other-than-temporary-impairment losses on investments*, and net realized gains of $367 million included in *Realized gains (losses) on sales of investments*. Prior to the reclassification, unrealized losses totalling $1,656 million pretax ($1,012 million after tax) had been reflected in AOCI (see table below) and have now been reflected in the Consolidated Statement of Income, as detailed above.

Citigroup reclassified and sold the securities as part of its overall efforts to mitigate its risk-weighted assets (RWA) in order to comply with significant new regulatory capital requirements which, although not yet implemented or formally adopted, are nonetheless currently being used to assess the forecasted capital adequacy of the Company and other large U.S. banking organizations. These regulatory capital changes, which were largely unforeseen when the Company initially reclassified the debt securities from *Trading account assets* and *Investments* available-for-sale to *Investments* held-to-maturity in the fourth quarter of 2008 (see note 1 to the table below), include: (i) the U.S. Basel II credit and operational risk capital standards; (ii) the Basel Committee's agreed-upon, and the U.S.-proposed, revisions to the market risk capital rules, which significantly increased the risk weightings for certain trading book positions; (iii) the Basel Committee's substantial issuance of Basel III, which raised the quantity and quality of required regulatory capital and materially increased RWA for securitization exposures; and (iv) certain regulatory capital-related provisions in The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Through December 31, 2011, the Company has sold substantially all of the $12.7 billion of HTM securities that were reclassified to *Trading account assets* in the first quarter of 2011. The carrying value and fair value of debt securities at the date of reclassification or sale were as follows:

In millions of dollars	Amortized cost [2]	Net unrealized loss recognized in AOCI	Carrying value [3]	Gross gains	Gross losses	Fair value
Held-to-maturity debt securities transferred to *Trading account assets* or sold [1]						
Mortgage-backed securities						
Prime	$ 3,410	$ 528	$ 2,882	$ 131	$131	$ 2,882
Alt-A	5,357	896	4,461	605	188	4,878
Subprime	240	7	233	5	36	202
Non-U.S. residential	317	75	242	76	2	316
Commercial	117	18	99	22	—	121
Total mortgage-backed securities	$ 9,441	$1,524	$ 7,917	$ 839	$357	$ 8,399
State and municipal	$ 900	$ 8	$ 892	$ 68	$ 7	$ 953
Corporate	3,569	115	3,454	396	41	3,809
Asset-backed securities	456	9	447	50	2	495
Total held-to-maturity debt securities transferred to *Trading account assets* or sold [1]	$14,366	$1,656	$12,710	$1,353	$407	$13,656

(1) During the fourth quarter of 2008, $6.647 billion and $6.063 billion carrying value of these debt securities were transferred from *Trading account assets* and *Investments* available-for-sale to *Investments* held-to-maturity, respectively. The transfer of these debt securities from *Trading account assets* was in response to the significant deterioration in market conditions, which was especially acute during the fourth quarter of 2008.

(2) For securities transferred to held-to-maturity from *Trading account assets* in 2008, amortized cost is defined as the fair value amount of the securities at the date of transfer plus any accretion income and less any impairments recognized in earnings subsequent to transfer. For securities transferred to held-to-maturity from available-for-sale in 2008, amortized cost is defined as the original purchase cost, plus or minus any accretion or amortization of a purchase discount or premium, less any impairment recognized in earnings.

(3) Held-to-maturity securities are carried on the Consolidated Balance Sheet at amortized cost and the changes in the value of these securities other than impairment charges are not reported in the financial statements.

The table below shows the fair value of debt securities in HTM that have been in an unrecognized loss position for less than 12 months or for 12 months or longer as of December 31, 2011 and December 31, 2010

	Less than 12 months		12 months or longer		Total	
In millions of dollars	Fair value	Gross unrecognized losses	Fair value	Gross unrecognized losses	Fair value	Gross unrecognized losses
December 31, 2011						
Debt securities held-to-maturity						
Mortgage-backed securities	**$ 735**	**$ 63**	**$ 4,827**	**$ 689**	**$ 5,562**	**$ 752**
State and municipal	**—**	**—**	**682**	**72**	**682**	**72**
Corporate	**—**	**—**	**1,427**	**254**	**1,427**	**254**
Asset-backed securities	**480**	**71**	**306**	**16**	**786**	**87**
Total debt securities held-to-maturity	**$1,215**	**$134**	**$ 7,242**	**$1,031**	**$ 8,457**	**$1,165**
December 31, 2010						
Debt securities held-to-maturity						
Mortgage-backed securities	$ 339	$ 30	$14,410	$ 387	$14,749	$ 417
State and municipal	24	—	1,273	104	1,297	104
Corporate	1,584	143	1,579	124	3,163	267
Asset-backed securities	159	11	494	43	653	54
Total debt securities held-to-maturity	$2,106	$184	$17,756	$ 658	$19,862	$ 842

Excluded from the gross unrecognized losses presented in the above table are the $2 3 billion and $5.0 billion of gross unrealized losses recorded in AOCI as of December 31, 2011 and December 31, 2010, respectively, mainly related to the HTM securities that were reclassified from AFS investments

Virtually all of these unrecognized losses relate to securities that have been in a loss position for 12 months or longer at both December 31, 2011 and December 31, 2010.

The following table presents the carrying value and fair value of HTM debt securities by contractual maturity dates as of December 31, 2011 and December 31, 2010.

	December 31, 2011		December 31, 2010	
In millions of dollars	Carrying value	Fair value	Carrying value	Fair value
Mortgage-backed securities				
Due within 1 year	**$ —**	**$ —**	$ 21	$ 23
After 1 but within 5 years	**275**	**239**	321	309
After 5 but within 10 years	**238**	**224**	493	434
After 10 years[1]	**6,917**	**6,320**	17,664	18,517
Total	**$ 7,430**	**$ 6,783**	$18,499	$19,283
State and municipal				
Due within 1 year	**$ 4**	**$ 4**	$ 12	$ 12
After 1 but within 5 years	**43**	**46**	55	55
After 5 but within 10 years	**31**	**30**	86	85
After 10 years[1]	**1,249**	**1,243**	2,243	2,151
Total	**$ 1,327**	**$ 1,323**	$ 2,396	$ 2,303
All other[2]				
Due within 1 year	**$ 21**	**$ 21**	$ 351	$ 357
After 1 but within 5 years	**470**	**438**	1,344	1,621
After 5 but within 10 years	**1,404**	**1,182**	4,885	4,765
After 10 years[1]	**831**	**753**	1,632	1,652
Total	**$ 2,726**	**$ 2,394**	$ 8,212	$ 8,395
Total debt securities held-to-maturity	**$11,483**	**$10,500**	$29,107	$29,981

(1) Investments with no stated maturities are included as contractual maturities of greater than 10 years Actual maturities may differ due to call or prepayment rights
(2) Includes corporate and asset-backed securities

Evaluating Investments for Other-Than-Temporary Impairments

The Company conducts and documents periodic reviews of all securities with unrealized losses to evaluate whether the impairment is other than temporary.

Under the guidance for debt securities, other-than-temporary impairment (OTTI) is recognized in earnings for debt securities that the Company has an intent to sell or that the Company believes it is more-likely-than-not that it will be required to sell prior to recovery of the amortized cost basis. For those securities that the Company does not intend to sell or expect to be required to sell, credit-related impairment is recognized in earnings, with the non-credit-related impairment recorded in AOCI.

An unrealized loss exists when the current fair value of an individual security is less than its amortized cost basis. Unrealized losses that are determined to be temporary in nature are recorded, net of tax, in AOCI for AFS securities, while such losses related to HTM securities are not recorded, as these investments are carried at their amortized cost. For securities transferred to HTM from *Trading account assets*, amortized cost is defined as the fair value of the securities at the date of transfer, plus any accretion income and less any impairment recognized in earnings subsequent to transfer. For securities transferred to HTM from AFS, amortized cost is defined as the original purchase cost, plus or minus any accretion or amortization of a purchase discount or premium, less any impairment recognized in earnings.

Regardless of the classification of the securities as AFS or HTM, the Company has assessed each position with an unrealized loss for OTTI. Factors considered in determining whether a loss is temporary include:

- the length of time and the extent to which fair value has been below cost,
- the severity of the impairment,
- the cause of the impairment and the financial condition and near-term prospects of the issuer,
- activity in the market of the issuer that may indicate adverse credit conditions, and
- the Company's ability and intent to hold the investment for a period of time sufficient to allow for any anticipated recovery.

The Company's review for impairment generally entails:

- identification and evaluation of investments that have indications of possible impairment,
- analysis of individual investments that have fair values less than amortized cost, including consideration of the length of time the investment has been in an unrealized loss position and the expected recovery period;
- discussion of evidential matter, including an evaluation of factors or triggers that could cause individual investments to qualify as having other-than-temporary impairment and those that would not support other-than-temporary impairment; and
- documentation of the results of these analyses, as required under business policies.

For equity securities, management considers the various factors described above, including its intent and ability to hold the equity security for a period of time sufficient for recovery to cost or whether it is more-likely-than-not that the Company will be required to sell the security prior to recovery of its cost basis. Where management lacks that intent or ability, the security's decline in fair value is deemed to be other-than-temporary and is recorded in earnings. AFS equity securities deemed other-than-temporarily impaired are written down to fair value, with the full difference between fair value and cost recognized in earnings.

Management assesses equity method investments with fair value less than carrying value for OTTI. Fair value is measured as price multiplied by quantity if the investee has publicly listed securities. If the investee is not publicly listed, other methods are used (see Note 25 to the Consolidated Financial Statements).

For impaired equity method investments that Citi plans to sell prior to recovery of value, or would likely be required to sell and there is no expectation that the fair value will recover prior to the expected sale date, the full impairment is recognized in the Consolidated Statement of Income as OTTI regardless of severity and duration. The measurement of the OTTI does not include partial projected recoveries subsequent to the balance sheet date.

For impaired equity method investments that management does not plan to sell prior to recovery of value and is not likely to be required to sell, the evaluation of whether an impairment is other than temporary is based on (i) whether and when an equity method investment will recover in value and (ii) whether the investor has the intent and ability to hold that investment for a period of time sufficient to recover the value. The determination of whether the impairment is considered other-than-temporary is based on all of the following indicators, regardless of the time and extent of impairment.

- Cause of the impairment and the financial condition and near-term prospects of the issuer, including any specific events that may influence the operations of the issuer.
- Intent and ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value.
- Length of time and extent to which fair value has been less than the carrying value.

At December 31, 2011, Citi had several equity method investments that had temporary impairment, including its investments in Akbank and the Morgan Stanley Smith Barney joint venture (MSSB), each as discussed further below. As of December 31, 2011, management does not plan to sell those investments prior to recovery of value and it is not more likely than not that Citi will be required to sell those investments prior to recovery in value.

Excluding the impact of foreign currency translation and related hedges, the fair value of Citi's equity method investment in Akbank had exceeded its carrying value. During the fourth quarter of 2011, however, the fair value of Citi's equity method investment in Akbank declined, resulting in a temporary impairment. During 2012 to date, Akbank's share price has recovered significantly, and as of February 23, 2012, the temporary impairment was approximately $0.2 billion. As of

December 31, 2011 and February 23, 2012, foreign currency translation and related hedges on this equity method investment totaled an additional cumulative pretax loss of approximately $0.9 billion

Regarding Citi's equity method investment in MSSB, Citi has evaluated this investment for OTTI based on the qualitative and quantitative measures discussed herein (see also Note 25 to the Consolidated Financial Statements). As of December 31, 2011, Citi's carrying value of this equity method investment was approximately $10 billion Based on the midpoint of the current range of estimated values, analysis indicates that a temporary impairment may exist; however, based on this analysis, the potential temporary impairment was not material.

For debt securities that are not deemed to be credit impaired, management assesses whether it intends to sell or whether it is more-likely-than-not that it would be required to sell the investment before the expected recovery of the amortized cost basis. In most cases, management has asserted that it has no intent to sell and that it believes it is not likely to be required to sell the investment before recovery of its amortized cost basis. Where such an assertion cannot be made, the security's decline in fair value is deemed to be other than temporary and is recorded in earnings.

For debt securities, a critical component of the evaluation for OTTI is the identification of credit impaired securities, where management does not expect to receive cash flows sufficient to recover the entire amortized cost basis of the security For securities purchased and classified as AFS with the expectation of receiving full principal and interest cash flows as of the date of purchase, this analysis considers the likelihood of receiving all contractual principal and interest. For securities reclassified out of the trading category in the fourth quarter of 2008, the analysis considers the likelihood of receiving the expected principal and interest cash flows anticipated as of the date of reclassification in the fourth quarter of 2008. The extent of the Company's analysis regarding credit quality and the stress on assumptions used in the analysis have been refined for securities where the current fair value or other characteristics of the security warrant. The paragraphs below describe the Company's process for identifying credit-related impairments in security types with the most significant unrealized losses as of December 31, 2011

Mortgage-backed securities

For U.S. mortgage-backed securities (and in particular for Alt-A and other mortgage-backed securities that have significant unrealized losses as a percentage of amortized cost), credit impairment is assessed using a cash flow model that estimates the cash flows on the underlying mortgages, using the security-specific collateral and transaction structure The model estimates cash flows from the underlying mortgage loans and distributes those cash flows to various tranches of securities, considering the transaction structure and any subordination and credit enhancements that exist in that structure The cash flow model incorporates actual cash flows on the mortgage-backed securities through the current period and then projects the remaining cash flows using a number of assumptions, including default rates, prepayment rates and recovery rates (on foreclosed properties)

Management develops specific assumptions using as much market data as possible and includes internal estimates as well as estimates published by rating agencies and other third-party sources Default rates are projected by considering current underlying mortgage loan performance, generally assuming the default of (1) 10% of current loans, (2) 25% of 30–59 day delinquent loans, (3) 70% of 60–90 day delinquent loans and (4) 100% of 91+ day delinquent loans. These estimates are extrapolated along a default timing curve to estimate the total lifetime pool default rate. Other assumptions used contemplate the actual collateral attributes, including geographic concentrations, rating agency loss projections, rating actions and current market prices.

The key assumptions for mortgage-backed securities as of December 31, 2011 are in the table below.

	December 31, 2011
Prepayment rate[1]	1%–8% CRR
Loss severity[2]	45%–95%

(1) Conditional Repayment Rate (CRR) represents the annualized expected rate of voluntary prepayment of principal for mortgage-backed securities over a certain period of time

(2) Loss severity rates are estimated considering collateral characteristics and generally range from 45%–60% for prime bonds, 50%–95% for Alt-A bonds and 65%–90% for subprime bonds

The valuation as of December 31, 2011 assumes that U.S. housing prices will decrease 4% in 2012, decrease 1% in 2013, remain flat in 2014 and increase 3% per year from 2015 onwards, while unemployment is 8.9% for 2012

In addition, cash flow projections are developed using more stressful parameters Management assesses the results of those stress tests (including the severity of any cash shortfall indicated and the likelihood of the stress scenarios actually occurring based on the underlying pool's characteristics and performance) to assess whether management expects to recover the amortized cost basis of the security. If cash flow projections indicate that the Company does not expect to recover its amortized cost basis, the Company recognizes the estimated credit loss in earnings.

State and municipal securities

Citigroup's AFS state and municipal bonds consist mainly of bonds that are financed through Tender Option Bond programs or were previously financed in this program. The process for identifying credit impairments for these bonds is largely based on third-party credit ratings Individual bond positions are required to meet minimum ratings requirements, which vary based on the sector of the bond issuer

Citigroup monitors the bond issuer and insurer ratings on a daily basis. The average portfolio rating, ignoring any insurance, is Aa3/AA- In the event of a downgrade of the bond below Aa3/AA-, the subject bond is specifically reviewed for potential shortfall in contractual principal and interest The remainder of Citigroup's AFS and HTM state and municipal bonds are specifically reviewed for credit impairment based on instrument-specific estimates of cash flows, probability of default and loss given default.

For impaired AFS state and municipal bonds that Citi plans to sell, or would likely be required to sell and there is no expectation that the fair value will recover prior to the expected sale date, the full impairment is recognized in earnings

Recognition and Measurement of OTTI

The following table presents the total OTTI recognized in earnings for the year ended December 31, 2011:

OTTI on Investments	Year ended December 31, 2011		
In millions of dollars	AFS	HTM	Total
Impairment losses related to securities that the Company does not intend to sell nor will likely be required to sell.			
Total OTTI losses recognized during the year ended December 31, 2011	$ 81	$ 662	$ 743
Less: portion of OTTI loss recognized in AOCI (before taxes)	49	110	159
Net impairment losses recognized in earnings for securities that the Company does not intend to sell nor will likely be required to sell	$ 32	$ 552	$ 584
OTTI losses recognized in earnings for securities that the Company intends to sell or more-likely-than-not will be required to sell before recovery	283	1,387	1,670
Total impairment losses recognized in earnings	$315	$1,939	$2,254

The following is a 12 month roll-forward of the credit-related impairments recognized in earnings for AFS and HTM debt securities held as of December 31, 2011 that the Company does not intend to sell nor will likely be required to sell:

		Cumulative OTTI credit losses recognized in earnings			
In millions of dollars	December 31, 2010 balance	Credit impairments recognized in earnings on securities not previously impaired	Credit impairments recognized in earnings on securities that have been previously impaired	Reductions due to credit-impaired securities sold, transferred or matured	December 31, 2011 balance
AFS debt securities					
Mortgage-backed securities					
Prime	$ 292	$ —	$ —	$ —	$ 292
Alt-A	2	—	—	—	2
Commercial real estate	2	—	—	—	2
Total mortgage-backed securities	$ 296	$ —	$ —	$ —	$ 296
State and municipal securities	3	—	—	—	3
U.S. Treasury securities	48	19	—	—	67
Foreign government securities	159	5	4	—	168
Corporate	154	1	3	(7)	151
Asset-backed securities	10	—	—	—	10
Other debt securities	52	—	—	—	52
Total OTTI credit losses recognized for AFS debt securities	$ 722	$ 25	$ 7	$ (7)	$ 747
HTM debt securities					
Mortgage-backed securities					
Prime	$ 308	$ —	$ 2	$ (226)	$ 84
Alt-A	3,149	100	378	(1,409)	2,218
Subprime	232	2	24	(6)	252
Non-U.S. residential	96	—	—	—	96
Commercial real estate	10	—	—	—	10
Total mortgage-backed securities	$3,795	$102	$404	$(1,641)	$2,660
State and municipal securities	7	2	—	—	9
Corporate	351	40	—	—	391
Asset-backed securities	113	—	—	—	113
Other debt securities	5	3	1	—	9
Total OTTI credit losses recognized for HTM debt securities	$4,271	$147	$405	$(1,641)	$3,182

Investments in Alternative Investment Funds that Calculate Net Asset Value per Share

The Company holds investments in certain alternative investment funds that calculate net asset value (NAV) per share, including hedge funds, private equity funds, funds of funds and real estate funds. The Company's investments include co-investments in funds that are managed by the Company and investments in funds that are managed by third parties. Investments in funds are generally classified as non-marketable equity securities carried at fair value.

The fair values of these investments are estimated using the NAV per share of the Company's ownership interest in the funds, where it is not probable that the Company will sell an investment at a price other than NAV.

In millions of dollars at December 31, 2011	Fair value	Unfunded commitments	Redemption frequency (if currently eligible) monthly, quarterly, annually	Redemption notice period
Hedge funds	$ 898	$ —		10–95 days
Private equity funds[1][2][3]	958	441	—	—
Real estate funds[3][4]	319	198	—	—
Total	$2,175[5]	$639	—	—

(1) Includes investments in private equity funds carried at cost with a carrying value of $10 million.
(2) Private equity funds include funds that invest in infrastructure, leveraged buyout transactions, emerging markets and venture capital.
(3) This category includes several real estate funds that invest primarily in commercial real estate in the U.S., Europe and Asia.
(4) With respect to the Company's investments that it holds in private equity funds and real estate funds, distributions from each fund will be received as the underlying assets held by these funds are liquidated. It is estimated that the underlying assets of these funds will be liquidated over a period of several years as market conditions allow. While certain investments within the portfolio may be sold, no specific assets have been identified for sale. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been estimated using the NAV of the Company's ownership interest in the partners' capital. Private equity and real estate funds do not allow redemption of investments by their investors. Investors are permitted to sell or transfer their investments, subject to the approval of the general partner or investment manager of these funds, which generally may not be unreasonably withheld.
(5) Included in the total fair value of investments above is $0.6 billion of fund assets that are valued using NAVs provided by third-party asset managers. Amounts exclude investments in funds that are consolidated by Citi.

Under The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), the Company will be required to limit its investments in and arrangements with "private equity funds" and "hedge funds" as defined under the statute and impending regulations. Citi does not believe the implementation of the fund provisions of the Dodd-Frank Act will have a material negative impact on its overall results of operations.

16. LOANS

Citigroup loans are reported in two categories—Consumer and Corporate These categories are classified primarily according to the segment and subsegment that manages the loans

Consumer Loans

Consumer loans represent loans and leases managed primarily by the *Global Consumer Banking* and *Local Consumer Lending* businesses The following table provides information by loan type:

In millions of dollars	**Dec. 31, 2011**	Dec 31, 2010
Consumer loans		
In U.S. offices		
Mortgage and real estate[1]	**$139,177**	$151,469
Installment, revolving credit, and other	**15,616**	28,291
Cards	**117,908**	122,384
Commercial and industrial	**4,766**	5,021
Lease financing	**1**	2
	$277,468	$307,167
In offices outside the U.S.		
Mortgage and real estate[1]	**$ 52,052**	$ 52,175
Installment, revolving credit, and other	**34,613**	38,024
Cards	**38,926**	40,948
Commercial and industrial	**20,366**	16,684
Lease financing	**711**	665
	$146,668	$148,496
Total Consumer loans	**$424,136**	$455,663
Net unearned income (loss)	**(405)**	69
Consumer loans, net of unearned income	**$423,731**	$455,732

(1) Loans secured primarily by real estate

During the year ended December 31, 2011, the Company sold and/or reclassified (to held-for-sale) $21 billion of Consumer loans The Company did not have significant purchases of Consumer loans during the 12 months ended December 31, 2011.

Citigroup has a comprehensive risk management process to monitor, evaluate and manage the principal risks associated with its Consumer loan portfolio Included in the loan table above are lending products whose terms may give rise to additional credit issues Credit cards with below-market introductory interest rates and interest-only loans are examples of such products. However, these products are closely managed using appropriate credit techniques that mitigate their additional inherent risk.

Credit quality indicators that are actively monitored include delinquency status, consumer credit scores (FICO), and loan to value (LTV) ratios, each as discussed in more detail below.

Delinquency Status

Delinquency status is carefully monitored and considered a key indicator of credit quality. Substantially all of the U.S. residential first mortgage loans use the MBA method of reporting delinquencies, which considers a loan delinquent if a monthly payment has not been received by the end of the day immediately preceding the loan's next due date All other loans use the OTS method of reporting delinquencies, which considers a loan delinquent if a monthly payment has not been received by the close of business on the loan's next due date. As a general rule, residential first mortgages, home equity loans and installment loans are classified as non-accrual when loan payments are 90 days contractually past due. Credit cards and unsecured revolving loans generally accrue interest until payments are 180 days past due. Commercial market loans are placed on a cash (non-accrual) basis when it is determined, based on actual experience and a forward-looking assessment of the collectability of the loan in full, that the payment of interest or principal is doubtful or when interest or principal is 90 days past due.

The policy for re-aging modified U.S. Consumer loans to current status varies by product. Generally, one of the conditions to qualify for these modifications is that a minimum number of payments (typically ranging from one to three) be made. Upon modification, the loan is re-aged to current status. However, re-aging practices for certain open-ended Consumer loans, such as credit cards, are governed by Federal Financial Institutions Examination Council (FFIEC) guidelines. For open-ended Consumer loans subject to FFIEC guidelines, one of the conditions for the loan to be re-aged to current status is that at least three consecutive minimum monthly payments, or the equivalent amount, must be received In addition, under FFIEC guidelines, the number of times that such a loan can be re-aged is subject to limitations (generally once in 12 months and twice in five years) Furthermore, Federal Housing Administration (FHA) and Department of Veterans Affairs (VA) loans are modified under those respective agencies' guidelines, and payments are not always required in order to re-age a modified loan to current

The following tables provide details on Citigroup's Consumer loan delinquency and non-accrual loans as of December 31, 2011 and December 31, 2010:

Consumer Loan Delinquency and Non-Accrual Details at December 31, 2011

In millions of dollars	Total current[1][2]	30–89 days past due[3]	≥ 90 days past due[3]	Past due Government guaranteed[4]	Total loans[2]	Total non-accrual	90 days past due and accruing
In *North America* offices							
Residential first mortgages	$ 80,929	$3,550	$4,273	$6,686	$ 95,438	$4,328	$5,054
Home equity loans[5]	41,579	868	1,028	—	43,475	988	—
Credit cards	114,022	2,344	2,058	—	118,424	—	2,058
Installment and other	15,215	340	222	—	15,777	438	10
Commercial market loans	6,643	15	207	—	6,865	220	14
Total	$258,388	$7,117	$7,788	$6,686	$279,979	$5,974	$7,136
In offices outside *North America*							
Residential first mortgages	$ 43,310	$ 566	$ 482	$ —	$ 44,358	$ 744	$ —
Home equity loans[5]	6	—	2	—	8	2	—
Credit cards	38,289	930	785	—	40,004	496	490
Installment and other	26,300	528	197	—	27,025	258	—
Commercial market loans	30,882	79	127	—	31,088	401	—
Total	$138,787	$2,103	$1,593	$ —	$142,483	$1,901	$ 490
Total *GCB* and *LCL*	$397,175	$9,220	$9,381	$6,686	$422,462	$7,875	$7,626
Special Asset Pool (SAP)	1,193	29	47	—	1,269	115	—
Total Citigroup	$398,368	$9,249	$9,428	$6,686	$423,731	$7,990	$7,626

(1) Loans less than 30 days past due are presented as current
(2) Includes $1.3 billion of residential first mortgages recorded at fair value
(3) Excludes loans guaranteed by U.S. government agencies
(4) Consists of residential first mortgages that are guaranteed by U.S. government agencies that are 30-89 days past due of $1.6 billion and ≥ 90 days past due of $5.1 billion
(5) Fixed rate home equity loans and loans extended under home equity lines of credit which are typically in junior lien positions

Consumer Loan Delinquency and Non-Accrual Details at December 31, 2010

In millions of dollars	Total current[1][2]	30–89 days past due[3]	≥ 90 days past due[3]	Past due Government guaranteed[4]	Total loans[2][6]	Total non-accrual	90 days past due and accruing
In *North America* offices							
Residential first mortgages	$ 84,284	$ 4,304	$ 5,698	$7,003	$101,289	$ 5,873	$5,405
Home equity loans[5]	45,655	1,197	1,317	—	48,169	1,293	—
Credit cards	117,571	3,224	3,198	—	123,993	—	3,198
Installment and other	25,723	1,531	1,129	—	28,383	739	353
Commercial market loans	9,358	43	42	—	9,443	539	—
Total	$282,591	$10,299	$11,384	$7,003	$311,277	$ 8,444	$8,956
In offices outside *North America*							
Residential first mortgages	$ 41,451	$ 618	$ 526	$ —	$ 42,595	$ 729	$ —
Home equity loans[5]	8	—	1	—	9	1	—
Credit cards	40,805	1,117	974	—	42,896	565	409
Installment and other	28,047	814	289	—	29,150	508	41
Commercial market loans	28,899	101	143	—	29,143	409	1
Total	$139,210	$ 2,650	$ 1,933	$ —	$143,793	$ 2,212	$ 451
Total GCB and LCL	$421,801	$12,949	$13,317	$7,003	$455,070	$10,656	$9,407

(1) Loans less than 30 days past due are presented as current
(2) Includes $1.7 billion of residential first mortgages recorded at fair value
(3) Excludes loans guaranteed by U.S. government agencies
(4) Consists of residential first mortgages that are guaranteed by U.S. government agencies that are 30-89 days past due of $1.6 billion and ≥ 90 days past due of $5.4 billion
(5) Fixed rate home equity loans and loans extended under home equity lines of credit which are typically in junior lien positions
(6) The above information for December 31, 2010 was not available for SAP

Consumer Credit Scores (FICO)

In the U.S., independent credit agencies rate an individual's risk for assuming debt based on the individual's credit history and assign every consumer a credit score. These scores are often called "FICO scores" because most credit bureau scores used in the U.S. are produced from software developed by Fair Isaac Corporation. Scores range from a high of 900 (which indicates high credit quality) to 300. These scores are continually updated by the agencies based upon an individual's credit actions (e.g., taking out a loan or missed or late payments).

The following table provides details on the FICO scores attributable to Citi's U.S. Consumer loan portfolio as of December 31, 2011 and December 31, 2010 (commercial market loans are not included in the table since they are business-based and FICO scores are not a primary driver in their credit evaluation). FICO scores are updated monthly for substantially all of the portfolio or, otherwise, on a quarterly basis.

During the first quarter of 2011, the cards businesses (Citi-branded and retail partner cards) in the U.S. began using a more updated FICO model version to score customer accounts for substantially all of their loans. The change was made to incorporate a more recent version of FICO in order to improve the predictive strength of the score and to enhance Citi's ability to manage risk. In the first quarter, this change resulted in an increase in the percentage of balances with FICO scores equal to or greater than 660 and conversely lowered the percentage of balances with FICO scores lower than 620.

FICO score distribution in U.S. portfolio [1][2] — December 31, 2011

In millions of dollars	Less than 620	≥ 620 but less than 660	Equal to or greater than 660
Residential first mortgages	$20,370	$ 8,815	$ 52,839
Home equity loans	6,385	3,596	31,389
Credit cards	9,621	10,905	93,234
Installment and other	3,789	2,858	6,704
Total	$40,165	$26,174	$184,166

(1) Excludes loans guaranteed by U.S. government agencies, loans subject to LTSCs with U.S. government-sponsored agencies and loans recorded at fair value
(2) Excludes balances where FICO was not available. Such amounts are not material

FICO score distribution in U.S. portfolio [1][2] — December 31, 2010

In millions of dollars	Less than 620	≥ 620 but less than 660	Equal to or greater than 660
Residential first mortgages	$24,659	$ 9,103	$ 50,587
Home equity loans	8,171	3,639	35,640
Credit cards	18,341	12,592	88,332
Installment and other	11,320	3,760	10,743
Total	$62,491	$29,094	$185,302

(1) Excludes loans guaranteed by U.S. government agencies, loans subject to LTSCs with U.S. government-sponsored agencies and loans recorded at fair value
(2) Excludes balances where FICO was not available. Such amounts are not material

Loan to Value Ratios (LTV)

Loan to value (LTV) ratios (loan balance divided by appraised value) are calculated at origination and updated by applying market price data.

The following tables provide details on the LTV ratios attributable to Citi's U.S. Consumer mortgage portfolios as of December 31, 2011 and December 31, 2010. LTV ratios are updated monthly using the most recent Core Logic HPI data available for substantially all of the portfolio applied at the Metropolitan Statistical Area level, if available; otherwise, at the state level. The remainder of the portfolio is updated in a similar manner using the Office of Federal Housing Enterprise Oversight indices.

LTV distribution in U.S. portfolio [1][2] — December 31, 2011

In millions of dollars	Less than or equal to 80%	> 80% but less than or equal to 100%	Greater than 100%
Residential first mortgages	$36,422	$ 21,146	$24,425
Home equity loans	12,724	10,232	18,226
Total	$49,146	$ 31,378	$42,651

(1) Excludes loans guaranteed by U.S. government agencies, loans subject to LTSCs with U.S. government-sponsored agencies and loans recorded at fair value
(2) Excludes balances where LTV was not available. Such amounts are not material

LTV distribution in U.S. portfolio [1][2] — December 31, 2010

In millions of dollars	Less than or equal to 80%	> 80% but less than or equal to 100%	Greater than 100%
Residential first mortgages	$32,360	$ 25,304	$26,596
Home equity loans	14,387	12,347	20,469
Total	$46,747	$ 37,651	$47,065

(1) Excludes loans guaranteed by U.S. government agencies, loans subject to LTSCs with U.S. government-sponsored agencies and loans recorded at fair value
(2) Excludes balances where LTV was not available. Such amounts are not material

Impaired Consumer Loans

Impaired loans are those for which Citigroup believes it is probable that it will not collect all amounts due according to the original contractual terms of the loan. Impaired Consumer loans include non-accrual commercial market loans as well as smaller-balance homogeneous loans whose terms have been modified due to the borrower's financial difficulties and Citigroup has granted a concession to the borrower. These modifications may include interest rate reductions and/or principal forgiveness. Impaired Consumer loans exclude smaller-balance homogeneous loans that have not been modified and are carried on a non-accrual basis. In addition, Impaired Consumer loans exclude substantially all loans modified pursuant to Citi's short-term modification programs (i.e., for periods of 12 months or less) that were modified prior to January 1, 2011. At December 31, 2011, loans included in these short-term programs amounted to approximately $3 billion.

Effective in the third quarter of 2011, as a result of adopting ASU 2011-02, certain loans modified under short-term programs since January 1, 2011 that were previously measured for impairment under ASC 450 are now measured for impairment under ASC 310-10-35. At the end of the first interim period of adoption (September 30, 2011), the recorded investment in receivables previously measured under ASC 450 was $1,170 million and the allowance for credit losses associated with those loans was $467 million. See Note 1 to the Consolidated Financial Statements for a discussion of this change.

The following tables present information about total impaired Consumer loans at and for the periods ending December 31, 2011 and December 31, 2010, respectively:

Impaired Consumer Loans

	At and for the period ended December 31, 2011				
In millions of dollars	Recorded investment[1][2]	Unpaid principal balance	Related specific allowance[3]	Average carrying value[4]	Interest income recognized[5][6]
Mortgage and real estate					
Residential first mortgages	$19,616	$20,803	$3,404	$18,642	$ 888
Home equity loans	1,771	1,823	1,252	1,680	72
Credit cards	6,695	6,743	3,122	6,542	387
Installment and other					
Individual installment and other	2,264	2,267	1,032	2,644	343
Commercial market loans	517	782	75	572	21
Total[7]	$30,863	$32,418	$8,885	$30,080	$1,711

(1) Recorded investment in a loan includes net deferred loan fees and costs, unamortized premium or discount and direct write-downs and includes accrued interest only on credit card loans.
(2) $858 million of residential first mortgages, $16 million of home equity loans and $182 million of commercial market loans do not have a specific allowance.
(3) Included in the *Allowance for loan losses*.
(4) Average carrying value represents the average recorded investment ending balance for last four quarters and does not include related specific allowance.
(5) Includes amounts recognized on both an accrual and cash basis.
(6) Cash interest receipts on smaller-balance homogeneous loans are generally recorded as revenue. The interest recognition policy for commercial market loans is identical to that for Corporate loans, as described below.
(7) Prior to 2008, the Company's financial accounting systems did not separately track impaired smaller-balance, homogeneous Consumer loans whose terms were modified due to the borrowers' financial difficulties and it was determined that a concession was granted to the borrower. Smaller-balance consumer loans modified since January 1, 2008 amounted to $30.3 billion at December 31, 2011. However, information derived from Citi's risk management systems indicates that the amounts of outstanding modified loans, including those modified prior to 2008, approximated $31.5 billion at December 31, 2011.

In millions of dollars	Recorded investment[1][2]	Unpaid principal balance	Related specific allowance[3]	Average carrying value[4]	Interest income recognized[5][6]
	At and for the period ended December 31, 2010				
Mortgage and real estate					
Residential first mortgages	$16,225	$17,287	$2,783	$13,606	$ 862
Home equity loans	1,205	1,256	393	1,010	40
Credit cards	5,906	5,906	3,237	5,314	131
Installment and other					
Individual installment and other	3,286	3,348	1,177	3,627	393
Commercial market loans	696	934	145	909	26
Total[7]	$27,318	$28,731	$7,735	$24,466	$1,452

(1) Recorded investment in a loan includes net deferred loan fees and costs, unamortized premium or discount and direct write-downs and includes accrued interest only on credit card loans
(2) $1,050 million of residential first mortgages, $6 million of home equity loans and $323 million of commercial market loans do not have a specific allowance
(3) Included in the *Allowance for loan losses*
(4) Average carrying value represents the average recorded investment ending balances for the prior four quarters and does not include related specific allowance
(5) Includes amounts recognized on both an accrual and cash basis
(6) Cash interest receipts on smaller-balance homogeneous loans are generally recorded as revenue The interest recognition policy for commercial market loans is identical to that for Corporate loans, as described below
(7) Prior to 2008, the Company's financial accounting systems did not separately track impaired smaller-balance, homogeneous Consumer loans whose terms were modified due to the borrowers' financial difficulties and it was determined that a concession was granted to the borrower Smaller-balance consumer loans modified since January 1, 2008 amounted to $26 6 billion at December 31, 2010 However, information derived from Citi's risk management systems indicates that the amounts of outstanding modified loans, including those modified prior to 2008, approximated $28 2 billion at December 31, 2010

Consumer Troubled Debt Restructurings

The following table provides details on TDR activity and default information as of and for the year ended December 31, 2011.

In millions of dollars except number of loans modified	Number of loans modified	Pre-modification recorded investment	Post-modification recorded investment[1]	Deferred principal[2]	Contingent principal forgiveness[3]	Principal forgiveness	Average interest rate reduction
North America							
Residential first mortgages	**31,608**	**$ 4,999**	**$ 5,284**	**$110**	**$50**	**$—**	**2%**
Home equity loans	**16,077**	**840**	**872**	**22**	**1**	**—**	**4**
Credit cards	**611,715**	**3,560**	**3,554**	**—**	**—**	**—**	**19**
Installment and other revolving	**86,462**	**645**	**641**	**—**	**—**	**—**	**4**
Commercial markets[4]	**579**	**55**	**—**	**—**	**—**	**1**	**—**
Total	**746,441**	**$10,099**	**$10,351**	**$132**	**$51**	**$ 1**	
International							
Residential first mortgages	**4,888**	**$ 241**	**$ 235**	**$ —**	**$—**	**$ 6**	**1%**
Home equity loans	**61**	**4**	**4**	**—**	**—**	**—**	**—**
Credit cards	**225,149**	**609**	**600**	**—**	**—**	**2**	**24**
Installment and other revolving	**97,827**	**487**	**468**	**—**	**—**	**9**	**13**
Commercial markets[4]	**55**	**167**	**—**	**—**	**—**	**1**	**—**
Total	**327,980**	**$ 1,508**	**$ 1,307**	**$ —**	**$—**	**$18**	

(1) Post-modification balances include past due amounts that are capitalized at modification date
(2) Represents portion of loan principal that is non-interest bearing but still due from borrower
(3) Represents portion of loan principal that is non-interest bearing and, depending upon borrower performance, eligible for forgiveness
(4) Commercial markets loans are generally borrower-specific modifications and incorporate changes in the amount and/or timing of principal and/or interest

The following table presents loans that defaulted during 2011 and for which the payment default occurred within one year of the modification

In millions of dollars	Year ended December 31, 2011 [1]
North America	
Residential first mortgages	**$1,932**
Home equity loans	**105**
Credit cards	**1,307**
Installment and other revolving	**103**
Commercial markets [1]	**3**
Total	**$3,450**
International	
Residential first mortgages	**$ 103**
Home equity loans	**2**
Credit cards	**359**
Installment and other revolving	**250**
Commercial markets [1]	**14**
Total	**$ 728**

(1) Default is defined as 60 days past due, except for classifiably managed commercial markets loans, where default is defined as 90 days past due

Corporate Loans

Corporate loans represent loans and leases managed by *ICG* or the *SAP* The following table presents information by Corporate loan type as of December 31, 2011 and December 31, 2010

In millions of dollars	Dec. 31, 2011	Dec 31, 2010
Corporate		
In U.S. offices		
Commercial and industrial	**$ 21,667**	$ 14,334
Loans to financial institutions	**33,265**	29,813
Mortgage and real estate [1]	**20,698**	19,693
Installment, revolving credit and other	**15,011**	12,640
Lease financing	**1,270**	1,413
	$ 91,911	$ 77,893
In offices outside the U S		
Commercial and industrial	**$ 79,373**	$ 71,618
Installment, revolving credit and other	**14,114**	11,829
Mortgage and real estate [1]	**6,885**	5,899
Loans to financial institutions	**29,794**	22,620
Lease financing	**568**	531
Governments and official institutions	**1,576**	3,644
	$132,310	$116,141
Total Corporate loans	**$224,221**	$194,034
Net unearned income (loss)	**(710)**	(972)
Corporate loans, net of unearned income	**$223,511**	$193,062

(1) Loans secured primarily by real estate

For the year ended December 31, 2011, the Company sold and/or reclassified (to held-for-sale) $6.4 billion of held-for-investment Corporate loans The Company did not have significant purchases of loans classified as held-for-investment for the year ended December 31, 2011

Corporate loans are identified as impaired and placed on a cash (non-accrual) basis when it is determined, based on actual experience and a forward-looking assessment of the collectability of the loan in full, that the payment of interest or principal is doubtful or when interest or principal is 90 days past due, except when the loan is well collateralized and in the process of collection Any interest accrued on impaired Corporate loans and leases is reversed at 90 days and charged against current earnings, and interest is thereafter included in earnings only to the extent actually received in cash When there is doubt regarding the ultimate collectability of principal, all cash receipts are thereafter applied to reduce the recorded investment in the loan While Corporate loans are generally managed based on their internally assigned risk rating (see further discussion below), the following tables present delinquency information by Corporate loan type as of December 31, 2011 and December 31, 2010

Corporate Loan Delinquency and Non-Accrual Details at December 31, 2011

In millions of dollars	30–89 days past due and accruing [1]	≥ 90 days past due and accruing [1]	Total past due and accruing	Total non-accrual [2]	Total current [3]	Total loans
Commercial and industrial	$ 93	$ 30	$123	$1,144	$ 98,577	$ 99,844
Financial institutions	0	2	2	779	60,762	61,543
Mortgage and real estate	224	125	349	1,029	26,107	27,485
Leases	3	11	14	13	1,811	1,838
Other	225	15	240	271	28,351	28,862
Loans at fair value						3,939
Total	$545	$183	$728	$3,236	$215,608	$223,511

(1) Corporate loans that are greater than 90 days past due are generally classified as non-accrual Corporate loans are considered past due when principal or interest is contractually due but unpaid

(2) Citi generally does not manage Corporate loans on a delinquency basis Non-accrual loans generally include those loans that are ≥ 90 days past due or those loans for which Citi believes, based on actual experience and a forward-looking assessment of the collectability of the loan in full that the payment of interest or principal is doubtful

(3) Corporate loans are past due when principal or interest is contractually due but unpaid Loans less than 30 days past due are presented as current

Corporate Loan Delinquency and Non-Accrual Details at December 31, 2010

In millions of dollars	30–89 days past due and accruing [1]	≥ 90 days past due and accruing [1]	Total past due and accruing	Total non-accrual [2]	Total current [3]	Total loans
Commercial and industrial	$ 94	$ 39	$133	$5,135	$ 78,752	$ 84,020
Financial institutions	2	—	2	1,258	50,648	51,908
Mortgage and real estate	376	20	396	1,782	22,892	25,070
Leases	9	—	9	45	1,890	1,944
Other	100	52	152	400	26,941	27,493
Loans at fair value						2,627
Total	$581	$111	$692	$8,620	$181,123	$193,062

(1) Corporate loans that are greater than 90 days past due are generally classified as non-accrual Corporate loans are considered past due when principal or interest is contractually due but unpaid

(2) Citi generally does not manage Corporate loans on a delinquency basis Non-accrual loans generally include those loans that are ≥ 90 days past due or those loans for which Citi believes, based on actual experience and a forward-looking assessment of the collectability of the loan in full, that the payment of interest or principal is doubtful

(3) Corporate loans are past due when principal or interest is contractually due but unpaid Loans less than 30 days past due are presented as current

Citigroup has established a risk management process to monitor, evaluate and manage the principal risks associated with its Corporate loan portfolio As part of its risk management process, Citi assigns numeric risk ratings to its Corporate loan facilities based on quantitative and qualitative assessments of the obligor and facility These risk ratings are reviewed at least annually or more often if material events related to the obligor or facility warrant. Factors considered in assigning the risk ratings include: financial condition of the obligor, qualitative assessment of management and strategy, amount and sources of repayment, amount and type of collateral and guarantee arrangements, amount and type of any contingencies associated with the obligor, and the obligor's industry and geography

The obligor risk ratings are defined by ranges of default probabilities. The facility risk ratings are defined by ranges of loss norms, which are the product of the probability of default and the loss given default. The investment grade rating categories are similar to the category BBB-/Baa3 and above as defined by S&P and Moody's Loans classified according to the bank regulatory definitions as special mention, substandard and doubtful will have risk ratings within the non-investment grade categories

Corporate Loans Credit Quality Indicators at December 31, 2011 and December 31, 2010

	Recorded investment in loans[1]	
In millions of dollars	**December 31, 2011**	December 31, 2010
Investment grade[2]		
Commercial and industrial	**$ 67,528**	$ 52,932
Financial institutions	**53,482**	47,310
Mortgage and real estate	**10,068**	8,119
Leases	**1,161**	1,204
Other	**24,129**	21,844
Total investment grade	**$156,368**	$131,409
Non-investment grade[2]		
Accrual		
Commercial and industrial	**$ 31,172**	$ 25,992
Financial institutions	**7,282**	3,412
Mortgage and real estate	**3,672**	3,329
Leases	**664**	695
Other	**4,462**	4,316
Non-accrual		
Commercial and industrial	**1,144**	5,135
Financial institutions	**779**	1,258
Mortgage and real estate	**1,029**	1,782
Leases	**13**	45
Other	**271**	400
Total non-investment grade	**$ 50,488**	$ 46,364
Private Banking loans managed on a delinquency basis[2]	**$ 12,716**	$ 12,662
Loans at fair value	**3,939**	2,627
Corporate loans, net of unearned income	**$223,511**	$193,062

(1) Recorded investment in a loan includes net deferred loan fees and costs, unamortized premium or discount, less any direct write-downs

(2) Held-for-investment loans accounted for on an amortized cost basis

Corporate loans and leases identified as impaired and placed on non-accrual status are written down to the extent that principal is judged to be uncollectible. Impaired collateral-dependent loans and leases, where repayment is expected to be provided solely by the sale of the underlying collateral and there are no other available and reliable sources of repayment, are written down to the lower of cost or collateral value, less cost to sell. Cash-basis loans are returned to an accrual status when all contractual principal and interest amounts are reasonably assured of repayment and there is a sustained period of repayment performance, generally six months, in accordance with the contractual terms of the loan.

The following tables present non-accrual loan information by Corporate loan type at and for the years ended December 31, 2011, 2010 and 2009, respectively:

Non-Accrual Corporate Loans

In millions of dollars	Recorded investment[1]	Unpaid principal balance	Related specific allowance	Average carrying value[2]	Interest income recognized
	At and for the period ended December 31, 2011				
Non-accrual Corporate loans					
Commercial and industrial	**$1,144**	**$1,538**	**$186**	**$1,448**	**$ 76**
Loans to financial institutions	**779**	**1,213**	**20**	**1,060**	**—**
Mortgage and real estate	**1,029**	**1,240**	**151**	**1,485**	**14**
Lease financing	**13**	**21**	**—**	**25**	**2**
Other	**271**	**476**	**63**	**416**	**17**
Total non-accrual Corporate loans	**$3,236**	**$4,488**	**$420**	**$4,434**	**$109**

In millions of dollars	Recorded investment[1]	Unpaid principal balance	Related specific allowance	Average carrying value[2]	Interest income recognized
	At and for the period ended December 31, 2010				
Non-accrual Corporate loans					
Commercial and industrial	$5,135	$ 8,031	$ 843	$ 6,027	$28
Loans to financial institutions	1,258	1,835	259	883	1
Mortgage and real estate	1,782	2,328	369	2,474	7
Lease financing	45	71	—	55	4
Other	400	948	218	1,205	25
Total non-accrual Corporate loans	$8,620	$13,213	$1,689	$10,644	$65

At and for the period ended	
In millions of dollars	Dec 31, 2009
Average carrying value[2]	$12,990
Interest income recognized	21

In millions of dollars	December 31, 2011 Recorded investment[1]	December 31, 2011 Related specific allowance	December 31, 2010 Recorded investment[1]	December 31, 2010 Related specific allowance
Non-accrual Corporate loans with valuation allowances				
Commercial and industrial	**$ 501**	**$186**	$4,257	$ 843
Loans to financial institutions	**68**	**20**	818	259
Mortgage and real estate	**540**	**151**	1,008	369
Other	**130**	**63**	241	218
Total non-accrual Corporate loans with specific allowance	**$1,239**	**$420**	$6,324	$1,689
Non-accrual Corporate loans without specific allowance				
Commercial and industrial	**$ 643**		$ 878	
Loans to financial institutions	**711**		440	
Mortgage and real estate	**489**		774	
Lease financing	**13**		45	
Other	**141**		159	
Total non-accrual Corporate loans without specific allowance	**$1,997**	**N/A**	$2,296	N/A

(1) Recorded investment in a loan includes net deferred loan fees and costs, unamortized premium or discount, less any direct write-downs
(2) Average carrying value represents the average recorded investment balance and does not include related specific allowance
(3) Average carrying value does not include related specific allowance
N/A Not Applicable

Corporate Troubled Debt Restructurings

The following tables provide details on TDR activity and default information as of and for the 12-month period ended December 31, 2011.

The following table presents TDRs occurring during the 12-month period ended December 31, 2011

In millions of dollars	Carrying Value	TDRs involving changes in the amount and/or timing of principal payments [1]	TDRs involving changes in the amount and/or timing of interest payments [2]	TDRs involving changes in the amount and/or timing of both principal and interest payments	Balance of principal forgiven or deferred	Net P&L impact [3]
Commercial and industrial	$126	$—	$ 16	$110	$—	$16
Loans to financial institutions	—	—	—	—	—	—
Mortgage and real estate	250	3	20	227	4	37
Other	74	—	67	7	—	—
Total	$450	$ 3	$103	$344	$ 4	$53

(1) TDRs involving changes in the amount or timing of principal payments may involve principal forgiveness or deferral of periodic and/or final principal payments
(2) TDRs involving changes in the amount or timing of interest payments may involve a reduction in interest rate or a below-market interest rate
(3) Balances reflect charge-offs and reserves recorded during the 12 months ended December 31, 2011 on loans subject to a TDR during the period then ended

The following table presents total corporate loans modified in a troubled debt restructuring at December 31, 2011 as well as those TDRs that defaulted during 2011 and for which the payment default occurred within one year of the modification

In millions of dollars	TDR Balances at December 31, 2011	TDR Loans in payment default [1] Twelve Months Ended December 31, 2011
Commercial and industrial	$ 429	$ 7
Loans to financial institutions	564	—
Mortgage and real estate	258	—
Other	85	—
Total Corporate Loans modified in TDRs	$1,336	$ 7

(1) Payment default constitutes failure to pay principal or interest when due per the contractual terms of the loan

Purchased Distressed Loans

Included in the Corporate and Consumer loan outstanding tables above are purchased distressed loans, which are loans that have evidenced significant credit deterioration subsequent to origination but prior to acquisition by Citigroup. In accordance with SOP 03-3 (codified as ASC 310-30), the difference between the total expected cash flows for these loans and the initial recorded investment is recognized in income over the life of the loans using a level yield. Accordingly, these loans have been excluded from the impaired loan table information presented above. In addition, per SOP 03-3, subsequent decreases in the expected cash flows for a purchased distressed loan require a build of an allowance so the loan retains its level yield. However, increases in the expected cash flows are first recognized as a reduction of any previously established allowance and then recognized as income prospectively over the remaining life of the loan by increasing the loan's level yield. Where the expected cash flows cannot be reliably estimated, the purchased distressed loan is accounted for under the cost recovery method.

The carrying amount of the Company's purchased distressed loan portfolio at December 31, 2011 was $443 million, net of an allowance of $68 million as of December 31, 2011.

The changes in the accretable yield, related allowance and carrying amount net of accretable yield for 2011 are as follows:

In millions of dollars	Accretable yield	Carrying amount of loan receivable	Allowance
Balance at December 31, 2010	$ 116	$ 469	$ 77
Purchases[1]	—	328	—
Disposals/payments received	(122)	(235)	(24)
Accretion	(6)	6	—
Builds (reductions) to the allowance	12	—	16
Increase to expected cash flows	31	3	—
FX/other	(29)	(60)	(1)
Balance at December 31, 2011[2]	**$ 2**	**$ 511**	**$ 68**

(1) The balance reported in the column "Carrying amount of loan receivable" consists of $328 million of purchased loans accounted for under the level-yield method and $0 under the cost-recovery method. These balances represent the fair value of these loans at their acquisition date. The related total expected cash flows for the level-yield loans were $328 million at their acquisition dates.

(2) The balance reported in the column "Carrying amount of loan receivable" consists of $435 million of loans accounted for under the level-yield method and $76 million accounted for under the cost-recovery method.

17. ALLOWANCE FOR CREDIT LOSSES

In millions of dollars	2011	2010	2009
Allowance for loan losses at beginning of year	**$ 40,655**	$ 36,033	$ 29,616
Gross credit losses	**(23,164)**	(34,491)	(32,784)
Gross recoveries	**3,126**	3,632	2,043
Net credit losses (NCLs)	**$(20,038)**	$ (30,859)	$ (30,741)
NCLs	**$ 20,038**	$ 30,859	$ 30,741
Net reserve builds (releases)	**(8,434)**	(6,523)	5,741
Net specific reserve builds	**169**	858	2,278
Total provision for credit losses	**$ 11,773**	$ 25,194	$ 38,760
Other, net [1]	**(2,275)**	10,287	(1,602)
Allowance for loan losses at end of year	**$ 30,115**	$ 40,655	$ 36,033
Allowance for credit losses on unfunded lending commitments at beginning of year [2]	**$ 1,066**	$ 1,157	$ 887
Provision for unfunded lending commitments	**51**	(117)	244
Allowance for credit losses on unfunded lending commitments at end of year [2]	**$ 1,136**	$ 1,066	$ 1,157
Total allowance for loans, leases, and unfunded lending commitments	**$ 31,251**	$ 41,721	$ 37,190

(1) 2011 primarily includes reductions of approximately $1 6 billion related to the sale or transfer to held-for-sale of various U S loan portfolios, approximately $240 million related to the sale of the Egg Banking PLC credit card business, approximately $72 million related to the transfer of the Citi Belgium business to held-for-sale and approximately $290 related to FX translation 2010 primarily includes an addition of $13 4 billion related to the impact of consolidating entities in connection with Citi's adoption of SFAS 166/167 (see Note 1 to the Consolidated Financial Statements) and reductions of approximately $2 7 billion related to the sale or transfer to held-for-sale of various U S loan portfolios and approximately $290 million related to the transfer of a U K first mortgage portfolio to held-for-sale 2009 primarily includes reductions to the loan loss reserve of approximately $543 million related to securitizations, approximately $402 million related to the sale or transfers to held-for-sale of U S real estate lending loans, and $562 million related to the transfer of the U K cards portfolio to held-for-sale

(2) Represents additional credit loss reserves for unfunded lending commitments and letters of credit recorded in *Other liabilities* on the Consolidated Balance Sheet

Allowance for Credit Losses and Investment in Loans at December 31, 2011

In millions of dollars	Corporate	Consumer	Total
Allowance for loan losses at beginning of year	**$ 5,249**	**$ 35,406**	**$ 40,655**
Charge-offs	**(2,000)**	**(21,164)**	**(23,164)**
Recoveries	**386**	**2,740**	**3,126**
Replenishment of net charge-offs	**1,614**	**18,424**	**20,038**
Net reserve releases	**(1,083)**	**(7,351)**	**(8,434)**
Net specific reserve builds (releases)	**(1,270)**	**1,439**	**169**
Other	**(17)**	**(2,258)**	**(2,275)**
Ending balance	**$ 2,879**	**$ 27,236**	**$ 30,115**
Allowance for loan losses			
Determined in accordance with ASC 450-20	**$ 2,408**	**$ 18,334**	**$ 20,742**
Determined in accordance with ASC 310-10-35	**420**	**8,885**	**9,305**
Determined in accordance with ASC 310-30	**51**	**17**	**68**
Total allowance for loan losses	**$ 2,879**	**$ 27,236**	**$ 30,115**
Loans net of unearned income			
Loans collectively evaluated for impairment in accordance with ASC 450-20	**$215,387**	**$391,222**	**$606,609**
Loans individually evaluated for impairment in accordance with ASC 310-10-35	**3,994**	**30,863**	**34,857**
Loans acquired with deteriorated credit quality in accordance with ASC 310-30	**191**	**320**	**511**
Loans held at fair value	**3,939**	**1,326**	**5,265**
Total loans, net of unearned income	**$223,511**	**$423,731**	**$647,242**

Allowance for Credit Losses and Investment in Loans at December 31, 2010

In millions of dollars	Corporate	Consumer	Total
Allowance for loan losses at beginning of year	$ 7,686	$ 28,347	$ 36,033
Charge-offs	(3,418)	(31,073)	(34,491)
Recoveries	994	2,638	3,632
Replenishment of net charge-offs	2,424	28,435	30,859
Net reserve releases	(1,627)	(4,896)	(6,523)
Net specific reserve builds (releases)	(722)	1,580	858
Other	(88)	10,375	10,287
Ending balance	$ 5,249	$ 35,406	$ 40,655
Allowance for loan losses			
Determined in accordance with ASC 450-20	$ 3,510	$ 27,644	$ 31,154
Determined in accordance with ASC 310-10-35	1,689	7,735	9,424
Determined in accordance with ASC 310-30	50	27	77
Total allowance for loan losses	$ 5,249	$ 35,406	$ 40,655
Loans, net of unearned income			
Loans collectively evaluated for impairment in accordance with ASC 450-20	$181,052	$426,444	$607,496
Loans individually evaluated for impairment in accordance with ASC 310-10-35	9,139	27,318	36,457
Loans acquired with deteriorated credit quality in accordance with ASC 310-30	244	225	469
Loans held at fair value	2,627	1,745	4,372
Total loans, net of unearned income	$193,062	$455,732	$648,794

18. GOODWILL AND INTANGIBLE ASSETS

Goodwill

The changes in *Goodwill* during 2011 and 2010 were as follows:

In millions of dollars	
Balance at December 31, 2009	$25,392
Foreign exchange translation	685
Smaller acquisitions/divestitures, purchase accounting adjustments and other	75
Balance at December 31, 2010	$26,152
Foreign exchange translation	**(636)**
Smaller acquisitions/divestitures, purchase accounting adjustments and other	**44**
Discontinued operations	**(147)**
Balance at December 31, 2011	**$25,413**

The changes in *Goodwill* by segment during 2011 and 2010 were as follows:

In millions of dollars	Global Consumer Banking	Institutional Clients Group	Citi Holdings	Corporate/ Other	Total
Balance at December 31, 2009	$ 9,921	$10,689	$4,782	$—	$25,392
Goodwill acquired during 2010	$ —	$ —	$ —	$—	$ —
Goodwill disposed of during 2010	—	—	(102)	—	(102)
Other [1]	780	137	(55)	—	862
Balance at December 31, 2010	$10,701	$10,826	$4,625	$—	$26,152
Goodwill acquired during 2011	**$ —**	**$ 19**	**$ —**	**$—**	**$ 19**
Goodwill disposed of during 2011	—	**(6)**	**(153)**	—	**(159)**
Other [1]	**(465)**	**(102)**	**(32)**	**—**	**(599)**
Balance at December 31, 2011	**$10,236**	**$10,737**	**$4,440**	**$—**	**$25,413**

(1) Other changes in *Goodwill* primarily reflect foreign exchange effects on non-dollar-denominated goodwill, as well as purchase accounting adjustments

Goodwill impairment testing is performed at a level below the business segments (referred to as a reporting unit). The reporting unit structure in 2011 is consistent with those reporting units identified in the second quarter of 2009 as a result of the change in organizational structure. During 2011, goodwill was allocated to disposals and tested for impairment for each of the reporting units. The Company performed goodwill impairment testing for all reporting units as of July 1, 2011. No goodwill was written off due to impairment in 2009, 2010 and 2011.

The following table shows reporting units with goodwill balances as of December 31, 2011 and the excess of fair value as a percentage over allocated book value as of the annual impairment test.

In millions of dollars

Reporting unit [1]	Fair value as a % of allocated book value	Goodwill
North America Regional Consumer Banking	279%	$2,542
EMEA Regional Consumer Banking	205	349
Asia Regional Consumer Banking	285	5,623
Latin America Regional Consumer Banking	277	1,722
Securities and Banking	136	9,173
Transaction Services	1,761	1,564
Brokerage and Asset Management	162	71
Local Consumer Lending—Cards	175	4,369

(1) *Local Consumer Lending—Other* is excluded from the table as there is no goodwill allocated to it

Citigroup engaged the services of an independent valuation specialist to assist in the valuation of the reporting units at July 1, 2011, using a combination of the market approach and/or income approach consistent with the valuation model used in the past

Under the market approach for valuing each reporting unit, the key assumption is the selected price multiples. The selection of the multiples considers the operating performance and financial condition of the reporting unit operations as compared with those of a group of selected publicly traded guideline companies and a group of selected acquired companies. Among other factors, the level and expected growth in return on tangible equity relative to those of the guideline companies and guideline transactions is considered Since the guideline company prices used are on a minority interest basis, the selection of the multiple considers the recent acquisition prices, which reflect control rights and privileges, in arriving at a multiple that reflects an appropriate control premium.

For the valuation under the income approach, the assumptions used as the basis for the model include cash flows for the forecasted period, the assumptions embedded in arriving at an estimation of the terminal value and the discount rate The cash flows for the forecasted period are estimated based on management's most recent projections available as of the testing date, giving consideration to targeted equity capital requirements based on selected public guideline companies for the reporting unit In arriving at the terminal value for each reporting unit, using 2014 as the terminal year, the assumptions used include a long-term growth rate and a price-to-tangible book multiple based on selected public guideline companies for the reporting unit The discount rate is based on the reporting unit's estimated cost of equity capital computed under the capital asset pricing model

Embedded in the key assumptions underlying the valuation model, described above, is the inherent uncertainty regarding the possibility that economic conditions that affect credit risk and behavior may vary or other events will occur that will impact the business model. Deterioration in the assumptions used in the valuations, in particular the discount-rate and growth-rate assumptions used in the net income projections, could affect Citigroup's impairment evaluation and, hence, the Company's net income While there is inherent uncertainty embedded in the assumptions used in developing management's forecasts, the assumptions used reflect management's best estimates as of the testing date.

If the future were to differ adversely from management's best estimate of key economic assumptions and associated cash flows were to significantly decrease, Citi could potentially experience future impairment charges with respect to goodwill Any such charges, by themselves, would not negatively affect Citi's Tier 1 and Total Capital regulatory ratios, Tier 1 Common ratio, its Tangible Common Equity or Citi's liquidity position.

INTANGIBLE ASSETS

The components of intangible assets were as follows

In millions of dollars	December 31, 2011 Gross carrying amount	Accumulated amortization	Net carrying amount	December 31, 2010 Gross carrying amount	Accumulated amortization	Net carrying amount
Purchased credit card relationships	**$ 7,616**	**$5,309**	**$2,307**	$ 7,796	$5,048	$ 2,748
Core deposit intangibles	**1,337**	**965**	**372**	1,442	959	483
Other customer relationships	**830**	**356**	**474**	796	289	507
Present value of future profits	**235**	**123**	**112**	241	114	127
Indefinite-lived intangible assets	**492**	**—**	**492**	550	—	550
Other [1]	**4,866**	**2,023**	**2,843**	4,723	1,634	3,089
Intangible assets (excluding MSRs)	**$15,376**	**$8,776**	**$6,600**	$15,548	$8,044	$ 7,504
Mortgage servicing rights (MSRs)	**2,569**	**—**	**2,569**	4,554	—	4,554
Total intangible assets	**$17,945**	**$8,776**	**$9,169**	$20,102	$8,044	$12,058

(1) Includes contract-related intangible assets

Intangible assets amortization expense was $898 million, $976 million and $1,179 million for 2011, 2010 and 2009, respectively. Intangible assets amortization expense is estimated to be $826 million in 2012, $822 million in 2013, $734 million in 2014, $700 million in 2015, and $807 million in 2016.

The changes in intangible assets during 2011 were as follows:

In millions of dollars	Net carrying amount at December 31, 2010	Acquisitions/ divestitures	Amortization	Impairments	FX and other [1]	Discontinued operations	Net carrying amount at December 31, 2011
Purchased credit card relationships	$ 2,748	**$ 5**	**$(435)**	**$ —**	**$(11)**	**$ —**	**$2,307**
Core deposit intangibles	483	**4**	**(97)**	**—**	**(18)**	**—**	**372**
Other customer relationships	507	**3**	**(51)**	**—**	**15**	**—**	**474**
Present value of future profits	127	**—**	**(13)**	**—**	**(2)**	**—**	**112**
Indefinite-lived intangible assets	550	**—**	**—**	**—**	**(58)**	**—**	**492**
Other	3,089	**93**	**(302)**	**(17)**	**(2)**	**(18)**	**2,843**
Intangible assets (excluding MSRs)	$ 7,504	**$105**	**$(898)**	**$(17)**	**$(76)**	**$(18)**	**$6,600**
Mortgage servicing rights (MSRs) [2]	4,554						**2,569**
Total intangible assets	$12,058						**$9,169**

(1) Includes foreign exchange translation and purchase accounting adjustments
(2) See Note 22 to the Consolidated Financial Statements for the roll-forward of MSRs

19. DEBT

Short-Term Borrowings

Short-term borrowings consist of commercial paper and other borrowings with weighted average interest rates at December 31 as follows:

	2011		2010	
In millions of dollars	**Balance**	**Weighted average**	Balance	Weighted average
Commercial paper				
Bank	**$14,872**	**0.32%**	$14,987	0.39%
Other non-bank	**6,414**	**0.49**	9,670	0 29
	$21,286		$24,657	
Other borrowings [1]	**33,155**	**1.09%**	54,133	0.40%
Total	**$54,441**		$78,790	

(1) At December 31, 2011 and December 31, 2010, collateralized advances from the Federal Home Loan Bank were $5 billion and $10 billion, respectively

Borrowings under bank lines of credit may be at interest rates based on LIBOR, CD rates, the prime rate, or bids submitted by the banks. Citigroup pays commitment fees for its lines of credit.

Some of Citigroup's non-bank subsidiaries have credit facilities with Citigroup's subsidiary depository institutions, including Citibank, N.A Borrowings under these facilities must be secured in accordance with Section 23A of the Federal Reserve Act.

Citigroup Global Markets Holdings Inc. (CGMHI) has substantial borrowing agreements consisting of facilities that CGMHI has been advised are available, but where no contractual lending obligation exists These arrangements are reviewed on an ongoing basis to ensure flexibility in meeting CGMHI's short-term requirements.

Long-Term Debt

			Balances at December 31,	
In millions of dollars	**Weighted average coupon**	**Maturities**	**2011**	2010
Citigroup parent company				
Senior notes	**4.44%**	**2012–2098**	**$136,468**	$146,280
Subordinated notes [1]	**4.84**	**2012–2036**	**29,177**	27,533
Junior subordinated notes relating to trust preferred securities	**7.10**	**2031–2067**	**16,057**	18,131
Bank [2]				
Senior notes	**2.22**	**2012–2046**	**75,685**	112,269
Subordinated notes [3]	**3.52**	**2012–2039**	**859**	965
Non-bank				
Senior notes	**2.68**	**2012–2097**	**65,063**	75,092
Subordinated notes [3]	**1.40**	**2012–2037**	**196**	913
Total [3][4]			**$323,505**	$381,183
Senior notes			**$277,216**	$333,641
Subordinated notes [3]			**30,232**	29,411
Junior subordinated notes relating to trust preferred securities			**16,057**	18,131
Total			**$323,505**	$381,183

(1) Includes notes that are subordinated within certain countries, regions or subsidiaries

(2) At December 31, 2011 and December 31, 2010, collateralized advances from the Federal Home Loan Banks were $11 0 billion and $18 2 billion, respectively

(3) Of this amount, approximately $38 0 billion maturing in 2012 is guaranteed by the FDIC under the Temporary Liquidity Guarantee Program (TLGP)

(4) Includes senior notes with carrying values of $176 million issued to Safety First Trust Series 2007-3, 2007-4, 2008-1, 2008-2, 2008-3, 2008-4, 2008-5, 2009-2, and 2009-3 at December 31, 2011 and $364 million issued by Safety First Trust Series 2007-2, 2007-3, 2007-4, 2008-1, 2008-2, 2008-3, 2008-4, 2008-5, 2008-6, 2009-1, 2009-2, and 2009-3 (collectively, the "Safety First Trusts") at December 31, 2010 Citigroup Funding Inc (CFI) owns all of the voting securities of the Safety First Trusts The Safety First Trusts have no assets, operations, revenues or cash flows other than those related to the issuance, administration and repayment of the Safety First Trust securities and the Safety First Trusts' common securities The Safety First Trusts' obligations under the Safety First Trust securities are fully and unconditionally guaranteed by CFI, and CFI's guarantee obligations are fully and unconditionally guaranteed by Citigroup

CGMHI has committed long-term financing facilities with unaffiliated banks. At December 31, 2011, CGMHI had drawn down the full $700 million available under these facilities, of which $150 million is guaranteed by Citigroup. Generally, a bank can terminate these facilities by giving CGMHI one-year prior notice.

The Company issues both fixed and variable rate debt in a range of currencies It uses derivative contracts, primarily interest rate swaps, to effectively convert a portion of its fixed rate debt to variable rate debt and variable rate debt to fixed rate debt The maturity structure of the derivatives generally corresponds to the maturity structure of the debt being hedged. In addition, the Company uses other derivative contracts to manage the foreign exchange impact of certain debt issuances. At December 31, 2011, the Company's overall weighted average interest rate for long-term debt was 3 62% on a contractual basis and 3.29% including the effects of derivative contracts

Aggregate annual maturities of long-term debt obligations (based on final maturity dates) including trust preferred securities are as follows

In millions of dollars	2012	2013	2014	2015	2016	Thereafter	Total
Bank	$32,066	$13,045	$ 9,158	$ 6,565	$ 6,422	$ 9,288	$ 76,544
Non-bank	23,212	10,160	7,332	4,515	3,748	16,292	65,259
Parent company	28,629	23,133	21,460	12,545	9,727	86,208	181,702
Total	$83,907	$46,338	$37,950	$23,625	$19,897	$111,788	**$323,505**

Long-term debt includes junior subordinated debt with a balance sheet carrying value of $16,057 million and $18,131 million at December 31, 2011 and December 31, 2010, respectively. The Company formed statutory business trusts under the laws of the State of Delaware. The trusts exist for the exclusive purposes of (i) issuing trust securities representing undivided beneficial interests in the assets of the trust, (ii) investing the gross proceeds of the trust securities in junior subordinated deferrable interest debentures (subordinated debentures) of its parent, and (iii) engaging in only those activities necessary or incidental thereto Upon approval from the Federal Reserve Board, Citigroup has the right to redeem these securities.

The following table summarizes the financial structure of each of the Company's subsidiary trusts at December 31, 2011:

Trust securities with distributions guaranteed by Citigroup	Issuance date	Securities issued	Liquidation value[1]	Coupon rate	Common shares issued to parent	Junior subordinated debentures owned by trust: Amount	Junior subordinated debentures owned by trust: Maturity	Junior subordinated debentures owned by trust: Redeemable by issuer beginning
In millions of dollars, except share amounts								
Citigroup Capital III	Dec. 1996	194,053	$ 194	7.625%	6,003	$ 200	Dec. 1, 2036	Not redeemable
Citigroup Capital VII	July 2001	35,885,898	897	7.125%	1,109,874	925	July 31, 2031	July 31, 2006
Citigroup Capital VIII	Sept. 2001	43,651,597	1,091	6 950%	1,350,050	1,125	Sept. 15, 2031	Sept. 17, 2006
Citigroup Capital IX	Feb 2003	33,874,813	847	6 000%	1,047,675	873	Feb 14, 2033	Feb 13, 2008
Citigroup Capital X	Sept. 2003	14,757,823	369	6.100%	456,428	380	Sept. 30, 2033	Sept. 30, 2008
Citigroup Capital XI	Sept 2004	18,387,128	460	6 000%	568,675	474	Sept. 27, 2034	Sept. 27, 2009
Citigroup Capital XII	Mar 2010	92,000,000	2,300	8 500%	1,000	2,300	Mar. 30, 2040	Mar. 30, 2015
Citigroup Capital XIII	Sept. 2010	89,840,000	2,246	7 875%	1,000	2,246	Oct. 30, 2040	Oct. 30, 2015
Citigroup Capital XIV	June 2006	12,227,281	306	6.875%	40,000	307	June 30, 2066	June 30, 2011
Citigroup Capital XV	Sept 2006	25,210,733	630	6.500%	40,000	631	Sept 15, 2066	Sept. 15, 2011
Citigroup Capital XVI	Nov. 2006	38,148,947	954	6.450%	20,000	954	Dec 31, 2066	Dec. 31, 2011
Citigroup Capital XVII	Mar. 2007	28,047,927	701	6.350%	20,000	702	Mar 15, 2067	Mar. 15, 2012
Citigroup Capital XVIII	June 2007	99,901	155	6.829%	50	155	June 28, 2067	June 28, 2017
Citigroup Capital XIX	Aug 2007	22,771,968	569	7 250%	20,000	570	Aug. 15, 2067	Aug 15, 2012
Citigroup Capital XX	Nov. 2007	17,709,814	443	7 875%	20,000	443	Dec. 15, 2067	Dec 15, 2012
Citigroup Capital XXI	Dec. 2007	2,345,801	2,346	8.300%	500	2,346	Dec. 21, 2077	Dec. 21, 2037
Citigroup Capital XXXIII	July 2009	3,025,000	3,025	8 000%	100	3,025	July 30, 2039	July 30, 2014
Adam Capital Trust III	Dec. 2002	17,500	18	3 mo LIB +335 bp	542	18	Jan 7, 2033	Jan. 7, 2008
Adam Statutory Trust III	Dec 2002	25,000	25	3 mo. LIB +325 bp.	774	26	Dec. 26, 2032	Dec. 26, 2007
Adam Statutory Trust IV	Sept 2003	40,000	40	3 mo. LIB +295 bp.	1,238	41	Sept. 17, 2033	Sept. 17, 2008
Adam Statutory Trust V	Mar 2004	35,000	35	3 mo. LIB +279 bp	1,083	36	Mar. 17, 2034	Mar 17, 2009
Total obligated			**$17,651**			**$17,777**		

(1) Represents the notional value received by investors from the trusts at the time of issuance

In each case, the coupon rate on the debentures is the same as that on the trust securities. Distributions on the trust securities and interest on the debentures are payable quarterly, except for Citigroup Capital III, Citigroup Capital XVIII and Citigroup Capital XXI on which distributions are payable semiannually.

In connection with the fourth and final remarketing of trust securities held by ADIA, during the second quarter of 2011, Citigroup exchanged the junior subordinated debentures owned by Citigroup Capital Trust XXXII for $1.875 billion of senior notes with a coupon of 3.953%, payable semiannually. The senior notes mature on June 15, 2016.

20. REGULATORY CAPITAL

Citigroup is subject to risk-based capital and leverage guidelines issued by the Board of Governors of the Federal Reserve System (FRB) Its U.S insured depository institution subsidiaries, including Citibank, N.A., are subject to similar guidelines issued by their respective primary federal bank regulatory agencies. These guidelines are used to evaluate capital adequacy and include the required minimums shown in the following table

The regulatory agencies are required by law to take specific prompt actions with respect to institutions that do not meet minimum capital standards. As of December 31, 2011 and 2010, all of Citigroup's U S. insured subsidiary depository institutions were "well capitalized."

At December 31, 2011, regulatory capital as set forth in guidelines issued by the U.S. federal bank regulators is as follows:

In millions of dollars	Required minimum	Well-capitalized minimum	Citigroup	Citibank, N.A.
Tier 1 Common			$114,854	$121,269
Tier 1 Capital			131,874	121,862
Total Capital [1]			165,384	134,284
Tier 1 Common ratio	N/A	N/A	11.80%	14.63%
Tier 1 Capital ratio	4.0%	6.0%	13.55	14.70
Total Capital ratio	8.0	10.0	16.99	16.20
Leverage ratio	3.0	5.0 [2]	7.19	9.66

(1) Total Capital includes Tier 1 Capital and Tier 2 Capital
(2) Applicable only to depository institutions
N/A Not Applicable

Banking Subsidiaries–Constraints on Dividends

There are various legal limitations on the ability of Citigroup's subsidiary depository institutions to extend credit, pay dividends or otherwise supply funds to Citigroup and its non-bank subsidiaries. The approval of the Office of the Comptroller of the Currency is required if total dividends declared in any calendar year exceed amounts specified by the applicable agency's regulations. State-chartered depository institutions are subject to dividend limitations imposed by applicable state law.

In determining the dividends, each depository institution must also consider its effect on applicable risk-based capital and leverage ratio requirements, as well as policy statements of the federal regulatory agencies that indicate that banking organizations should generally pay dividends out of current operating earnings Citigroup received $10.9 billion in dividends from Citibank, N.A. in 2011.

Non-Banking Subsidiaries

Citigroup also receives dividends from its non-bank subsidiaries These non-bank subsidiaries are generally not subject to regulatory restrictions on dividends.

The ability of CGMHI to declare dividends can be restricted by capital considerations of its broker-dealer subsidiaries

In millions of dollars

Subsidiary	Jurisdiction	Net capital or equivalent	Excess over minimum requirement
Citigroup Global Markets Inc	U S Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1)	$7,773	$6,978
Citigroup Global Markets Limited	United Kingdom's Financial Services Authority	$8,140	$5,757

21. CHANGES IN ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Changes in each component of *Accumulated other comprehensive income (loss)* for the three-year period ended December 31, 2011 are as follows

In millions of dollars	Net unrealized gains (losses) on investment securities	Foreign currency translation adjustment, net of hedges	Cash flow hedges	Pension liability adjustments	Accumulated other comprehensive income (loss)
Balance at January 1, 2009	$ (10,060)	$ (7,744)	$(5,189)	$(2,615)	$ (25,608)
Change in net unrealized gains (losses) on investment securities, net of taxes [1]	5,713	—	—	—	5,713
Foreign currency translation adjustment, net of taxes [2]	—	(203)	—	—	(203)
Cash flow hedges, net of taxes [3]	—	—	2,007	—	2,007
Pension liability adjustment, net of taxes [4]	—	—	—	(846)	(846)
Change	$ 5,713	$ (203)	$ 2,007	$ (846)	$ 6,671
Balance at December 31, 2009	$ (4,347)	$ (7,947)	$(3,182)	$(3,461)	$ (18,937)
Change in net unrealized gains (losses) on investment securities, net of taxes [1]	1,952	—	—	—	1,952
Foreign currency translation adjustment, net of taxes [2]	—	820	—	—	820
Cash flow hedges, net of taxes [3]	—	—	532	—	532
Pension liability adjustment, net of taxes [4]	—	—	—	(644)	(644)
Change	$ 1,952	$ 820	$ 532	$ (644)	$ 2,660
Balance at December 31, 2010	$ (2,395)	$ (7,127)	$(2,650)	$(4,105)	$ (16,277)
Change in net unrealized gains (losses) on investment securities, net of taxes [1]	2,360	—	—	—	2,360
Foreign currency translation adjustment, net of taxes [2]	—	(3,524)	—	—	(3,524)
Cash flow hedges, net of taxes [3]	—	—	(170)	—	(170)
Pension liability adjustment, net of taxes [4]	—	—	—	(177)	(177)
Change	$ 2,360	$ (3,524)	$ (170)	$ (177)	$ (1,511)
Balance at December 31, 2011	**$ (35)**	**$(10,651)**	**$(2,820)**	**$(4,282)**	**$ (17,788)**

(1) The after-tax realized gains (losses) on sales and impairments of securities during the years ended December 31, 2011, 2010 and 2009 were $(122) million, $657 and $(445) million, respectively For details of the unrealized gains and losses on Citigroup's available-for-sale and held-to-maturity securities, and the net gains (losses) included in income, see Note 15 to the Consolidated Financial Statements

(2) Primarily reflects the movements in (by order of impact) the Mexican peso, Turkish lira, Brazilian real, Indian rupee and Polish zloty against the U S dollar, and changes in related tax effects and hedges in 2011 Primarily reflects the movements in the Australian dollar, Brazilian real, Canadian dollar, Japanese yen, Mexican peso, and Chinese yuan (renminbi) against the U S dollar, and changes in related tax effects and hedges in 2010 and 2009

(3) Primarily driven by Citigroup's pay fixed/receive floating interest rate swap programs that are hedging the floating rates on deposits and long-term debt

(4) Reflects adjustments to the funded status of pension and postretirement plans, which is the difference between the fair value of the plan assets and the projected benefit obligation

22. SECURITIZATIONS AND VARIABLE INTEREST ENTITIES

Uses of SPEs

A special purpose entity (SPE) is an entity designed to fulfill a specific limited need of the company that organized it. The principal uses of SPEs are to obtain liquidity and favorable capital treatment by securitizing certain of Citigroup's financial assets, to assist clients in securitizing their financial assets and to create investment products for clients. SPEs may be organized in many legal forms including trusts, partnerships or corporations. In a securitization, the company transferring assets to an SPE converts all (or a portion) of those assets into cash before they would have been realized in the normal course of business through the SPE's issuance of debt and equity instruments, certificates, commercial paper and other notes of indebtedness, which are recorded on the balance sheet of the SPE and not reflected in the transferring company's balance sheet, assuming applicable accounting requirements are satisfied.

Investors usually have recourse to the assets in the SPE and often benefit from other credit enhancements, such as a collateral account or over-collateralization in the form of excess assets in the SPE, a line of credit, or from a liquidity facility, such as a liquidity put option or asset purchase agreement. The SPE can typically obtain a more favorable credit rating from rating agencies than the transferor could obtain for its own debt issuances, resulting in less expensive financing costs than unsecured debt. The SPE may also enter into derivative contracts in order to convert the yield or currency of the underlying assets to match the needs of the SPE investors or to limit or change the credit risk of the SPE. Citigroup may be the provider of certain credit enhancements as well as the counterparty to any related derivative contracts.

Most of Citigroup's SPEs are now VIEs, as described below.

Variable Interest Entities

VIEs are entities that have either a total equity investment that is insufficient to permit the entity to finance its activities without additional subordinated financial support, or whose equity investors lack the characteristics of a controlling financial interest (i.e., ability to make significant decisions through voting rights, and right to receive the expected residual returns of the entity or obligation to absorb the expected losses of the entity). Investors that finance the VIE through debt or equity interests or other counterparties that provide other forms of support, such as guarantees, subordinated fee arrangements, or certain types of derivative contracts, are variable interest holders in the entity.

The variable interest holder, if any, that has a controlling financial interest in a VIE is deemed to be the primary beneficiary and must consolidate the VIE. Citigroup would be deemed to have a controlling financial interest and be the primary beneficiary if it has both of the following characteristics:

- power to direct activities of a VIE that most significantly impact the entity's economic performance; and
- obligation to absorb losses of the entity that could potentially be significant to the VIE or right to receive benefits from the entity that could potentially be significant to the VIE.

The Company must evaluate its involvement in each VIE and understand the purpose and design of the entity, the role the Company had in the entity's design, and its involvement in the VIE's ongoing activities. The Company then must evaluate which activities most significantly impact the economic performance of the VIE and who has the power to direct such activities.

For those VIEs where the Company determines that it has the power to direct the activities that most significantly impact the VIE's economic performance, the Company then must evaluate its economic interests, if any, and determine whether it could absorb losses or receive benefits that could potentially be significant to the VIE. When evaluating whether the Company has an obligation to absorb losses that could potentially be significant, it considers the maximum exposure to such loss without consideration of probability. Such obligations could be in various forms, including but not limited to, debt and equity investments, guarantees, liquidity agreements, and certain derivative contracts.

In various other transactions, the Company may act as a derivative counterparty (for example, interest rate swap, cross-currency swap, or purchaser of credit protection under a credit default swap or total return swap where the Company pays the total return on certain assets to the SPE), may act as underwriter or placement agent, may provide administrative, trustee or other services, or may make a market in debt securities or other instruments issued by VIEs. The Company generally considers such involvement, by itself, not to be variable interests and thus not an indicator of power or potentially significant benefits or losses.

Citigroup's involvement with consolidated and unconsolidated VIEs with which the Company holds significant variable interests or has continuing involvement through servicing a majority of the assets in a VIE as of December 31, 2011 and December 31, 2010 is presented below.

In millions of dollars

	As of December 31, 2011							
				Maximum exposure to loss in significant unconsolidated VIEs[1]				
				Funded exposures[2]		Unfunded exposures[3]		
Citicorp	**Total involvement with SPE assets**	**Consolidated VIE / SPE assets**	**Significant unconsolidated VIE assets[4]**	**Debt investments**	**Equity investments**	**Funding commitments**	**Guarantees and derivatives**	**Total**
Credit card securitizations	$ 56,177	$ 56,177	$ —	$ —	$ —	$ —	$ —	$ —
Mortgage securitizations[5]								
U.S. agency-sponsored	232,179	—	232,179	3,769	—	—	26	3,795
Non-agency-sponsored	11,167	1,705	9,462	372	—	—	—	372
Citi-administered asset-backed commercial paper conduits (ABCP)	34,987	21,971	13,016	—	—	13,016	—	13,016
Third-party commercial paper conduits	7,955	—	7,955	448	—	298	—	746
Collateralized debt obligations (CDOs)	3,334	—	3,334	20	—	—	—	20
Collateralized loan obligations (CLOs)	8,127	—	8,127	64	—	—	—	64
Asset-based financing	18,586	1,303	17,283	7,444	2	2,891	121	10,458
Municipal securities tender option bond trusts (TOBs)	16,849	8,224	8,625	708	—	5,413	—	6,121
Municipal investments	19,931	299	19,632	2,220	3,397	1,439	—	7,056
Client intermediation	2,110	24	2,086	468	—	—	—	468
Investment funds	3,415	30	3,385	—	171	63	—	234
Trust preferred securities	17,882	—	17,882	—	128	—	—	128
Other	6,210	97	6,113	354	172	279	79	884
Total	$438,909	$ 89,830	$ 349,079	$15,867	$3,870	$23,399	$226	$ 43,362
Citi Holdings								
Credit card securitizations	$ 31,686	$ 31,487	$ 199	$ —	$ —	$ —	$ —	$ —
Mortgage securitizations								
U.S. agency-sponsored	152,265	—	152,265	1,159	—	—	120	1,279
Non-agency-sponsored	17,396	1,681	15,715	56	—	—	2	58
Student loan securitizations	1,822	1,822	—	—	—	—	—	—
Third-party commercial paper conduits	—	—	—	—	—	—	—	—
Collateralized debt obligations (CDOs)	6,581	—	6,581	117	—	—	120	237
Collateralized loan obligations (CLOs)	7,479	—	7,479	1,125	—	6	90	1,221
Asset-based financing	11,927	73	11,854	5,008	3	250	—	5,261
Municipal investments	5,637	—	5,637	206	265	71	—	542
Client intermediation	111	111	—	—	—	—	—	—
Investment funds	1,114	14	1,100	—	43	—	—	43
Other	6,762	6,581	181	3	36	15	—	54
Total	$242,780	$ 41,769	$ 201,011	$ 7,674	$ 347	$ 342	$332	$ 8,695
Total Citigroup	$681,689	$131,599	$ 550,090	$23,541	$4,217	$23,741	$558	$ 52,057

(1) The definition of maximum exposure to loss is included in the text that follows

(2) Included in Citigroup's December 31, 2011 Consolidated Balance Sheet

(3) Not included in Citigroup's December 31, 2011 Consolidated Balance Sheet

(4) A significant unconsolidated VIE is an entity where the Company has any variable interest considered to be significant, regardless of the likelihood of loss or the notional amount of exposure

(5) Citicorp mortgage securitizations also include agency and non-agency (private label) re-securitization activities These SPEs are not consolidated See "Re-Securitizations" below for further discussion

Reclassified to conform to the current year's presentation

In millions of dollars

			As of December 31, 2010				
			Maximum exposure to loss in significant unconsolidated VIEs[1]				
			Funded exposures[2]		Unfunded exposures[3]		
Total involvement with SPE assets	Consolidated VIE / SPE assets	Significant unconsolidated VIE assets[4]	Debt investments	Equity investments	Funding commitments	Guarantees and derivatives	Total
$ 62,061	$ 62,061	$ —	$ —	$ —	$ —	$ —	$ —
211,178	—	211,178	3,331	—	—	27	3,358
16,441	1,454	14,987	718	—	—	—	718
30,941	21,312	9,629	—	—	9,629	—	9,629
4,845	308	4,537	415	—	298	—	713
5,379	—	5,379	103	—	—	—	103
6,740	—	6,740	68	—	—	—	68
17,571	1,421	16,150	5,641	—	5,596	11	11,248
17,047	8,105	8,942	—	—	6,454	423	6,877
13,720	178	13,542	2,057	2,929	1,836	—	6,822
6,190	1,899	4,291	1,070	8	—	—	1,078
3,741	259	3,482	2	82	66	19	169
19,776	—	19,776	—	128	—	—	128
4,750	1,412	3,338	467	32	119	80	698
$420,380	$ 98,409	$ 321,971	$13,872	$3,179	$23,998	$ 560	$ 41,609
$ 33,606	$ 33,196	$ 410	$ —	$ —	$ —	$ —	$ —
207,729	—	207,729	2,701	—	—	108	2,809
22,274	2,727	19,547	160	—	—	—	160
2,893	2,893	—	—	—	—	—	—
3,365	—	3,365	—	—	252	—	252
8,452	755	7,697	189	—	—	141	330
12,234	—	12,234	1,754	—	29	401	2,184
22,756	136	22,620	8,626	3	300	—	8,929
5,241	—	5,241	561	200	196	—	957
624	195	429	27	—	—	345	372
1,961	627	1,334	—	70	45	—	115
8,444	6,955	1,489	276	112	91	—	479
$329,579	$ 47,484	$ 282,095	$14,294	$ 385	$ 913	$ 995	$ 16,587
$749,959	$145,893	$ 604,066	$28,166	$3,564	$24,911	$ 1,555	$ 58,196

The previous tables do not include:

- certain venture capital investments made by some of the Company's private equity subsidiaries, as the Company accounts for these investments in accordance with the Investment Company Audit Guide,
- certain limited partnerships that are investment funds that qualify for the deferral from the requirements of ASC 810 where the Company is the general partner and the limited partners have the right to replace the general partner or liquidate the funds,
- certain investment funds for which the Company provides investment management services and personal estate trusts for which the Company provides administrative, trustee and/or investment management services,
- VIEs structured by third parties where the Company holds securities in inventory. These investments are made on arm's-length terms,
- certain positions in mortgage-backed and asset-backed securities held by the Company, which are classified as *Trading account assets* or *Investments*, where the Company has no other involvement with the related securitization entity deemed to be significant. For more information on these positions, see Notes 14 and 15 to the Consolidated Financial Statements;
- certain representations and warranties exposures in legacy *Securities and Banking* mortgage-backed and asset-backed securitizations, where the Company has no variable interest or continuing involvement as servicer. The outstanding balance of the loans securitized was approximately $22 billion at December 31, 2011, related to legacy transactions sponsored by *Securities and Banking* during the period 2005 to 2008, and
- certain representations and warranties exposures in Consumer mortgage securitizations, where the original mortgage loan balances are no longer outstanding.

The asset balances for consolidated VIEs represent the carrying amounts of the assets consolidated by the Company. The carrying amount may represent the amortized cost or the current fair value of the assets depending on the legal form of the asset (e.g., security or loan) and the Company's standard accounting policies for the asset type and line of business.

The asset balances for unconsolidated VIEs where the Company has significant involvement represent the most current information available to the Company. In most cases, the asset balances represent an amortized cost basis without regard to impairments in fair value, unless fair value information is readily available to the Company. For VIEs that obtain asset exposures synthetically through derivative instruments (for example, synthetic CDOs), the tables generally include the full original notional amount of the derivative as an asset.

The maximum funded exposure represents the balance sheet carrying amount of the Company's investment in the VIE. It reflects the initial amount of cash invested in the VIE plus any accrued interest and is adjusted for any impairments in value recognized in earnings and any cash principal payments received. The maximum exposure of unfunded positions represents the remaining undrawn committed amount, including liquidity and credit facilities provided by the Company, or the notional amount of a derivative instrument considered to be a variable interest, adjusted for any declines in fair value recognized in earnings. In certain transactions, the Company has entered into derivative instruments or other arrangements that are not considered variable interests in the VIE (e.g., interest rate swaps, cross-currency swaps, or where the Company is the purchaser of credit protection under a credit default swap or total return swap where the Company pays the total return on certain assets to the SPE). Receivables under such arrangements are not included in the maximum exposure amounts.

Funding Commitments for Significant Unconsolidated VIEs—Liquidity Facilities and Loan Commitments

The following table presents the notional amount of liquidity facilities and loan commitments that are classified as funding commitments in the VIE tables above as of December 31, 2011:

In millions of dollars	Liquidity facilities	Loan commitments
Citicorp		
Citi-administered asset-backed commercial paper conduits (ABCP)	**$13,016**	**$ —**
Third-party commercial paper conduits	**298**	**—**
Asset-based financing	**5**	**2,886**
Municipal securities tender option bond trusts (TOBs)	**5,413**	**—**
Municipal investments	**390**	**1,049**
Investment funds	**—**	**63**
Other	**—**	**279**
Total Citicorp	**$19,122**	**$4,277**
Citi Holdings		
Collateralized loan obligations (CLOs)	**$ —**	**$ 6**
Asset-based financing	**79**	**171**
Municipal investments	**—**	**71**
Other	**—**	**15**
Total Citi Holdings	**$ 79**	**$ 263**
Total Citigroup funding commitments	**$19,201**	**$4,540**

Citicorp and Citi Holdings Consolidated VIEs

The Company engages in on-balance-sheet securitizations which are securitizations that do not qualify for sales treatment; thus, the assets remain on the Company's balance sheet. The consolidated VIEs included in the tables below represent hundreds of separate entities with which the Company is involved. In general, the third-party investors in the obligations of consolidated VIEs have legal recourse only to the assets of the VIEs and do not have such recourse to the Company, except where the Company has provided a guarantee to the investors or is the counterparty to certain derivative transactions involving the VIE. In addition, the assets are generally restricted only to pay such liabilities.

Thus, the Company's maximum legal exposure to loss related to consolidated VIEs is significantly less than the carrying value of the consolidated VIE assets due to outstanding third-party financing. Intercompany assets and liabilities are excluded from the table. All assets are restricted from being sold or pledged as collateral. The cash flows from these assets are the only source used to pay down the associated liabilities, which are non-recourse to the Company's general assets.

The following table presents the carrying amounts and classifications of consolidated assets that are collateral for consolidated VIE and SPE obligations:

In billions of dollars	December 31, 2011			December 31, 2010		
	Citicorp	**Citi Holdings**	**Citigroup**	Citicorp	Citi Holdings	Citigroup
Cash	**$ 0.2**	**$ 0.4**	**$ 0.6**	$ 0.2	$ 0.6	$ 0.8
Trading account assets	**0.4**	**0.1**	**0.5**	4.9	1.6	6.5
Investments	**7.9**	**2.7**	**10.6**	7.9	—	7.9
Total loans, net	**80.8**	**38.3**	**119.1**	85.3	44.7	130.0
Other	**0.5**	**0.3**	**0.8**	0.1	0.6	0.7
Total assets	**$89.8**	**$41.8**	**$131.6**	$98.4	$47.5	$145.9
Short-term borrowings	**$22.5**	**$ 0.8**	**$ 23.3**	$23.1	$ 2.2	$ 25.3
Long-term debt	**32.6**	**17.9**	**50.5**	47.6	22.1	69.7
Other liabilities	**0.4**	**0.2**	**0.6**	0.6	0.2	0.8
Total liabilities	**$55.5**	**$18.9**	**$ 74.4**	$71.3	$24.5	$ 95.8

Citicorp and Citi Holdings Significant Variable Interests in Unconsolidated VIEs—Balance Sheet Classification

The following tables present the carrying amounts and classification of significant variable interests in unconsolidated VIEs as of December 31, 2011 and December 31, 2010

In billions of dollars	December 31, 2011			December 31, 2010		
	Citicorp	**Citi Holdings**	**Citigroup**	Citicorp	Citi Holdings	Citigroup
Trading account assets	**$ 5.6**	**$1.0**	**$ 6.6**	$ 4.7	$ 2.6	$ 7.3
Investments	**3.8**	**4.4**	**8.2**	3.8	5.9	9.7
Loans	**8.8**	**1.6**	**10.4**	5 9	5 0	10.9
Other	**1.6**	**1.0**	**2.6**	2.7	2.0	4 7
Total assets	**$19.8**	**$ 8.0**	**$27.8**	$17.1	$15 5	$32 6
Long-term debt	**$ 0.2**	**$ —**	**$ 0.2**	$ 0.4	$ 0 5	$ 0 9
Other liabilities	**—**	**—**	**—**	—	—	—
Total liabilities	**$ 0.2**	**$ —**	**$ 0.2**	$ 0 4	$ 0.5	$ 0 9

Credit Card Securitizations

The Company securitizes credit card receivables through trusts that are established to purchase the receivables. Citigroup transfers receivables into the trusts on a non-recourse basis Credit card securitizations are revolving securitizations; that is, as customers pay their credit card balances, the cash proceeds are used to purchase new receivables and replenish the receivables in the trust. Since the adoption of SFAS 167 on January 1, 2010, the trusts are treated as consolidated entities, because, as servicer, Citigroup has the power to direct the activities that most significantly impact the economic performance of the trusts and also holds a seller's interest and certain securities issued by the trusts, and provides liquidity facilities to the trusts, which could result in potentially significant losses or benefits from the trusts Accordingly, the transferred credit card receivables are required to remain on the Consolidated Balance Sheet with no gain or loss recognized. The debt issued by the trusts to third parties is included in the Consolidated Balance Sheet

The Company relies on securitizations to fund a significant portion of its credit card businesses in *North America* The following table reflects amounts related to the Company's securitized credit card receivables:

	Citicorp		**Citi Holdings**	
	December 31,		**December 31,**	
In billions of dollars	**2011**	2010	**2011**	2010
Principal amount of credit card receivables in trusts	**$59.6**	$67.5	**$30.8**	$34 1
Ownership interests in principal amount of trust credit card receivables				
Sold to investors via trust-issued securities	**$30.4**	$42 0	**$12.6**	$16.4
Retained by Citigroup as trust-issued securities	**7.7**	3.4	**7.1**	7 1
Retained by Citigroup via non-certificated interests	**21.5**	22 1	**11.1**	10 6
Total ownership interests in principal amount of trust credit card receivables	**$59.6**	$67 5	**$30.8**	$34.1

Credit Card Securitizations—Citicorp

The following table summarizes selected cash flow information related to Citicorp's credit card securitizations for the years ended December 31, 2011, 2010 and 2009.

In billions of dollars	**2011**	2010	2009
Proceeds from new securitizations	**$ —**	$ —	$ 16 3
Pay down of maturing notes	**(12.8)**	(24.5)	N/A
Proceeds from collections reinvested in new receivables	**N/A**	N/A	144.4
Contractual servicing fees received	**N/A**	N/A	1 3
Cash flows received on retained interests and other net cash flows	**N/A**	N/A	3.1

Credit Card Securitizations—Citi Holdings

The following table summarizes selected cash flow information related to Citi Holdings' credit card securitizations for the years ended December 31, 2011, 2010 and 2009

In billions of dollars	**2011**	2010	2009
Proceeds from new securitizations	**$ 3.9**	$ 55	$29 4
Pay down of maturing notes	**(7.7)**	(15 8)	N/A
Proceeds from collections reinvested in new receivables	**N/A**	N/A	46 0
Contractual servicing fees received	**N/A**	N/A	0 7
Cash flows received on retained interests and other net cash flows	**N/A**	N/A	2.6

Managed Loans

After securitization of credit card receivables, the Company continues to maintain credit card customer account relationships and provides servicing for receivables transferred to the trusts As a result, the Company considers the securitized credit card receivables to be part of the business it manages As Citigroup consolidates the credit card trusts, all managed securitized card receivables are on-balance sheet

Funding, Liquidity Facilities and Subordinated Interests

Citigroup securitizes credit card receivables through two securitization trusts—Citibank Credit Card Master Trust (Master Trust), which is part of Citicorp, and the Citibank OMNI Master Trust (Omni Trust), which is part of Citi Holdings as of December 31, 2011 The liabilities of the trusts are included in the Consolidated Balance Sheet, excluding those retained by Citigroup

Master Trust issues fixed- and floating-rate term notes Some of the term notes are issued to multi-seller commercial paper conduits. The weighted average maturity of the term notes issued by the Master Trust was 3.1 years as of December 31, 2011 and 3 4 years as of December 31, 2010

Master Trust Liabilities (at par value)

In billions of dollars	**December 31, 2011**	December 31, 2010
Term notes issued to multi-seller commercial paper conduits	**$ —**	$ 0.3
Term notes issued to third parties	**30.4**	41.8
Term notes retained by Citigroup affiliates	**7.7**	3.4
Total Master Trust liabilities	**$38.1**	$45.5

The Omni Trust issues fixed- and floating-rate term notes, some of which are purchased by multi-seller commercial paper conduits.

The weighted average maturity of the third-party term notes issued by the Omni Trust was 1.5 years as of December 31, 2011 and 1.8 years as of December 31, 2010.

Omni Trust Liabilities (at par value)

In billions of dollars	**December 31, 2011**	December 31, 2010
Term notes issued to multi-seller commercial paper conduits	**$ 3.4**	$ 7.2
Term notes issued to third parties	**9.2**	9.2
Term notes retained by Citigroup affiliates	**7.1**	7.1
Total Omni Trust liabilities	**$19.7**	$23.5

Mortgage Securitizations

The Company provides a wide range of mortgage loan products to a diverse customer base

Once originated, the Company often securitizes these loans through the use of SPEs. These SPEs are funded through the issuance of Trust Certificates backed solely by the transferred assets These certificates have the same average life as the transferred assets. In addition to providing a source of liquidity and less expensive funding, securitizing these assets also reduces the Company's credit exposure to the borrowers These mortgage loan securitizations are primarily non-recourse, thereby effectively transferring the risk of future credit losses to the purchasers of the securities issued by the trust However, the Company's Consumer business generally retains the servicing rights and in certain instances retains investment securities, interest-only strips and residual interests in future cash flows from the trusts and also provides servicing for a limited number of *Securities and Banking* securitizations. *Securities and Banking* and *Special Asset Pool* do not retain servicing for their mortgage securitizations.

The Company securitizes mortgage loans generally through either a government-sponsored agency, such as Ginnie Mae, FNMA or Freddie Mac (U.S. agency-sponsored mortgages), or private label (non-agency-sponsored mortgages) securitization. The Company is not the primary beneficiary of its U.S. agency-sponsored mortgage securitizations, because Citigroup does not have the power to direct the activities of the SPE that most significantly impact the entity's economic performance. Therefore, Citi does not consolidate these U.S. agency-sponsored mortgage securitizations.

The Company does not consolidate certain non-agency-sponsored mortgage securitizations because Citi is either not the servicer with the power to direct the significant activities of the entity or Citi is the servicer but the servicing relationship is deemed to be a fiduciary relationship and, therefore, Citi is not deemed to be the primary beneficiary of the entity.

In certain instances, the Company has (1) the power to direct the activities and (2) the obligation to either absorb losses or right to receive benefits that could be potentially significant to its non-agency-sponsored mortgage securitizations and, therefore, is the primary beneficiary and consolidates the SPE.

Mortgage Securitizations—Citicorp

The following tables summarize selected cash flow information related to mortgage securitizations for the years ended December 31, 2011, 2010 and 2009:

	2011		2010	2009
In billions of dollars	**U.S. agency-sponsored mortgages**	**Non-agency-sponsored mortgages**	Agency- and non-agency-sponsored mortgages	Agency- and non-agency-sponsored mortgages
Proceeds from new securitizations	**$57.1**	**$0.2**	$65.1	$15.7
Contractual servicing fees received	**0.5**	**—**	0.5	—
Cash flows received on retained interests and other net cash flows	**0.1**	**—**	0.1	0.1

Gains (losses) recognized on the securitization of U.S. agency-sponsored mortgages during 2011 were $(8) million. For the year ended December 31, 2011, gains (losses) recognized on the securitization of non-agency-sponsored mortgages were $(1) million.

Agency and non-agency mortgage securitization gains (losses) for the years ended December 31, 2010 and 2009 were $(5) million and $18 million, respectively.

Key assumptions used in measuring the fair value of retained interests at the date of sale or securitization of mortgage receivables for the years ended December 31, 2011 and 2010 are as follows:

	December 31, 2011			December 31, 2010
		Non-agency-sponsored mortgages[1]		
	U.S. agency-sponsored mortgages	**Senior interests**	**Subordinated interests**	Agency- and non-agency-sponsored mortgages
Discount rate	**0.6% to 28.3%**	**2.4% to 10.0%**	**8.4% to 17.6%**	0.1% to 44.9%
Weighted average discount rate	**12.0%**	**4.5%**	**11.0%**	
Constant prepayment rate	**2.2% to 30.6%**	**1.0% to 2.2%**	**5.2% to 22.1%**	1.5% to 49.5%
Weighted average constant prepayment rate	**7.9%**	**1.9%**	**17.3%**	
Anticipated net credit losses[2]	**NM**	**35.0% to 72.0%**	**11.4% to 58.6%**	13.0% to 80.0%
Weighted average anticipated net credit losses	**NM**	**45.3%**	**25.0%**	

(1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization.

(2) Anticipated net credit losses represent estimated loss severity associated with defaulted mortgage loans underlying the mortgage securitizations disclosed above. Anticipated net credit losses, in this instance, do not represent total credit losses incurred to date, nor do they represent credit losses expected on retained interests in mortgage securitizations.

NM Not meaningful. Anticipated net credit losses are not meaningful due to U.S. agency guarantees.

The range in the key assumptions is due to the different characteristics of the interests retained by the Company. The interests retained range from highly rated and/or senior in the capital structure to unrated and/or residual interests.

The effect of adverse changes of 10% and 20% in each of the key assumptions used to determine the fair value of retained interests is disclosed below. The negative effect of each change is calculated independently, holding all other assumptions constant. Because the key assumptions may not in fact be independent, the net effect of simultaneous adverse changes in the key assumptions may be less than the sum of the individual effects shown below.

At December 31, 2011, the key assumptions used to value retained interests and the sensitivity of the fair value to adverse changes of 10% and 20% in each of the key assumptions were as follows:

	December 31, 2011		
		Non-agency-sponsored mortgages[1]	
	U.S. agency-sponsored mortgages	Senior interests	Subordinated interests
Discount rate	1.3% to 16.4%	2.2% to 24.4%	1.3% to 28.1%
Weighted average discount rate	8.1%	9.6%	13.5%
Constant prepayment rate	18.9% to 30.6%	1.7% to 51.8%	0.6% to 29.1%
Weighted average constant prepayment rate	28.7%	26.2%	10.5%
Anticipated net credit losses[2]	NM	0.0% to 77.9%	29.3% to 90.0%
Weighted average anticipated net credit losses	NM	37.6%	57.2%

(1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization.
(2) Anticipated net credit losses represent estimated loss severity associated with defaulted mortgage loans underlying the mortgage securitizations disclosed above. Anticipated net credit losses, in this instance, do not represent total credit losses incurred to date, nor do they represent credit losses expected on retained interests in mortgage securitizations.
NM Not meaningful. Anticipated net credit losses are not meaningful due to U.S. agency guarantees.

In millions of dollars	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages[1]	
		Senior interests	Subordinated interests
Carrying value of retained interests	**$2,182**	**$ 88**	**$396**
Discount rates			
Adverse change of 10%	$ (52)	$ (3)	$ (26)
Adverse change of 20%	(101)	(6)	(49)
Constant prepayment rate			
Adverse change of 10%	$ (129)	$ (6)	$ (8)
Adverse change of 20%	(249)	(13)	(18)
Anticipated net credit losses			
Adverse change of 10%	$ (12)	$ (2)	$ (10)
Adverse change of 20%	(23)	(3)	(19)

(1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization.

Mortgage Securitizations—Citi Holdings

The following tables summarize selected cash flow information related to Citi Holdings mortgage securitizations for the years ended December 31, 2011, 2010 and 2009.

	2011		2010	2009
In billions of dollars	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages	Agency- and non-agency-sponsored mortgages	Agency- and non-agency-sponsored mortgages
Proceeds from new securitizations	$1.1	$—	$0.6	$70.1
Contractual servicing fees received	0.5	0.1	0.8	1.4
Cash flows received on retained interests and other net cash flows	0.1	—	0.1	0.4

The Company did not recognize gains (losses) on the securitization of U.S. agency- and non-agency-sponsored mortgages in the years ended December 31, 2011 and 2010.

The range in the key assumptions is due to the different characteristics of the interests retained by the Company. The interests retained range from highly rated and/or senior in the capital structure to unrated and/or residual interests.

The effect of adverse changes of 10% and 20% in each of the key assumptions used to determine the fair value of retained interests is disclosed below. The negative effect of each change is calculated independently, holding all other assumptions constant. Because the key assumptions may not in fact be independent, the net effect of simultaneous adverse changes in the key assumptions may be less than the sum of the individual effects shown below.

At December 31, 2011, the key assumptions used to value retained interests and the sensitivity of the fair value to adverse changes of 10% and 20% in each of the key assumptions were as follows:

	December 31, 2011		
		Non-agency-sponsored mortgages[1]	
	U.S. agency-sponsored mortgages	Senior interests	Subordinated interests
Discount rate	6.9%	2.9% to 18.0%	6.7% to 18.2%
Weighted average discount rate	6.9%	9.8%	9.2%
Constant prepayment rate	30.0%	38.8%	2.0% to 9.6%
Weighted average constant prepayment rate	30.0%	38.8%	8.1%
Anticipated net credit losses	NM	0.4%	57.2% to 90.0%
Weighted average anticipated net credit losses	NM	0.4%	63.2%
Weighted average life	3.7 years	3.3-4.7 years	0.0-8.1 years

(1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization
NM Not meaningful Anticipated net credit losses are not meaningful due to U S agency guarantees

In millions of dollars	U.S. agency-sponsored mortgages	Non-agency-sponsored mortgages[1]	
		Senior interests	Subordinated interests
Carrying value of retained interests	**$1,074**	**$170**	**$27**
Discount rates			
Adverse change of 10%	$ (29)	$ (2)	$ (3)
Adverse change of 20%	(56)	(3)	(4)
Constant prepayment rate			
Adverse change of 10%	$ (94)	$ (25)	$ (1)
Adverse change of 20%	(180)	(51)	(1)
Anticipated net credit losses			
Adverse change of 10%	$ (20)	$ (9)	$ (4)
Adverse change of 20%	(40)	(16)	(6)

(1) Disclosure of non-agency-sponsored mortgages as senior and subordinated interests is indicative of the interests' position in the capital structure of the securitization

Mortgage Servicing Rights

In connection with the securitization of mortgage loans, the Company's U S Consumer mortgage business retains the servicing rights, which entitle the Company to a future stream of cash flows based on the outstanding principal balances of the loans and the contractual servicing fee. Failure to service the loans in accordance with contractual requirements may lead to a termination of the servicing rights and the loss of future servicing fees.

The fair value of capitalized mortgage servicing rights (MSRs) was $2 6 billion and $4.6 billion at December 31, 2011 and 2010, respectively. The MSRs correspond to principal loan balances of $401 billion and $455 billion as of December 31, 2011 and 2010, respectively The following table summarizes the changes in capitalized MSRs for the years ended December 31, 2011 and 2010.

In millions of dollars	2011	2010
Balance, beginning of year	**$ 4,554**	$ 6,530
Originations	**611**	658
Changes in fair value of MSRs due to changes in inputs and assumptions	**(1,210)**	(1,067)
Other changes[1]	**(1,174)**	(1,567)
Sale of MSRs	**(212)**	—
Balance, end of year	**$ 2,569**	$ 4,554

(1) Represents changes due to customer payments and passage of time

The market for MSRs is not sufficiently liquid to provide participants with quoted market prices Therefore, the Company uses an option-adjusted spread valuation approach to determine the fair value of MSRs. This approach consists of projecting servicing cash flows under multiple interest rate scenarios and discounting these cash flows using risk-adjusted discount rates. The key assumptions used in the valuation of MSRs include mortgage prepayment speeds and discount rates. The model assumptions and the MSRs' fair value estimates are compared to observable trades of similar MSR portfolios and interest-only security portfolios, as available, as well as to MSR broker valuations and industry surveys The cash flow model and underlying prepayment and interest rate models used to value these MSRs are subject to validation in accordance with the Company's model validation policies.

The fair value of the MSRs is primarily affected by changes in prepayments that result from shifts in mortgage interest rates. In managing this risk, the Company economically hedges a significant portion of the value of its MSRs through the use of interest rate derivative contracts, forward purchase commitments of mortgage-backed securities and purchased securities classified as trading

The Company receives fees during the course of servicing previously securitized mortgages. The amounts of these fees for the years ended December 31, 2011, 2010 and 2009 were as follows.

In millions of dollars	**2011**	2010	2009
Servicing fees	**$1,170**	$1,356	$1,635
Late fees	**76**	87	93
Ancillary fees	**130**	214	77
Total MSR fees	**$1,376**	$1,657	$1,805

These fees are classified in the Consolidated Statement of Income as *Other revenue*

Re-securitizations

The Company engages in re-securitization transactions in which debt securities are transferred to a VIE in exchange for new beneficial interests During the 12 months ended December 31, 2011, Citi transferred non-agency (private label) securities with an original par value of approximately $303 million to re-securitization entities. These securities are backed by either residential or commercial mortgages and are often structured on behalf of clients. As of December 31, 2011, the fair value of Citi-retained interests in private-label re-securitization transactions structured by Citi totaled approximately $340 million ($39 million of which relates to re-securitization transactions executed in 2011) and are recorded in trading assets Of this amount, approximately $17 million and $323 million related to senior and subordinated beneficial interests, respectively The original par value of private label re-securitization transactions in which Citi holds a retained interest as of December 31, 2011 was approximately $7 2 billion.

The Company also re-securitizes U S. government-agency guaranteed mortgage-backed (agency) securities During the 12 months ended December 31, 2011, Citi transferred agency securities with a fair value of approximately $37.7 billion to re-securitization entities As of December 31, 2011, the fair value of Citi-retained interests in agency re-securitization transactions structured by Citi totaled approximately $2 3 billion ($2 1 billion of which related to re-securitization transactions executed in 2011) and are recorded in trading assets The original fair value of agency re-securitization transactions in which Citi holds a retained interest as of December 31, 2011 was approximately $50.6 billion.

As of December 31, 2011, the Company did not consolidate any private-label or agency re-securitization entities.

Citi-Administered Asset-Backed Commercial Paper Conduits

The Company is active in the asset-backed commercial paper conduit business as administrator of several multi-seller commercial paper conduits and also as a service provider to single-seller and other commercial paper conduits sponsored by third parties.

Citi's multi-seller commercial paper conduits are designed to provide the Company's clients access to low-cost funding in the commercial paper markets The conduits purchase assets from or provide financing facilities to clients and are funded by issuing commercial paper to third-party investors. The conduits generally do not purchase assets originated by the Company. The funding of the conduits is facilitated by the liquidity support and credit enhancements provided by the Company

As administrator to Citi's conduits, the Company is generally responsible for selecting and structuring assets purchased or financed by the conduits, making decisions regarding the funding of the conduits, including determining the tenor and other features of the commercial paper issued, monitoring the quality and performance of the conduits' assets, and facilitating the operations and cash flows of the conduits. In return, the Company earns structuring fees from customers for individual transactions and earns an administration fee from the conduit, which is equal to the income from the client program and liquidity fees of the conduit after payment of conduit expenses. This administration fee is fairly stable, since most risks and rewards of the underlying assets are passed back to the clients and, once the asset pricing is negotiated, most ongoing income, costs and fees are relatively stable as a percentage of the conduit's size

The conduits administered by the Company do not generally invest in liquid securities that are formally rated by third parties The assets are privately negotiated and structured transactions that are designed to be held by the conduit, rather than actively traded and sold The yield earned by the conduit on each asset is generally tied to the rate on the commercial paper issued by the conduit, thus passing interest rate risk to the client Each asset purchased by the conduit is structured with transaction-specific credit enhancement features provided by the third-party client seller, including over collateralization, cash and excess spread collateral accounts, direct recourse or third-party guarantees These credit enhancements are sized with the objective of approximating a credit rating of A or above, based on the Company's internal risk ratings.

Substantially all of the funding of the conduits is in the form of short-term commercial paper, with a weighted average life generally ranging from 25 to 60 days. As of December 31, 2011 and December 31, 2010, the weighted average lives of the commercial paper issued by consolidated and unconsolidated conduits were approximately 37 and 41 days, respectively, at each period end.

The primary credit enhancement provided to the conduit investors is in the form of transaction-specific credit enhancement described above. In addition, each consolidated conduit has obtained a letter of credit from the Company, which needs to be sized to be at least 8–10% of the conduit's assets with a floor of $200 million The letters of credit provided by the Company to the consolidated conduits total approximately $2.0 billion. The net result across all multi-seller conduits administered by the Company is that, in the event defaulted assets exceed the transaction-specific credit enhancements described above, any losses in each conduit are allocated first to the Company and then the commercial paper investors

The Company also provides the conduits with two forms of liquidity agreements that are used to provide funding to the conduits in the event of a market disruption, among other events. Each asset of the conduits is supported by a transaction-specific liquidity facility in the form of an asset purchase agreement (APA) Under the APA, the Company has generally agreed to purchase non-defaulted eligible receivables from the conduit at par. The APA is not generally designed to provide credit support to the conduit, as it generally does not permit the purchase of defaulted or impaired assets Any funding under the APA will likely subject the underlying borrower to the conduits to increased interest costs. In addition, the Company provides the conduits with program-wide liquidity in the form of short-term lending commitments. Under these commitments, the Company has agreed to lend to the conduits in the event of a short-term disruption in the commercial paper market, subject to specified conditions The Company receives fees for providing both types of liquidity agreements and considers these fees to be on fair market terms

Finally, the Company is one of several named dealers in the commercial paper issued by the conduits and earns a market-based fee for providing such services. Along with third-party dealers, the Company makes a market in the commercial paper and may from time to time fund commercial paper pending sale to a third party. On specific dates with less liquidity in the market, the Company may hold in inventory commercial paper issued by conduits administered by the Company, as well as conduits administered by third parties The amount of commercial paper issued by its administered conduits held in inventory fluctuates based on market conditions and activity As of December 31, 2011, the Company owned $144 million of the commercial paper issued by its unconsolidated administered conduit

With the exception of the government-guaranteed loan conduit described below, the asset-backed commercial paper conduits are consolidated by the Company. The Company determined that through its role as administrator it had the power to direct the activities that most significantly impacted the entities' economic performance These powers included its ability to structure and approve the assets purchased by the conduits, its ongoing surveillance and credit mitigation activities, and its liability management. In addition, as a result of all the Company's involvement described above, it was concluded that the Company had an economic interest that could potentially be significant. However, the assets and liabilities of the conduits are separate and apart from those of Citigroup. No assets of any conduit are available to satisfy the creditors of Citigroup or any of its other subsidiaries.

The Company administers one conduit that originates loans to third-party borrowers and those obligations are fully guaranteed primarily by AAA-rated government agencies that support export and development financing programs. The economic performance of this government-guaranteed loan conduit is most significantly impacted by the performance of its underlying assets. The guarantors must approve each loan held by the entity and the guarantors have the ability (through establishment of the servicing terms to direct default mitigation and to purchase defaulted loans) to manage the conduit's loans that become delinquent to improve the economic performance of the conduit. Because the Company does not have the power to direct the activities of this government-guaranteed loan conduit that most significantly impact the economic performance of the entity, it was concluded that the Company should not consolidate the entity. The total notional exposure under the program-wide liquidity agreement for the Company's unconsolidated administered conduit as of December 31, 2011 is $0 6 billion The program-wide liquidity agreement, along with each asset APA, is considered in the Company's maximum exposure to loss to the unconsolidated administered conduit

As of December 31, 2011, this unconsolidated government-guaranteed loan conduit held assets of approximately $13 0 billion.

Third-Party Commercial Paper Conduits

The Company also provides liquidity facilities to single- and multi-seller conduits sponsored by third parties. These conduits are independently owned and managed and invest in a variety of asset classes, depending on the nature of the conduit The facilities provided by the Company typically represent a small portion of the total liquidity facilities obtained by each conduit, and are collateralized by the assets of each conduit. As of December 31, 2011, the notional amount of these facilities was approximately $746 million, of which $448 million was funded under these facilities. The Company is not the party that has the power to direct the activities of these conduits that most significantly impact their economic performance and thus does not consolidate them.

Collateralized Debt and Loan Obligations

A securitized collateralized debt obligation (CDO) is an SPE that purchases a pool of assets consisting of asset-backed securities and synthetic exposures through derivatives on asset-backed securities and issues multiple tranches of equity and notes to investors

A cash CDO, or arbitrage CDO, is a CDO designed to take advantage of the difference between the yield on a portfolio of selected assets, typically residential mortgage-backed securities, and the cost of funding the CDO through the sale of notes to investors "Cash flow" CDOs are entities in which the CDO passes on cash flows from a pool of assets, while "market value" CDOs pay to investors the market value of the pool of assets owned by the CDO at maturity. In these transactions, all of the equity and notes issued by the CDO are funded, as the cash is needed to purchase the debt securities.

A synthetic CDO is similar to a cash CDO, except that the CDO obtains exposure to all or a portion of the referenced assets synthetically through derivative instruments, such as credit default swaps. Because the CDO does not need to raise cash sufficient to purchase the entire referenced portfolio, a substantial portion of the senior tranches of risk is typically passed on to CDO investors in the form of unfunded liabilities or derivative instruments. Thus, the CDO writes credit protection on select referenced debt securities to the Company or third parties and the risk is then passed on to the CDO investors in the form of funded notes or purchased credit protection through derivative instruments Any cash raised from investors is invested in a portfolio of collateral securities or investment contracts The collateral is then used to support the obligations of the CDO on the credit default swaps written to counterparties

A securitized collateralized loan obligation (CLO) is substantially similar to the CDO transactions described above, except that the assets owned by the SPE (either cash instruments or synthetic exposures through derivative instruments) are corporate loans and to a lesser extent corporate bonds, rather than asset-backed debt securities

A third-party asset manager is typically retained by the CDO/CLO to select the pool of assets and manage those assets over the term of the SPE. The Company is the manager for a limited number of CLO transactions.

The Company earns fees for warehousing assets prior to the creation of a "cash flow" or "market value" CDO/CLO, structuring CDOs/CLOs and placing debt securities with investors. In addition, the Company has retained interests in many of the CDOs/CLOs it has structured and makes a market in the issued notes.

The Company's continuing involvement in synthetic CDOs/CLOs generally includes purchasing credit protection through credit default swaps with the CDO/CLO, owning a portion of the capital structure of the CDO/CLO in the form of both unfunded derivative positions (primarily super-senior exposures discussed below) and funded notes, entering into interest-rate swap and total-return swap transactions with the CDO/CLO, lending to the CDO/CLO, and making a market in the funded notes.

Where a CDO/CLO entity issues preferred shares (or subordinated notes that are the equivalent form), the preferred shares generally represent an insufficient amount of equity (less than 10%) and create the presumption that preferred shares are insufficient to finance the entity's activities without subordinated financial support. In addition, although the preferred shareholders generally have full exposure to expected losses on the collateral and uncapped potential to receive expected residual returns, they generally do not have the ability to make decisions about the entity that have a significant effect on the entity's financial results because of their limited role in making day-to-day decisions and their limited ability to remove the asset manager. Because one or both of the above conditions will generally be met, the Company has concluded that, even where a CDO/CLO entity issued preferred shares, the entity should be classified as a VIE.

In general, the asset manager, through its ability to purchase and sell assets or—where the reinvestment period of a CDO/CLO has expired—the ability to sell assets, will have the power to direct the activities of the entity that most significantly impact the economic performance of the CDO/CLO. However, where a CDO/CLO has experienced an event of default or an optional redemption period has gone into effect, the activities of the asset manager may be curtailed and/or certain additional rights will generally be provided to the investors in a CDO/CLO entity, including the right to direct the liquidation of the CDO/CLO entity.

The Company has retained significant portions of the "super-senior" positions issued by certain CDOs. These positions are referred to as "super-senior" because they represent the most senior positions in the CDO and, at the time of structuring, were senior to tranches rated AAA by independent rating agencies. The positions have included facilities structured in the form of short-term commercial paper, where the Company wrote put options ("liquidity puts") to certain CDOs. Under the terms of the liquidity puts, if the CDO was unable to issue commercial paper at a rate below a specified maximum (generally LIBOR + 35 bps to LIBOR + 40 bps), the Company was obligated to fund the senior tranche of the CDO at a specified interest rate. As of December 31, 2011, the Company no longer had exposure to this commercial paper as all of the underlying CDOs had been liquidated.

The Company does not generally have the power to direct the activities of the entity that most significantly impacts the economic performance of the CDOs/CLOs as this power is generally held by a third-party asset manager of the CDO/CLO. As such, those CDOs/CLOs are not consolidated. The Company may consolidate the CDO/CLO when: (i) the Company is the asset manager and no other single investor has the unilateral ability to remove the Company or unilaterally cause the liquidation of the CDO/CLO, or the Company is not the asset manager but has a unilateral right to remove the third-party asset manager or unilaterally liquidate the CDO/CLO and receive the underlying assets, and (ii) the Company has economic exposure to the entity that could be potentially significant to the entity.

The Company continues to monitor its involvement in unconsolidated CDOs/CLOs to assess future consolidation risk. For example, if the Company were to acquire additional interests in these entities and obtain the right, due to an event of default trigger being met, to unilaterally liquidate or direct the activities of a CDO/CLO, the Company may be required to consolidate the asset entity. For cash CDOs/CLOs, the net result of such consolidation would be to gross up the Company's balance sheet by the current fair value of the securities held by third parties and assets held by the CDO/CLO, which amounts are not considered material. For synthetic CDOs/CLOs, the net result of such consolidation may reduce the Company's balance sheet, because intercompany derivative receivables and payables would be eliminated in consolidation, and other assets held by the CDO/CLO and the securities held by third parties would be recognized at their current fair values.

Key Assumptions and Retained Interests—Citi Holdings

The key assumptions, used for the securitization of CDOs and CLOs during the year ended December 31, 2011, in measuring the fair value of retained interests at the date of sale or securitization are as follows.

	CDOs	CLOs
Discount rate	42.0% to 55.3%	4.1% to 5.0%

The effect of two negative changes in discount rates used to determine the fair value of retained interests is disclosed below.

In millions of dollars	CDOs	CLOs
Carrying value of retained interests	**$14**	**$149**
Discount rates		
Adverse change of 10%	$ (3)	$ (5)
Adverse change of 20%	(5)	(11)

The cash flows received on retained interests and other net cash flows from Citi's CLOs for the year ended December 31, 2011 were $93 million.

Asset-Based Financing

The Company provides loans and other forms of financing to VIEs that hold assets. Those loans are subject to the same credit approvals as all other loans originated or purchased by the Company. Financings in the form of debt securities or derivatives are, in most circumstances, reported in *Trading account assets* and accounted for at fair value through earnings. The Company generally does not have the power to direct the activities that most significantly impact these VIEs' economic performance and thus it does not consolidate them

Asset-Based Financing–Citicorp

The primary types of Citicorp's asset-based financings, total assets of the unconsolidated VIEs with significant involvement and the Company's maximum exposure to loss at December 31, 2011 are shown below For the Company to realize that maximum loss, the VIE (borrower) would have to default with no recovery from the assets held by the VIE

In billions of dollars	Total assets	Maximum exposure
Type		
Commercial and other real estate	$ 3.0	$ 1.5
Hedge funds and equities	6.0	2.3
Airplanes, ships and other assets	8.3	6.7
Total	$17.3	$10.5

Asset-Based Financing–Citi Holdings

The primary types of Citi Holdings' asset-based financings, total assets of the unconsolidated VIEs with significant involvement and the Company's maximum exposure to loss at December 31, 2011 are shown below For the Company to realize that maximum loss, the VIE (borrower) would have to default with no recovery from the assets held by the VIE

In billions of dollars	Total assets	Maximum exposure
Type		
Commercial and other real estate	$ 3.9	$0.7
Corporate loans	4.8	3.9
Airplanes, ships and other assets	3.2	0.6
Total	$11.9	$5.2

The following table summarizes selected cash flow information related to asset-based financings for the years ended December 31, 2011, 2010 and 2009

In billions of dollars	2011	2010	2009
Cash flows received on retained interests and other net cash flows	$1.4	$2 8	$2.7

The effect of two negative changes in discount rates used to determine the fair value of retained interests at December 31, 2011 is disclosed below

In millions of dollars	Asset-based financing
Carrying value of retained interests	$3,943
Value of underlying portfolio	
Adverse change of 10%	$ —
Adverse change of 20%	—

Municipal Securities Tender Option Bond (TOB) Trusts

TOB trusts hold fixed- and floating-rate, taxable and tax-exempt securities issued by state and local governments and municipalities. The trusts are typically single-issuer trusts whose assets are purchased from the Company or from other investors in the municipal securities market. The TOB trusts fund the purchase of their assets by issuing long-term, putable floating rate certificates (Floaters) and residual certificates (Residuals). The trusts are referred to as Tender Option Bond trusts because the Floater holders have the ability to tender their interests periodically back to the issuing trust, as described further below. The Floaters and Residuals evidence beneficial ownership interests in, and are collateralized by, the underlying assets of the trust The Floaters are held by third-party investors, typically tax-exempt money market funds The Residuals are typically held by the original owner of the municipal securities being financed.

The Floaters and the Residuals have a tenor that is equal to or shorter than the tenor of the underlying municipal bonds The Residuals entitle their holders to the residual cash flows from the issuing trust, the interest income generated by the underlying municipal securities net of interest paid on the Floaters and trust expenses The Residuals are rated based on the long-term rating of the underlying municipal bond. The Floaters bear variable interest rates that are reset periodically to a new market rate based on a spread to a high grade, short-term, tax-exempt index The Floaters have a long-term rating based on the long-term rating of the underlying municipal bond and a short-term rating based on that of the liquidity provider to the trust

There are two kinds of TOB trusts customer TOB trusts and non-customer TOB trusts Customer TOB trusts are trusts through which customers finance their investments in municipal securities. The Residuals are held by customers and the Floaters by third-party investors, typically tax-exempt money market funds Non-customer TOB trusts are trusts through which the Company finances its own investments in municipal securities. In such trusts, the Company holds the Residuals and third-party investors, typically tax-exempt money market funds, hold the Floaters

The Company serves as remarketing agent to the trusts, placing the Floaters with third-party investors at inception, facilitating the periodic reset of the variable rate of interest on the Floaters and remarketing any tendered Floaters. If Floaters are tendered and the Company (in its role as remarketing agent) is unable to find a new investor within a specified period of time, it can declare a failed remarketing, in which case the trust is unwound The Company may, but is not obligated to, buy the Floaters into its own inventory. The level of the Company's inventory of Floaters fluctuates over time. As of December 31, 2011, the Company held $120 million of Floaters related to both customer and non-customer TOB trusts.

For certain non-customer trusts, the Company also provides credit enhancement Approximately $240 million of the municipal bonds owned by TOB trusts have a credit guarantee provided by the Company

The Company provides liquidity to many of the outstanding trusts. If a trust is unwound early due to an event other than a credit event on the underlying municipal bond, the underlying municipal bonds are sold in the market. If there is a shortfall in the trust's cash flows between the redemption price of the tendered Floaters and the proceeds from the sale of the underlying municipal bonds, the trust draws on a liquidity agreement in an amount equal to the shortfall. For customer TOBs where the Residual is less than 25% of the trust's capital structure, the Company has a reimbursement agreement with the Residual holder under which the Residual holder reimburses the Company for any payment made under the liquidity arrangement. Through this reimbursement agreement, the Residual holder remains economically exposed to fluctuations in value of the underlying municipal bonds These reimbursement agreements are generally subject to daily margining based on changes in value of the underlying municipal bond In cases where a third party provides liquidity to a non-customer TOB trust, a similar reimbursement arrangement is made whereby the Company (or a consolidated subsidiary of the Company) as Residual holder absorbs any losses incurred by the liquidity provider

As of December 31, 2011, liquidity agreements provided with respect to customer TOB trusts totaled $5 4 billion of which $4 0 billion was offset by reimbursement agreements. The remaining exposure related to TOB transactions where the Residual owned by the customer was at least 25% of the bond value at the inception of the transaction and no reimbursement agreement was executed. The Company also provides other liquidity agreements or letters of credit to customer-sponsored municipal investment funds, that are not variable interest entities, and municipality-related issuers that totaled $11 7 billion as of December 31, 2011. These liquidity agreements and letters of credit are offset by reimbursement agreements with various term-out provisions. In addition, as of December 31, 2011 the Company has provided liquidity arrangements with a notional amount of $20 million for other non-consolidated non-customer TOB trusts described below

The Company considers the customer and non-customer TOB trusts to be VIEs. Customer TOB trusts are not consolidated by the Company. The Company has concluded that the power to direct the activities that most significantly impact the economic performance of the customer TOB trusts is primarily held by the customer Residual holder, who may unilaterally cause the sale of the trust's bonds.

Non-customer TOB trusts generally are consolidated. Similar to customer TOB trusts, the Company has concluded that the power over the non-customer TOB trusts is primarily held by the Residual holder, which may unilaterally cause the sale of the trust's bonds. Because the Company holds the Residual interest, and thus has the power to direct the activities that most significantly impact the trust's economic performance, it consolidates the non-customer TOB trusts.

Total assets in non-customer TOB trusts also include $22 million of assets where the Residuals are held by hedge funds that are consolidated and managed by the Company. The assets and the associated liabilities of these TOB trusts are not consolidated by the hedge funds (and, thus, are not consolidated by the Company) under the application of ASC 946, *Financial Services—Investment Companies*, which precludes consolidation of owned investments. The Company consolidates the hedge funds, because the Company holds controlling financial interests in the hedge funds Certain of the Company's equity investments in the hedge funds are hedged with derivatives transactions executed by the Company with third parties referencing the returns of the hedge fund.

Municipal Investments

Municipal investment transactions include debt and equity interests in partnerships that finance the construction and rehabilitation of low-income housing, facilitate lending in new or underserved markets, or finance the construction or operation of renewable municipal energy facilities. The Company generally invests in these partnerships as a limited partner and earns a return primarily through the receipt of tax credits and grants earned from the investments made by the partnership. The Company may also provide construction loans or permanent loans to the development or continuation of real estate properties held by partnerships. These entities are generally considered VIEs. The power to direct the activities of these entities is typically held by the general partner. Accordingly, these entities are not consolidated by the Company.

Client Intermediation

Client intermediation transactions represent a range of transactions designed to provide investors with specified returns based on the returns of an underlying security, referenced asset or index. These transactions include credit-linked notes and equity-linked notes. In these transactions, the VIE typically obtains exposure to the underlying security, referenced asset or index through a derivative instrument, such as a total-return swap or a credit-default swap. In turn the VIE issues notes to investors that pay a return based on the specified underlying security, referenced asset or index. The VIE invests the proceeds in a financial asset or a guaranteed insurance contract (GIC) that serves as collateral for the derivative contract over the term of the transaction. The Company's involvement in these transactions includes being the counterparty to the VIE's derivative instruments and investing in a portion of the notes issued by the VIE. In certain transactions, the investor's maximum risk of loss is limited and the Company absorbs risk of loss above a specified level. The Company does not have the power to direct the activities of the VIEs that most significantly impact their economic performance and thus it does not consolidate them

The Company's maximum risk of loss in these transactions is defined as the amount invested in notes issued by the VIE and the notional amount of any risk of loss absorbed by the Company through a separate instrument issued by the VIE The derivative instrument held by the Company may generate a receivable from the VIE (for example, where the Company purchases credit protection from the VIE in connection with the VIE's issuance of a credit-linked note), which is collateralized by the assets owned by the VIE. These derivative instruments are not considered variable interests and any associated receivables are not included in the calculation of maximum exposure to the VIE.

Investment Funds

The Company is the investment manager for certain investment funds that invest in various asset classes including private equity, hedge funds, real estate, fixed income and infrastructure. The Company earns a management fee, which is a percentage of capital under management, and may earn performance fees In addition, for some of these funds the Company has an ownership interest in the investment funds. The Company has also established a number of investment funds as opportunities for qualified employees to invest in private equity investments The Company acts as investment manager to these funds and may provide employees with financing on both recourse and non-recourse bases for a portion of the employees' investment commitments

The Company has determined that a majority of the investment entities managed by Citigroup are provided a deferral from the requirements of SFAS 167, *Amendments to FASB Interpretation No. 46(R)*, because they meet the criteria in Accounting Standards Update No 2010-10, *Consolidation (Topic 810), Amendments for Certain Investment Funds* (ASU 2010-10). These entities continue to be evaluated under the requirements of ASC 810-10, prior to the implementation of SFAS 167 (FIN 46(R), *Consolidation of Variable Interest Entities*), which required that a VIE be consolidated by the party with a variable interest that will absorb a majority of the entity's expected losses or residual returns, or both.

Where the Company has determined that certain investment entities are subject to the consolidation requirements of SFAS 167, the consolidation conclusions reached upon initial application of SFAS 167 are consistent with the consolidation conclusions reached under the requirements of ASC 810-10, prior to the implementation of SFAS 167.

Trust Preferred Securities

The Company has raised financing through the issuance of trust preferred securities In these transactions, the Company forms a statutory business trust and owns all of the voting equity shares of the trust The trust issues preferred equity securities to third-party investors and invests the gross proceeds in junior subordinated deferrable interest debentures issued by the Company. The trusts have no assets, operations, revenues or cash flows other than those related to the issuance, administration and repayment of the preferred equity securities held by third-party investors. Obligations of the trusts are fully and unconditionally guaranteed by the Company.

Because the sole asset of each of the trusts is a receivable from the Company and the proceeds to the Company from the receivable exceed the Company's investment in the VIE's equity shares, the Company is not permitted to consolidate the trusts, even though it owns all of the voting equity shares of the trust, has fully guaranteed the trusts' obligations, and has the right to redeem the preferred securities in certain circumstances The Company recognizes the subordinated debentures on its Consolidated Balance Sheet as long-term liabilities.

23. DERIVATIVES ACTIVITIES

In the ordinary course of business, Citigroup enters into various types of derivative transactions. These derivative transactions include:

- *Futures and forward contracts,* which are commitments to buy or sell at a future date a financial instrument, commodity or currency at a contracted price and may be settled in cash or through delivery
- *Swap contracts,* which are commitments to settle in cash at a future date or dates that may range from a few days to a number of years, based on differentials between specified financial indices, as applied to a notional principal amount.
- *Option contracts,* which give the purchaser, for a premium, the right, but not the obligation, to buy or sell within a specified time a financial instrument, commodity or currency at a contracted price that may also be settled in cash, based on differentials between specified indices or prices.

Citigroup enters into these derivative contracts relating to interest rate, foreign currency, commodity, and other market/credit risks for the following reasons:

- *Trading Purposes—Customer Needs:* Citigroup offers its customers derivatives in connection with their risk-management actions to transfer, modify or reduce their interest rate, foreign exchange and other market/credit risks or for their own trading purposes. As part of this process, Citigroup considers the customers' suitability for the risk involved and the business purpose for the transaction. Citigroup also manages its derivative risk positions through offsetting trade activities, controls focused on price verification, and daily reporting of positions to senior managers.
- *Trading Purposes—Own Account:* Citigroup trades derivatives for its own account and as an active market maker. Trading limits and price verification controls are key aspects of this activity
- *Hedging*—Citigroup uses derivatives in connection with its risk-management activities to hedge certain risks or reposition the risk profile of the Company. For example, Citigroup issues fixed-rate long-term debt and then enters into a receive-fixed, pay-variable-rate interest rate swap with the same tenor and notional amount to convert the interest payments to a net variable-rate basis. This strategy is the most common form of an interest rate hedge, as it minimizes interest cost in certain yield curve environments. Derivatives are also used to manage risks inherent in specific groups of on-balance-sheet assets and liabilities, including AFS securities and deposit liabilities, as well as other interest-sensitive assets and liabilities. In addition, foreign-exchange contracts are used to hedge non-U.S.-dollar-denominated debt, foreign-currency-denominated available-for-sale securities and net investment exposures.

Derivatives may expose Citigroup to market, credit or liquidity risks in excess of the amounts recorded on the Consolidated Balance Sheet. Market risk on a derivative product is the exposure created by potential fluctuations in interest rates, foreign-exchange rates and other factors and is a function of the type of product, the volume of transactions, the tenor and terms of the agreement, and the underlying volatility. Credit risk is the exposure to loss in the event of nonperformance by the other party to the transaction where the value of any collateral held is not adequate to cover such losses. The recognition in earnings of unrealized gains on these transactions is subject to management's assessment as to collectability. Liquidity risk is the potential exposure that arises when the size of the derivative position may not be able to be rapidly adjusted in periods of high volatility and financial stress at a reasonable cost.

Information pertaining to the volume of derivative activity is provided in the tables below. The notional amounts, for both long and short derivative positions, of Citigroup's derivative instruments as of December 31, 2011 and December 31, 2010 are presented in the table below.

Derivative Notionals

In millions of dollars	Hedging instruments under ASC 815 (SFAS 133)[1][2]		Other derivative instruments			
			Trading derivatives		Management hedges[3]	
	December 31, 2011	December 31, 2010	**December 31, 2011**	December 31, 2010	**December 31, 2011**	December 31, 2010
Interest rate contracts						
Swaps	**$163,079**	$155,972	**$28,069,960**	$27,084,014	**$119,344**	$135,979
Futures and forwards	**—**	—	**3,549,642**	4,401,923	**43,965**	46,140
Written options	**—**	—	**3,871,700**	3,431,608	**16,786**	8,762
Purchased options	**—**	—	**3,888,415**	3,305,664	**7,338**	18,030
Total interest rate contract notionals	**$163,079**	$155,972	**$39,379,717**	$38,223,209	**$187,433**	$208,911
Foreign exchange contracts						
Swaps	**$ 27,575**	$ 29,599	**$ 1,182,363**	$ 1,118,610	**$ 22,458**	$ 27,830
Futures and forwards	**55,211**	79,168	**3,191,687**	2,746,348	**31,095**	28,191
Written options	**4,292**	1,772	**591,818**	599,025	**190**	50
Purchased options	**39,163**	16,559	**583,891**	535,606	**53**	174
Total foreign exchange contract notionals	**$126,241**	$127,098	**$ 5,549,759**	$ 4,999,589	**$ 53,796**	$ 56,245
Equity contracts						
Swaps	**$ —**	$ —	**$ 86,978**	$ 67,637	**$ —**	$ —
Futures and forwards	**—**	—	**12,882**	19,816	**—**	—
Written options	**—**	—	**552,333**	491,519	**—**	—
Purchased options	**—**	—	**509,322**	473,621	**—**	—
Total equity contract notionals	**$ —**	$ —	**$ 1,161,515**	$ 1,052,593	**$ —**	$ —
Commodity and other contracts						
Swaps	**$ —**	$ —	**$ 23,403**	$ 19,213	**$ —**	$ —
Futures and forwards	**—**	—	**73,090**	115,578	**—**	—
Written options	**—**	—	**90,650**	61,248	**—**	—
Purchased options	**—**	—	**99,234**	61,776	**—**	—
Total commodity and other contract notionals	**$ —**	$ —	**$ 286,377**	$ 257,815	**$ —**	$ —
Credit derivatives[4]						
Protection sold	**$ —**	$ —	**$ 1,394,528**	$ 1,223,116	**$ —**	$ —
Protection purchased	**4,253**	4,928	**1,486,723**	1,289,239	**21,914**	28,526
Total credit derivatives	**$ 4,253**	$ 4,928	**$ 2,881,251**	$ 2,512,355	**$ 21,914**	$ 28,526
Total derivative notionals	**$293,573**	$287,998	**$49,258,619**	$47,045,561	**$263,143**	$293,682

(1) The notional amounts presented in this table do not include hedge accounting relationships under ASC 815 (SFAS 133) where Citigroup is hedging the foreign currency risk of a net investment in a foreign operation by issuing a foreign currency-denominated debt instrument. The notional amount of such debt is $7,060 million and $8,023 million at December 31, 2011 and December 31, 2010, respectively.

(2) Derivatives in hedge accounting relationships accounted for under ASC 815 (SFAS 133) are recorded in either *Other assets/Other liabilities* or *Trading account assets/Trading account liabilities* on the Consolidated Balance Sheet.

(3) Management hedges represent derivative instruments used in certain economic hedging relationships that are identified for management purposes, but for which hedge accounting is not applied. These derivatives are recorded in either *Other assets/Other liabilities* or *Trading account assets/Trading account liabilities* on the Consolidated Balance Sheet.

(4) Credit derivatives are arrangements designed to allow one party (protection buyer) to transfer the credit risk of a "reference asset" to another party (protection seller). These arrangements allow a protection seller to assume the credit risk associated with the reference asset without directly purchasing that asset. The Company has entered into credit derivative positions for purposes such as risk management, yield enhancement, reduction of credit concentrations and diversification of overall risk.

Derivative Mark-to-Market (MTM) Receivables/Payables

In millions of dollars at December 31, 2011	Derivatives classified in trading account assets/liabilities [1][2] Assets	Liabilities	Derivatives classified in other assets/liabilities [2] Assets	Liabilities
Derivative instruments designated as ASC 815 (SFAS 133) hedges				
Interest rate contracts	$ 8,274	$ 3,306	$ 3,968	$ 1,518
Foreign exchange contracts	3,706	1,451	1,201	863
Total derivative instruments designated as ASC 815 (SFAS 133) hedges	$ 11,980	$ 4,757	$ 5,169	$ 2,381
Other derivative instruments				
Interest rate contracts	$ 749,213	$ 736,785	$ 212	$ 96
Foreign exchange contracts	90,611	95,912	325	959
Equity contracts	20,235	33,139	—	—
Commodity and other contracts	13,763	14,631	—	—
Credit derivatives [3]	90,424	84,726	430	126
Total other derivative instruments	$ 964,246	$ 965,193	$ 967	$ 1,181
Total derivatives	$ 976,226	$ 969,950	$ 6,136	$ 3,562
Cash collateral paid/received [4][5]	6,634	7,870	307	180
Less: Netting agreements and market value adjustments [6]	(875,592)	(870,366)	—	—
Less: Netting cash collateral received/paid [7]	(44,941)	(51,181)	(3,462)	—
Net receivables/payables	$ 62,327	$ 56,273	$ 2,981	$ 3,742

(1) The trading derivatives fair values are presented in Note 14 to the Consolidated Financial Statements
(2) Derivative mark-to-market receivables/payables related to management hedges are recorded in either *Other assets/Other liabilities* or *Trading account assets/Trading account liabilities*
(3) The credit derivatives trading assets are composed of $79,089 million related to protection purchased and $11,335 million related to protection sold as of December 31, 2011. The credit derivatives trading liabilities are composed of $12,235 million related to protection purchased and $72,491 million related to protection sold as of December 31, 2011
(4) For the trading asset/liabilities, this is the net amount of the $57,815 million and $52,811 million of gross cash collateral paid and received, respectively. Of the gross cash collateral paid, $51,181 million was used to offset derivative liabilities, and of the gross cash collateral received, $44,941 million was used to offset derivative assets
(5) For the other asset/liabilities, this is the net amount of the $307 million and $3,642 million of the gross cash collateral paid and received, respectively. Of the gross cash collateral received, $3,462 million was used to offset derivative assets
(6) Represents the netting of derivative receivable and payable balances for the same counterparty under enforceable netting agreements
(7) Represents the netting of cash collateral paid and received by counterparty under enforceable credit support agreements

In millions of dollars at December 31, 2010	Derivatives classified in trading account assets/liabilities [1][2] Assets	Liabilities	Derivatives classified in other assets/liabilities [2] Assets	Liabilities
Derivative instruments designated as ASC 815 (SFAS 133) hedges				
Interest rate contracts	$ 867	$ 72	$ 6,342	$2,437
Foreign exchange contracts	357	762	1,656	2,603
Total derivative instruments designated as ASC 815 (SFAS 133) hedges	$ 1,224	$ 834	$ 7,998	$5,040
Other derivative instruments				
Interest rate contracts	$ 475,805	$ 476,667	$ 2,756	$2,474
Foreign exchange contracts	84,144	87,512	1,401	1,433
Equity contracts	16,146	33,434	—	—
Commodity and other contracts	12,608	13,518	—	—
Credit derivatives [3]	65,041	59,461	88	337
Total other derivative instruments	$ 653,744	$ 670,592	$ 4,245	$4,244
Total derivatives	$ 654,968	$ 671,426	$12,243	$9,284
Cash collateral paid/received [4][5]	5,557	9,033	11	625
Less: Netting agreements and market value adjustments [6]	(581,026)	(575,984)	—	—
Less: Netting cash collateral received/paid [7]	(29,286)	(44,745)	(2,415)	(200)
Net receivables/payables	$ 50,213	$ 59,730	$ 9,839	$9,709

(1) The trading derivatives fair values are presented in Note 14 to the Consolidated Financial Statements
(2) Derivative mark-to-market receivables/payables related to management hedges are recorded in either *Other assets/Other liabilities* or *Trading account assets/Trading account liabilities*
(3) The credit derivatives trading assets are composed of $42,403 million related to protection purchased and $22,638 million related to protection sold as of December 31, 2010. The credit derivatives trading liabilities are composed of $23,503 million related to protection purchased and $35,958 million related to protection sold as of December 31, 2010
(4) For the trading asset/liabilities, this is the net amount of the $50,302 million and $38,319 million of gross cash collateral paid and received, respectively. Of the gross cash collateral paid, $44,745 million was used to offset derivative liabilities, and of the gross cash collateral received, $29,286 million was used to offset derivative assets
(5) For the other asset/liabilities, this is the net amount of the $211 million and $3,040 million of the gross cash collateral paid and received, respectively. Of the gross cash collateral paid, $200 million was used to offset derivative liabilities and of the gross cash collateral received, $2,415 million was used to offset derivative assets
(6) Represents the netting of derivative receivable and payable balances for the same counterparty under enforceable netting agreements
(7) Represents the netting of cash collateral paid and received by counterparty under enforceable credit support agreements

All derivatives are reported on the balance sheet at fair value In addition, where applicable, all such contracts covered by master netting agreements are reported net. Gross positive fair values are netted with gross negative fair values by counterparty pursuant to a valid master netting agreement. In addition, payables and receivables in respect of cash collateral received from or paid to a given counterparty are included in this netting However, non-cash collateral is not included

The amounts recognized in *Principal transactions* in the Consolidated Statement of Income for the years ended December 31, 2011, 2010 and 2009 related to derivatives not designated in a qualifying hedging relationship as well as the underlying non-derivative instruments are included in the table below. Citigroup presents this disclosure by business classification, showing derivative gains and losses related to its trading activities together with gains and losses related to non-derivative instruments within the same trading portfolios, as this represents the way these portfolios are risk managed.

	Year ended December 31,		
In millions of dollars	**2011**	2010	2009
Interest rate contracts	**$5,136**	$3,231	$ 6,211
Foreign exchange	**2,309**	1,852	2,762
Equity contracts	**3**	995	(334)
Commodity and other	**76**	126	924
Credit derivatives	**(290)**	1,313	(3,495)
Total Citigroup[1]	**$7,234**	$7,517	$ 6,068

(1) Also see Note 7 to the Consolidated Financial Statements

The amounts recognized in *Other revenue* in the Consolidated Statement of Income for the years ended December 31, 2011, 2010 and 2009 are shown below The table below does not include the offsetting gains/losses on the hedged items, which amounts are also recorded in *Other revenue*.

	Gains (losses) included in Other revenue Year ended December 31,		
In millions of dollars	**2011**	2010	2009
Interest rate contracts	**$1,192**	$ (205)	$ 108
Foreign exchange	**224**	(2,052)	3,851
Equity contracts	**—**	—	(7)
Credit derivatives	**115**	(502)	—
Total Citigroup[1]	**$1,531**	$(2,759)	$3,952

(1) Non-designated derivatives are derivative instruments not designated in qualifying hedging relationships

Accounting for Derivative Hedging

Citigroup accounts for its hedging activities in accordance with ASC 815, *Derivatives and Hedging* (formerly SFAS 133) As a general rule, hedge accounting is permitted where the Company is exposed to a particular risk, such as interest-rate or foreign-exchange risk, that causes changes in the fair value of an asset or liability or variability in the expected future cash flows of an existing asset, liability or a forecasted transaction that may affect earnings.

Derivative contracts hedging the risks associated with the changes in fair value are referred to as fair value hedges, while contracts hedging the risks affecting the expected future cash flows are called cash flow hedges. Hedges that utilize derivatives or debt instruments to manage the foreign exchange risk associated with equity investments in non-U.S -dollar-functional-currency foreign subsidiaries (net investment in a foreign operation) are called net investment hedges

If certain hedging criteria specified in ASC 815 are met, including testing for hedge effectiveness, special hedge accounting may be applied. The hedge effectiveness assessment methodologies for similar hedges are performed in a similar manner and are used consistently throughout the hedging relationships For fair value hedges, the changes in value of the hedging derivative, as well as the changes in value of the related hedged item due to the risk being hedged, are reflected in current earnings. For cash flow hedges and net investment hedges, the changes in value of the hedging derivative are reflected in *Accumulated other comprehensive income (loss)* in Citigroup's stockholders' equity, to the extent the hedge is effective. Hedge ineffectiveness, in either case, is reflected in current earnings.

For asset/liability management hedging, the fixed-rate long-term debt would be recorded at amortized cost under current U.S. GAAP. However, by electing to use ASC 815 (SFAS 133) fair value hedge accounting, the carrying value of the debt is adjusted for changes in the benchmark interest rate, with any such changes in value recorded in current earnings. The related interest-rate swap is also recorded on the balance sheet at fair value, with any changes in fair value reflected in earnings. Thus, any ineffectiveness resulting from the hedging relationship is recorded in current earnings. Alternatively, a management hedge, which does not meet the ASC 815 hedging criteria, would involve recording only the derivative at fair value on the balance sheet, with its associated changes in fair value recorded in earnings. The debt would continue to be carried at amortized cost and, therefore, current earnings would be impacted only by the interest rate shifts and other factors that cause the change in the swap's value and may change the underlying yield of the debt. This type of hedge is undertaken when hedging requirements cannot be achieved or management decides not to apply ASC 815 hedge accounting. Another alternative for the Company would be to elect to carry the debt at fair value under the fair value option. Once the irrevocable election is made upon issuance of the debt, the full change in fair value of the debt would be reported in earnings. The related interest rate swap, with changes in fair value, would also be reflected in earnings, and provides a natural offset to the debt's fair value change. To the extent the two offsets are not exactly equal, the difference would be reflected in current earnings.

Key aspects of achieving ASC 815 hedge accounting are documentation of hedging strategy and hedge effectiveness at the hedge inception and substantiating hedge effectiveness on an ongoing basis. A derivative must be highly effective in accomplishing the hedge objective of offsetting either changes in the fair value or cash flows of the hedged item for the risk being hedged. Any ineffectiveness in the hedge relationship is recognized in current earnings. The assessment of effectiveness excludes changes in the value of the hedged item that are unrelated to the risks being hedged. Similarly, the assessment of effectiveness may exclude changes in the fair value of a derivative related to time value that, if excluded, are recognized in current earnings.

Fair Value Hedges

Hedging of benchmark interest rate risk

Citigroup hedges exposure to changes in the fair value of outstanding fixed-rate issued debt and certificates of deposit. The fixed cash flows from those financing transactions are converted to benchmark variable-rate cash flows by entering into receive-fixed, pay-variable interest rate swaps. Some of these fair value hedge relationships use dollar-offset ratio analysis to determine whether the hedging relationships are highly effective at inception and on an ongoing basis, while others use regression.

Citigroup also hedges exposure to changes in the fair value of fixed-rate assets, including available-for-sale debt securities and loans. The hedging instruments used are receive-variable, pay-fixed interest rate swaps. Some of these fair value hedging relationships use dollar-offset ratio analysis to determine whether the hedging relationships are highly effective at inception and on an ongoing basis, while others use regression analysis.

Hedging of foreign exchange risk

Citigroup hedges the change in fair value attributable to foreign-exchange rate movements in available-for-sale securities that are denominated in currencies other than the functional currency of the entity holding the securities, which may be within or outside the U.S. The hedging instrument employed is a forward foreign-exchange contract. In this type of hedge, the change in fair value of the hedged available-for-sale security attributable to the portion of foreign exchange risk hedged is reported in earnings and not *Accumulated other comprehensive income*—a process that serves to offset substantially the change in fair value of the forward contract that is also reflected in earnings. Citigroup considers the premium associated with forward contracts (differential between spot and contractual forward rates) as the cost of hedging; this is excluded from the assessment of hedge effectiveness and reflected directly in earnings. The dollar-offset method is used to assess hedge effectiveness. Since that assessment is based on changes in fair value attributable to changes in spot rates on both the available-for-sale securities and the forward contracts for the portion of the relationship hedged, the amount of hedge ineffectiveness is not significant.

The following table summarizes the gains (losses) on the Company's fair value hedges for the years ended December 31, 2011, 2010 and 2009

	Gains (losses) on fair value hedges [1] Year ended December 31,		
In millions of dollars	**2011**	2010	2009
Gain (loss) on derivatives in designated and qualifying fair value hedges			
Interest rate contracts	**$ 4,423**	$ 948	$(4,228)
Foreign exchange contracts	**(117)**	729	863
Total gain (loss) on derivatives in designated and qualifying fair value hedges	**$ 4,306**	$ 1,677	$(3,365)
Gain (loss) on the hedged item in designated and qualifying fair value hedges			
Interest rate hedges	**$(4,296)**	$ (945)	$ 4,065
Foreign exchange hedges	**26**	(579)	(373)
Total gain (loss) on the hedged item in designated and qualifying fair value hedges	**$(4,270)**	$(1,524)	$ 3,692
Hedge ineffectiveness recognized in earnings on designated and qualifying fair value hedges			
Interest rate hedges	**$ 118**	$ (23)	$ (179)
Foreign exchange hedges	**1**	10	138
Total hedge ineffectiveness recognized in earnings on designated and qualifying fair value hedges	**$ 119**	$ (13)	$ (41)
Net gain (loss) excluded from assessment of the effectiveness of fair value hedges			
Interest rate contracts	**$ 9**	$ 26	$ 16
Foreign exchange contracts	**(92)**	140	352
Total net gain (loss) excluded from assessment of the effectiveness of fair value hedges	**$ (83)**	$ 166	$ 368

(1) Amounts are included in *Other revenue* on the Consolidated Statement of Income The accrued interest income on fair value hedges is recorded in *Net interest revenue* and is excluded from this table

Cash Flow Hedges

Hedging of benchmark interest rate risk

Citigroup hedges variable cash flows resulting from floating-rate liabilities and rollover (re-issuance) of short-term liabilities. Variable cash flows from those liabilities are converted to fixed-rate cash flows by entering into receive-variable, pay-fixed interest rate swaps and receive-variable, pay-fixed forward-starting interest rate swaps These cash-flow hedging relationships use either regression analysis or dollar-offset ratio analysis to assess whether the hedging relationships are highly effective at inception and on an ongoing basis When certain interest rates do not qualify as a benchmark interest rate, Citigroup designates the risk being hedged as the risk of overall changes in the hedged cash flows Since efforts are made to match the terms of the derivatives to those of the hedged forecasted cash flows as closely as possible, the amount of hedge ineffectiveness is not significant

Hedging of foreign exchange risk

Citigroup locks in the functional currency equivalent cash flows of long-term debt and short-term borrowings that are denominated in a currency other than the functional currency of the issuing entity Depending on the risk management objectives, these types of hedges are designated as either cash flow hedges of only foreign exchange risk or cash flow hedges of both foreign exchange and interest rate risk, and the hedging instruments used are foreign exchange cross-currency swaps and forward contracts. These cash flow hedge relationships use dollar-offset ratio analysis to determine whether the hedging relationships are highly effective at inception and on an ongoing basis

Hedging total return

Citigroup generally manages the risk associated with highly leveraged financing it has entered into by seeking to sell a majority of its exposures to the market prior to or shortly after funding The portion of the highly leveraged financing that is retained by Citigroup is generally hedged with a total return swap

The amount of hedge ineffectiveness on the cash flow hedges recognized in earnings for the years ended December 31, 2011, 2010 and 2009 is not significant.

The pretax change in *Accumulated other comprehensive income (loss)* from cash flow hedges for is presented below:

	Year ended December 31,		
In millions of dollars	**2011**	2010	2009
Effective portion of cash flow hedges included in AOCI			
Interest rate contracts	**$(1,827)**	$ (469)	$ 488
Foreign exchange contracts	**81**	(570)	689
Total effective portion of cash flow hedges included in AOCI	**$(1,746)**	$(1,039)	$ 1,177
Effective portion of cash flow hedges reclassified from AOCI to earnings			
Interest rate contracts	**$(1,224)**	$(1,400)	$(1,687)
Foreign exchange contracts	**(257)**	(500)	(308)
Total effective portion of cash flow hedges reclassified from AOCI to earnings[1]	**$(1,481)**	$(1,900)	$(1,995)

(1) Included primarily in *Other revenue* and *Net interest revenue* on the Consolidated Income Statement

For cash flow hedges, any changes in the fair value of the end-user derivative remaining in *Accumulated other comprehensive income (loss)* on the Consolidated Balance Sheet will be included in earnings of future periods to offset the variability of the hedged cash flows when such cash flows affect earnings. The net loss associated with cash flow hedges expected to be reclassified from *Accumulated other comprehensive income (loss)* within 12 months of December 31, 2011 is approximately $1 1 billion. The maximum length of time over which forecasted cash flows are hedged is 10 years

The after-tax impact of cash flow hedges on AOCI is shown in Note 21 to the Consolidated Financial Statement

Net Investment Hedges

Consistent with ASC 830-20, *Foreign Currency Matters—Foreign Currency Transactions* (formerly SFAS 52, *Foreign Currency Translation)*, ASC 815 allows hedging of the foreign currency risk of a net investment in a foreign operation. Citigroup uses foreign currency forwards, options, swaps and foreign-currency-denominated debt instruments to manage the foreign exchange risk associated with Citigroup's equity investments in several non-U.S. dollar functional currency foreign subsidiaries Citigroup records the change in the carrying amount of these investments in the *Foreign currency translation adjustment* account within *Accumulated other comprehensive income (loss)*. Simultaneously, the effective portion of the hedge of this exposure is also recorded in the *Foreign currency translation adjustment* account and the ineffective portion, if any, is immediately recorded in earnings

For derivatives used in net investment hedges, Citigroup follows the forward-rate method from FASB Derivative Implementation Group Issue H8 (now ASC 815-35-35-16 through 35-26), "Foreign Currency Hedges Measuring the Amount of Ineffectiveness in a Net Investment Hedge " According to that method, all changes in fair value, including changes related to the forward-rate component of the foreign currency forward contracts and the time value of foreign currency options, are recorded in the *Foreign currency translation adjustment* account within *Accumulated other comprehensive income (loss)*

For foreign-currency-denominated debt instruments that are designated as hedges of net investments, the translation gain or loss that is recorded in the *Foreign currency translation adjustment* account is based on the spot exchange rate between the functional currency of the respective subsidiary and the U.S dollar, which is the functional currency of Citigroup. To the extent the notional amount of the hedging instrument exactly matches the hedged net investment and the underlying exchange rate of the derivative hedging instrument relates to the exchange rate between the functional currency of the net investment and Citigroup's functional currency (or, in the case of a non-derivative debt instrument, such instrument is denominated in the functional currency of the net investment), no ineffectiveness is recorded in earnings

The pretax gain (loss) recorded in the *Foreign currency translation adjustment* account within *Accumulated other comprehensive income (loss)*, related to the effective portion of the net investment hedges, is $904 million, $(3,620) million, and $(4,727) million, for the years ended December 31, 2011, 2010 and 2009, respectively.

Credit Derivatives

A credit derivative is a bilateral contract between a buyer and a seller under which the seller agrees to provide protection to the buyer against the credit risk of a particular entity ("reference entity" or "reference credit"). Credit derivatives generally require that the seller of credit protection make payments to the buyer upon the occurrence of predefined credit events (commonly referred to as "settlement triggers") These settlement triggers are defined by the form of the derivative and the reference credit and are generally limited to the market standard of failure to pay on indebtedness and bankruptcy of the reference credit and, in a more limited range of transactions, debt restructuring Credit derivative transactions referring to emerging market reference credits will also typically include additional settlement triggers to cover the acceleration of indebtedness and the risk of repudiation or a payment moratorium In certain transactions, protection may be provided on a portfolio of referenced credits or asset-backed securities The seller of such protection may not be required to make payment until a specified amount of losses has occurred with respect to the portfolio and/or may only be required to pay for losses up to a specified amount

The Company makes markets in and trades a range of credit derivatives, both on behalf of clients as well as for its own account. Through these contracts, the Company either purchases or writes protection on either a single name or a portfolio of reference credits. The Company uses credit derivatives to help mitigate credit risk in its Corporate and Consumer loan portfolios and other cash positions, to take proprietary trading positions, and to facilitate client transactions.

The range of credit derivatives sold includes credit default swaps, total return swaps, credit options and credit-linked notes.

A credit default swap is a contract in which, for a fee, a protection seller agrees to reimburse a protection buyer for any losses that occur due to a credit event on a reference entity. If there is no credit default event or settlement trigger, as defined by the specific derivative contract, then the protection seller makes no payments to the protection buyer and receives only the contractually specified fee. However, if a credit event occurs as defined in the specific derivative contract sold, the protection seller will be required to make a payment to the protection buyer.

A total return swap transfers the total economic performance of a reference asset, which includes all associated cash flows, as well as capital appreciation or depreciation. The protection buyer receives a floating rate of interest and any depreciation on the reference asset from the protection seller and, in return, the protection seller receives the cash flows associated with the reference asset plus any appreciation. Thus, according to the total return swap agreement, the protection seller will be obligated to make a payment any time the floating interest rate payment and any depreciation of the reference asset exceed the cash flows associated with the underlying asset. A total return swap may terminate upon a default of the reference asset subject to the provisions of the related total return swap agreement between the protection seller and the protection buyer.

A credit option is a credit derivative that allows investors to trade or hedge changes in the credit quality of the reference asset. For example, in a credit spread option, the option writer assumes the obligation to purchase or sell the reference asset at a specified "strike" spread level. The option purchaser buys the right to sell the reference asset to, or purchase it from, the option writer at the strike spread level. The payments on credit spread options depend either on a particular credit spread or the price of the underlying credit-sensitive asset. The options usually terminate if the underlying assets default.

A credit-linked note is a form of credit derivative structured as a debt security with an embedded credit default swap. The purchaser of the note writes credit protection to the issuer, and receives a return which will be negatively affected by credit events on the underlying reference credit. If the reference entity defaults, the purchaser of the credit-linked note may assume the long position in the debt security and any future cash flows from it, but will lose the amount paid to the issuer of the credit-linked note. Thus the maximum amount of the exposure is the carrying amount of the credit-linked note. As of December 31, 2011 and December 31, 2010, the amount of credit-linked notes held by the Company in trading inventory was immaterial.

The following tables summarize the key characteristics of the Company's credit derivative portfolio as protection seller as of December 31, 2011 and December 31, 2010:

In millions of dollars as of December 31, 2011	Maximum potential amount of future payments	Fair value payable [1][2]
By industry/counterparty		
Bank	**$ 929,608**	**$ 45,920**
Broker-dealer	**321,293**	**19,026**
Non-financial	**1,048**	**98**
Insurance and other financial institutions	**142,579**	**7,447**
Total by industry/counterparty	**$1,394,528**	**$ 72,491**
By instrument		
Credit default swaps and options	**$1,393,082**	**$ 72,358**
Total return swaps and other	**1,446**	**133**
Total by instrument	**$1,394,528**	**$ 72,491**
By rating		
Investment grade	**$ 611,447**	**$ 16,913**
Non-investment grade	**226,939**	**28,034**
Not rated	**556,142**	**27,544**
Total by rating	**$1,394,528**	**$ 72,491**
By maturity		
Within 1 year	**$ 266,723**	**$ 3,705**
From 1 to 5 years	**947,211**	**46,596**
After 5 years	**180,594**	**22,190**
Total by maturity	**$1,394,528**	**$ 72,491**

(1) In addition, fair value amounts payable under credit derivatives purchased were $12,361 million
(2) In addition, fair value amounts receivable under credit derivatives sold were $11,335 million

In millions of dollars as of December 31, 2010	Maximum potential amount of future payments	Fair value payable [1][2]
By industry/counterparty		
Bank	$ 784,080	$ 20,718
Broker-dealer	312,131	10,232
Non-financial	1,463	54
Insurance and other financial institutions	125,442	4,954
Total by industry/counterparty	$1,223,116	$ 35,958
By instrument		
Credit default swaps and options	$1,221,211	$ 35,800
Total return swaps and other	1,905	158
Total by instrument	$1,223,116	$ 35,958
By rating		
Investment grade	$ 487,270	$ 6,124
Non-investment grade	218,296	11,364
Not rated	517,550	18,470
Total by rating	$1,223,116	$ 35,958
By maturity		
Within 1 year	$ 162,075	$ 353
From 1 to 5 years	853,808	16,524
After 5 years	207,233	19,081
Total by maturity	$1,223,116	$ 35,958

(1) In addition, fair value amounts payable under credit derivatives purchased were $23,840 million
(2) In addition, fair value amounts receivable under credit derivatives sold were $22,636 million

Determination of Fair Value

For assets and liabilities carried at fair value, the Company measures such value using the procedures set out below, irrespective of whether these assets and liabilities are carried at fair value as a result of an election or whether they were previously carried at fair value.

When available, the Company generally uses quoted market prices to determine fair value and classifies such items as Level 1. In some cases where a market price is available, the Company will make use of acceptable practical expedients (such as matrix pricing) to calculate fair value, in which case the items are classified as Level 2.

If quoted market prices are not available, fair value is based upon internally developed valuation techniques that use, where possible, current market-based or independently sourced market parameters, such as interest rates, currency rates, option volatilities, etc Items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified in Level 3 even though there may be some significant inputs that are readily observable.

Where available, the Company may also make use of quoted prices for recent trading activity in positions with the same or similar characteristics to that being valued. The frequency and size of transactions and the amount of the bid-ask spread are among the factors considered in determining the liquidity of markets and the relevance of observed prices from those markets. If relevant and observable prices are available, those valuations would be classified as Level 2. If prices are not available, other valuation techniques would be used and the item would be classified as Level 3.

Fair value estimates from internal valuation techniques are verified, where possible, to prices obtained from independent vendors or brokers Vendors and brokers' valuations may be based on a variety of inputs ranging from observed prices to proprietary valuation models.

The following section describes the valuation methodologies used by the Company to measure various financial instruments at fair value, including an indication of the level in the fair value hierarchy in which each instrument is generally classified. Where appropriate, the description includes details of the valuation models, the key inputs to those models and any significant assumptions

Securities purchased under agreements to resell and securities sold under agreements to repurchase

No quoted prices exist for such instruments and so fair value is determined using a discounted cash-flow technique. Cash flows are estimated based on the terms of the contract, taking into account any embedded derivative or other features. Expected cash flows are discounted using market rates appropriate to the maturity of the instrument as well as the nature and amount of collateral taken or received. Generally, when such instruments are held at fair value, they are classified within Level 2 of the fair value hierarchy as the inputs used in the valuation are readily observable

Trading account assets and liabilities—trading securities and trading loans

When available, the Company uses quoted market prices to determine the fair value of trading securities; such items are classified as Level 1 of the fair value hierarchy. Examples include some government securities and exchange-traded equity securities.

For bonds and secondary market loans traded over the counter, the Company generally determines fair value utilizing internal valuation techniques. Fair value estimates from internal valuation techniques are verified, where possible, to prices obtained from independent vendors. Vendors compile prices from various sources and may apply matrix pricing for similar bonds or loans where no price is observable. If available, the Company may also use quoted prices for recent trading activity of assets with similar characteristics to the bond or loan being valued. Trading securities and loans priced using such methods are generally classified as Level 2. However, when less liquidity exists for a security or loan, a quoted price is stale or prices from independent sources vary, a loan or security is generally classified as Level 3.

Where the Company's principal market for a portfolio of loans is the securitization market, the Company uses the securitization price to determine the fair value of the portfolio. The securitization price is determined from the assumed proceeds of a hypothetical securitization in the current market, adjusted for transformation costs (i.e., direct costs other than transaction costs) and securitization uncertainties such as market conditions and liquidity. As a result of the severe reduction in the level of activity in certain securitization markets since the second half of 2007, observable securitization prices for certain directly comparable portfolios of loans have not been readily available. Therefore, such portfolios of loans are generally classified as Level 3 of the fair value hierarchy However, for other loan securitization markets, such as commercial real estate loans, pricing verification of the hypothetical securitizations has been possible, since these markets have remained active Accordingly, this loan portfolio is classified as Level 2 in the fair value hierarchy

Trading account assets and liabilities—derivatives

Exchange-traded derivatives are generally fair valued using quoted market (i.e., exchange) prices and so are classified as Level 1 of the fair value hierarchy.

The majority of derivatives entered into by the Company are executed over the counter and so are valued using internal valuation techniques as no quoted market prices exist for such instruments. The valuation techniques and inputs depend on the type of derivative and the nature of the underlying instrument The principal techniques used to value these instruments are discounted cash flows, Black-Scholes and Monte Carlo simulation. The fair values of derivative contracts reflect cash the Company has paid or received (for example, option premiums paid and received)

The key inputs depend upon the type of derivative and the nature of the underlying instrument and include interest rate yield curves, foreign-exchange rates, the spot price of the underlying volatility and correlation The item is placed in either Level 2 or Level 3 depending on the observability of the significant inputs to the model. Correlation and items with longer tenors are generally less observable.

In the fourth quarter of 2011, the Company began incorporating overnight indexed swap ("OIS") curves as fair value measurement inputs for the valuation of certain collateralized interest-rate related derivatives The OIS curves reflect the interest rates paid on cash collateral provided against the fair value of these derivatives. The Company believes using relevant OIS curves as inputs to determine fair value measurements provides a more representative reflection of the fair value of these collateralized interest-rate related derivatives. Previously, the Company used the relevant benchmark curve for the currency of the derivative (e g , the London Interbank Offered Rate for U S dollar derivatives) as the discount rate for these collateralized interest-rate related derivatives. The Company recognized a pretax gain of approximately $167 million upon the change in this fair value measurement input. For further information on derivative instruments and hedging activities, see Note 23

Subprime-related direct exposures in CDOS

The valuation of high-grade and mezzanine asset-backed security (ABS) CDO positions uses trader prices based on the underlying assets of each high-grade and mezzanine ABS CDO The high-grade and mezzanine positions are now largely hedged through the ABX and bond short positions, which are trader priced This results in closer symmetry in the way these long and short positions are valued by the Company. Citigroup uses trader marks to value this portion of the portfolio and will do so as long as it remains largely hedged

For most of the lending and structuring direct subprime exposures, fair value is determined utilizing observable transactions where available, other market data for similar assets in markets that are not active and other internal valuation techniques

Investments

The investments category includes available-for-sale debt and marketable equity securities, whose fair value is determined using the same procedures described for trading securities above or, in some cases, using vendor prices as the primary source.

Also included in investments are nonpublic investments in private equity and real estate entities held by the S&B business. Determining the fair value of nonpublic securities involves a significant degree of management resources and judgment as no quoted prices exist and such securities are generally very thinly traded In addition, there may be transfer restrictions on private equity securities The Company uses an established process for determining the fair value of such securities, using commonly accepted valuation techniques, including the use of earnings multiples based on comparable public securities, industry-specific non-earnings-based multiples and discounted cash flow models. In determining the fair value of nonpublic securities, the Company also considers events such as a proposed sale of the investee company, initial public offerings, equity issuances or other observable transactions. As discussed in Note 15 to the Consolidated Financial Statements, the Company uses NAV to value certain of these entities.

Private equity securities are generally classified as Level 3 of the fair value hierarchy.

Short-term borrowings and long-term debt

Where fair value accounting has been elected, the fair values of non-structured liabilities are determined by discounting expected cash flows using the appropriate discount rate for the applicable maturity. Such instruments are generally classified as Level 2 of the fair value hierarchy as all inputs are readily observable.

The Company determines the fair values of structured liabilities (where performance is linked to structured interest rates, inflation or currency risks) and hybrid financial instruments (performance linked to risks other than interest rates, inflation or currency risks) using the appropriate derivative valuation methodology (described above) given the nature of the embedded risk profile Such instruments are classified as Level 2 or Level 3 depending on the observability of significant inputs to the model

Changes in Level 3 Fair Value Category

The following tables present the changes in the Level 3 fair value category for the twelve months ended December 31, 2011 and December 31, 2010. The Company classifies financial instruments in Level 3 of the fair value hierarchy when there is reliance on at least one significant unobservable input to the valuation model. In addition to these unobservable inputs, the valuation models for Level 3 financial instruments typically also rely on a number of inputs that are readily observable either directly or indirectly. Thus, the gains and losses presented below include changes in the fair value related to both observable and unobservable inputs.

The Company often hedges positions with offsetting positions that are classified in a different level. For example, the gains and losses for assets and liabilities in the Level 3 category presented in the tables below do not reflect the effect of offsetting losses and gains on hedging instruments that have been classified by the Company in the Level 1 and Level 2 categories. In addition, the Company hedges items classified in the Level 3 category with instruments also classified in Level 3 of the fair value hierarchy. The effects of these hedges are presented gross in the following tables.

In millions of dollars	Dec. 31, 2010	Net realized/unrealized gains (losses) included in: Principal transactions	Net realized/unrealized gains (losses) included in: Other[1][2]	Transfers in and/or out of Level 3	Purchases	Issuances	Sales	Settlements	Dec. 31, 2011	Unrealized gains (losses) still held[3]
Assets										
Fed funds sold and securities borrowed or purchased under agreements to resell	$ 4,911	$ 90	$ —	$ (300)	$ —	$ —	$ —	$ —	$ 4,701	$ 89
Trading securities										
Trading mortgage-backed securities										
U.S. government-sponsored agency guaranteed	$ 831	$ (62)	$ —	$ 169	$ 677	$ 73	$ (686)	$ (141)	$ 861	$ (100)
Prime	594	125	—	59	1,608	—	(1,608)	(19)	759	48
Alt-A	385	19	—	(8)	1,638	—	(1,849)	(20)	165	2
Subprime	1,125	(2)	—	(148)	550	—	(1,021)	(39)	465	103
Non-U.S. residential	224	6	—	(41)	354	—	(423)	—	120	(35)
Commercial	418	33	—	345	418	—	(570)	(26)	618	(57)
Total trading mortgage-backed securities	$ 3,577	$ 119	$ —	$ 376	$ 5,245	$ 73	$ (6,157)	$ (245)	$ 2,988	$ (39)
U.S. Treasury and federal agency securities										
U.S. Treasury	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Agency obligations	72	9	—	(45)	8	—	(41)	—	3	—
Total U.S. Treasury and federal agency securities	$ 72	$ 9	$ —	$ (45)	$ 8	$ —	$ (41)	$ —	$ 3	$ —
State and municipal	$ 208	$ 67	$ —	$ 102	$ 1,128	$ —	$ (1,243)	$ (10)	$ 252	$ (35)
Foreign government	566	(33)	—	(243)	1,556	—	(797)	(528)	521	(22)
Corporate	5,004	(60)	—	1,452	3,272	—	(3,864)	(2,564)	3,240	(680)
Equity securities	776	(202)	—	(145)	191	—	(376)	—	244	(143)
Asset-backed securities	7,620	128	—	606	5,198	—	(6,069)	(1,682)	5,801	(779)
Other debt securities	1,305	(170)	—	185	1,573	—	(680)	(4)	2,209	68
Total trading securities	$19,128	$ (142)	$ —	$ 2,288	$ 18,171	$ 73	$ (19,227)	$ (5,033)	$ 15,258	$ (1,630)
Derivatives, net[4]										
Interest rate contracts	$ (730)	$ (242)	$ —	$ 1,549	$ 111	$ —	$ (21)	$ 59	$ 726	$ 52
Foreign exchange contracts	164	31	—	(83)	11	—	(3)	(153)	(33)	(100)
Equity contracts	(1,639)	471	—	(28)	362	—	(242)	(661)	(1,737)	(1,139)
Commodity contracts	(1,023)	426	—	(83)	2	—	(104)	(152)	(934)	(48)
Credit derivatives	2,296	520	—	183	8	—	(1)	(1,278)	1,728	1,615
Total derivatives, net[4]	$ (932)	$ 1,206	$ —	$ 1,538	$ 494	$ —	$ (371)	$ (2,185)	$ (250)	$ 380
Investments										
Mortgage-backed securities										
U.S. government-sponsored agency guaranteed	$ 22	$ —	$ (22)	$ 416	$ 270	$ —	$ (7)	$ —	$ 679	$ (38)
Prime	166	—	(1)	(109)	7	—	(54)	(1)	8	—
Alt-A	1	—	(1)	—	—	—	—	—	—	—
Subprime	—	—	—	—	—	—	—	—	—	—
Commercial	527	—	(4)	(513)	42	—	(52)	—	—	—
Total investment mortgage-backed debt securities	$ 716	$ —	$ (28)	$ (206)	$ 319	$ —	$ (113)	$ (1)	$ 687	$ (38)
U.S. Treasury and federal agency securities	$ 17	$ —	$ —	$ 60	$ —	$ —	$ (2)	$ —	$ 75	$ —
State and municipal	504	—	(10)	(59)	324	—	(92)	—	667	(20)
Foreign government	$ 358	$ —	$ 13	$ (21)	$ 352	$ —	$ (67)	$ (188)	$ 447	$ 6
Corporate	525	—	(106)	199	732	—	(56)	(305)	989	6
Equity securities	2,055	—	(38)	(31)	—	—	(84)	(449)	1,453	—
Asset-backed securities	5,424	—	43	55	106	—	(460)	(1,127)	4,041	5
Other debt securities	727	—	26	121	35	—	(289)	(500)	120	(2)
Non-marketable equity securities	6,960	—	862	(886)	4,881	—	(1,838)	(1,661)	8,318	580
Total investments	$17,286	$ —	$ 762	$ (768)	$ 6,749	$ —	$ (3,001)	$ (4,231)	$ 16,797	$ 537

In millions of dollars	Dec. 31, 2010	Net realized/unrealized gains (losses) included in Principal transactions	Net realized/unrealized gains (losses) included in Other[1][2]	Transfers in and/or out of Level 3	Purchases	Issuances	Sales	Settlements	Dec. 31, 2011	Unrealized gains (losses) still held[3]
Loans	$ 3,213	$ —	$ (309)	$ 425	$ 250	$2,002	$ (85)	$ (814)	$ 4,682	$ (265)
Mortgage servicing rights	4,554	—	(1,465)	—	—	408	(212)	(716)	2,569	(1,465)
Other financial assets measured on a recurring basis	2,509	—	109	(90)	57	553	(172)	(721)	2,245	112
Liabilities										
Interest-bearing deposits	$ 277	$ —	$ 86	$ (72)	$ —	$ 325	$ —	$ (13)	$ 431	$ (76)
Federal funds purchased and securities loaned or sold under agreements to repurchase	1,261	(22)	—	45	—	—	(117)	(150)	1,061	(64)
Trading account liabilities										
Securities sold, not yet purchased	187	48	—	438	—	—	413	(578)	412	42
Short-term borrowings	802	190	—	(432)	—	551	—	(444)	287	39
Long-term debt	8,385	181	266	(937)	—	1,084	—	(2,140)	5,945	(225)
Other financial liabilities measured on a recurring basis	19	—	(19)	7	1	13	(1)	(55)	3	(3)

In millions of dollars	December 31, 2009	Net realized/unrealized gains (losses) included in Principal transactions	Net realized/unrealized gains (losses) included in Other[1][2]	Transfers in and/or out of Level 3	Purchases, issuances and settlements	December 31, 2010	Unrealized gains (losses) still held[3]
Assets							
Fed funds sold and securities borrowed or purchased under agreements to resell[5]	$ 1,127	$ 100	$ —	$ 3,019	$ 665	$ 4,911	$ 374
Trading securities							
Trading mortgage-backed securities							
U.S. government-sponsored agency guaranteed	972	(108)	—	170	(203)	831	(48)
Prime	384	77	—	255	(122)	594	27
Alt-A	387	54	—	259	(315)	385	(51)
Subprime	8,998	321	—	(699)	(7,495)	1,125	94
Non-U.S. residential	572	47	—	528	(923)	224	39
Commercial	2,451	64	—	(308)	(1,789)	418	55
Total trading mortgage-backed securities	$13,764	$ 455	$ —	$ 205	$(10,847)	$ 3,577	$ 116
U.S. Treasury and federal agency securities							
U.S Treasury	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Agency obligations	—	(3)	—	63	12	72	(24)
Total U.S. Treasury and federal agency securities	$ —	$ (3)	$ —	$ 63	$ 12	$ 72	$ (24)
State and municipal	$ 222	$ 53	$ —	$ 297	$ (364)	$ 208	$ 7
Foreign government	459	20	—	(68)	155	566	(10)
Corporate	7,801	140	—	(818)	(2,119)	5,004	305
Equity securities	640	77	—	312	(253)	776	416
Asset-backed securities	3,825	89	—	4,988	(1,282)	7,620	(5)
Other debt securities	13,231	48	—	90	(12,064)	1,305	8
Total trading securities	$39,942	$ 879	$ —	$ 5,069	$(26,762)	$19,128	$ 813
Derivatives, net[4]							
Interest rate contracts	$ (374)	$ 513	$ —	$ 467	$ (1,336)	$ (730)	$ 20
Foreign exchange contracts	(38)	203	—	(43)	42	164	(314)
Equity contracts	(1,110)	(498)	—	(331)	300	(1,639)	(589)
Commodity and other contracts	(529)	(299)	—	(95)	(100)	(1,023)	(486)
Credit derivatives	5,159	(1,405)	—	(635)	(823)	2,296	(867)
Total derivatives, net[4]	$ 3,108	$(1,486)	$ —	$ (637)	$ (1,917)	$ (932)	$(2,236)

In millions of dollars	December 31, 2009	Net realized/unrealized gains (losses) included in Principal transactions	Net realized/unrealized gains (losses) included in Other [1][2]	Transfers in and/or out of Level 3	Purchases, issuances and settlements	December 31, 2010	Unrealized gains (losses) still held [3]
Investments							
Mortgage-backed securities							
U.S. government-sponsored agency guaranteed	$ 2	$ —	$ (1)	$ 21	$ —	$ 22	$ —
Prime	736	—	(35)	(493)	(42)	166	—
Alt-A	55	—	12	24	(90)	1	—
Subprime	1	—	(2)	1	—	—	—
Commercial	746	—	(443)	3	221	527	—
Total investment mortgage-backed debt securities	$ 1,540	$ —	$ (469)	$ (444)	$ 89	$ 716	$ —
U.S. Treasury and federal agency securities	$ 21	$ —	$ (21)	$ —	$ 17	$ 17	$ (1)
State and municipal	217	—	—	481	(194)	504	(75)
Foreign government	270	—	9	15	64	358	1
Corporate	674	—	32	(49)	(132)	525	(32)
Equity securities	2,513	—	65	(1)	(522)	2,055	(77)
Asset-backed securities	8,272	—	(123)	(111)	(2,614)	5,424	(15)
Other debt securities	560	—	(13)	(13)	193	727	25
Non-marketable equity securities	7,336	—	662	18	(1,056)	6,960	512
Total investments	$21,403	$ —	$ 142	$ (104)	$ (4,155)	$17,286	$ 338
Loans	$ 213	$ —	$ (158)	$ 1,217	$ 1,941	$ 3,213	$ (332)
Mortgage servicing rights	6,530	—	(1,146)	—	(830)	4,554	(1,146)
Other financial assets measured on a recurring basis	1,101	—	(87)	2,022	(527)	2,509	(87)
Liabilities							
Interest-bearing deposits	$ 28	$ —	$ 11	$ (41)	$ 301	$ 277	$ (71)
Federal funds purchased and securities loaned or sold under agreements to repurchase	929	(28)	—	174	130	1,261	(104)
Trading account liabilities							
Securities sold, not yet purchased	774	(39)	—	(47)	(579)	187	(153)
Short-term borrowings	231	(6)	—	614	(49)	802	(78)
Long-term debt	9,654	125	201	389	(1,332)	8,385	(225)
Other financial liabilities measured on a recurring basis	13	—	(52)	—	(46)	19	(20)

(1) Changes in fair value for available-for-sale investments (debt securities) are recorded in *Accumulated other comprehensive income (loss)*, while gains and losses from sales are recorded in *Realized gains (losses) from sales of investments* on the Consolidated Statement of Income

(2) Unrealized gains (losses) on MSRs are recorded in *Other revenue* on the Consolidated Statement of Income

(3) Represents the amount of total gains or losses for the period, included in earnings (and *Accumulated other comprehensive income (loss)* for changes in fair value for available-for-sale investments), attributable to the change in fair value relating to assets and liabilities classified as Level 3 that are still held at December 31, 2011 and 2010

(4) Total Level 3 derivative assets and liabilities have been netted in these tables for presentation purposes only

(5) Reflects the reclassification of $1,127 million of structured reverse repos from *Federal funds purchased and securities loaned or sold under agreements to repurchase* to *Federal funds sold and securities borrowed or purchased under agreements to resell*. These structured reverse repos assets were incorrectly classified in 2009, but were correctly classified on Citi's Consolidated Balance Sheet for all periods

The significant changes from December 31, 2010 to December 31, 2011 in Level 3 assets and liabilities were due to

- A net decrease in trading securities of $3.9 billion that included:
  - The reclassification of $4.3 billion of securities from *Investments* held-to-maturity to *Trading account assets*. These reclassifications have been included in purchases in the Level 3 roll-forward table above. The Level 3 assets reclassified, and subsequently sold, included $2.8 billion of trading mortgage-backed securities (of which $1.5 billion were Alt-A, $1.0 billion were prime, $0.2 billion were subprime and $0.1 billion were commercial), $0.9 billion of state and municipal debt securities, $0.3 billion of corporate debt securities and $0.2 billion of asset-backed securities
  - Purchases of corporate debt trading securities of $3.0 billion and sales of $3.6 billion, reflecting strong trading activity

- Purchases of asset-backed securities of $5.0 billion and sales of $5 9 billion, reflecting trading in CLO and CDO positions.
- Transfers of $2 3 billion from Level 2 to Level 3, consisting mainly of transfers of corporate debt securities of $1 5 billion due primarily to less price transparency for these securities.
- Settlements of $5.0 billion, which included $1.2 billion related to the scheduled termination of a structured transaction, with a corresponding decrease in *Long-term debt*, and $1 billion of redemptions of auction rate securities.

- A net increase in interest rate contracts of $1.5 billion, including transfers of $1 5 billion from Level 2 to Level 3.
- A net decrease in credit derivatives of $0 6 billion. The net decrease was comprised of gains of $0.5 billion recorded in *Principal transactions*, relating mainly to total return swaps referencing returns on corporate loans, offset by losses on the referenced loans which are classified as Level 2. Settlements of $1 3 billion related primarily to the settlement of certain contracts under which the Company had purchased credit protection on commercial mortgage-backed securities from a single counterparty.
- A net decrease in Level 3 *Investments* of $0 5 billion. There was a net increase in non-marketable equity securities of $1.4 billion. Purchases of non-marketable equity securities of $4.9 billion included Citi's acquisition of the share capital of Maltby Acquisitions Limited, the holding company that controls EMI Group Ltd. Purchases also included subscriptions in Citi-advised private equity and hedge funds Sales of $1 8 billion and settlements of $1 7 billion related primarily to sales and redemptions by the Company of investments in private equity and hedge funds.
- A net increase in *Loans* of $1.5 billion, including transfers from Level 2 to Level 3 of $0 4 billion, due to a lack of observable prices Issuances of $2 0 billion included new margin loans advanced by the Company.
- A net decrease in *Mortgage servicing rights* of $2 0 billion, due to a reduction in interest rates
- A net decrease in Level 3 *Long-term debt* of $2 4 billion, which included settlements of $2.1 billion, $1 2 billion of which related to the scheduled termination of a structured transaction, with a corresponding decrease in corporate debt trading securities

The significant changes from December 31, 2009 to December 31, 2010 in Level 3 assets and liabilities are due to

- An increase in *Federal funds sold and securities borrowed or purchased under agreements to resell* of $3 8 billion, driven primarily by transfers of certain collateralized long-dated callable reverse repos (structured reverse repos) of $3 0 billion from Level 2 to Level 3. The Company has noted that there is more transparency and observability for repo curves (used in the determination of the fair value of structured reverse repos) with a tenor of five years or less, thus, structured reverse repos that are expected to mature beyond the five-year point are generally classified as Level 3. The primary factor driving the change in expected maturities in structured reverse repo transactions is the embedded call option feature that enables the investor (the Company) to elect to terminate the trade early. During 2010, the decrease in interest rates caused the estimated maturity dates of certain structured reverse repos to lengthen to more than five years, resulting in the transfer from Level 2 to Level 3.
- A net decrease in trading securities of $20.8 billion that was driven by:
  - A net decrease of $10 2 billion in trading mortgage-backed securities, driven mainly by liquidations of subprime securities of $7.5 billion and commercial mortgage-backed securities of $1 8 billion;
  - A net increase of $3.8 billion in asset-backed securities, including transfers to Level 3 of $5.0 billion. Substantially all of these Level 3 transfers related to the reclassification of certain securities to trading securities under the fair value option upon adoption of ASU 2010-11 on July 1, 2010, as described in Note 1 to the Consolidated Financial Statements (for purposes of the Level 3 roll-forward table above, Level 3 investments that were reclassified to trading upon adoption of ASU 2010-11 have been classified as transfers to Level 3 trading securities); and
  - A decrease of $11.9 billion in Other debt securities, due primarily to the impact of the consolidation of the credit card securitization trusts by the Company upon adoption of SFAS 166/167 on January 1, 2010. Upon consolidation of the trusts, the Company recorded the underlying credit card receivables on its Consolidated Balance Sheet as *Loans* accounted for at amortized cost. At January 1, 2010, the Company's investments in the trusts and other inter-company balances were eliminated At January 1, 2010, the Company's investment in these newly consolidated VIEs, which is eliminated for accounting purposes, included certificates issued by these trusts of $11 1 billion that were classified as Level 3 at December 31, 2009. The impact of the elimination of these certificates has been reflected as net settlements in the Level 3 roll-forward table above.
- A net decrease in *Derivatives* of $4 0 billion, including net trading losses of $1.5 billion, net settlements of $1 9 billion and net transfers out of Level 3 to Level 2 of $0 6 billion
- A net decrease in Level 3 *Investments* of $4 1 billion, including net sales of asset-backed securities of $2 6 billion and sales of non-marketable equity securities of $1.1 billion
- A net increase in *Loans* of $3 billion, due largely to the Company's consolidation of certain VIEs upon the adoption of SFAS 167 on January 1, 2010, for which the fair value option was elected. The impact from consolidation of these VIEs on Level 3 loans has been reflected as purchases in the Level 3 roll-forward above.
- A decrease in *Mortgage servicing rights* of $2 billion due primarily to losses of $1.1 billion, resulting from a reduction in interest rates.
- A decrease in *Long-term debt* of $1 3 billion, driven mainly by $1.3 billion of net terminations of structured notes.

Transfers between Level 1 and Level 2 of the Fair Value Hierarchy

The Company did not have any significant transfers of assets or liabilities between Levels 1 and 2 of the fair value hierarchy during the twelve months ended December 31, 2011 and December 31, 2010.

Items Measured at Fair Value on a Nonrecurring Basis

Certain assets and liabilities are measured at fair value on a nonrecurring basis and therefore are not included in the tables above. These include assets measured at cost that have been written down to fair value during the periods as a result of an impairment. In addition, these assets include loans held-for-sale and other real estate owned that are measured at the lower of cost or market (LOCOM).

The following table presents the carrying amounts of all assets that were still held as of December 31, 2011 and December 31, 2010, and for which a nonrecurring fair value measurement was recorded during the twelve months then ended:

In millions of dollars	Fair value	Level 2	Level 3
December 31, 2011			
Loans held-for-sale	**$2,644**	**$1,668**	**$ 976**
Other real estate owned	**271**	**88**	**183**
Loans[1]	**3,911**	**3,185**	**726**
Total assets at fair value on a nonrecurring basis	**$6,826**	**$4,941**	**$1,885**

(1) Represents loans held for investment whose carrying amount is based on the fair value of the underlying collateral, including primarily real-estate secured loans

In millions of dollars	Fair value	Level 2	Level 3
December 31, 2010[1]	$3,083	$859	$2,224

(1) Excludes loans held for investment whose carrying amount is based on the fair value of underlying collateral

The fair value of loans-held-for-sale is determined where possible using quoted secondary-market prices. If no such quoted price exists, the fair value of a loan is determined using quoted prices for a similar asset or assets, adjusted for the specific attributes of that loan. Fair value for the other real estate owned is based on appraisals. For loans whose carrying amount is based on the fair value of the underlying collateral, the fair values depend on the type of collateral. Fair value of the collateral is typically estimated based on quoted market prices if available, appraisals or other internal valuation techniques.

Nonrecurring Fair Value Changes

The following table presents total nonrecurring fair value measurements for the period, included in earnings, attributable to the change in fair value relating to assets that are still held at December 31, 2011 and 2010.

In millions of dollars	December 31, 2011
Loans held-for-sale	**$ (201)**
Other real estate owned	**(71)**
Loans[1]	**(973)**
Total nonrecurring fair value gains/losses	**$(1,245)**

(1) Represents loans held for investment whose carrying amount is based on the fair value of the underlying collateral, including primarily real-estate loans

In millions of dollars	December 31, 2010
Total nonrecurring fair value gains/losses[1]	$(51)

(1) Excludes loans held for investment whose carrying amount is based on the fair value of underlying collateral

26. FAIR VALUE ELECTIONS

The Company may elect to report most financial instruments and certain other items at fair value on an instrument-by-instrument basis with changes in fair value reported in earnings The election is made upon the acquisition of an eligible financial asset, financial liability or firm commitment or when certain specified reconsideration events occur The fair value election may not be revoked once an election is made. The changes in fair value are recorded in current earnings Additional discussion regarding the applicable areas in which fair value elections were made is presented in Note 25 to the Consolidated Financial Statements.

All servicing rights must now be recognized initially at fair value. The Company has elected fair value accounting for its mortgage servicing rights. See Notes 1 and 22 to the Consolidated Financial Statements for further discussions regarding the accounting and reporting of MSRs.

The following table presents, as of December 31, 2011 and 2010, the fair value of those positions selected for fair value accounting, as well as the changes in fair value gains and losses for the years ended December 31, 2011 and 2010

	Fair value at		Changes in fair value gains (losses) for the years ended December 31,	
In millions of dollars	**December 31, 2011**	December 31, 2010	**2011**	2010
Assets				
Federal funds sold and securities borrowed or purchased under agreements to resell				
Selected portfolios of securities purchased under agreements to resell and securities borrowed[1]	**$142,862**	$ 87,512	**$ (138)**	$ 56
Trading account assets	**14,179**	14,289	**(1,775)**	611
Investments	**526**	646	**233**	98
Loans				
Certain Corporate loans[2]	**3,939**	2,627	**82**	(214)
Certain Consumer loans[2]	**1,326**	1,745	**(281)**	193
Total loans	**$ 5,265**	$ 4,372	**$ (199)**	$ (21)
Other assets				
MSRs	**$ 2,569**	$ 4,554	**$(1,465)**	$(1,146)
Certain mortgage loans (HFS)	**6,213**	7,230	**172**	9
Certain equity method investments	**47**	229	**(17)**	(37)
Total other assets	**$ 8,829**	$ 12,013	**$(1,310)**	$(1,174)
Total assets	**$171,661**	$118,832	**$(3,189)**	$ (430)
Liabilities				
Interest-bearing deposits	**$ 1,326**	$ 1,265	**$ 121**	$ 8
Federal funds purchased and securities loaned or sold under agreements to repurchase				
Selected portfolios of securities sold under agreements to repurchase and securities loaned[1]	**112,770**	121,193	**(108)**	149
Trading account liabilities	**1,763**	3,953	**872**	(481)
Short-term borrowings	**1,354**	2,429	**370**	(13)
Long-term debt	**24,172**	25,997	**2,559**	(215)
Total	**$141,385**	$154,837	**$ 3,814**	$ (552)

(1) Reflects netting of the amounts due from securities purchased under agreements to resell and the amounts owed under securities sold under agreements to repurchase
(2) Includes mortgage loans held by mortgage loan securitization VIEs consolidated upon the adoption of SFAS 167 on January 1, 2010

Own Debt Valuation Adjustment

Own debt valuation adjustments are recognized on Citi's debt liabilities for which the fair value option has been elected using Citi's credit spreads observed in the bond market. The fair value of debt liabilities for which the fair value option is elected (other than non-recourse and similar liabilities) is impacted by the narrowing or widening of the Company's credit spreads. The estimated change in the fair value of these debt liabilities due to such changes in the Company's own credit risk (or instrument-specific credit risk) was a gain of $1,774 million and a loss of $589 million for the years ended December 31, 2011 and 2010, respectively Changes in fair value resulting from changes in instrument-specific credit risk were estimated by incorporating the Company's current credit spreads observable in the bond market into the relevant valuation technique used to value each liability as described above.

The Fair Value Option for Financial Assets and Financial Liabilities

Selected portfolios of securities purchased under agreements to resell, securities borrowed, securities sold under agreements to repurchase, securities loaned and certain non-collateralized short-term borrowings

The Company elected the fair value option for certain portfolios of fixed-income securities purchased under agreements to resell and fixed-income securities sold under agreements to repurchase, securities borrowed, securities loaned (and certain non-collateralized short-term borrowings) on broker-dealer entities in the United States, United Kingdom and Japan In each case, the election was made because the related interest-rate risk is managed on a portfolio basis, primarily with derivative instruments that are accounted for at fair value through earnings

Changes in fair value for transactions in these portfolios are recorded in *Principal transactions*. The related interest revenue and interest expense are measured based on the contractual rates specified in the transactions and are reported as interest revenue and expense in the Consolidated Statement of Income

Selected letters of credit and revolving loans hedged by credit default swaps or participation notes

The Company has elected the fair value option for certain letters of credit that are hedged with derivative instruments or participation notes. Citigroup elected the fair value option for these transactions because the risk is managed on a fair value basis and mitigates accounting mismatches.

The notional amount of these unfunded letters of credit was $0.6 billion as of December 31, 2011 and $1.1 billion as of December 31, 2010. The amount funded was insignificant with no amounts 90 days or more past due or on non-accrual status at December 31, 2011 and 2010

These items have been classified in *Trading account assets* or *Trading account liabilities* on the Consolidated Balance Sheet. Changes in fair value of these items are classified in *Principal transactions* in the Company's Consolidated Statement of Income.

Certain loans and other credit products

Citigroup has elected the fair value option for certain originated and purchased loans, including certain unfunded loan products, such as guarantees and letters of credit, executed by Citigroup's lending and trading businesses. None of these credit products is a highly leveraged financing commitment. Significant groups of transactions include loans and unfunded loan products that are expected to be either sold or securitized in the near term, or transactions where the economic risks are hedged with derivative instruments such as purchased credit default swaps or total return swaps where the Company pays the total return on the underlying loans to a third party. Citigroup has elected the fair value option to mitigate accounting mismatches in cases where hedge accounting is complex and to achieve operational simplifications. Fair value was not elected for most lending transactions across the Company, including where management objectives would not be met

The following table provides information about certain credit products carried at fair value at December 31, 2011 and 2010:

	December 31, 2011		December 31, 2010	
In millions of dollars	**Trading assets**	**Loans**	Trading assets	Loans
Carrying amount reported on the Consolidated Balance Sheet	**$14,150**	**$3,735**	$14,241	$1,748
Aggregate unpaid principal balance in excess of fair value	**540**	**(3)**	167	(88)
Balance of non-accrual loans or loans more than 90 days past due	**134**	**—**	221	—
Aggregate unpaid principal balance in excess of fair value for non-accrual loans or loans more than 90 days past due	**43**	**—**	57	—

In addition to the amounts reported above, $648 million and $621 million of unfunded loan commitments related to certain credit products selected for fair value accounting were outstanding as of December 31, 2011 and 2010, respectively.

Changes in fair value of funded and unfunded credit products are classified in *Principal transactions* in the Company's Consolidated Statement of Income. Related interest revenue is measured based on the contractual interest rates and reported as *Interest revenue* on *Trading account assets* or loan interest depending on the balance sheet classifications of the credit products. The changes in fair value for the years ended December 31, 2011 and 2010 due to instrument-specific credit risk totaled to a gain of $53 million and a loss of $6 million, respectively

Certain investments in private equity and real estate ventures and certain equity method investments

Citigroup invests in private equity and real estate ventures for the purpose of earning investment returns and for capital appreciation. The Company has elected the fair value option for certain of these ventures, because such investments are considered similar to many private equity or hedge fund activities in Citi's investment companies, which are reported at fair value The fair value option brings consistency in the accounting and evaluation of these investments All investments (debt and equity) in such private equity and real estate entities are accounted for at fair value These investments are classified as *Investments* on Citigroup's Consolidated Balance Sheet

Citigroup also holds various non-strategic investments in leveraged buyout funds and other hedge funds for which the Company elected fair value accounting to reduce operational and accounting complexity Since the funds account for all of their underlying assets at fair value, the impact of applying the equity method to Citigroup's investment in these funds was equivalent to fair value accounting These investments are classified as *Other assets* on Citigroup's Consolidated Balance Sheet

Changes in the fair values of these investments are classified in *Other revenue* in the Company's Consolidated Statement of Income

Certain mortgage loans (HFS)

Citigroup has elected the fair value option for certain purchased and originated prime fixed-rate and conforming adjustable-rate first mortgage loans HFS These loans are intended for sale or securitization and are hedged with derivative instruments. The Company has elected the fair value option to mitigate accounting mismatches in cases where hedge accounting is complex and to achieve operational simplifications.

The following table provides information about certain mortgage loans HFS carried at fair value at December 31, 2011 and, 2010.

In millions of dollars	**December 31, 2011**	December 31, 2010
Carrying amount reported on the Consolidated Balance Sheet	**$6,213**	$7,230
Aggregate fair value in excess of unpaid principal balance	**274**	81
Balance of non-accrual loans or loans more than 90 days past due	**—**	1
Aggregate unpaid principal balance in excess of fair value for non-accrual loans or loans more than 90 days past due	**—**	1

The changes in fair values of these mortgage loans are reported in *Other revenue* in the Company's Consolidated Statement of Income. The changes in fair value during the years ended December 31, 2011 and 2010 due to instrument-specific credit risk resulted in a loss of $0 1 million and $1 million, respectively. Related interest income continues to be measured based on the contractual interest rates and reported as such in the Consolidated Statement of Income.

Certain consolidated VIEs

The Company has elected the fair value option for all qualified assets and liabilities of certain VIEs that were consolidated upon the adoption of SFAS 167 on January 1, 2010, including certain private label mortgage securitizations, mutual fund deferred sales commissions and collateralized loan obligation VIEs The Company elected the fair value option for these VIEs as the Company believes this method better reflects the economic risks, since substantially all of the Company's retained interests in these entities are carried at fair value.

With respect to the consolidated mortgage VIEs, the Company determined the fair value for the mortgage loans and long-term debt utilizing internal valuation techniques. The fair value of the long-term debt measured using internal valuation techniques is verified, where possible, to prices obtained from independent vendors. Vendors compile prices from various sources and may apply matrix pricing for similar securities when no price is observable Security pricing associated with long-term debt that is valued using observable inputs is classified as Level 2 and debt that is valued using one or more significant unobservable inputs is classified as Level 3 The fair value of mortgage loans of each VIE is derived from the security pricing When substantially all of the long-term debt of a VIE is valued using Level 2 inputs, the corresponding mortgage loans are classified as Level 2 Otherwise, the mortgage loans of a VIE are classified as Level 3

With respect to the consolidated mortgage VIEs for which the fair value option was elected, the mortgage loans are classified as *Loans* on Citigroup's Consolidated Balance Sheet. The changes in fair value of the loans are reported as *Other revenue* in the Company's Consolidated Statement of Income. Related interest revenue is measured based on the contractual interest rates and reported as *Interest revenue* in the Company's Consolidated Statement of Income. Information about these mortgage loans is included in the table below. The change in fair value of these loans due to instrument-specific credit risk was a loss of $275 million a gain of $190 million for the years ended December 31, 2011 and 2010, respectively.

The debt issued by these consolidated VIEs is classified as long-term debt on Citigroup's Consolidated Balance Sheet The changes in fair value for the majority of these liabilities are reported in *Other revenue* in the Company's Consolidated Statement of Income. Related interest expense is measured based on the contractual interest rates and reported as such in the Consolidated Statement of Income The aggregate unpaid principal balance of long-term debt of these consolidated VIEs exceeded the aggregate fair value by $984 million and $857 million as of December 31, 2011 and 2010, respectively.

The following table provides information about Corporate and Consumer loans of consolidated VIEs carried at fair value at December 31, 2011 and December 31, 2010:

	December 31, 2011		December 31, 2010	
In millions of dollars	**Corporate loans**	**Consumer loans**	Corporate loans	Consumer loans
Carrying amount reported on the Consolidated Balance Sheet	**$198**	**$1,292**	$425	$1,718
Aggregate unpaid principal balance in excess of fair value	**394**	**436**	357	527
Balance of non-accrual loans or loans more than 90 days past due	**23**	**86**	45	133
Aggregate unpaid principal balance in excess of fair value for non-accrual loans or loans more than 90 days past due	**42**	**120**	43	139

Certain structured liabilities

The Company has elected the fair value option for certain structured liabilities whose performance is linked to structured interest rates, inflation, currency, equity, referenced credit or commodity risks (structured liabilities). The Company elected the fair value option, because these exposures are considered to be trading-related positions and, therefore, are managed on a fair value basis. These positions will continue to be classified as debt, deposits or derivatives (*Trading account liabilities*) on the Company's Consolidated Balance Sheet according to their legal form.

The change in fair value for these structured liabilities is reported in *Principal transactions* in the Company's Consolidated Statement of Income. Changes in fair value for structured debt with embedded equity, referenced credit or commodity underlyings includes an economic component for accrued interest. For structured debt that contains embedded interest rate, inflation or currency risks, related interest expense is measured based on the contracted interest rates and reported as such in the Consolidated Statement of Income.

Certain non-structured liabilities

The Company has elected the fair value option for certain non-structured liabilities with fixed and floating interest rates (non-structured liabilities). The Company has elected the fair value option where the interest-rate risk of such liabilities is economically hedged with derivative contracts or the proceeds are used to purchase financial assets that will also be accounted for at fair value through earnings. The election has been made to mitigate accounting mismatches and to achieve operational simplifications. These positions are reported in *Short-term borrowings* and *Long-term debt* on the Company's Consolidated Balance Sheet. The change in fair value for these non-structured liabilities is reported in *Principal transactions* in the Company's Consolidated Statement of Income.

Related interest expense continues to be measured based on the contractual interest rates and reported as such in the Consolidated Statement of Income.

The following table provides information about long-term debt carried at fair value, excluding the debt issued by the consolidated VIEs, at December 31, 2011 and 2010:

In millions of dollars	**December 31, 2011**	December 31, 2010
Carrying amount reported on the Consolidated Balance Sheet	**$22,614**	$22,055
Aggregate unpaid principal balance in excess of fair value	**1,680**	477

The following table provides information about short-term borrowings carried at fair value at December 31, 2011 and 2010:

In millions of dollars	**December 31, 2011**	December 31, 2010
Carrying amount reported on the Consolidated Balance Sheet	**$1,354**	$2,429
Aggregate unpaid principal balance in excess of fair value	**49**	81

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

Estimated Fair Value of Financial Instruments

The table below presents the carrying value and fair value of Citigroup's financial instruments. The disclosure excludes leases, affiliate investments, pension and benefit obligations and insurance policy claim reserves. In addition, contract-holder fund amounts exclude certain insurance contracts. Also as required, the disclosure excludes the effect of taxes, any premium or discount that could result from offering for sale at one time the entire holdings of a particular instrument, excess fair value associated with deposits with no fixed maturity and other expenses that would be incurred in a market transaction. In addition, the table excludes the values of non-financial assets and liabilities, as well as a wide range of franchise, relationship and intangible values (but includes mortgage servicing rights), which are integral to a full assessment of Citigroup's financial position and the value of its net assets

The fair value represents management's best estimates based on a range of methodologies and assumptions. The carrying value of short-term financial instruments not accounted for at fair value, as well as receivables and payables arising in the ordinary course of business, approximates fair value because of the relatively short period of time between their origination and expected realization. Quoted market prices are used when available for investments and for both trading and end-user derivatives, as well as for liabilities, such as long-term debt, with quoted prices. For loans not accounted for at fair value, cash flows are discounted at quoted secondary market rates or estimated market rates if available. Otherwise, sales of comparable loan portfolios or current market origination rates for loans with similar terms and risk characteristics are used. Expected credit losses are either embedded in the estimated future cash flows or incorporated as an adjustment to the discount rate used. The value of collateral is also considered. For liabilities such as long-term debt not accounted for at fair value and without quoted market prices, market borrowing rates of interest are used to discount contractual cash flows

	December 31, 2011		December 31, 2010	
In billions of dollars	**Carrying value**	**Estimated fair value**	Carrying value	Estimated fair value
Assets				
Investments	**$293.4**	**$292.4**	$318.2	$319.0
Federal funds sold and securities borrowed or purchased under agreements to resell	**275.8**	**275.8**	246.7	246.7
Trading account assets	**291.7**	**291.7**	317.3	317.3
Loans[1]	**614.6**	**603.9**	605 5	584 3
Other financial assets[2]	**257.5**	**257.2**	280 5	280.2

	December 31, 2011		December 31, 2010	
In billions of dollars	**Carrying value**	**Estimated fair value**	Carrying value	Estimated fair value
Liabilities				
Deposits	**$865.9**	**$865.8**	$845 0	$843 2
Federal funds purchased and securities loaned or sold under agreements to repurchase	**198.4**	**198.4**	189 6	189.6
Trading account liabilities	**126.1**	**126.1**	129.1	129 1
Long-term debt	**323.5**	**313.8**	381.2	384.5
Other financial liabilities[3]	**146.2**	**146.2**	171.2	171.2

(1) The carrying value of loans is net of the *Allowance for loan losses* of $30 1 billion for December 31, 2011 and $40 7 billion for December 31, 2010 In addition, the carrying values exclude $2 5 billion and $2 6 billion of lease finance receivables at December 31, 2011 and December 31, 2010, respectively.

(2) Includes cash and due from banks, deposits with banks, brokerage receivables, reinsurance recoverable, mortgage servicing rights, separate and variable accounts and other financial instruments included in *Other assets* on the Consolidated Balance Sheet, for all of which the carrying value is a reasonable estimate of fair value

(3) Includes brokerage payables, separate and variable accounts, short-term borrowings and other financial instruments included in *Other liabilities* on the Consolidated Balance Sheet, for all of which the carrying value is a reasonable estimate of fair value

Fair values vary from period to period based on changes in a wide range of factors, including interest rates, credit quality, and market perceptions of value and as existing assets and liabilities run off and new transactions are entered into

The estimated fair values of loans reflect changes in credit status since the loans were made, changes in interest rates in the case of fixed-rate loans, and premium values at origination of certain loans. The carrying values (reduced by the *Allowance for loan losses*) exceeded the estimated fair values of Citigroup's loans, in aggregate, by $10.7 billion and by $21 2 billion at December 31, 2011 and December 31, 2010, respectively At December 31, 2011, the carrying values, net of allowances, exceeded the estimated fair values by $8 4 billion and $2 3 billion for Consumer loans and Corporate loans, respectively

The estimated fair values of the Company's corporate unfunded lending commitments at December 31, 2011 and December 31, 2010 were liabilities of $4.7 billion and $5 6 billion, respectively The Company does not estimate the fair values of consumer unfunded lending commitments, which are generally cancelable by providing notice to the borrower

28. PLEDGED ASSETS, COLLATERAL, COMMITMENTS AND GUARANTEES

Pledged Assets

In connection with the Company's financing and trading activities, the Company has pledged assets to collateralize its obligations under repurchase agreements, securities financing agreements, secured liabilities of consolidated VIEs and other borrowings. At December 31, 2011 and 2010, the approximate carrying values of the significant components of pledged assets recognized on the Company's balance sheet include:

In millions of dollars	**2011**	2010
Investment securities	**$129,093**	$154,692
Loans	**235,031**	269,607
Trading account assets	**114,539**	140,695
Total	**$478,663**	$564,994

In addition, included in cash and due from banks at December 31, 2011 and 2010 are $13.6 billion and $15.6 billion, respectively, of cash segregated under federal and other brokerage regulations or deposited with clearing organizations.

At December 31, 2011 and 2010, the Company had $1.4 billion and $1.1 billion, respectively, of outstanding letters of credit from third-party banks to satisfy various collateral and margin requirements.

Collateral

At December 31, 2011 and 2010, the approximate fair value of collateral received by the Company that may be resold or repledged by the Company, excluding the impact of allowable netting, was $350.0 billion and $335.3 billion, respectively. This collateral was received in connection with resale agreements, securities borrowings and loans, derivative transactions and margined broker loans.

At December 31, 2011 and 2010, a substantial portion of the collateral received by the Company had been sold or repledged in connection with repurchase agreements, securities sold, not yet purchased, securities borrowings and loans, pledges to clearing organizations, segregation requirements under securities laws and regulations, derivative transactions and bank loans.

In addition, at December 31, 2011 and 2010, the Company had pledged $187 billion and $271 billion, respectively, of collateral that may not be sold or repledged by the secured parties.

Lease Commitments

Rental expense (principally for offices and computer equipment) was $1.6 billion, $1.6 billion and $2.0 billion for the years ended December 31, 2011, 2010 and 2009, respectively.

Future minimum annual rentals under noncancelable leases, net of sublease income, are as follows:

In millions of dollars	
2012	**$1,199**
2013	**1,096**
2014	**1,008**
2015	**906**
2016	**793**
Thereafter	**2,292**
Total	**$7,294**

Guarantees

The Company provides a variety of guarantees and indemnifications to Citigroup customers to enhance their credit standing and enable them to complete a wide variety of business transactions. For certain contracts meeting the definition of a guarantee, the guarantor must recognize, at inception, a liability for the fair value of obligation undertaken in issuing the guarantee.

In addition, the guarantor must disclose the maximum potential amount of future payments the guarantor could be required to make under the guarantee, if there were a total default by the guaranteed parties. The determination of the maximum potential future payments is based on the notional amount of the guarantees without consideration of possible recoveries under recourse provisions or from collateral held or pledged. Such amounts bear no relationship to the anticipated losses, if any, on these guarantees. The following tables present information about the Company's guarantees at December 31, 2011 and December 31, 2010:

	Maximum potential amount of future payments			
In billions of dollars at December 31, except carrying value in millions	**Expire within 1 year**	**Expire after 1 year**	**Total amount outstanding**	**Carrying value *(in millions)***
2011				
Financial standby letters of credit	**$ 25.2**	**$ 79.5**	**$104.7**	**$ 417.5**
Performance guarantees	**7.8**	**4.5**	**12.3**	**43.9**
Derivative instruments considered to be guarantees	**11.1**	**10.2**	**21.3**	**2,569.7**
Loans sold with recourse	**—**	**0.4**	**0.4**	**89.6**
Securities lending indemnifications [a]	**90.9**	**—**	**90.9**	**—**
Credit card merchant processing [a]	**70.2**	**—**	**70.2**	**—**
Custody indemnifications and other	**—**	**40.0**	**40.0**	**30.7**
Total	**$205.2**	**$134.6**	**$339.8**	**$3,151.4**

[a] The carrying values of securities lending indemnifications and credit card merchant processing are not material, as the Company has determined that the amount and probability of potential liabilities arising from these guarantees are not significant.

In billions of dollars at December 31, except carrying value in millions	Maximum potential amount of future payments: Expire within 1 year	Expire after 1 year	Total amount outstanding	Carrying value (in millions)
2010				
Financial standby letters of credit	$ 26.4	$ 68.4	$ 94.8	$ 225.9
Performance guarantees	9.1	4.6	13.7	35.8
Derivative instruments considered to be guarantees	7.5	7.5	15.0	1,445.2
Loans sold with recourse	—	0.4	0.4	117 3
Securities lending indemnifications [1]	70.4	—	70.4	—
Credit card merchant processing [1]	65 0	—	65.0	—
Custody indemnifications and other	—	40.2	40 2	253.8
Total	$178.4	$121.1	$299 5	$2,078.0

(1) The carrying values of securities lending indemnifications and credit card merchant processing are not material, as the Company has determined that the amount and probability of potential liabilities arising from these guarantees are not significant

Financial standby letters of credit

Citigroup issues standby letters of credit which substitute its own credit for that of the borrower. If a letter of credit is drawn down, the borrower is obligated to repay Citigroup. Standby letters of credit protect a third party from defaults on contractual obligations. Financial standby letters of credit include guarantees of payment of insurance premiums and reinsurance risks that support industrial revenue bond underwriting and settlement of payment obligations to clearing houses, and also support options and purchases of securities or are in lieu of escrow deposit accounts. Financial standbys also backstop loans, credit facilities, promissory notes and trade acceptances.

Performance guarantees

Performance guarantees and letters of credit are issued to guarantee a customer's tender bid on a construction or systems-installation project or to guarantee completion of such projects in accordance with contract terms. They are also issued to support a customer's obligation to supply specified products, commodities, or maintenance or warranty services to a third party.

Derivative instruments considered to be guarantees

Derivatives are financial instruments whose cash flows are based on a notional amount and an underlying, where there is little or no initial investment, and whose terms require or permit net settlement Derivatives may be used for a variety of reasons, including risk management, or to enhance returns Financial institutions often act as intermediaries for their clients, helping clients reduce their risks However, derivatives may also be used to take a risk position

The derivative instruments considered to be guarantees, which are presented in the tables above, include only those instruments that require Citi to make payments to the counterparty based on changes in an underlying instrument that is related to an asset, a liability, or an equity security held by the guaranteed party. More specifically, derivative instruments considered to be guarantees include certain over-the-counter written put options where the counterparty is not a bank, hedge fund or broker-dealer (such counterparties are considered to be dealers in these markets and may, therefore, not hold the underlying instruments). However, credit derivatives sold by the Company are excluded from this presentation, as they are disclosed separately in Note 23 to the Consolidated Financial Statements In addition, non-credit derivative contracts that are cash settled and for which the Company is unable to assert that it is probable the counterparty held the underlying instrument at the inception of the contract also are excluded from the disclosure above.

In instances where the Company's maximum potential future payment is unlimited, the notional amount of the contract is disclosed.

Loans sold with recourse

Loans sold with recourse represent the Company's obligations to reimburse the buyers for loan losses under certain circumstances Recourse refers to the clause in a sales agreement under which a lender will fully reimburse the buyer/investor for any losses resulting from the purchased loans. This may be accomplished by the seller's taking back any loans that become delinquent.

In addition to the amounts shown in the table above, the repurchase reserve for Consumer mortgages representations and warranties was $1,188 million and $969 million at December 31, 2011 and December 31, 2010, respectively, and these amounts are included in *Other liabilities* on the Consolidated Balance Sheet.

The repurchase reserve estimation process is subject to numerous estimates and judgments. The assumptions used to calculate the repurchase reserve contain a level of uncertainty and risk that, if different from actual results, could have a material impact on the reserve amounts. The key assumptions are:

- loan documentation requests,
- repurchase claims as a percentage of loan documentation requests,
- claims appeal success rate, and
- estimated loss per repurchase or make-whole.

Citi estimates that if there were a simultaneous 10% adverse change in each of the significant assumptions, the repurchase reserve would increase by approximately $620 million as of December 31, 2011 This potential change is hypothetical and intended to indicate the sensitivity of the repurchase reserve to changes in the key assumptions. Actual changes in the key assumptions may not occur at the same time or to the same degree (i e , an adverse change in one assumption may be offset by an improvement in another). Citi does not believe it has sufficient information to estimate a range of reasonably possible loss (as defined under ASC 450) relating to its Consumer representations and warranties

Securities lending indemnifications

Owners of securities frequently lend those securities for a fee to other parties who may sell them short or deliver them to another party to satisfy some other obligation. Banks may administer such securities lending programs for their clients. Securities lending indemnifications are issued by the bank to guarantee that a securities lending customer will be made whole in the event that the security borrower does not return the security subject to the lending agreement and collateral held is insufficient to cover the market value of the security.

Credit card merchant processing

Credit card merchant processing guarantees represent the Company's indirect obligations in connection with the processing of private label and bank card transactions on behalf of merchants

Citigroup's primary credit card business is the issuance of credit cards to individuals. In addition, the Company: (a) provides transaction processing services to various merchants with respect to its private-label cards and (b) has potential liability for bank card transaction processing services. The nature of the liability in either case arises as a result of a billing dispute between a merchant and a cardholder that is ultimately resolved in the cardholder's favor. The merchant is liable to refund the amount to the cardholder. In general, if the credit card processing company is unable to collect this amount from the merchant, the credit card processing company bears the loss for the amount of the credit or refund paid to the cardholder

With regard to (a) above, the Company continues to have the primary contingent liability with respect to its portfolio of private-label merchants. The risk of loss is mitigated as the cash flows between the Company and the merchant are settled on a net basis and the Company has the right to offset any payments with cash flows otherwise due to the merchant. To further mitigate this risk the Company may delay settlement, require a merchant to make an escrow deposit, include event triggers to provide the Company with more financial and operational control in the event of the financial deterioration of the merchant, or require various credit enhancements (including letters of credit and bank guarantees). In the unlikely event that a private-label merchant is unable to deliver products, services or a refund to its private-label cardholders, the Company is contingently liable to credit or refund cardholders

With regard to (b) above, the Company has a potential liability for bank card transactions where Citi provides the transaction processing services as well as those where a third party provides the services and Citi acts as a secondary guarantor, should that processor fail to perform

The Company's maximum potential contingent liability related to both bank card and private-label merchant processing services is estimated to be the total volume of credit card transactions that meet the requirements to be valid charge back transactions at any given time At December 31, 2011 and December 31, 2010, this maximum potential exposure was estimated to be $70 billion and $65 billion, respectively.

However, the Company believes that the maximum exposure is not representative of the actual potential loss exposure based on the Company's historical experience. This contingent liability is unlikely to arise, as most products and services are delivered when purchased and amounts are refunded when items are returned to merchants The Company assesses the probability and amount of its contingent liability related to merchant processing based on the financial strength of the primary guarantor, the extent and nature of unresolved charge-backs and its historical loss experience At December 31, 2011 and December 31, 2010, the estimated losses incurred and the carrying amounts of the Company's contingent obligations related to merchant processing activities were immaterial.

Custody indemnifications

Custody indemnifications are issued to guarantee that custody clients will be made whole in the event that a third-party subcustodian or depository institution fails to safeguard clients' assets.

Other guarantees and indemnifications

Credit Card Protection Programs

The Company, through its credit card business, provides various cardholder protection programs on several of its card products, including programs that provide insurance coverage for rental cars, coverage for certain losses associated with purchased products, price protection for certain purchases and protection for lost luggage. These guarantees are not included in the table, since the total outstanding amount of the guarantees and the Company's maximum exposure to loss cannot be quantified The protection is limited to certain types of purchases and certain types of losses and it is not possible to quantify the purchases that would qualify for these benefits at any given time The Company assesses the probability and amount of its potential liability related to these programs based on the extent and nature of its historical loss experience At December 31, 2011 and 2010, the actual and estimated losses incurred and the carrying value of the Company's obligations related to these programs were immaterial.

Other Representation and Warranty Indemnifications

In the normal course of business, the Company provides standard representations and warranties to counterparties in contracts in connection with numerous transactions and also provides indemnifications, including indemnifications that protect the counterparties to the contracts in the event that additional taxes are owed due either to a change in the tax law or an adverse interpretation of the tax law Counterparties to these transactions provide the Company with comparable indemnifications. While such representations, warranties and indemnifications are essential components of many contractual relationships, they do not represent the underlying business purpose for the transactions. The indemnification clauses are often standard contractual terms related to the Company's own performance under the terms of a contract and are entered into in the

normal course of business based on an assessment that the risk of loss is remote Often these clauses are intended to ensure that terms of a contract are met at inception. No compensation is received for these standard representations and warranties, and it is not possible to determine their fair value because they rarely, if ever, result in a payment. In many cases, there are no stated or notional amounts included in the indemnification clauses and the contingencies potentially triggering the obligation to indemnify have not occurred and are not expected to occur. These indemnifications are not included in the tables above.

Value-Transfer Networks

The Company is a member of, or shareholder in, hundreds of value-transfer networks (VTNs) (payment, clearing and settlement systems as well as exchanges) around the world As a condition of membership, many of these VTNs require that members stand ready to pay a pro rata share of the losses incurred by the organization due to another member's default on its obligations The Company's potential obligations may be limited to its membership interests in the VTNs, contributions to the VTN's funds, or, in limited cases, the obligation may be unlimited. The maximum exposure cannot be estimated as this would require an assessment of future claims that have not yet occurred. We believe the risk of loss is remote given historical experience with the VTNs Accordingly, the Company's participation in VTNs is not reported in the Company's guarantees tables above and there are no amounts reflected on the Consolidated Balance Sheet as of December 31, 2011 or December 31, 2010 for potential obligations that could arise from the Company's involvement with VTN associations.

Long-Term Care Insurance Indemnification

In the sale of an insurance subsidiary, the Company provided an indemnification to an insurance company for policyholder claims and other liabilities relating to a book of long-term care (LTC) business (for the entire term of the LTC policies) that is fully reinsured by another insurance company The reinsurer has funded two trusts with securities whose fair value (approximately $4 4 billion at December 31, 2011 and $3 6 billion at December 31, 2010) is designed to cover the insurance company's statutory liabilities for the LTC policies. The assets in these trusts are evaluated and adjusted periodically to ensure that the fair value of the assets continues to cover the estimated statutory liabilities related to the LTC policies, as those statutory liabilities change over time. If the reinsurer fails to perform under the reinsurance agreement for any reason, including insolvency, and the assets in the two trusts are insufficient or unavailable to the ceding insurance company, then Citigroup must indemnify the ceding insurance company for any losses actually incurred in connection with the LTC policies. Since both events would have to occur before Citi would become responsible for any payment to the ceding insurance company pursuant to its indemnification obligation and the likelihood of such events occurring is currently not probable, there is no liability reflected in the Consolidated Balance Sheet as of December 31, 2011 related to this indemnification However, Citi continues to closely monitor its potential exposure under this indemnification obligation

Carrying Value—Guarantees and Indemnifications

At December 31, 2011 and December 31, 2010, the total carrying amounts of the liabilities related to the guarantees and indemnifications included in the tables above amounted to approximately $3.2 billion and $2.1 billion, respectively The carrying value of derivative instruments is included in either *Trading liabilities* or *Other liabilities*, depending upon whether the derivative was entered into for trading or non-trading purposes. The carrying value of financial and performance guarantees is included in *Other liabilities*. For loans sold with recourse, the carrying value of the liability is included in *Other liabilities*. In addition, at December 31, 2011 and December 31, 2010, *Other liabilities* on the Consolidated Balance Sheet include an allowance for credit losses of $1,136 million and $1,066 million, respectively, relating to letters of credit and unfunded lending commitments.

Collateral

Cash collateral available to the Company to reimburse losses realized under these guarantees and indemnifications amounted to $35 billion at December 31, 2011 and December 31, 2010 Securities and other marketable assets held as collateral amounted to $65 billion and $41 billion at December 31, 2011 and December 31, 2010, respectively, the majority of which collateral is held to reimburse losses realized under securities lending indemnifications Additionally, letters of credit in favor of the Company held as collateral amounted to $1.5 billion and $2 0 billion at December 31, 2011 and December 31, 2010, respectively Other property may also be available to the Company to cover losses under certain guarantees and indemnifications; however, the value of such property has not been determined

Performance risk

Citi evaluates the performance risk of its guarantees based on the assigned referenced counterparty internal or external ratings. Where external ratings are used, investment-grade ratings are considered to be Baa/BBB and above, while anything below is considered non-investment grade. The Citi internal ratings are in line with the related external rating system On certain underlying referenced credits or entities, ratings are not available Such referenced credits are included in the "not rated" category The maximum potential amount of the future payments related to guarantees and credit derivatives sold is determined to be the notional amount of these contracts, which is the par amount of the assets guaranteed.

Presented in the tables below are the maximum potential amounts of future payments that are classified based upon internal and external credit ratings as of December 31, 2011 and December 31, 2010. As previously mentioned, the determination of the maximum potential future payments is based on the notional amount of the guarantees without consideration of possible recoveries under recourse provisions or from collateral held or pledged. Such amounts bear no relationship to the anticipated losses, if any, on these guarantees.

	Maximum potential amount of future payments			
In billions of dollars as of December 31, 2011	Investment grade	Non-investment grade	Not rated	Total
Financial standby letters of credit	**$ 79.3**	**$17.2**	**$ 8.2**	**$104.7**
Performance guarantees	**6.9**	**3.2**	**2.2**	**12.3**
Derivative instruments deemed to be guarantees	**—**	**—**	**21.3**	**21.3**
Loans sold with recourse	**—**	**—**	**0.4**	**0.4**
Securities lending indemnifications	**—**	**—**	**90.9**	**90.9**
Credit card merchant processing	**—**	**—**	**70.2**	**70.2**
Custody indemnifications and other	**40.0**	**—**	**—**	**40.0**
Total	**$126.2**	**$20.4**	**$193.2**	**$339.8**

	Maximum potential amount of future payments			
In billions of dollars as of December 31, 2010	Investment grade	Non-investment grade	Not rated	Total
Financial standby letters of credit	$ 58.7	$13.2	$ 22.9	$ 94.8
Performance guarantees	7.0	3.4	3.3	13.7
Derivative instruments deemed to be guarantees	—	—	15.0	15.0
Loans sold with recourse	—	—	0.4	0.4
Securities lending indemnifications	—	—	70.4	70.4
Credit card merchant processing	—	—	65.0	65.0
Custody indemnifications and other	40.2	—	—	40.2
Total	$105.9	$16.6	$177.0	$299.5

Credit Commitments and Lines of Credit

The table below summarizes Citigroup's credit commitments as of December, 31 2011 and December 31, 2010:

In millions of dollars	U.S.	Outside of U.S.	December 31, 2011	December 31, 2010
Commercial and similar letters of credit	**$ 1,819**	**$ 7,091**	**$ 8,910**	$ 8,974
One- to four-family residential mortgages	**3,007**	**497**	**3,504**	2,980
Revolving open-end loans secured by one- to four-family residential properties	**16,476**	**2,850**	**19,326**	20,934
Commercial real estate, construction and land development	**1,679**	**289**	**1,968**	2,407
Credit card lines	**521,034**	**115,040**	**636,074**	698,673
Commercial and other consumer loan commitments	**138,183**	**85,926**	**224,109**	210,404
Total	**$682,198**	**$211,693**	**$893,891**	$944,372

The majority of unused commitments are contingent upon customers' maintaining specific credit standards. Commercial commitments generally have floating interest rates and fixed expiration dates and may require payment of fees. Such fees (net of certain direct costs) are deferred and, upon exercise of the commitment, amortized over the life of the loan or, if exercise is deemed remote, amortized over the commitment period.

Commercial and similar letters of credit

A commercial letter of credit is an instrument by which Citi substitutes its credit for that of a customer to enable the customer to finance the purchase of goods or to incur other commitments Citi issues a letter on behalf of its client to a supplier and agrees to pay the supplier upon presentation of documentary evidence that the supplier has performed in accordance with the terms of the letter of credit. When a letter of credit is drawn, the customer is then required to reimburse Citi

One- to four-family residential mortgages

A one- to four-family residential mortgage commitment is a written confirmation from Citigroup to a seller of a property that the bank will advance the specified sums enabling the buyer to complete the purchase

Revolving open-end loans secured by one- to four-family residential properties

Revolving open-end loans secured by one- to four-family residential properties are essentially home equity lines of credit. A home equity line of credit is a loan secured by a primary residence or second home to the extent of the excess of fair market value over the debt outstanding for the first mortgage

Commercial real estate, construction and land development

Commercial real estate, construction and land development include unused portions of commitments to extend credit for the purpose of financing commercial and multifamily residential properties as well as land development projects.

Both secured-by-real-estate and unsecured commitments are included in this line, as well as undistributed loan proceeds, where there is an obligation to advance for construction progress payments However, this line only includes those extensions of credit that, once funded, will be classified as *Total loans, net* on the Consolidated Balance Sheet.

Credit card lines

Citi provides credit to customers by issuing credit cards. The credit card lines are unconditionally cancellable by the issuer

Commercial and other consumer loan commitments

Commercial and other consumer loan commitments include overdraft and liquidity facilities, as well as commercial commitments to make or purchase loans, to purchase third-party receivables, to provide note issuance or revolving underwriting facilities and to invest in the form of equity Amounts include $65 billion and $79 billion with an original maturity of less than one year at December 31, 2011 and December 31, 2010, respectively

In addition, included in this line item are highly leveraged financing commitments, which are agreements that provide funding to a borrower with higher levels of debt (measured by the ratio of debt capital to equity capital of the borrower) than is generally considered normal for other companies This type of financing is commonly employed in corporate acquisitions, management buyouts and similar transactions

29. CONTINGENCIES

Overview

In addition to the matters described below, in the ordinary course of business, Citigroup and its affiliates and subsidiaries and current and former officers, directors and employees (for purposes of this section, sometimes collectively referred to as Citigroup and Related Parties) routinely are named as defendants in, or as parties to, various legal actions and proceedings. Certain of these actions and proceedings assert claims or seek relief in connection with alleged violations of consumer protection, securities, banking, antifraud, antitrust, anti-money laundering, employment and other statutory and common laws. Certain of these actual or threatened legal actions and proceedings include claims for substantial or indeterminate compensatory or punitive damages, or for injunctive relief, and in some instances seek recovery on a class-wide basis.

In the ordinary course of business, Citigroup and Related Parties also are subject to governmental and regulatory examinations, information-gathering requests, investigations and proceedings (both formal and informal), certain of which may result in adverse judgments, settlements, fines, penalties, disgorgement, injunctions or other relief. Certain affiliates and subsidiaries of Citigroup are banks, registered broker-dealers, futures commission merchants, investment advisers or other regulated entities and, in those capacities, are subject to regulation by various U.S., state and foreign securities, banking, commodity futures and other regulators. In connection with formal and informal inquiries by these regulators, Citigroup and such affiliates and subsidiaries receive numerous requests, subpoenas and orders seeking documents, testimony and other information in connection with various aspects of their regulated activities.

Because of the global scope of Citigroup's operations, and its presence in countries around the world, Citigroup and Related Parties are subject to litigation, and governmental and regulatory examinations, information-gathering requests, investigations and proceedings (both formal and informal), in multiple jurisdictions with legal and regulatory regimes that may differ substantially, and present substantially different risks, from those Citigroup and Related Parties are subject to in the United States. In some instances Citigroup and Related Parties may be involved in proceedings involving the same subject matter in multiple jurisdictions, which may result in overlapping, cumulative or inconsistent outcomes.

Citigroup seeks to resolve all litigation and regulatory matters in the manner management believes is in the best interests of Citigroup and its shareholders, and contests liability, allegations of wrongdoing and, where applicable, the amount of damages or scope of any penalties or other relief sought as appropriate in each pending matter.

Accounting and Disclosure Framework

ASC 450 (formerly SFAS 5) governs the disclosure and recognition of loss contingencies, including potential losses from litigation and regulatory matters. ASC 450 defines a "loss contingency" as "an existing condition, situation, or set of circumstances involving uncertainty as to possible loss to an entity that will ultimately be resolved when one or more future events occur or fail to occur." It imposes different requirements for the recognition and disclosure of loss contingencies based on the likelihood of occurrence of the contingent future event or events. It distinguishes among degrees of likelihood using the following three terms: "probable," meaning that "the future event or events are likely to occur", "remote," meaning that "the chance of the future event or events occurring is slight"; and "reasonably possible," meaning that "the chance of the future event or events occurring is more than remote but less than likely." These three terms are used below as defined in ASC 450.

Accruals. ASC 450 requires accrual for a loss contingency when it is "probable that one or more future events will occur confirming the fact of loss" *and* "the amount of the loss can be reasonably estimated." In accordance with ASC 450, Citigroup establishes accruals for all litigation and regulatory matters, including matters disclosed herein, when Citigroup believes it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated. When the reasonable estimate of the loss is within a range of amounts, the minimum amount of the range is accrued, unless some higher amount within the range is a better estimate than any other amount within the range. Once established, accruals are adjusted from time to time, as appropriate, in light of additional information. The amount of loss ultimately incurred in relation to those matters may be substantially higher or lower than the amounts accrued for those matters.

Disclosure. ASC 450 requires disclosure of a loss contingency if "there is at least a reasonable possibility that a loss or an additional loss may have been incurred" *and* there is no accrual for the loss because the conditions described above are not met *or* an exposure to loss exists in excess of the amount accrued. In accordance with ASC 450, if Citigroup has not accrued for a matter because Citigroup believes that a loss is reasonably possible but not probable, or that a loss is probable but not reasonably estimable, and the matter therefore does not meet the criteria for accrual, and the reasonably possible loss is material, it discloses the loss contingency. In addition, Citigroup discloses matters for which it has accrued if it believes an exposure to material loss exists in excess of the amount accrued. In accordance with ASC 450, Citigroup's disclosure includes an estimate of the reasonably possible loss or range of loss for those matters as to which an estimate can be made. ASC 450 does not require disclosure of an estimate of the reasonably possible loss or range of loss where an estimate cannot be made. Neither accrual nor disclosure is required for losses that are deemed remote.

Inherent Uncertainty of the Matters Disclosed. Certain of the matters disclosed below involve claims for substantial or indeterminate damages. The claims asserted in these matters typically are broad, often spanning a multi-year period and sometimes a wide range of business activities, and the plaintiffs' or claimants' alleged damages frequently are not quantified or factually supported in the complaint or statement of claim. As a result, Citigroup is often unable to estimate the loss in such matters, even if it believes that a loss is probable or reasonably possible, until developments in the case have yielded additional information sufficient to support a quantitative assessment of the range of reasonably possible loss. Such developments may include, among other things, discovery from adverse parties or third parties, rulings by the court on key issues, analysis by

retained experts, and engagement in settlement negotiations Depending on a range of factors, such as the complexity of the facts, the novelty of the legal theories, the pace of discovery, the court's scheduling order, the timing of court decisions, and the adverse party's willingness to negotiate in good faith toward a resolution, it may be months or years after the filing of a case before an estimate of the range of reasonably possible loss can be made.

Matters as to Which an Estimate Can Be Made. For some of the matters disclosed below, Citigroup is currently able to estimate a reasonably possible loss or range of loss in excess of amounts accrued (if any). For some of the matters included within this estimation, an accrual has been made because a loss is believed to be both probable and reasonably estimable, but an exposure to loss exists in excess of the amount accrued; in these cases, the estimate reflects the reasonably possible range of loss in excess of the accrued amount. For other matters included within this estimation, no accrual has been made because a loss, although estimable, is believed to be reasonably possible, but not probable, in these cases the estimate reflects the reasonably possible loss or range of loss As of December 31, 2011, Citigroup estimates that the reasonably possible unaccrued loss in future periods for these matters ranges up to approximately $4 billion in the aggregate.

These estimates are based on currently available information. As available information changes, the matters for which Citigroup is able to estimate will change, and the estimates themselves will change In addition, while many estimates presented in financial statements and other financial disclosure involve significant judgment and may be subject to significant uncertainty, estimates of the range of reasonably possible loss arising from litigation and regulatory proceedings are subject to particular uncertainties For example, at the time of making an estimate, Citigroup may have only preliminary, incomplete, or inaccurate information about the facts underlying the claim, its assumptions about the future rulings of the court or other tribunal on significant issues, or the behavior and incentives of adverse parties or regulators, may prove to be wrong; and the outcomes it is attempting to predict are often not amenable to the use of statistical or other quantitative analytical tools In addition, from time to time an outcome may occur that Citigroup had not accounted for in its estimate because it had deemed such an outcome to be remote For all these reasons, the amount of loss in excess of accruals ultimately incurred for the matters as to which an estimate has been made could be substantially higher or lower than the range of loss included in the estimate

Matters as to Which an Estimate Cannot Be Made. For other matters disclosed below, Citigroup is not currently able to estimate the reasonably possible loss or range of loss Many of these matters remain in very preliminary stages (even in some cases where a substantial period of time has passed since the commencement of the matter), with few or no substantive legal decisions by the court or tribunal defining the scope of the claims, the class (if any), or the potentially available damages, and fact discovery is still in progress or has not yet begun. In many of these matters, Citigroup has not yet answered the complaint or statement of claim or asserted its defenses, nor has it engaged in any negotiations with the adverse party (whether a regulator or a private party). For all these reasons, Citigroup cannot at this time estimate the reasonably possible loss or range of loss, if any, for these matters.

Opinion of Management as to Eventual Outcome. Subject to the foregoing, it is the opinion of Citigroup's management, based on current knowledge and after taking into account its current legal accruals, that the eventual outcome of all matters described in this Note would not be likely to have a material adverse effect on the consolidated financial condition of Citigroup. Nonetheless, given the substantial or indeterminate amounts sought in certain of these matters, and the inherent unpredictability of such matters, an adverse outcome in certain of these matters could, from time to time, have a material adverse effect on Citigroup's consolidated results of operations or cash flows in particular quarterly or annual periods.

Credit Crisis-Related Litigation and Other Matters

Citigroup and Related Parties have been named as defendants in numerous legal actions and other proceedings asserting claims for damages and related relief for losses arising from the global financial credit crisis that began in 2007 Such matters include, among other types of proceedings, claims asserted by: (i) individual investors and purported classes of investors in Citigroup's common and preferred stock and debt, alleging violations of the federal securities laws and state securities and fraud laws; (ii) participants and purported classes of participants in Citigroup's retirement plans, alleging violations of the Employee Retirement Income Security Act (ERISA); (iii) counterparties to transactions adversely affected by developments in the credit and mortgage markets; (iv) individual investors and purported classes of investors in securities and other investments underwritten, issued or marketed by Citigroup, including collateralized debt obligations (CDOs), mortgage-backed securities (MBS), auction-rate securities (ARS), investment funds, and other structured or leveraged instruments, that have suffered losses as a result of the credit crisis; and (v) individual borrowers asserting claims related to their loans. These matters have been filed in state and federal courts across the country, as well as in arbitrations before the Financial Industry Regulatory Authority (FINRA) and other arbitration associations

In addition to these litigations and arbitrations, Citigroup continues to cooperate fully in response to subpoenas and requests for information from the Securities and Exchange Commission (SEC), FINRA, state attorneys general, the Department of Justice and subdivisions thereof, bank regulators, and other government agencies and authorities, in connection with various formal and informal (and, in many instances, industry-wide) inquiries concerning Citigroup's mortgage-related conduct and business activities, as well as other business activities affected by the credit crisis. These business activities include, but are not limited to, Citigroup's sponsorship, packaging, issuance, marketing, servicing and underwriting of MBS and CDOs and its origination, sale or other transfer, servicing, and foreclosure of residential mortgages, including its compliance with the Servicemembers Civil Relief Act (SCRA).

Mortgage-Related Litigation and Other Matters

Beginning in November 2007, Citigroup and Related Parties have been named as defendants in numerous legal actions and other proceedings brought by Citigroup shareholders, investors, counterparties, regulators and others concerning Citigroup's activities relating to mortgages, including

Citigroup's involvement with CDOs, MBS and structured investment vehicles, Citigroup's underwriting activity for mortgage lenders, and Citigroup's more general mortgage- and credit-related activities.

Regulatory Actions. On October 19, 2011, in connection with its industry-wide investigation concerning CDO-related business activities, the SEC filed a complaint in the United States District Court for the Southern District of New York regarding Citigroup's structuring and sale of the Class V Funding III CDO transaction (Class V). On the same day, the SEC and Citigroup announced a settlement of the SEC's claims, subject to judicial approval, and the SEC filed a proposed final judgment pursuant to which Citigroup's U.S broker-dealer Citigroup Global Markets Inc. (CGMI) agreed to disgorge $160 million, and pay $30 million in prejudgment interest and a $95 million penalty On November 28, 2011, the district court issued an order refusing to approve the proposed settlement and ordering trial to begin on July 16, 2012 On December 15 and 19, 2011, respectively, the SEC and CGMI filed notices of appeal from the district court's November 28 order. On December 27, 2011, the United States Court of Appeals for the Second Circuit granted an emergency stay of further proceedings in the district court, pending the Second Circuit's ruling on the SEC's motion to stay the district court proceedings during the pendency of the appeals. Additional information relating to this matter is publicly available in court filings under the docket numbers 11 Civ. 7387 (S D N.Y) (Rakoff, J) and 11-5227 (2d Cir.).

On February 9, 2012, Citigroup announced that CitiMortgage, along with other major mortgage servicers, had reached an agreement in principle with the United States and with the Attorneys General for 49 states (Oklahoma did not participate) and the District of Columbia to settle a number of related investigations into residential loan servicing and origination practices (the National Mortgage Settlement). The agreement is subject to the satisfaction of certain conditions, including final court approval.

Under the National Mortgage Settlement, Citigroup commits to make payments and provide financial relief to homeowners in three categories (1) cash payments payable to the states and federal agencies in the aggregate amount of $415 million, a portion of which will be used by the states for payments to homeowners affected by foreclosure practices. (2) customer relief in the form of loan modifications for delinquent borrowers, including principal reductions, to be completed over three years, with a total value of $1,411 million; and (3) refinancing concessions to enable current borrowers whose properties are worth less than the value of their loans to reduce their interest rates, to be completed over three years, with a total value of $378 million The total amount of the financial consideration to be paid by Citigroup is $2 2 billion As of December 31, 2011, Citigroup had fully provided for the cash payments called for under the National Mortgage Settlement (see Note 30 to the Consolidated Financial Statements) Citigroup expects that its loan loss reserves as of December 31, 2011 will be sufficient to cover the customer relief payments to delinquent borrowers The impact of the refinancing concessions will be recognized over a period of years in the form of lower interest income What impact, if any, the National Mortgage Settlement will have on the behavior of borrowers in general, however, whether or not their loans are within the scope of the settlement, is uncertain and difficult to predict

The National Mortgage Settlement also provides for mortgage servicing standards in addition to those previously agreed in Consent Orders dated April 13, 2011 with the Federal Reserve Board and the Office of Comptroller of the Currency While Citigroup expects to incur additional operating expenses in implementing these standards, it does not currently expect that the impact of these expenses will be material.

Citigroup is receiving legal releases in connection with the National Mortgage Settlement These releases will address a broad range of, but not all, potential claims related to mortgage servicing and origination. Citigroup will not receive releases related to securitizations or whole loan sales, nor will it receive releases from criminal, tax, environmental, and certain other categories of liability.

In conjunction with the National Mortgage Settlement, Citigroup and Related Parties also entered into a settlement with the United States Attorney's Office for the Southern District of New York of a "qui tam" action. This action alleged that, as a participant in the Direct Endorsement Lender program, CitiMortgage had certified to the United States Department of Housing and Urban Development (HUD) and the Federal Housing Administration (FHA) that certain loans were eligible for FHA insurance when in fact they were not. The settlement releases Citigroup from claims arising out of its acts or omissions relating to the origination, underwriting, or endorsement of all FHA-insured loans prior to the effective date of the settlement. Under the settlement, Citigroup will pay the United States $158.3 million, for which Citigroup had fully provided as of December 31, 2011 (see Note 30 to the Consolidated Financial Statements) CitiMortgage will continue to participate in the Direct Endorsement Lender program Additional information relating to this action is publicly available in court filings under the docket number 11 Civ 5423 (S D N Y) (Marrero, J).

Federal and state regulators have served subpoenas or otherwise requested information concerning a variety of aspects of Citigroup's mortgage origination and mortgage servicing practices, including with respect to ancillary insurance products or practices. The subjects of such inquiries have included, among other things, Citigroup's compliance with the SCRA and analogous state statutes Many, but not all, of these inquiries are within the scope of the claims released in the National Mortgage Settlement. In some instances, Citigroup is also a defendant in purported class actions, "qui tam" actions, or other actions addressing the same or similar subject matters, including the SCRA Such actions by private litigants or counties and municipalities are not released in the National Mortgage Settlement

Federal and state regulators, including the SEC, also have served subpoenas or otherwise requested information related to Citigroup's issuing, sponsoring, or underwriting of MBS These inquiries include a subpoena from the Civil Division of the Department of Justice that Citigroup received on January 27, 2012

Securities Actions: Citigroup and Related Parties have been named as defendants in four putative class actions filed in the United States District Court for the Southern District of New York. On August 19, 2008, these actions were consolidated under the caption IN RE CITIGROUP INC SECURITIES LITIGATION. The consolidated amended complaint asserts claims arising under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of a putative class of purchasers of Citigroup common stock from January 1, 2004 through January 15, 2009 On November 9, 2010, the district court issued an opinion and order dismissing all claims except those arising out of Citigroup's exposure to CDOs for the time period February 1, 2007 through April 18, 2008. Fact discovery is underway. Plaintiffs have not yet quantified the putative class's alleged damages During the putative class period, as narrowed by the district court, the price of Citigroup's common stock declined from $54.73 at the beginning of the period to $25.11 at the end of the period (These share prices represent Citi's common stock prices prior to its 1-for-10 reverse stock split, effective May 6, 2011. See "Earnings Per Share" in Note 1 to the Consolidated Financial Statements.) Additional information relating to this action is publicly available in court filings under the consolidated lead docket number 07 Civ. 9901 (S.D.N.Y.) (Stein, J.).

Citigroup and Related Parties also have been named as defendants in two putative class actions filed in New York state court, but since removed to the United States District Court for the Southern District of New York, alleging violations of Sections 11, 12 and 15 of the Securities Act of 1933 in connection with various offerings of Citigroup securities. On December 10, 2008, these actions were consolidated under the caption IN RE CITIGROUP INC. BOND LITIGATION In the consolidated action, lead plaintiffs assert claims on behalf of a putative class of purchasers of corporate debt securities, preferred stock and interests in preferred stock issued by Citigroup and related issuers over a two-year period from 2006 to 2008. On July 12, 2010, the district court issued an opinion and order dismissing plaintiffs' claims under Section 12 of the Securities Act of 1933, but denying defendants' motion to dismiss certain claims under Section 11. Fact discovery is underway Plaintiffs have not yet quantified the putative class's alleged damages Additional information relating to this action is publicly available in court filings under the consolidated lead docket number 08 Civ. 9522 (S.D.N.Y.) (Stein, J.)

Citigroup and CGMI have been named as defendants in two putative class actions filed in the United States District Court for the Southern District of California, but since transferred by the Judicial Panel on Multidistrict Litigation to the United States District Court for the Southern District of New York In the consolidated action, lead plaintiffs assert claims on behalf of a putative class of participants in Citigroup's Voluntary Financial Advisor Capital Accumulation Plan from November 2006 through January 2009. On June 7, 2011, the district court granted defendants' motion to dismiss the complaint and subsequently entered judgment On November 14, 2011, the district court granted in part plaintiffs' motion to alter or amend the judgment and granted plaintiffs leave to amend the complaint. On November 23, 2011, plaintiffs filed an amended complaint alleging violations of Section 12 of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934. Defendants filed a motion to dismiss certain of plaintiffs' claims on December 21, 2011. Additional information relating to this action is publicly available in court filings under the docket number 09 Civ. 7359 (S.D.N.Y.) (Stein, J.)

Several institutional or high-net-worth investors that purchased debt and equity securities issued by Citigroup and affiliated issuers also have filed actions on their own behalf against Citigroup and Related Parties in federal and state court. These actions assert claims similar to those asserted in the IN RE CITIGROUP INC SECURITIES LITIGATION and IN RE CITIGROUP INC. BOND LITIGATION actions described above. Collectively, these investors seek damages exceeding $1 billion. Additional information relating to these individual actions is publicly available in court filings under the docket numbers 09 Civ. 8755 (S.D.N.Y.) (Stein, J.), 10 Civ. 7202 (S.D.N.Y.) (Stein, J.), 10 Civ 9325 (S.D.N.Y.) (Stein, J.), 10 Civ 9646 (S.D.N.Y.) (Stein, J.), 11 Civ 314 (S.D.N.Y.) (Stein, J.), 11 Civ. 4788 (S.D.N.Y.) (Stein, J.), 11 Civ. 7138 (S.D.N.Y.) (Stein, J.), 11 Civ. 8291 (S.D.N.Y.) (Stein, J.), and Case No. 110105028 (Pa. Commw. Ct.) (Sheppard, J.).

ERISA Actions: Beginning in November 2007, numerous putative class actions were filed in the United States District Court for the Southern District of New York by current or former Citigroup employees asserting claims under ERISA against Citigroup and Related Parties alleged to have served as ERISA plan fiduciaries. On August 31, 2009, the district court granted defendants' motion to dismiss the consolidated class action complaint, captioned IN RE CITIGROUP ERISA LITIGATION. Plaintiffs appealed the dismissal and, on October 19, 2011, the United States Court of Appeals for the Second Circuit affirmed the district court's order dismissing the case Additional information relating to this action is publicly available in court filings under the docket number 07 Civ. 9790 (S.D.N.Y.) (Stein, J.) and 09-3804 (2d Cir.).

Beginning on October 28, 2011, several putative class actions were filed in the United States District Court for the Southern District of New York by current or former Citigroup employees asserting claims under ERISA against Citigroup and Related Parties alleged to have served as ERISA plan fiduciaries from 2008 to 2009. Additional information relating to these actions is publicly available in court filings under the docket numbers 11 Civ. 7672, 7943, 8982, 8990 and 8999 (S.D.N.Y.) (Koeltl, J.).

Derivative Actions and Related Proceedings. Numerous derivative actions have been filed in federal and state courts against various current and former officers and directors of Citigroup alleging mismanagement in connection with mortgage-related issues, including Citigroup's exposure to subprime-related assets and servicing and foreclosure of residential mortgages Citigroup is named as a nominal defendant in these actions Certain of these actions have been dismissed either in their entirety or in large part. Additional information relating to the actions still pending is publicly available in court filings under the docket numbers 650417/09 (N.Y. Sup. Ct.) (Fried, J.), 11 Civ 2693 (S.D.N.Y.) (Griesa, J.), and 3338-VCG (Del Ch.) (Glasscock, VC.) In addition, a committee of Citigroup's Board of Directors is reviewing a shareholder demand that raises RMBS-related issues and a shareholder demand that raises issues relating to Citigroup's structuring and sale of Class V.

Mortgage-Backed Securities and CDO Investor Actions and Repurchase Claims: Beginning in July 2010, several investors, including Cambridge Place Investment Management, The Charles Schwab Corporation, the Federal Home Loan Bank of Chicago, the Federal Home Loan Bank of Boston, Allstate Insurance Company and affiliated entities, Union Central Life Insurance Co. and affiliated entities, the Federal Housing Finance Agency, the Western & Southern Life Insurance Company and affiliated entities, Moneygram Payment Systems, Inc., and Loreley Financing (Jersey) No. 3 Ltd and affiliated entities, have filed lawsuits against Citigroup and Related Parties alleging actionable misstatements or omissions in connection with the issuance and underwriting of MBS and CDOs. These actions are in early stages. As a general matter, plaintiffs in these actions are seeking rescission of their investments or other damages. Additional information relating to these actions is publicly available in court filings under the docket numbers 10-2741-BLS1 (Mass. Super Ct.) (Lauriat, J.), 11-0555-BLS1 (Mass Super. Ct.) (Lauriat, J), CGC-10-501610 (Cal. Super Ct.) (Kramer, J), 10 CH 45033 (Ill. Super Ct.) (Allen, J.), LC091499 (Cal. Super. Ct) (Mohr, J.), 11 Civ. 10952 (D. Mass) (O'Toole, J), 11 Civ. 1927 (S.D.N.Y.) (Sullivan, J.), 11 Civ 2890 (S.D.N Y) (Daniels, J.), 11 Civ 6188 (S D.N.Y) (Cote, J.), 11 Civ. 6196 (S D.N Y) (Cote, J.), 11 Civ 6916 (S.D N Y.) (Cote, J.), 11 Civ. 7010 (S D N.Y.) (Cote, J), A 1105042 (Ohio Ct Common Pleas) (Myers, J.), No. 27-CB-11-21348 (Minn. Dist. Ct.) (Howard, J) and 650212/12 (N.Y Sup Ct.). Other purchasers of MBS or CDOs sold or underwritten by Citigroup affiliates have threatened to file lawsuits asserting similar claims, some of which Citigroup has agreed to toll pending further discussions with these investors

In addition, various parties to MBS securitizations, among others, have asserted that certain Citigroup affiliates breached representations and warranties made in connection with mortgage loans placed into securitization trusts Citigroup also has experienced an increase in the level of inquiries relating to these securitizations, particularly requests for loan files from trustees of securitization trusts and others. In December 2011, Citigroup received a letter from the law firm Gibbs & Bruns LLP, which purports to represent a group of investment advisers and holders of MBS issued or underwritten by Citigroup. The letter asserts that Gibbs & Bruns LLP's clients collectively hold 25% or more of the voting rights in 35 MBS trusts issued and/or underwritten by Citigroup affiliates, and that these trusts have an aggregate outstanding balance in excess of $9 billion. The letter alleges that certain mortgages in these trusts were sold or deposited into the trusts based on misrepresentations by the mortgage originators, sellers and/or depositors and that Citigroup improperly serviced mortgage loans in those trusts. The letter further threatens to instruct trustees of the trusts to assert claims against Citigroup based on these allegations. Gibbs & Bruns LLP subsequently informed Citigroup that its clients hold the requisite interest in 70 trusts in total, with an alleged total unpaid principal balance of $24 billion, for which Gibbs & Bruns LLP asserts that Citigroup affiliates have repurchase obligations. Citigroup is also a trustee of securitization trusts for MBS issued by unaffiliated issuers that have received similar letters from Gibbs & Bruns, LLP

Given the continued and increased focus on mortgage-related matters, as well as the increasing level of litigation and regulatory activity relating to mortgage loans and mortgage-backed securities, the level of inquiries and assertions respecting securitizations may further increase. These inquiries and assertions could lead to actual claims for breaches of representations and warranties, or to litigation relating to such breaches or other matters

Underwriting Matters: Certain Citigroup affiliates have been named as defendants arising out of their activities as underwriters of securities in actions brought by investors in securities of issuers adversely affected by the credit crisis, including AIG, Fannie Mae, Freddie Mac, Ambac and Lehman, among others. These matters are in various stages of litigation. As a general matter, issuers indemnify underwriters in connection with such claims. In certain of these matters, however, Citigroup affiliates are not being indemnified or may in the future cease to be indemnified because of the financial condition of the issuer.

On September 28, 2011, the United States District Court for the Southern District of New York approved a stipulation of settlement with the underwriter defendants in IN RE AMBAC FINANCIAL GROUP, INC. SECURITIES LITIGATION and judgment was entered. A member of the settlement class has appealed the judgment to the United States Court of Appeals for the Second Circuit. On December 22, 2011, the underwriter defendants moved to dismiss the appeal. Additional information relating to this action is publicly available in court filings under the docket numbers 08 Civ. 0411 (S D.N.Y) (Buchwald, J) and 11-4643 (2d Cir).

Counterparty and Investor Actions

Citigroup and Related Parties have been named as defendants in actions brought in various state and federal courts, as well as in arbitrations, by counterparties and investors that claim to have suffered losses as a result of the credit crisis. These actions include an arbitration brought by Abu Dhabi Investment Authority (ADIA) alleging statutory and common law claims in connection with its $7.5 billion investment in Citigroup. ADIA sought rescission of the investment agreement or, in the alternative, more than $4 billion in damages. A hearing took place in May 2011. Following post-hearing proceedings, on October 14, 2011, the arbitration panel issued a final award and statement of reasons finding in favor of Citigroup on all claims asserted by ADIA On January 11, 2012, ADIA filed a petition to vacate the award in New York state court On January 13, 2012, Citigroup removed the petition to the United States District Court for the Southern District of New York Additional information regarding this matter is publicly available in court filings under the docket number 12 Civ. 283 (S D N Y) (Daniels, J.)

In August 2011, two Saudi nationals and related entities commenced a FINRA arbitration against Citigroup Global Markets, Inc (CGMI) alleging $380 million in losses resulting from certain options trades referencing a portfolio of hedge funds and certain credit facilities collateralized by a private equity portfolio. CGMI did not serve as the counterparty or credit facility provider in these transactions In September 2011, CGMI commenced an action in the United States District Court for the Southern District of New York seeking to enjoin the arbitration Simultaneously with that filing, the Citigroup entities that served as the counterparty or credit facility provider to the transactions commenced actions in London and Switzerland for declaratory judgments of no liability

ASTA/MAT and Falcon-Related Litigation and Other Matters

ASTA/MAT and Falcon were alternative investment funds managed and marketed by certain Citigroup affiliates that suffered substantial losses during the credit crisis. The SEC is investigating the management and marketing of the ASTA/MAT and Falcon funds. Citigroup is cooperating fully with the SEC's inquiry.

In addition, numerous investors in ASTA/MAT have filed lawsuits or arbitrations against Citigroup and Related Parties seeking recoupment of their alleged losses. Although many of these investor disputes have been resolved, others remain pending. In April 2011, a FINRA arbitration panel awarded two ASTA/MAT investors $54 million in damages and attorneys' fees, including punitive damages, against Citigroup. In December 2011, the United States District Court for the District of Colorado entered an order confirming the FINRA panel's award. Citigroup has filed a notice of appeal to the 10th Circuit Court of Appeals. Additional information relating to this matter is publicly available in court filings under the docket number 11 Civ 971 (D. Colo.) (Arguello, J.).

Auction Rate Securities–Related Litigation and Other Matters

Beginning in March 2008, Citigroup and Related Parties have been named as defendants in numerous actions and proceedings brought by Citigroup shareholders and customers concerning ARS, many of which have been resolved. These have included, among others: (i) numerous lawsuits and arbitrations filed by customers of Citigroup and its affiliates seeking damages in connection with investments in ARS; (ii) a consolidated putative class action asserting claims for federal securities violations, which has been dismissed and is now pending on appeal; (iii) two putative class actions asserting violations of Section 1 of the Sherman Act, which have been dismissed and are now pending on appeal; and (iv) a derivative action filed against certain Citigroup officers and directors, which has been dismissed. In addition, based on an investigation, report and recommendation from a committee of Citigroup's Board of Directors, the Board refused a shareholder demand that was made after dismissal of the derivative action. Additional information relating to certain of these actions is publicly available in court filings under the docket numbers 08 Civ. 3095 (S.D.N.Y.) (Swain, J.), 10-722 (2d Cir.); 10-867 (2d Cir.); 11-1270 (2d Cir.).

Lehman Structured Notes Matters

Like many other financial institutions, Citigroup, through certain of its affiliates and subsidiaries, distributed structured notes (Notes) issued and guaranteed by Lehman entities to retail customers in various countries outside the United States, principally in Europe and Asia. After the relevant Lehman entities filed for bankruptcy protection in September 2008, certain regulators in Europe and Asia commenced investigations into the conduct of financial institutions involved in such distribution, including Citigroup entities. Some of those regulatory investigations have resulted in adverse findings against Citigroup entities. Some purchasers of the Notes have filed civil actions or otherwise complained about the sales process. Citigroup has resolved the vast majority of such actions or complaints either on an individual basis or through settlement offers, made without admission of liability, to all eligible purchasers of Notes distributed by Citigroup in certain countries.

In Belgium, criminal charges were brought against a Citigroup subsidiary (CBB) and three current or former employees. On December 1, 2010, the court acquitted all defendants of fraud and anti-money laundering charges but convicted all defendants under the Prospectus Act, and convicted CBB under Fair Trade Practices legislation. CBB was fined 165,000 Euro and was ordered to compensate 63 non-settling claimants for the par value of their Notes (2.4 million Euro in the aggregate), net of any recovery they receive in the Lehman bankruptcies. Both CBB and the Public Prosecutor have appealed the judgment. The appellate court has indicated that it will render its decision on April 2, 2012.

Lehman Brothers Bankruptcy Proceedings

On March 18, 2011, Citigroup and Related Parties were named as defendants in an adversary proceeding captioned LEHMAN BROTHERS INC. v. CITIBANK, N.A., ET AL. In the complaint, which asserts claims under federal bankruptcy and state law, the Securities Investor Protection Act Trustee alleges that a $1 billion cash deposit Lehman Brothers Inc. (LBI) placed with Citibank prior to the commencement of liquidation proceedings should be returned to the bankruptcy estate, that Citibank's setoff against the $1 billion deposit to satisfy its claims against LBI should be set aside, and that approximately $342 million in additional deposits by LBI currently held by Citibank and its affiliates should be returned to the estate. Citigroup has moved to dismiss the adversary complaint. Additional information relating to this adversary proceeding is publicly available in court filings under the docket number 11-01681 (Bankr. S.D.N.Y.) (Peck, J.). Additional information relating to the LBI liquidation proceeding, captioned IN RE LEHMAN BROTHERS INC., is publicly available in court filings under the docket number 08-01420 (Bankr. S.D.N.Y.) (Peck, J.).

On February 8, 2012, Citigroup and Related Parties were named as defendants in an adversary proceeding captioned LEHMAN BROTHERS HOLDINGS INC. v. CITIBANK, N.A., ET AL. The proceeding principally concerns proofs of claim Citigroup entities have filed against Lehman Brothers Holdings Inc. (LBHI) and its affiliates, in which Citigroup entities have claimed they are owed more than $2.6 billion under derivatives contracts, loan documents, and clearing agreements, among other arrangements. Citigroup has further asserted a right to offset approximately $2.3 billion of these claims against $2 billion deposited by LBHI with Citibank, N.A. in June 2008, as well as certain other LBHI deposits and other payables owed by the Citigroup entities.

The complaint asserts claims under state and federal law to recover the $2 billion deposit and obtain a declaration that it may not be used to offset any Citigroup entities' claims, to avoid a $500 million transfer and an amendment to a guarantee in favor of Citigroup, and for other relief. The complaint also raises objections to proofs of claim filed by Citigroup

entities against LBHI and its affiliates The claim objections seek to reduce or avoid approximately $2 billion in claims relating to terminated derivatives contracts and to disallow all claims against LBHI to the extent they seek to recover against the disputed deposit or guarantee. Additional information relating to this adversary proceeding is publicly available in court filings under the docket number 12-01044 (Bankr. S.D.N.Y.) (Peck, J.).

Additional information relating to the Chapter 11 bankruptcy proceedings of LBHI and its subsidiaries, captioned IN RE LEHMAN BROTHERS HOLDINGS INC , is publicly available in court filings under the docket number 08-13555 (Bankr. S D N.Y.) (Peck, J).

On September 15, 2008, LBHI subsidiary Lehman Brothers International (Europe) (LBIE) entered administration under English law Since that time, Citigroup and Related Parties have held as custodians approximately $2 billion of proprietary assets and cash of LBIE. During the course of LBIE's administration, Citigroup and Related Parties asserted a contractual right to retain the proprietary assets and cash as security for amounts owed to Citigroup and Related Parties by LBIE and its affiliates (including LBHI and LBI), a right that the administrators for LBIE disputed On June 28, 2011, Citigroup and Related Parties entered into a settlement agreement with LBIE resolving the parties' disputes with respect to the LBIE proprietary assets and cash held by Citigroup and Related Parties as custodians Under the terms of the settlement, Citigroup and Related Parties have undertaken the return of LBIE's proprietary assets and cash and released all claims in respect of those assets and cash in exchange for releases, the payment of fees and preservation of certain claims asserted by Citigroup and Related Parties in LBIE's insolvency proceeding in England. The settlement does not affect the deposits, claims or setoff rights at issue in the disputes with LBI and LBHI described above Additional information relating to the administration of LBIE is available at www.pwc.co.uk/eng/issues/lehman_updates.html

Terra Firma Litigation

In December 2009, plaintiffs, general partners of two related private equity funds, filed a complaint in New York state court, subsequently removed to the Southern District of New York, against certain Citigroup affiliates. Plaintiffs allege that during the May 2007 auction of the music company EMI, Citigroup, as advisor to EMI and as a potential lender to plaintiffs' acquisition vehicle Maltby, fraudulently or negligently orally misrepresented the intentions of another potential bidder regarding the auction Plaintiffs alleged that, but for the oral misrepresentations, Maltby would not have acquired EMI for approximately £4 2 billion Plaintiffs further alleged that, following the acquisition of EMI, certain Citigroup entities tortiously interfered with plaintiffs' business relationship with EMI Plaintiffs sought billions of dollars in damages. On September 15, 2010, the district court issued an order granting in part and denying in part Citigroup's motion for summary judgment. Plaintiffs' claims for negligent misrepresentation and tortious interference were dismissed On October 18, 2010, a jury trial commenced on plaintiffs' remaining claims for fraudulent misrepresentation and fraudulent concealment The court dismissed the fraudulent concealment claim before sending the case to the jury On November 4, 2010, the jury returned a verdict on the fraudulent misrepresentation claim in favor of Citigroup Judgment dismissing the complaint was entered on December 9, 2010. Plaintiffs have appealed the judgment as to the negligent misrepresentation claim, the fraudulent concealment claim and the fraudulent misrepresentation claim. Additional information relating to this action is publicly available in court filings under the docket numbers 09 Civ 10459 (S.D N Y.) (Rakoff, J) and 11-0126 (2d Cir.).

Interbank Offered Rates-Related Litigation and Other Matters

Government agencies in the U.S., including the Department of Justice, the Commodity Futures Trading Commission and the Securities and Exchange Commission, as well as agencies in other jurisdictions, including the European Commission, the U.K Financial Services Authority, the Japanese Financial Services Agency (JFSA) and the Canadian Competition Bureau, are conducting investigations or making inquiries regarding submissions made by panel banks to bodies that publish various interbank offered rates. As members of a number of such panels, Citigroup subsidiaries have received requests for information and documents. Citigroup is cooperating with the investigations and inquiries and is responding to the requests.

On December 16, 2011, the JFSA took administrative action against Citigroup Global Markets Japan Inc. (CGMJ) for, among other things, certain communications made by two CGMJ traders about the Euroyen Tokyo interbank offered rate (TIBOR) and the yen London interbank offered rate (LIBOR) The JFSA issued a business improvement order and suspended CGMJ's trading in derivatives related to yen LIBOR and Euroyen and yen TIBOR from January 10 to January 23, 2012. On the same day, the JFSA also took administrative action against Citibank Japan Ltd. (CJL) for conduct arising out of CJL's retail business and also noted that the communications made by the CGMJ traders to employees of CJL about Euroyen TIBOR had not been properly reported to CJL's management team The inquiries by government agencies into various interbank offered rates are ongoing.

Additionally, beginning in April 2011, a number of purported class actions and other private civil suits were filed in various courts against banks that served on the LIBOR panel and their affiliates, including certain Citigroup subsidiaries The actions, which assert various federal and state law claims relating to the setting of LIBOR, have been consolidated into a multidistrict litigation proceeding before Judge Buchwald in the Southern District of New York Additional information relating to these actions is publicly available in court filings under docket number 1.11-md-2262 (S.D.N.Y.) (Buchwald, J).

KIKOs

Several local banks in Korea, including a Citigroup subsidiary (CKI), entered into foreign exchange derivative transactions with small and medium-size export businesses (SMEs) to enable the SMEs to hedge their currency risk The derivatives had "knock-in, knock-out" features. Following the devaluation of the Korean won in 2008, many of these SMEs incurred significant losses on the derivative transactions and filed civil lawsuits against the banks, including CKI The claims generally allege that the products were not suitable and that the risk disclosure was inadequate As of December 31, 2011, there were 83 civil lawsuits filed by SMEs against CKI To

date, 79 decisions have been rendered at the district court level, and CKI has prevailed in 63 of those decisions. In the other 16 decisions, plaintiffs were awarded only a portion of the damages sought. The damage awards total in the aggregate approximately $19.5 million. CKI is appealing the 16 adverse decisions. A significant number of plaintiffs that had decisions rendered against them are also filing appeals, including plaintiffs that were awarded less than all of the damages they sought. In the single plaintiff's appeal that has been decided, the decision was in CKI's favor.

Korean prosecutors undertook a criminal investigation of local banks, including CKI, based on allegations of fraud in the sale of these products. In July 2011 prosecutors decided not to proceed with indictments. That decision has been appealed.

Tribune Company Bankruptcy

Certain Citigroup affiliates have been named as defendants in adversary proceedings related to the Chapter 11 cases of Tribune Company (Tribune) pending in the United States Bankruptcy Court for the District of Delaware. The complaints, which arise out of the approximate $11 billion leveraged buyout (LBO) of Tribune in 2007, were stayed by court order pending a confirmation hearing on competing plans of reorganization. On October 31, 2011, the bankruptcy court denied confirmation of both the competing plans. A third amended plan of reorganization was then proposed, and confirmation proceedings are expected to take place in 2012. Additional information relating to these actions is publicly available in court filings under the lead docket number 08-13141 (Bankr. D. Del.) (Carey, J.). Certain Citigroup affiliates also have been named as defendants in actions brought by Tribune creditors alleging state law constructive fraudulent conveyance claims relating to the Tribune LBO. These actions have been stayed pending confirmation of a plan of reorganization. Additional information relating to these actions is publicly available in court filings under the docket number 11 MD 02296 (S.D.N.Y.) (Holwell, J.).

Interchange Fees Litigation

Beginning in 2005, several putative class actions were filed against Citigroup and Related Parties, together with Visa, MasterCard and other banks and their affiliates, in various federal district courts. These actions were consolidated with other related cases in the Eastern District of New York and captioned IN RE PAYMENT CARD INTERCHANGE FEE AND MERCHANT DISCOUNT ANTITRUST LITIGATION. The plaintiffs in the consolidated class action are merchants that accept Visa- and MasterCard-branded payment cards, as well as membership associations that claim to represent certain groups of merchants. The pending complaint alleges, among other things, that defendants have engaged in conspiracies to set the price of interchange and merchant discount fees on credit and debit card transactions in violation of Section 1 of the Sherman Act. The complaint also alleges additional Sherman Act and California law violations, including alleged unlawful maintenance of monopoly power and alleged unlawful contracts in restraint of trade pertaining to various Visa and MasterCard rules governing merchant conduct (including rules allegedly affecting merchants' ability, at the point of sale, to surcharge payment card transactions or steer customers to particular payment cards). In addition, supplemental complaints filed against defendants in the class action allege that Visa's and MasterCard's respective initial public offerings were anticompetitive and violated Section 7 of the Clayton Act, and that MasterCard's initial public offering constituted a fraudulent conveyance.

Plaintiffs seek injunctive relief as well as joint and several liability for treble their damages, including all interchange fees paid to all Visa and MasterCard members with respect to Visa and MasterCard transactions in the U.S. since at least January 1, 2004. Certain publicly available documents estimate that Visa- and MasterCard-branded cards generated approximately $40 billion in interchange fees industry wide in 2009. Defendants dispute that the manner in which interchange and merchant discount fees are set, or the rules governing merchant conduct, are anticompetitive. Fact and expert discovery has closed. Defendants' motions to dismiss the pending class action complaint and the supplemental complaints are pending. Also pending are plaintiffs' motion to certify nationwide classes consisting of all U.S. merchants that accept Visa- and MasterCard-branded payment cards and motions by both plaintiffs and defendants for summary judgment. The parties have been engaged in mediation for several years, including recent settlement conferences held at the direction of the court. Additional information relating to these consolidated actions is publicly available in court filings under the docket number MDL 05-1720 (E.D.N.Y.) (Gleeson, J.).

Parmalat Litigation and Related Matters

On July 29, 2004, Dr. Enrico Bondi, the Extraordinary Commissioner appointed under Italian law to oversee the administration of various Parmalat companies, filed a complaint in New Jersey state court against Citigroup and Related Parties alleging, among other things, that the defendants "facilitated" a number of frauds by Parmalat insiders. On October 20, 2008, following trial, a jury rendered a verdict in Citigroup's favor on Parmalat's claims and in favor of Citibank on three counterclaims. The court entered judgment for Citibank on the counterclaims in the amount of $431 million, which is accruing interest. On December 22, 2011, the intermediate appellate court unanimously affirmed the judgment. On January 23, 2012, Bondi petitioned the New Jersey Supreme Court to review the decisions of the lower courts. Additional information concerning this matter is publicly available in court filings under docket number A-2654-08T2 (N.J. Sup. Ct.).

In addition, prosecutors in Parma and Milan, Italy, have commenced criminal proceedings against certain current and former Citigroup employees (along with numerous other investment banks and certain of their current and former employees, as well as former Parmalat officers and accountants). In the event of an adverse judgment against the individuals in question, it is possible that the authorities could seek administrative remedies against Citigroup. On April 18, 2011, the Milan criminal court acquitted the sole Citigroup defendant of market-rigging charges. The Milan prosecutors have appealed part of that judgment and seek administrative remedies against Citigroup, which may include disgorgement of 70 million Euro and a fine of 900,000 Euro. Additionally, Bondi has purported to file a civil complaint against Citigroup in the context of the Parma criminal proceedings, seeking 14 billion Euro in damages. In January 2011, certain Parmalat institutional investors filed a civil complaint seeking damages of approximately 130 million Euro against Citigroup and other financial institutions.

Research Analyst Litigation

In March 2004, a putative research-related customer class action alleging various state law claims arising out of the issuance of allegedly misleading research analyst reports concerning numerous issuers was filed against certain Citigroup affiliates in Illinois state court On October 13, 2011, the court entered an order dismissing with prejudice all class-action claims asserted in the action on the ground that the Securities Litigation Uniform Standards Act of 1998 precludes those claims. The court granted leave for the putative representative plaintiff to file an amended complaint asserting only his individual claims within 21 days. An amended complaint was not filed within the 21-day period. The putative representative plaintiff has filed a notice of appeal from the court's October 13, 2011 order. Additional information concerning this matter is publicly available in court filings under docket numbers 04-L-265 (Ill. Cir) (Hylla, J) and 5-11-0504 (Ill. App Ct. 5 Dist.).

Companhia Industrial de Instrumentos de Precisão Litigation

A commercial customer, Companhia Industrial de Instrumentos de Precisão (CIIP), filed a lawsuit against Citibank, N.A., Brazil branch (Citi Brazil), in 1992, alleging damages arising from an unsuccessful attempt by Citi Brazil in 1975 to declare CIIP bankrupt after CIIP defaulted on a loan owed to Citi Brazil. The trial court ruled in favor of CIIP and awarded damages that Citigroup had estimated at more than $330 million after taking into account interest, currency adjustments, and current exchange rates. Citi Brazil lost its appeal but filed a special appeal to the Superior Tribunal of Justice (STJ), the highest appellate court for federal law in Brazil The 4th Section of the STJ ruled 3-2 in favor of Citi in November 2008. CIIP appealed the decision to the Special Court of the STJ on procedural grounds In December 2009, the Special Court of the STJ decided 9-0 in favor of CIIP on the procedural issue, overturning the 3-2 merits decision in favor of Citi Citi Brazil filed a motion for clarification with the Special Court of the STJ, and on May 4, 2011, the Special Court ruled 5-3 in favor of Citi Brazil This ruling has the effect of reinstating the 3-2 decision of the 4th Section of the STJ in favor of Citi Brazil rendered in November 2008, which had reversed the adverse judgment of the trial court The only procedural recourse remaining to CIIP would be to file a constitutional claim with the Supreme Court of Brazil

Allied Irish Bank Litigation

In 2003, Allied Irish Bank (AIB) filed a complaint in the Southern District of New York seeking to hold Citibank and Bank of America, former prime brokers for AIB's subsidiary Allfirst Bank (Allfirst), liable for losses incurred by Allfirst as a result of fraudulent and fictitious foreign currency trades entered into by one of Allfirst's traders. AIB seeks compensatory damages of approximately $500 million, plus punitive damages, from Citibank and Bank of America collectively In 2006, the Court granted in part and denied in part defendants' motion to dismiss. In 2009, AIB filed an amended complaint. In 2011, the parties completed fact discovery. Additional information concerning this matter is publicly available in court filings under docket number 03 Civ. 3748 (S.D.N.Y) (Batts, J.).

Settlement Payments

Payments required in settlement agreements described above have been made or are covered by existing litigation accruals.

* * *

Additional matters asserting claims similar to those described above may be filed in the future

30. SUBSEQUENT EVENTS

Agreement in Principle with Certain U.S. Federal Government Agencies and State Attorneys General

On February 9, 2012, Citi announced that it had reached an agreement in principle with the United States and state attorneys general regarding the settlement of a number of related investigations into residential loan servicing and origination practices, as well as the resolution of related mortgage litigation. Citi has adjusted its 2011 results of operations that were previously announced on January 17, 2012 for an additional $209 million (after tax) charge related to these matters See Notes 29 and 32 to the Consolidated Financial Statements.

31. CONDENSED CONSOLIDATING FINANCIAL STATEMENTS SCHEDULES

These condensed Consolidating Financial Statements schedules are presented for purposes of additional analysis, but should be considered in relation to the Consolidated Financial Statements of Citigroup taken as a whole

Citigroup Parent Company

The holding company, Citigroup Inc.

Citigroup Global Markets Holdings Inc. (CGMHI)

Citigroup guarantees various debt obligations of CGMHI as well as all of the outstanding debt obligations under CGMHI's publicly issued debt.

Citigroup Funding Inc. (CFI)

CFI is a first-tier subsidiary of Citigroup, which issues commercial paper, medium-term notes and structured equity-linked and credit-linked notes, all of which are guaranteed by Citigroup

CitiFinancial Credit Company (CCC)

An indirect wholly owned subsidiary of Citigroup. CCC is a wholly owned subsidiary of Associates Citigroup has issued a full and unconditional guarantee of the outstanding indebtedness of CCC.

Associates First Capital Corporation (Associates)

A wholly owned subsidiary of Citigroup. Citigroup has issued a full and unconditional guarantee of the outstanding long-term debt securities and commercial paper of Associates In addition, Citigroup guaranteed various debt obligations of Citigroup Finance Canada Inc. (CFCI), a wholly owned subsidiary of Associates CFCI continues to issue debt in the Canadian market supported by a Citigroup guarantee. Associates is the immediate parent company of CCC.

Other Citigroup Subsidiaries

Includes all other subsidiaries of Citigroup, intercompany eliminations and income (loss) from discontinued operations

Consolidating Adjustments

Includes Citigroup parent company elimination of distributed and undistributed income of subsidiaries, investment in subsidiaries and the elimination of CCC, which is included in the Associates column.

Condensed Consolidating Statements of Income

	Year ended December 31, 2011							
In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries, eliminations and income from discontinued operations	Consolidating adjustments	Citigroup consolidated
Revenues								
Dividends from subsidiaries	$13,046	$ —	$ —	$ —	$ —	$ —	$(13,046)	$ —
Interest revenue	220	5,852	—	4,036	4,666	61,943	(4,036)	72,681
Interest revenue—intercompany	3,464	2,143	2,496	101	370	(8,473)	(101)	—
Interest expense	8,138	2,387	2,057	97	281	11,371	(97)	24,234
Interest expense—intercompany	(520)	3,357	432	1,438	1,261	(4,530)	(1,438)	—
Net interest revenue	$ (3,934)	$2,251	$ 7	$2,602	$3,494	$ 46,629	$ (2,602)	$48,447
Commissions and fees	$ —	$4,209	$ —	$ 6	$ 85	$ 8,556	$ (6)	$12,850
Commissions and fees—intercompany	—	24	—	84	98	(122)	(84)	—
Principal transactions	(166)	1,540	2,253	—	(22)	3,629	—	7,234
Principal transactions—intercompany	(4)	(793)	(1,208)	—	—	2,005	—	—
Other income	(3,891)	719	27	562	603	12,364	(562)	9,822
Other income—intercompany	5,000	377	75	(115)	6	(5,458)	115	—
Total non-interest revenues	$ 939	$6,076	$ 1,147	$ 537	$ 770	$ 20,974	$ (537)	$29,906
Total revenues, net of interest expense	$10,051	$8,327	$ 1,154	$3,139	$4,264	$ 67,603	$(16,185)	$78,353
Provisions for credit losses and for benefits and claims	$ —	$ 7	$ —	$1,518	$1,707	$ 11,082	$ (1,518)	$12,796
Expenses								
Compensation and benefits	$ 133	$5,540	$ —	$ 449	$ 632	$ 19,383	$ (449)	$25,688
Compensation and benefits—intercompany	7	237	—	117	117	(361)	(117)	—
Other expense	948	2,734	2	572	712	20,849	(572)	25,245
Other expense—intercompany	415	718	(34)	332	386	(1,485)	(332)	—
Total operating expenses	$ 1,503	$9,229	$ (32)	$1,470	$1,847	$ 38,386	$ (1,470)	$50,933
Income (loss) before taxes and equity in undistributed income of subsidiaries	$ 8,548	$ (909)	$ 1,186	$ 151	$ 710	$ 18,135	$(13,197)	$14,624
Provision (benefit) for income taxes	(1,821)	(238)	422	44	295	4,863	(44)	3,521
Equity in undistributed income of subsidiaries	698	—	—	—	—	—	(698)	—
Income (loss) from continuing operations	$11,067	$ (671)	$ 764	$ 107	$ 415	$ 13,272	$(13,851)	$11,103
Income (loss) from discontinued operations, net of taxes	—	—	—	—	—	112	—	112
Net income (loss) before attribution of noncontrolling interests	$11,067	$ (671)	$ 764	$ 107	$ 415	$ 13,384	$(13,851)	$11,215
Net income (loss) attributable to noncontrolling interests	—	25	—	—	—	123	—	148
Net income (loss) after attribution of noncontrolling interests	$11,067	$ (696)	$ 764	$ 107	$ 415	$ 13,261	$(13,851)	$11,067

Condensed Consolidating Statements of Income

	Year ended December 31, 2010							
In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries, eliminations and income from discontinued operations	Consolidating adjustments	Citigroup consolidated
Revenues								
Dividends from subsidiaries	$14,448	$ —	$ —	$ —	$ —	$ —	$(14,448)	$ —
Interest revenue	269	6,213	8	5,097	5,860	66,932	(5,097)	79,282
Interest revenue—intercompany	2,968	2,167	2,990	81	385	(8,510)	(81)	—
Interest expense	8,601	2,145	2,356	79	274	11,720	(79)	25,096
Interest expense—intercompany	(873)	3,134	260	1,929	1,364	(3,885)	(1,929)	—
Net interest revenue	$ (4,491)	$ 3,101	$ 382	$ 3,170	$ 4,607	$ 50,587	$ (3,170)	$54,186
Commissions and fees	$ —	$ 4,677	$ —	$ 45	$ 136	$ 8,845	$ (45)	$13,658
Commissions and fees—intercompany	—	108	—	140	159	(267)	(140)	—
Principal transactions	(270)	7,207	(136)	—	8	708	—	7,517
Principal transactions—intercompany	(6)	(4,056)	(12)	—	(122)	4,196	—	—
Other income	(1,246)	838	212	493	664	10,772	(493)	11,240
Other income—intercompany	1,552	44	(90)	(2)	73	(1,579)	2	—
Total non-interest revenues	$ 30	$ 8,818	$ (26)	$ 676	$ 918	$ 22,675	$ (676)	$32,415
Total revenues, net of interest expense	$ 9,987	$11,919	$ 356	$ 3,846	$ 5,525	$ 73,262	$ (18,294)	$86,601
Provisions for credit losses and for benefits and claims	$ —	$ 17	$ —	$ 2,306	$ 2,516	$ 23,509	$ (2,306)	$26,042
Expenses								
Compensation and benefits	$ 136	$ 5,457	$ —	$ 518	$ 704	$ 18,133	$ (518)	$24,430
Compensation and benefits—intercompany	6	214	—	126	126	(346)	(126)	—
Other expense	413	2,943	2	3,374	518	19,069	(3,374)	22,945
Other expense—intercompany	323	478	9	555	593	(1,403)	(555)	—
Total operating expenses	$ 878	$ 9,092	$ 11	$ 4,573	$ 1,941	$ 35,453	$ (4,573)	$47,375
Income (loss) before taxes and equity in undistributed income of subsidiaries	$ 9,109	$ 2,810	$ 345	$(3,033)	$ 1,068	$ 14,300	$(11,415)	$13,184
Provision (benefit) for income taxes	(2,480)	860	167	(927)	367	3,319	927	2,233
Equity in undistributed income of subsidiaries	(987)	—	—	—	—	—	987	—
Income (loss) from continuing operations	$10,602	$ 1,950	$ 178	$(2,106)	$ 701	$ 10,981	$(11,355)	$10,951
Income (loss) from discontinued operations, net of taxes	—	—	—	—	—	(68)	—	(68)
Net income (loss) before attribution of noncontrolling interests	$10,602	$ 1,950	$ 178	$(2,106)	$ 701	$ 10,913	$(11,355)	$10,883
Net income (loss) attributable to noncontrolling interests	—	53	—	—	—	228	—	281
Net income (loss) after attribution of noncontrolling interests	$10,602	$ 1,897	$ 178	$(2,106)	$ 701	$ 10,685	$(11,355)	$10,602

Condensed Consolidating Statements of Income

	Year ended December 31, 2009							
In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries, eliminations and income from discontinued operations	Consolidating adjustments	Citigroup consolidated
Revenues								
Dividends from subsidiaries	$ 1,049	$ —	$ —	$ —	$ —	$ —	$(1,049)	$ —
Interest revenue	299	7,447	1	6,150	7,049	61,602	(6,150)	76,398
Interest revenue—intercompany	2,387	2,806	4,132	69	421	(9,746)	(69)	—
Interest expense	9,354	2,585	1,911	86	376	13,676	(86)	27,902
Interest expense—intercompany	(758)	2,390	823	2,243	1,572	(4,027)	(2,243)	—
Net interest revenue	$ (5,910)	$ 5,278	$ 1,399	$ 3,890	$ 5,522	$ 42,207	$ (3,890)	$48,496
Commissions and fees	$ —	$ 5,945	$ —	$ 51	$ 128	$ 9,412	$ (51)	$15,485
Commissions and fees—intercompany	—	741	(6)	134	152	(887)	(134)	—
Principal transactions	359	(267)	(1,905)	—	2	7,879	—	6,068
Principal transactions—intercompany	(649)	3,605	224	—	(109)	(3,071)	—	—
Other income	(3,731)	13,586	38	428	584	(241)	(428)	10,236
Other income—intercompany	(3,663)	(21)	(47)	2	44	3,687	(2)	—
Total non-interest revenues	$ (7,684)	$23,589	$(1,696)	$ 615	$ 801	$ 16,779	$ (615)	$31,789
Total revenues, net of interest expense	$(12,545)	$28,867	$ (297)	$ 4,505	$ 6,323	$ 58,986	$(5,554)	$80,285
Provisions for credit losses and for benefits and claims	$ —	$ 129	$ —	$ 3,894	$ 4,354	$ 35,779	$(3,894)	$40,262
Expenses								
Compensation and benefits	$ 101	$ 6,389	$ —	$ 523	$ 686	$ 17,811	$ (523)	$24,987
Compensation and benefits—intercompany	7	470	—	141	141	(618)	(141)	—
Other expense	791	2,739	2	578	735	18,568	(578)	22,835
Other expense—intercompany	782	637	4	526	573	(1,996)	(526)	—
Total operating expenses	$ 1,681	$10,235	$ 6	$ 1,768	$ 2,135	$ 33,765	$(1,768)	$47,822
Income (loss) before taxes and equity in undistributed income of subsidiaries	$(14,226)	$18,503	$ (303)	$(1,157)	$ (166)	$(10,558)	$ 108	$ (7,799)
Provision (benefit) for income taxes	(7,298)	6,852	(146)	(473)	(131)	(6,010)	473	(6,733)
Equity in undistributed income of subsidiaries	5,322	—	—	—	—	—	(5,322)	—
Income (loss) from continuing operations	$ (1,606)	$11,651	$ (157)	$ (684)	$ (35)	$ (4,548)	$(5,687)	$ (1,066)
Income from discontinued operations, net of taxes	—	—	—	—	—	(445)	—	(445)
Net income (loss) before attribution of noncontrolling interests	$ (1,606)	$11,651	$ (157)	$ (684)	$ (35)	$ (4,993)	$(5,687)	$ (1,511)
Net income (loss) attributable to noncontrolling interests	—	(18)	—	—	—	113	—	95
Net income (loss) after attribution of noncontrolling interests	$ (1,606)	$11,669	$ (157)	$ (684)	$ (35)	$ (5,106)	$(5,687)	$ (1,606)

Condensed Consolidating Balance Sheet

In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries and eliminations	Consolidating adjustments	Citigroup consolidated
						December 31, 2011		
Assets								
Cash and due from banks	$ —	$ 1,237	$ —	$ 211	$ 254	$ 27,210	$ (211)	$ 28,701
Cash and due from banks—intercompany	3	2,963	—	161	175	(3,141)	(161)	—
Federal funds sold and resale agreements	—	209,618	—	—	—	66,231	—	275,849
Federal funds sold and resale agreements—intercompany	—	10,981	—	—	—	(10,981)	—	—
Trading account assets	7	123,017	18	—	12	168,680	—	291,734
Trading account assets—intercompany	92	9,319	269	—	—	(9,680)	—	—
Investments	37,477	110	—	2,177	2,250	253,576	(2,177)	293,413
Loans, net of unearned income	—	205	—	24,899	28,556	618,481	(24,899)	647,242
Loans, net of unearned income—intercompany	—	—	58,039	4,916	8,585	(66,624)	(4,916)	—
Allowance for loan losses	—	(47)	—	(2,299)	(2,547)	(27,521)	2,299	(30,115)
Total loans, net	$ —	$ 158	$58,039	$27,516	$ 34,594	$ 524,336	$ (27,516)	$ 617,127
Advances to subsidiaries	108,644	—	—	—	—	(108,644)	—	—
Investments in subsidiaries	194,979	—	—	—	—	—	(194,979)	—
Other assets	35,776	49,207	367	4,000	7,132	274,572	(4,000)	367,054
Other assets—intercompany	29,935	42,974	3,257	4	2,366	(78,532)	(4)	—
Total assets	$406,913	$449,584	$61,950	$34,069	$ 46,783	$1,103,627	$ (229,048)	$1,873,878
Liabilities and equity								
Deposits	$ —	$ —	$ —	$ —	$ —	$ 865,936	$ —	$ 865,936
Federal funds purchased and securities loaned or sold	—	149,725	—	—	—	48,648	—	198,373
Federal funds purchased and securities loaned or sold—intercompany	185	25,902	—	—	—	(26,087)	—	—
Trading account liabilities	—	72,493	298	—	—	53,291	—	126,082
Trading account liabilities—intercompany	96	8,530	90	—	—	(8,716)	—	—
Short-term borrowings	13	1,229	7,133	750	1,100	44,966	(750)	54,441
Short-term borrowings—intercompany	—	43,056	3,153	10,243	10,792	(57,001)	(10,243)	—
Long-term debt	181,702	6,884	45,081	2,742	5,680	84,158	(2,742)	323,505
Long-term debt—intercompany	19	59,958	2,971	14,919	20,692	(83,640)	(14,919)	—
Advances from subsidiaries	17,027	—	—	—	—	(17,027)	—	—
Other liabilities	19,625	63,012	889	1,453	2,483	39,959	(1,453)	125,968
Other liabilities—intercompany	10,440	10,575	352	199	52	(21,419)	(199)	—
Total liabilities	$229,107	$441,364	$59,967	$30,306	$ 40,799	$ 923,068	$ (30,306)	$1,694,305
Citigroup stockholders' equity	$177,806	$ 7,825	$ 1,983	$ 3,763	$ 5,984	$ 179,187	$ (198,742)	$ 177,806
Noncontrolling interests	—	395	—	—	—	1,372	—	1,767
Total equity	$177,806	$ 8,220	$ 1,983	$ 3,763	$ 5,984	$ 180,559	$ (198,742)	$ 179,573
Total liabilities and equity	$406,913	$449,584	$61,950	$34,069	$ 46,783	$1,103,627	$ (229,048)	$1,873,878

Condensed Consolidating Balance Sheet

In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries and eliminations	Consolidating adjustments	Citigroup consolidated
						December 31, 2010		
Assets								
Cash and due from banks	$ —	$ 2,553	$ —	$ 170	$ 221	$ 25,198	$ (170)	$ 27,972
Cash and due from banks—intercompany	11	2,667	—	153	177	(2,855)	(153)	—
Federal funds sold and resale agreements	—	191,963	—	—	—	54,754	—	246,717
Federal funds sold and resale agreements—intercompany	—	14,530	—	—	—	(14,530)	—	—
Trading account assets	15	135,224	60	—	9	181,964	—	317,272
Trading account assets—intercompany	55	11,195	426	—	—	(11,676)	—	—
Investments	21,982	263	—	2,008	2,093	293,826	(2,008)	318,164
Loans, net of unearned income	—	216	—	32,948	37,803	610,775	(32,948)	648,794
Loans, net of unearned income—intercompany	—	—	95,507	3,723	6,517	(102,024)	(3,723)	—
Allowance for loan losses	—	(46)	—	(3,181)	(3,467)	(37,142)	3,181	(40,655)
Total loans, net	$ —	$ 170	$ 95,507	$33,490	$40,853	$ 471,609	$ (33,490)	$ 608,139
Advances to subsidiaries	133,320	—	—	—	—	(133,320)	—	—
Investments in subsidiaries	205,043	—	—	—	—	—	(205,043)	—
Other assets	19,572	66,467	561	4,318	8,311	300,727	(4,318)	395,638
Other assets—intercompany	10,609	46,856	2,549	—	1,917	(61,931)	—	—
Total assets	$390,607	$471,888	$ 99,103	$40,139	$53,581	$1,103,766	$ (245,182)	$1,913,902
Liabilities and equity								
Deposits	$ —	$ —	$ —	$ —	$ —	$ 844,968	$ —	$ 844,968
Federal funds purchased and securities loaned or sold	—	156,312	—	—	—	33,246	—	189,558
Federal funds purchased and securities loaned or sold—intercompany	185	7,537	—	—	—	(7,722)	—	—
Trading account liabilities	—	75,454	45	—	—	53,555	—	129,054
Trading account liabilities—intercompany	55	10,265	88	—	—	(10,408)	—	—
Short-term borrowings	16	2,296	11,024	750	1,491	63,963	(750)	78,790
Short-term borrowings—intercompany	—	66,838	33,941	4,208	2,797	(103,576)	(4,208)	—
Long-term debt	191,944	9,566	50,629	3,396	6,603	122,441	(3,396)	381,183
Long-term debt—intercompany	389	60,088	1,705	26,339	33,224	(95,406)	(26,339)	—
Advances from subsidiaries	22,698	—	—	—	—	(22,698)	—	—
Other liabilities	5,841	58,056	175	1,922	3,104	57,384	(1,922)	124,560
Other liabilities—intercompany	6,011	9,883	277	668	295	(16,466)	(668)	—
Total liabilities	$227,139	$456,295	$ 97,884	$37,283	$47,514	$ 919,281	$ (37,283)	$1,748,113
Citigroup stockholders' equity	$163,468	$ 15,178	$ 1,219	$ 2,856	$ 6,067	$ 182,579	$ (207,899)	$ 163,468
Noncontrolling interests	—	415	—	—	—	1,906	—	2,321
Total equity	$163,468	$ 15,593	$ 1,219	$ 2,856	$ 6,067	$ 184,485	$ (207,899)	$ 165,789
Total liabilities and equity	$390,607	$471,888	$ 99,103	$40,139	$53,581	$1,103,766	$ (245,182)	$1,913,902

Condensed Consolidating Statements of Cash Flows

	Year ended December 31, 2011							
In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries and eliminations	Consolidating adjustments	Citigroup consolidated
Net cash provided by operating activities of continuing operations	$ 1,710	$ 16,469	$ 1,523	$ 2,113	$ 1,290	$ 23,749	$ (2,113)	$ 44,741
Cash flows from investing activities of continuing operations								
Change in loans	$ —	$ —	$ 37,822	$ 2,220	$ 2,824	$ (52,205)	$ (2,220)	$ (11,559)
Proceeds from sales and securitizations of loans	—	3	—	3,112	3,437	6,582	(3,112)	10,022
Purchases of investments	(47,190)	(1)	—	(768)	(768)	(266,291)	768	(314,250)
Proceeds from sales of investments	9,524	105	—	330	330	172,607	(330)	182,566
Proceeds from maturities of investments	22,386	—	—	274	274	117,299	(274)	139,959
Changes in investments and advances—intercompany	32,419	2,147	—	(1,193)	(2,068)	(32,498)	1,193	—
Business acquisitions	(10)	—	—	—	—	10	—	—
Other investing activities	—	10,341	—	—	—	(5,813)	—	4,528
Net cash provided by (used in) investing activities of continuing operations	$ 17,129	$ 12,595	$ 37,822	$ 3,975	$ 4,029	$ (60,309)	$ (3,975)	$ 11,266
Cash flows from financing activities of continuing operations								
Dividends paid	$ (113)	$ —	$ —	$ —	$ —	$ 6	$ —	$ (107)
Treasury stock acquired	(1)	—	—	—	—	—	—	(1)
Proceeds/(repayments) from issuance of long-term debt—third-party, net	(16,481)	(2,443)	(5,718)	(654)	(360)	(33,847)	654	(58,849)
Proceeds/(repayments) from issuance of long-term debt—intercompany, net	—	3,311	881	(11,420)	(12,532)	8,340	11,420	—
Change in deposits	—	—	—	—	—	23,858	—	23,858
Net change in short-term borrowings and other investment banking and brokerage borrowings—third-party	—	(1,067)	(3,910)	—	(391)	(19,699)	—	(25,067)
Net change in short-term borrowings and other advances—intercompany	(5,772)	(26,782)	(30,520)	6,035	7,995	55,079	(6,035)	—
Capital contributions from parent	—	(3,103)	—	—	—	3,103	—	—
Other financing activities	3,520	—	(78)	—	—	78	—	3,520
Net cash (used in) provided by financing activities of continuing operations	$ (18,847)	$ (30,084)	$ (39,345)	$ (6,039)	$ (5,288)	$ 36,918	$ 6,039	$ (56,646)
Effect of exchange rate changes on cash and due from banks	$ —	$ —	$ —	$ —	$ —	$ (1,301)	$ —	$ (1,301)
Net cash provided by (used in) discontinued operations	—	—	—	—	—	2,669	—	2,669
Net increase (decrease) in cash and due from banks	$ (8)	$ (1,020)	$ —	$ 49	$ 31	$ 1,726	$ (49)	$ 729
Cash and due from banks at beginning of period	11	5,220	—	323	398	22,343	(323)	27,972
Cash and due from banks at end of period	$ 3	$ 4,200	$ —	$ 372	$ 429	$ 24,069	$ (372)	$ 28,701
Supplemental disclosure of cash flow information for continuing operations								
Cash paid during the year for								
Income taxes	$ (458)	$ 321	$ (323)	$ 93	$ 140	$ 3,025	$ (93)	$ 2,705
Interest	9,271	5,084	591	1,781	1,569	4,715	(1,781)	21,230
Non-cash investing activities								
Transfers to repossessed assets	—	40	—	643	691	553	(643)	1,284
Transfers to trading account assets from investments (held-to-maturity)	—	—	—	—	—	12,700	—	12,700

Condensed Consolidating Statements of Cash Flows

	Year ended December 31, 2010							
In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries and eliminations	Consolidating adjustments	Citigroup consolidated
Net cash provided by (used in) operating activities of continuing operations	$ 8,756	$ 28,432	$ 326	$ 3,084	$ 3,767	$ (5,595)	$ (3,084)	$ 35,686
Cash flows from investing activities of continuing operations								
Change in loans	$ —	$ 27	$ 34,004	$ 3,098	$ 3,935	$ 22,764	$ (3,098)	$ 60,730
Proceeds from sales and securitizations of loans	—	103	—	1,865	1,898	7,917	(1,865)	9,918
Purchases of investments	(31,346)	(11)	—	(518)	(521)	(374,168)	518	(406,046)
Proceeds from sales of investments	6,029	27	—	557	669	176,963	(557)	183,688
Proceeds from maturities of investments	16,834	—	—	356	365	172,615	(356)	189,814
Changes in investments and advances—intercompany	13,363	3,503	—	(336)	744	(17,610)	336	—
Business acquisitions	(20)	—	—	—	—	20	—	—
Other investing activities	—	(14,746)	—	(22)	(22)	20,001	22	5,233
Net cash provided by (used in) investing activities of continuing operations	$ 4,860	$ (11,097)	$ 34,004	$ 5,000	$ 7,068	$ 8,502	$ (5,000)	$ 43,337
Cash flows from financing activities of continuing operations								
Dividends paid	$ (9)	$ —	$ —	$ —	$ —	$ —	$ —	$ (9)
Dividends paid—intercompany	—	(7,045)	(1,500)	—	—	8,545	—	—
Treasury stock acquired	(6)	—	—	—	—	—	—	(6)
Proceeds/(repayments) from issuance of long-term debt—third-party, net	(8,339)	(3,044)	(5,326)	1,503	61	(25,585)	(1,503)	(42,233)
Proceeds/(repayments) from issuance of long-term debt—intercompany, net	—	(2,208)	—	(11,261)	18,946	(16,738)	11,261	—
Change in deposits	—	—	—	—	—	9,065	—	9,065
Net change in short-term borrowings and other investment banking and brokerage borrowings—third-party	11	(2,297)	954	750	1,112	(46,969)	(750)	(47,189)
Net change in short-term borrowings and other advances—intercompany	(8,211)	(2,468)	(28,459)	904	(31,021)	70,159	(904)	—
Other financing activities	2,944	—	—	—	—	—	—	2,944
Net cash (used in) provided by financing activities of continuing operations	$ (13,610)	$ (17,062)	$ (34,331)	$ (8,104)	$ (10,902)	$ (1,523)	$ 8,104	$ (77,428)
Effect of exchange rate changes on cash and due from banks	$ —	$ —	$ —	$ —	$ —	$ 691	$ —	$ 691
Net cash provided by (used in) discontinued operations	—	—	—	—	—	214	—	214
Net increase (decrease) in cash and due from banks	$ 6	$ 273	$ (1)	$ (20)	$ (67)	$ 2,289	$ 20	$ 2,500
Cash and due from banks at beginning of period	5	4,947	1	343	465	20,054	(343)	25,472
Cash and due from banks at end of period	$ 11	$ 5,220	$ —	$ 323	$ 398	$ 22,343	$ (323)	$ 27,972
Supplemental disclosure of cash flow information for continuing operations								
Cash paid during the year for								
Income taxes	$ (507)	$ 246	$ 348	$ (20)	$ (5)	$ 4,225	$ 20	$ 4,307
Interest	9,317	5,194	1,014	2,208	1,593	6,091	(2,208)	23,209
Non-cash investing activities								
Transfers to repossessed assets	—	222	—	1,274	1,336	1,037	(1,274)	2,595
Transfers to trading accounting assets from investments (available-for-sale)	—	—	—	—	—	12,001	—	12,001

Condensed Consolidating Statements of Cash Flows

	Year ended December 31, 2009							
In millions of dollars	Citigroup parent company	CGMHI	CFI	CCC	Associates	Other Citigroup subsidiaries and eliminations	Consolidating adjustments	Citigroup consolidated
Net cash (used in) provided by operating activities of continuing operations	$ (5,318)	$ 19,442	$ 1,238	$ 4,408	$ 4,852	$ (74,824)	$(4,408)	$ (54,610)
Cash flows from investing activities of continuing operations								
Change in loans	$ —	$ —	$ 5,759	$ 1,024	$ 1,191	$(155,601)	$(1,024)	$(148,651)
Proceeds from sales and securitizations of loans	—	176	—	6	—	241,191	(6)	241,367
Purchases of investments	(17,056)	(13)	—	(589)	(650)	(263,396)	589	(281,115)
Proceeds from sales of investments	7,092	32	—	520	598	77,673	(520)	85,395
Proceeds from maturities of investments	21,030	—	—	348	459	112,125	(348)	133,614
Changes in investments and advances—intercompany	(22,371)	—	—	(165)	3,657	18,714	165	—
Business acquisitions	384	—	—	—	—	(384)	—	—
Other investing activities	—	6,259	—	—	—	299	—	6,558
Net cash (used in) provided by investing activities of continuing operations	$(10,921)	$ 6,454	$ 5,759	$ 1,144	$ 5,255	$ 30,621	$(1,144)	$ 37,168
Cash flows from financing activities of continuing operations								
Dividends paid	$ (3,237)	$ —	$ —	$ —	$ —	$ —	$ —	$ (3,237)
Dividends paid—intercompany	(121)	(1,000)	—	—	—	1,121	—	—
Issuance of common stock	17,514	—	—	—	—	—	—	17,514
Treasury stock acquired	(3)	—	—	—	—	—	—	(3)
Proceeds/(repayments) from issuance of long-term debt—third-party, net	(9,591)	(2,788)	18,090	679	(791)	(18,575)	(679)	(13,655)
Proceeds/(repayments) from issuance of long-term debt—intercompany, net	—	1,550	—	(3,122)	(3,377)	1,827	3,122	—
Change in deposits	—	—	—	—	—	61,718	—	61,718
Net change in short-term borrowings and other investment banking and brokerage borrowings—third-party	(1,339)	(5,142)	(20,847)	—	(10)	(24,657)	—	(51,995)
Net change in short-term borrowings and other advances—intercompany	10,344	(18,126)	(4,240)	(3,056)	(5,819)	17,841	3,056	—
Other financing activities	2,664	—	—	—	(41)	41	—	2,664
Net cash provided by (used in) financing activities of continuing operations	$ 16,231	$(25,506)	$ (6,997)	$(5,499)	$(10,038)	$ 39,316	$ 5,499	$ 13,006
Effect of exchange rate changes on cash and due from banks	$ —	$ —	$ —	$ —	$ —	$ 632	$ —	$ 632
Net cash provided by (used in) discontinued operations	—	—	—	—	—	23	—	23
Net (decrease) increase in cash and due from banks	$ (8)	$ 390	$ —	$ 53	$ 69	$ (4,232)	$ (53)	$ (3,781)
Cash and due from banks at beginning of period	13	4,557	1	290	396	24,286	(290)	29,253
Cash and due from banks at end of period	$ 5	$ 4,947	$ 1	$ 343	$ 465	$ 20,054	$ (343)	$ 25,472
Supplemental disclosure of cash flow information for continuing operations								
Cash paid during the year for								
Income taxes	$ 412	$ (663)	$ 101	$ (12)	$ (137)	$ (2)	$ 12	$ (289)
Interest	8,891	7,311	2,898	3,046	530	8,759	(3,046)	28,389
Non-cash investing activities								
Transfers to repossessed assets	—	—	—	1,642	1,704	1,176	(1,642)	2,880

32. SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

	2011				2010			
In millions of dollars, except per share amounts	**Fourth [1]**	**Third**	**Second**	**First**	Fourth	Third	Second	First
Revenues, net of interest expense	**$17,174**	**$20,831**	**$20,622**	**$19,726**	$18,371	$20,738	$22,071	$25,421
Operating expenses	**13,211**	**12,460**	**12,936**	**12,326**	12,471	11,520	11,866	11,518
Provisions for credit losses and for benefits and claims	**2,874**	**3,351**	**3,387**	**3,184**	4,840	5,919	6,665	8,618
Income from continuing operations before income taxes	**$ 1,089**	**$ 5,020**	**$ 4,299**	**$ 4,216**	$ 1,060	$ 3,299	$ 3,540	$ 5,285
Income taxes (benefits)	**91**	**1,278**	**967**	**1,185**	(313)	698	812	1,036
Income from continuing operations	**$ 998**	**$ 3,742**	**$ 3,332**	**$ 3,031**	$ 1,373	$ 2,601	$ 2,728	$ 4,249
Income (loss) from discontinued operations, net of taxes	**—**	**1**	**71**	**40**	98	(374)	(3)	211
Net income before attribution of noncontrolling interests	**$ 998**	**$ 3,743**	**$ 3,403**	**$ 3,071**	$ 1,471	$ 2,227	$ 2,725	$ 4,460
Net income (loss) attributable to noncontrolling interests	**42**	**(28)**	**62**	**72**	162	59	28	32
Citigroup's net income	**$ 956**	**$ 3,771**	**$ 3,341**	**$ 2,999**	$ 1,309	$ 2,168	$ 2,697	$ 4,428
Earnings per share [2][3]								
Basic								
Income (loss) from continuing operations	**$ 0.32**	**$ 1.27**	**$ 1.10**	**$ 1.01**	$ 0 41	$ 0 85	$ 0 93	$ 1 47
Net income (loss)	**0.32**	**1.27**	**1.12**	**1.02**	0 45	0 74	0.93	1.55
Diluted								
Income (loss) from continuing operations	**0.31**	**1.23**	**1.07**	**0.97**	0 40	0 83	0.90	1.43
Net income (loss)	**0.31**	**1.23**	**1.09**	**0.99**	0 43	0.72	0.90	1.50
Common stock price per share [2]								
High	**$ 34.17**	**$ 42.88**	**$ 45.90**	**$ 51.30**	$ 48.10	$ 43.00	$ 49.70	$ 43.10
Low	**23.11**	**23.96**	**36.81**	**43.90**	39 50	36.60	36.30	31.50
Close	**26.31**	**25.62**	**41.64**	**44.20**	47.30	39.10	37.60	40.50
Dividends per share of common stock	**0.01**	**0.01**	**0.01**	**—**	—	—	—	—

This Note to the Consolidated Financial Statements is unaudited due to the Company's individual quarterly results not being subject to an audit

(1) Citi has adjusted its fourth quarter results of operations that were previously announced on January 17, 2012, for an additional $209 million (after-tax) charge This charge relates to the agreement in principle with the United States and state attorneys general announced on February 9, 2012 regarding the settlement of a number of investigations into residential loan servicing and origination litigation, as well as the resolution of related mortgage litigation (see Notes 29 and 30 to the Consolidated Financial Statements) The impact of these adjustments was a $275 million (pretax) increase in *Other operating expenses*, a $209 million (after-tax) reduction in *Net income* and a $0 07 (after-tax) reduction in *Diluted earnings per share*, each for the fourth quarter of 2011

(2) All per share amounts for all periods reflect Citigroup's 1-for-10 reverse stock split, which was effective May 6 2011

(3) Due to averaging of shares, quarterly earnings per share may not add up to the totals reported for the full year

[End of Consolidated Financial Statements and Notes to Consolidated Financial Statements]

FINANCIAL DATA SUPPLEMENT (Unaudited)

RATIOS

	2011	2010	2009
Citigroup's net income (loss) to average assets	**0.57%**	0.53%	(0.08)%
Return on average common stockholders' equity [1]	**6.3**	6 8	(9.4)
Return on average total stockholders' equity [2]	**6.3**	6.8	(1.1)
Total average equity to average assets [3]	**8.9**	7.8	7.6
Dividends payout ratio [4]	**0.8**	NM	NM

(1) Based on Citigroup's net income less preferred stock dividends as a percentage of average common stockholders' equity
(2) Based on Citigroup's net income as a percentage of average total Citigroup stockholders' equity
(3) Based on average Citigroup stockholders' equity as a percentage of average assets
(4) Dividends declared per common share as a percentage of net income per diluted share
NM Not Meaningful

AVERAGE DEPOSIT LIABILITIES IN OFFICES OUTSIDE THE U.S. [1]

	2011		2010		2009	
In millions of dollars at year end	**Average interest rate**	**Average balance**	Average interest rate	Average balance	Average interest rate	Average balance
Banks	**0.78%**	**$ 50,831**	0.83%	$ 63,637	1.11%	$ 58,046
Other demand deposits	**0.91**	**248,925**	0.75	210,465	0.66	187,478
Other time and savings deposits [2]	**1.52**	**245,208**	1.54	258,999	1.85	237,653
Total	**1.17%**	**$544,964**	1 14%	$533,101	1 30%	$483,177

(1) Interest rates and amounts include the effects of risk management activities and also reflect the impact of the local interest rates prevailing in certain countries
(2) Primarily consists of certificates of deposit and other time deposits in denominations of $100,000 or more

MATURITY PROFILE OF TIME DEPOSITS ($100,000 OR MORE) IN U.S. OFFICES

In millions of dollars at December 31, 2011	Under 3 months	Over 3 to 6 months	Over 6 to 12 months	Over 12 months
Certificates of deposit	**$4,375**	**$2,712**	**$1,806**	**$2,595**
Other time deposits	**$2,614**	**$ 59**	**$ 504**	**$1,707**

SUPERVISION AND REGULATION

Citigroup is subject to regulation under U S federal and state laws, as well as applicable laws in the other jurisdictions in which it does business.

General

As a registered bank holding company and financial holding company, Citigroup is regulated and supervised by the Board of Governors of the Federal Reserve System (FRB). Citigroup's nationally chartered subsidiary banks, including Citibank, N.A., are regulated and supervised by the Office of the Comptroller of the Currency (OCC) and its state-chartered depository institution by the relevant State's banking department and the Federal Deposit Insurance Corporation (FDIC) The FDIC also has back-up enforcement authority for banking subsidiaries whose deposits it insures. Overseas branches of Citibank are regulated and supervised by the FRB and OCC and overseas subsidiary banks by the FRB. Such overseas branches and subsidiary banks are also regulated and supervised by regulatory authorities in the host countries.

A U.S. financial holding company and the companies under its control are permitted to engage in a broader range of activities in the U.S. and abroad than permitted for bank holding companies and their subsidiaries. Unless otherwise limited by the FRB, financial holding companies generally can engage, directly or indirectly in the U S and abroad, in financial activities, either de novo or by acquisition, by providing after-the-fact notice to the FRB. These financial activities include underwriting and dealing in securities, insurance underwriting and brokerage and making investments in non-financial companies for a limited period of time, as long as Citi does not manage the non-financial company's day-to-day activities, and its banking subsidiaries engage only in permitted cross-marketing with the non-financial company If Citigroup ceases to qualify as a financial holding company, it could be barred from new financial activities or acquisitions, and have to discontinue the broader range of activities permitted to financial holding companies.

Citi is permitted to acquire U.S depository institutions, including out-of-state banks, subject to certain restrictions and the prior approval of federal banking regulators. In addition, intrastate bank mergers are permitted and banks in states that do not prohibit out-of-state mergers may merge A national bank can generally also establish a new branch in any state (to the same extent as banks organized in the subject state) and state banks may establish a branch in another state if permitted by the other state However, all bank holding companies, including Citigroup, must obtain the prior approval of the FRB before acquiring more than 5% of any class of voting stock of a U.S depository institution or bank holding company. The FRB must also approve certain additional capital contributions to an existing non-U S. investment and certain acquisitions by Citigroup of an interest in a non-U.S. company, including in a foreign bank, as well as the establishment by Citibank of foreign branches in certain circumstances

For more information on U S and foreign regulation affecting Citigroup and its subsidiaries, see "Risk Factors—Regulatory Risks" above

Changes in Regulation

Proposals to change the laws and regulations affecting the banking and financial services industries are frequently introduced in Congress, before regulatory bodies and abroad that may affect the operating environment of Citigroup and its subsidiaries in substantial and unpredictable ways. This has been particularly true as a result of the financial crisis Citigroup cannot determine whether any such proposals will be enacted and, if enacted, the ultimate effect that any such potential legislation or implementing regulations would have upon the financial condition or results of operations of Citigroup or its subsidiaries. For additional information regarding recently enacted and proposed legislative and regulatory initiatives, including significant provisions of the Dodd-Frank Act that have not been fully implemented by the U S. banking agencies, see "Capital Resources and Liquidity—Regulatory Capital Standards" and "Risk Factors—Regulatory Risks" above

Other Bank and Bank Holding Company Regulation

Citigroup and its banking subsidiaries are subject to other regulatory limitations, including requirements for banks to maintain reserves against deposits, requirements as to risk-based capital and leverage (see "Capital Resources and Liquidity" above and Note 20 to the Consolidated Financial Statements), restrictions on the types and amounts of loans that may be made and the interest that may be charged, and limitations on investments that can be made and services that can be offered. The FRB may also expect Citigroup to commit resources to its subsidiary banks in certain circumstances. Citigroup is also subject to anti-money laundering and financial transparency laws, including standards for verifying client identification at account opening and obligations to monitor client transactions and report suspicious activities.

Securities and Commodities Regulation

Citigroup conducts securities underwriting, brokerage and dealing activities in the U S through Citigroup Global Markets Inc., its primary broker-dealer, and other broker-dealer subsidiaries, which are subject to regulations of the SEC, the Financial Industry Regulatory Authority and certain exchanges, among others. Citigroup conducts similar securities activities outside the U.S., subject to local requirements, through various subsidiaries and affiliates, principally Citigroup Global Markets Limited in London, which is regulated principally by the U K Financial Services Authority, and Citigroup Global Markets Japan Inc in Tokyo, which is regulated principally by the Financial Services Agency of Japan.

Citigroup also has subsidiaries that are members of futures exchanges and are registered accordingly In the U S , CGMI is a member of the principal U S futures exchanges, and Citigroup has subsidiaries that are registered as futures commission merchants and commodity pool operators with the Commodity Futures Trading Commission (CTFC)

CGMI is also subject to Rule 15c3-1 of the SEC and Rule 1 17 of the CTFC, which specify uniform minimum net capital requirements. Compliance with these rules could limit those operations of CGMI that require the intensive use of capital, such as underwriting and trading activities and the financing of customer account balances, and also limits the ability of broker-dealers to transfer large amounts of capital to parent companies and other affiliates. See also "Capital Resources—Broker-Dealer Subsidiaries" and Note 20 to the Consolidated Financial Statements for a further discussion of capital considerations of Citigroup's non-banking subsidiaries

Dividends

Citigroup is currently subject to restrictions on its ability to pay common stock dividends See "Risk Factors" above For information on the ability of Citigroup's subsidiary depository institutions and non-bank subsidiaries to pay dividends, see "Capital Resources—Capital Resources of Citigroup's U S. Depository Institutions" and Note 20 to the Consolidated Financial Statements above.

Transactions with Affiliates

The types and amounts of transactions between Citigroup's U.S. subsidiary depository institutions and their non-bank affiliates are regulated by the FRB, and are generally required to be on arm's-length terms. See also "Funding and Liquidity" above

Insolvency of an Insured U.S. Subsidiary Depository Institution

If the FDIC is appointed the conservator or receiver of an FDIC-insured U S subsidiary depository institution such as Citibank, N A., upon its insolvency or certain other events, the FDIC has the ability to transfer any of the depository institution's assets and liabilities to a new obligor without the approval of the depository institution's creditors, enforce the terms of the depository institution's contracts pursuant to their terms or repudiate or disaffirm contracts or leases to which the depository institution is a party

Additionally, the claims of holders of deposit liabilities and certain claims for administrative expenses against an insured depository institution would be afforded priority over other general unsecured claims against such an institution, including claims of debt holders of the institution and depositors in non-U S offices, in the liquidation or other resolution of such an institution by any receiver As a result, such persons would be treated differently from and could receive, if anything, substantially less than the depositors in U S offices of the depository institution

An FDIC-insured financial institution that is affiliated with a failed FDIC-insured institution may have to indemnify the FDIC for losses resulting from the insolvency of the failed institution. Such an FDIC indemnity claim is generally superior in right of payment to claims of the holding company and its affiliates and depositors against such depository institution

Privacy and Data Security

Citigroup is subject to many U S., state and international laws and regulations relating to policies and procedures designed to protect the non-public information of its consumers Citigroup must periodically disclose its privacy policy to consumers and must permit consumers to opt out of Citigroup's ability to use such information to market to affiliates and third-party non-affiliates under certain circumstances. See also "Risk Factors—Business Risks" and "Operational Risk—Information Security and Continuity of Business" above.

CUSTOMERS

In Citigroup's judgment, no material part of Citigroup's business depends upon a single customer or group of customers, the loss of which would have a materially adverse effect on Citi, and no one customer or group of affiliated customers accounts for at least 10% of Citigroup's consolidated revenues.

COMPETITION

The financial services industry, including each of Citigroup's businesses, is highly competitive. Citigroup's competitors include a variety of other financial services and advisory companies such as banks, thrifts, credit unions, credit card issuers, mortgage banking companies, trust companies, investment banking companies, brokerage firms, investment advisory companies, hedge funds, private equity funds, securities processing companies, mutual fund companies, insurance companies, automobile financing companies, and internet-based financial services companies.

Citigroup competes for clients and capital (including deposits and funding in the short- and long-term debt markets) with some of these competitors globally and with others on a regional or product basis Citigroup's competitive position depends on many factors, including the value of Citi's brand name, reputation, the types of clients and geographies served, the quality, range, performance, innovation and pricing of products and services, the effectiveness of and access to distribution channels, technology advances, customer service and convenience, effectiveness of transaction execution, interest rates and lending limits, regulatory constraints and the effectiveness of sales promotion efforts Citigroup's ability to compete effectively also depends upon its ability to attract new employees and retain and motivate existing employees, while managing compensation and other costs. See "Risk Factors—Regulatory Risks" above

In recent years, Citigroup has experienced intense price competition in some of its businesses. For example, the increased pressure on trading commissions from growing direct access to automated, electronic markets

may continue to impact *Securities and Banking*, and technological advances that enable more companies to provide funds transfers may diminish the importance of *Global Consumer Banking's* role as a financial intermediary.

There has been substantial consolidation among companies in the financial services industry, particularly as a result of the financial crisis, through mergers, acquisitions and bankruptcies. This consolidation may produce larger, better capitalized and more geographically diverse competitors able to offer a wider array of products and services at more competitive prices around the world. In certain geographic regions, including "emerging markets," our competitors may have a stronger local presence, longer operating histories, and more established relationships with clients and regulators.

PROPERTIES

Citigroup's principal executive offices are located at 399 Park Avenue in New York City. Citigroup, and certain of its subsidiaries, is the largest tenant, and the offices are the subject of a lease. Citigroup also has additional office space at 601 Lexington Avenue in New York City, under a long-term lease. Citibank leases one building and owns a commercial condominium unit in a separate building in Long Island City, New York, and has a long-term lease on a building at 111 Wall Street in New York City, each of which are totally occupied by Citigroup and certain of its subsidiaries.

Citigroup Global Markets Holdings Inc. leases its principal offices at 388 Greenwich Street in New York City, and also leases the neighboring building at 390 Greenwich Street, both of which are fully occupied by Citigroup and certain of its subsidiaries

Citigroup's principal executive offices in *EMEA* are located at 25 and 33 Canada Square in London's Canary Wharf, with both buildings subject to long-term leases Citigroup is the largest tenant of 25 Canada Square and the sole tenant of 33 Canada Square

In *Asia*, Citigroup's principal executive offices are in leased premises located at Citibank Tower in Hong Kong. Citigroup also has significant lease premises in Singapore and Japan. Citigroup has major or full ownership interests in country headquarter locations in Shanghai, Seoul, Kuala Lumpur, Manila, and Mumbai.

Citigroup's principal executive offices in *Latin America*, which also serve as the headquarters of Banamex, are located in Mexico City, in a two-tower complex with six floors each, totaling 257,000 rentable square feet

Citigroup also owns or leases over 74 6 million square feet of real estate in 101 countries, comprised of 12,415 properties.

Citigroup continues to evaluate its current and projected space requirements and may determine from time to time that certain of its premises and facilities are no longer necessary for its operations. There is no assurance that Citigroup will be able to dispose of any such excess premises or that it will not incur charges in connection with such dispositions. Such disposition costs may be material to Citigroup's operating results in a given period.

Citi has developed programs for its properties to achieve long-term energy efficiency objectives and reduce its greenhouse gas emissions to lessen its impact on climate change. Citi has also integrated a climate change adaptation strategy into its operational strategy, which includes redundancy measures, to address risks from climate change and weather influenced events These activities could help to mitigate, but will not eliminate, Citi's potential risk from future climate change regulatory requirements or Citi's risk of increased costs from extreme weather events.

For further information concerning leases, see Note 28 to the Consolidated Financial Statements.

LEGAL PROCEEDINGS

For a discussion of Citigroup's litigation and related matters, see Note 29 to the Consolidated Financial Statements

UNREGISTERED SALES OF EQUITY; PURCHASES OF EQUITY SECURITIES; DIVIDENDS

Unregistered Sales of Equity Securities

None.

Share Repurchases

Under its long-standing repurchase program, Citigroup may buy back common shares in the market or otherwise from time to time. This program is used for many purposes, including offsetting dilution from stock-based compensation programs.

The following table summarizes Citigroup's share repurchases during 2011:

In millions, except per share amounts	Total shares purchased [1]	Average price paid per share	Approximate dollar value of shares that may yet be purchased under the plan or programs
First quarter 2011			
Open market repurchases [1]	—	$ —	$6,731
Employee transactions [2]	1.1	48.07	N/A
Total first quarter 2011	1.1	$48.07	$6,731
Second quarter 2011			
Open market repurchases [1]	—	$ —	$6,731
Employee transactions [2]	0.1	41.58	N/A
Total second quarter 2011	0.1	$41.58	$6,731
Third quarter 2011			
Open market repurchases [1]	—	$ —	$6,731
Employee transactions [2]	0.1	31.69	N/A
Total third quarter 2011	0.1	$31.69	$6,730
October 2011			
Open market repurchases [1]	—	$ —	$6,730
Employee transactions [2]	—	—	N/A
November 2011			
Open market repurchases [1]	—	$ —	$6,730
Employee transactions [2]	—	—	N/A
December 2011			
Open market repurchases [1]	—	$ —	$6,730
Employee transactions [2]	—	—	N/A
Fourth quarter 2011			
Open market repurchases [1]	—	$ —	$6,730
Employee transactions [2]	—	—	N/A
Total fourth quarter 2011	—	$ —	$6,730
Year-to-date 2011			
Open market repurchases [1]	—	$ —	$6,730
Employee transactions [2]	1.3	45.98	N/A
Total year-to-date 2011	1.3	$45.98	$6,730

(1) Open market repurchases are transacted under an existing authorized share repurchase plan. Since 2000, the Board of Directors has authorized the repurchase of shares in the aggregate amount of $40 billion under Citi's existing share repurchase plan.

(2) Consists of shares added to treasury stock related to activity on employee stock option program exercises, where the employee delivers existing shares to cover the option exercise, or under Citi's employee restricted or deferred stock program, where shares are withheld to satisfy tax requirements.

N/A Not applicable

For so long as the U.S. government continues to hold any Citigroup trust preferred securities acquired pursuant to the exchange offers consummated in 2009, Citigroup is, subject to certain exemptions, generally restricted from redeeming or repurchasing any of its equity or trust preferred securities, or paying regular cash dividends in excess of $0.01 per share of common stock per quarter, which restriction may be waived

Dividends

For a summary of the cash dividends paid on Citi's outstanding common stock during 2009 and 2010, see Note 32 to the Consolidated Financial Statements For so long as the U.S government holds any Citigroup trust preferred securities acquired pursuant to Citi's exchange offers consummated in 2009, Citigroup has agreed not to pay a quarterly common stock dividend exceeding $0.01 per quarter, subject to certain customary exceptions. Further, any dividend on Citi's outstanding common stock would need to be made in compliance with Citi's obligations to any remaining outstanding Citigroup preferred stock.

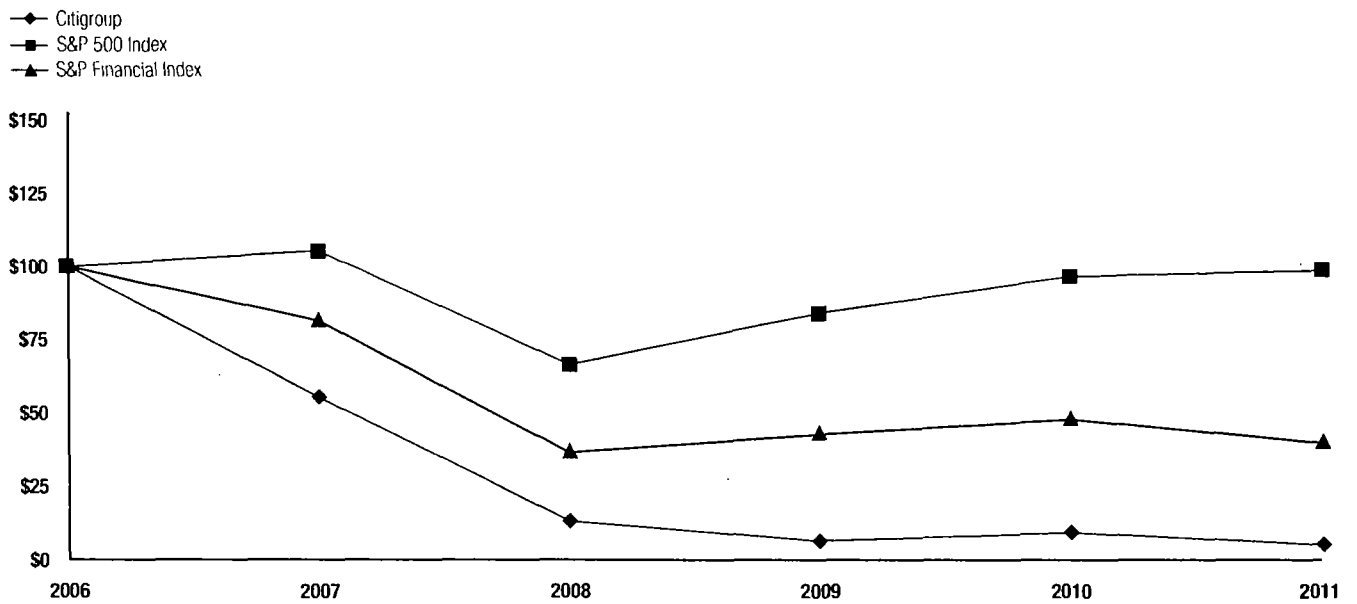
PERFORMANCE GRAPH

Comparison of Five-Year Cumulative Total Return

The following graph and table compare the cumulative total return on Citigroup's common stock with the cumulative total return of the S&P 500 Index and the S&P Financial Index over the five-year period extending through December 31, 2011. The graph and table assume that $100 was invested on December 31, 2006 in Citigroup's common stock, the S&P 500 Index and the S&P Financial Index and that all dividends were reinvested

Comparison of Five-Year Cumulative Total Return

For the years ended



DATE	CITI	S&P 500	S&P FINANCIALS
29-Dec-2006	100 00	100 00	100.00
31-Dec-2007	55 29	105.49	81.37
31-Dec-2008	13 28	66 46	36.36
31-Dec-2009	6.57	84 05	42 62
31-Dec-2010	9 39	96 71	47 79
30-Dec-2011	5 23	98.76	39 64

CORPORATE INFORMATION

CITIGROUP EXECUTIVE OFFICERS

Citigroup's executive officers as of February 24, 2012 are:

Name	Age	Position and office held
Stephen Bird	45	CEO, Asia Pacific
Don Callahan	55	Chief Administrative Officer, Chief Operations and Technology Officer
Michael L Corbat	51	CEO Europe, Middle East and Africa
John C. Gerspach	58	Chief Financial Officer
John Havens	55	President and Chief Operating Officer, CEO, Institutional Clients Group
Michael S Helfer	66	General Counsel and Corporate Secretary
Brian Leach	52	Chief Risk Officer
Eugene M McQuade	63	CEO, Citibank, N.A.
Manuel Medina-Mora	61	CEO, Global Consumer Banking, Chairman of the Global Consumer Council
William J Mills	56	CEO, North America
Vikram S Pandit	55	Chief Executive Officer
Jeffrey R. Walsh	54	Controller and Chief Accounting Officer

Each executive officer has held executive or management positions with Citigroup for at least five years, except that:

- Mr. Callahan joined Citigroup in 2007. Prior to joining Citi, Mr. Callahan was a Managing Director and Head of Client Coverage Strategy for the Investment Banking Division at Credit Suisse From 1993 to 2006, Mr. Callahan worked at Morgan Stanley, serving in numerous roles, including Global Head of Marketing and Head of Marketing for the Institutional Equities Division and for the Institutional Securities Group.
- Mr. Havens joined Citigroup in 2007. Prior to joining Citigroup, Mr Havens was a partner of Old Lane, LP, a multi-strategy hedge fund and private equity fund manager that was acquired by Citi in 2007 (Old Lane) Mr Havens, along with several former colleagues from Morgan Stanley (including Mr. Leach and Mr Pandit), founded Old Lane in 2005. Before forming Old Lane, Mr. Havens was Head of Institutional Equity at Morgan Stanley and a member of the firm's Management Committee
- Mr. Leach became Citi's Chief Risk Officer in March 2008 Prior to that, Mr. Leach was a founder and the co-COO of Old Lane. Earlier, he had worked for his entire financial career at Morgan Stanley, finishing as Risk Manager of the Institutional Securities Business
- Mr. McQuade joined Citi in 2009 Prior to joining Citi, Mr. McQuade was Vice Chairman of Merrill Lynch and President of Merrill Lynch Banks (U.S.) from February 2008 until February 2009. Previously, he was the President and Chief Operating Officer of Freddie Mac for three years. Prior to joining Freddie Mac in 2004, Mr. McQuade served as President of Bank of America Corporation.
- Mr. Pandit, prior to being named CEO on December 11, 2007, was Chairman and CEO of Citigroup's Institutional Clients Group Formerly the Chairman and CEO of Alternative Investments, Mr. Pandit was a founding member and chairman of the members committee of Old Lane Prior to forming Old Lane, Mr. Pandit held a number of senior positions at Morgan Stanley over more than two decades, including President and Chief Operating Officer of Morgan Stanley's institutional securities and investment banking business and was a member of the firm's Management Committee.

Code of Conduct; Code of Ethics

Citigroup has a Code of Conduct that maintains its commitment to the highest standards of conduct. The Code of Conduct is supplemented by a Code of Ethics for Financial Professionals (including finance, accounting, treasury, tax and investor relations professionals) that applies worldwide The Code of Ethics for Financial Professionals applies to Citigroup's principal executive officer, principal financial officer and principal accounting officer. Amendments and waivers, if any, to the Code of Ethics for Financial Professionals will be disclosed on Citi's web site, www.citigroup.com.

Both the Code of Conduct and the Code of Ethics for Financial Professionals can be found on the Citigroup web site The Code of Conduct can be found by clicking on "About Citi," and the Code of Ethics for Financial Professionals can be found by further clicking on "Corporate Governance" and then "Governance Documents." Citi's Corporate Governance Guidelines can also be found there The charters for the Audit Committee, the Citi Holdings Oversight Committee, the Nomination, Governance and Public Affairs Committee, the Personnel and Compensation Committee and the Risk Management and Finance Committee of the Board are also available by further clicking on "Board of Directors" and then "Charters " These materials are also available by writing to Citigroup Inc , Corporate Governance, 425 Park Avenue, 2nd Floor, New York, New York 10022.

Stockholder Information

Citigroup common stock is listed on the NYSE under the ticker symbol "C" and on the Tokyo Stock Exchange and the Mexico Stock Exchange. Citigroup preferred stock Series F, T and AA are also listed on the NYSE.

Because Citigroup's common stock is listed on the NYSE, the Chief Executive Officer is required to make an annual certification to the NYSE stating that he was not aware of any violation by Citigroup of the corporate governance listing standards of the NYSE. The annual certification to that effect was made to the NYSE on May 20, 2011.

As of January 31, 2012, Citigroup had approximately 105,437 common stockholders of record. This figure does not represent the actual number of beneficial owners of common stock because shares are frequently held in "street name" by securities dealers and others for the benefit of individual owners who may vote the shares

Transfer Agent

Stockholder address changes and inquiries regarding stock transfers, dividend replacement, 1099-DIV reporting and lost securities for common and preferred stock should be directed to

Computershare
P.O. Box 43078
Providence, RI 02940-3078
Telephone No. 781 575 4555
Toll-free No. 888 250 3985
E-mail address: shareholder@computershare.com
Web address www.computershare.com/investor

Exchange Agent

Holders of Golden State Bancorp, Associates First Capital Corporation, Citicorp or Salomon Inc. common stock, Citigroup Inc. Preferred Stock Series Q, S or T, or Salomon Inc. Preferred Stock Series D should arrange to exchange their certificates by contacting:

Computershare
P.O. Box 43078
Providence, RI 02940-3078
Telephone No. 781 575 4555
Toll-free No 888 250 3985
E-mail address. shareholder@computershare.com
Web address: www.computershare.com/investor

On May 9, 2011, Citi effected a 1-for-10 reverse stock split. All Citi common stock certificates issued prior to that date must be exchanged for new certificates by contacting Computershare at the address noted above

Citi's 2011 Form 10-K filed with the SEC, as well as other annual and quarterly reports, are available from Citi Document Services toll free at 877 936 2737 (outside the United States at 716 730 8055), by e-mailing a request to docserve@citi.com, or by writing to.

Citi Document Services
540 Crosspoint Parkway
Getzville, NY 14068

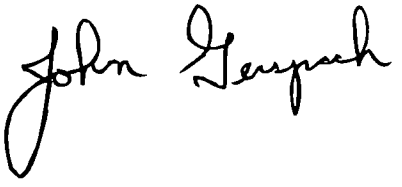
Stockholder Inquiries

Information about Citi, including quarterly earnings releases and filings with the U S. Securities and Exchange Commission, can be accessed via its Web site at www.citigroup.com. Stockholder inquiries can also be directed by e-mail to shareholderrelations@citi.com.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 24th day of February, 2012

Citigroup Inc.
(Registrant)



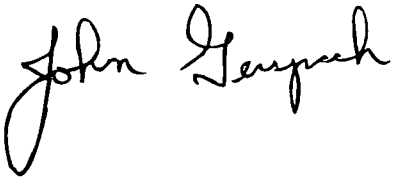
John C Gerspach
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on the 24th day of February, 2012.

Citigroup's Principal Executive Officer and a Director

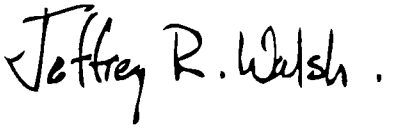
Vikram S. Pandit

Citigroup's Principal Financial Officer



John C. Gerspach

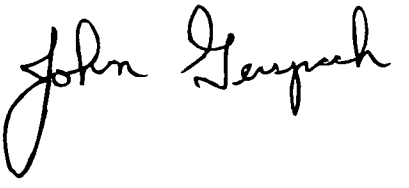
Citigroup's Principal Accounting Officer



Jeffrey R Walsh

The Directors of Citigroup listed below executed a power of attorney appointing John C. Gerspach their attorney-in-fact, empowering him to sign this report on their behalf

Alain J P. Belda
Timothy C Collins
Robert L. Joss, Ph D.
Michael E O'Neill
Richard D. Parsons
Lawrence R. Ricciardi
Judith Rodin
Robert L. Ryan
Anthony M. Santomero
Diana L. Taylor
William S Thompson, Jr.
Ernesto Zedillo



John C. Gerspach

CITIGROUP BOARD OF DIRECTORS

Alain J.P. Belda
Managing Director
Warburg Pincus

Timothy C. Collins
Chairman of the
Investment Committee
Ripplewood Holdings L.L.C.

Robert L. Joss, Ph.D.
Professor of Finance Emeritus and
Former Dean
Stanford University
Graduate School of Business

Michael E. O'Neill
Former Chairman and
Chief Executive Officer
Bank of Hawaii Corporation

Vikram S. Pandit
Chief Executive Officer
Citigroup Inc.

Richard D. Parsons
Chairman
Citigroup Inc.;
and Special Advisor
Providence Equity Partners Inc.

Lawrence R. Ricciardi
Senior Advisor
IBM Corporation;
Jones Day; and Lazard Ltd.

Judith Rodin
President
Rockefeller Foundation

Robert L. Ryan
Chief Financial Officer, Retired
Medtronic Inc

Anthony M. Santomero
Former President
Federal Reserve Bank of
Philadelphia

Diana L. Taylor
Managing Director
Wolfensohn Fund
Management, L.P.

William S. Thompson, Jr.
Chief Executive Officer, Retired
Pacific Investment
Management Company
(PIMCO)

Ernesto Zedillo
Director, Center for the
Study of Globalization;
Professor in the Field
of International
Economics and Politics
Yale University

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CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANK NATIONAL ASSOCIATION

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 425 Walnut Street
Cincinnati, Ohio 45202

C. Telephone: (312) 332-6774 Fax: (312) 332-8008 Email: margaret.drelicharz@usbank.com

D. Name of contact person: Margaret Drelicharz

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
National Bank

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

United States - federally granted national bank charter

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

U.S. Bank operates branches in the State of Illinois under the authority of its national bank charter and is therefore not required to register as a foreign corporation with the State.

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list of Executive Officers and Directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
U.S. Bancorp	800 Nicollet Mall	100%
	Minneapolis, MN 55402	

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__X__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
Please see Attachment A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANK NATIONAL ASSOCIATION — February 6, 2013
(Print or type name of Disclosing Party)

By: Scott A. Fenske
(Sign here)

SCOTT A. FENSKE
(Print or type name of person signing)

VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Hennepin County, Minnesota (state).

Marilyn K Hiscock Notary Public.

Commission expires: 1/31/15

MARILYN K. HISCOCK
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Corporate and Executive Officers and Directors

Legal Name:	U.S. Bancorp	U.S. Bank, National Association
Business Address:	800 Nicollet Mall Minneapolis, MN 55402	425 Walnut Street Cincinnati, OH 45202
FEIN:	41-0255900	31-0841368
	Executive Officers:	**Corporate Officers:**
	Richard K. Davis Chairman, President and Chief Executive Officer **Jennie P. Carlson** Executive Vice President Human Resources **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman Wealth Management & Securities Services **Richard C. Hartnack** Vice Chairman Consumer Banking **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Joseph C. Hoesley** Vice Chairman Commercial Real Estate **Pamela A. Joseph** Vice Chairman Payment Services **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer **Richard B. Payne, Jr.** Vice Chairman Corporate Banking **Jeffry H. von Gillern** Vice Chairman Technology and Operations Services	**Richard K. Davis** Chairman, President and Chief Executive Officer **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman **Richard C. Hartnack** Vice Chairman **Joseph C. Hoesley** Vice Chairman **Pamela A. Joseph** Vice Chairman **Richard B. Payne, Jr.** Vice Chairman **Jeffry H. von Gillern** Vice Chairman **Jennie P. Carlson** Executive Vice President Human Resources **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer
Corporate Directors:		
	Richard K. Davis Chairman, President and Chief	**Andrew Cecere** **Richard K. Davis**

	Executive Officer U.S. Bancorp Minneapolis, Minnesota **Douglas M. Baker, Jr.** Chairman, President and Chief Executive Officer Ecolab Inc. St. Paul, Minnesota **Y. Marc Belton** Executive Vice President, Global Strategy Growth and Marketing General Mills, Inc. Minneapolis, Minnesota **Victoria Buyniski Gluckman** Retired President and Chief Executive Officer United Medical Resources, Inc., Cincinnati, Ohio **Arthur D. Collins, Jr.** Retired Chairman and Chief Executive Officer Medtronic, Inc. **Joel W. Johnson** Retired Chairman and Chief Executive Officer Hormel Foods Corporation Austin, Minnesota **Olivia F. Kirtley** Business Consultant Louisville, Kentucky **Jerry W. Levin** Chairman and Chief Executive Officer JW Levin Partners LLC; and Chairman and Chief Executive Officer of Wilton Brands Inc. New York, New York **David B. O'Maley** Executive Chairman and Retired President and Chief Executive Officer Ohio National Mutual Holdings, Inc. and it's subsidiary Ohio National Financial Services, Inc. Cincinnati, Ohio **O'dell M. Owens, M.D., M.P.H.** President, Cincinnati State Technical and Community CollegeCincinnati, Ohio **Richard G. Reiten** Retired Chairman and Chief Executive Officer Northwest National Gas Company Portland, Oregon **Craig D. Schnuck** Former Chairman and Chief	**Terrance R. Dolan** **Richard C. Hartnack** **Joseph C. Hoesley** **Pamela A. Joseph** **Richard B. Payne, Jr.** **Jeffry H. von Gillern**

	Executive Officer Schnuck Markets, Inc. St. Louis, Missouri **Patrick T. Stokes** Former Chairman and Former Chief Executive Officer Anheuser-Busch Companies, Inc. St. Louis, Missouri	

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-three predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (founded in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association is also one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitizations trusts. Each trust holds multiple real property mortgages. From time-to-time, mortgage borrowers in Chicago default on mortgages or otherwise fail to comply with City of Chicago requirements with respect to certain of their properties. With respect to some of the troubled properties, U.S. Bank National Association may be a lender. However with respect to the majority of the trouble properties in Chicago for which U.S. Bank National Association is involved, U.S. Bank National Association is not the beneficial owner of the property and has no individual or corporate interest in the property. These properties are trust properties which are maintained by a wide variety of servicers. As of January 4, 2013, U.S. Bank National Association was aware of outstanding claims against it in its individual capacity of approximately $3,583.38. Moreover, with respect to properties held in trust (excluding Illinois Land Trust properties) for which U.S. Bank National Association acts as trustee, as of January 4, 2013, we were aware of outstanding claims against trust properties in the amount of approximately $132,599.23. As of January 14, 2013, U.S. Bank National Association has worked with the trust servicers to reduce that amount to $68,293.01.

U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee, meets with various city officials twice a month to address these claims. U.S. Bank National Association, both individually and as trustee, has continually strived to work with the City to resolve and reconcile amounts potentially owed to the City. U.S. Bank National Association, both individually and as trustee, intends to continue to work with the City in good faith to address property concerns including amounts owed.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I – GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

U.S. BANCORP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: U.S. Bank National Association
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 800 Nicollet Mall
Minneapolis, Minnesota 55402

C. Telephone: (312) 332-6774 Fax: (312) 332-8008 Email: margaret.drelicharz@usbank.com

D. Name of contact person: Margaret Drelicharz

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

O'Hare General Airport Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[x] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached list of Executive Officers and Directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No *To the best of our knowledge after due inquiry

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

Please see Attachment B

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No *To the best of our knowledge after due inquiry

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

_X_ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
Please see Attachment A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

U.S. BANCORP February 6, 2013
(Print or type name of Disclosing Party)

By: Scott A. Fenske
(Sign here)

SCOTT A. FENSKE
(Print or type name of person signing)

VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) February 6, 2013,
at Hennepin County, Minnesota (state).

Marilyn K Hiscock Notary Public.

Commission expires: 1/31/15

MARILYN K. HISCOCK
NOTARY PUBLIC - MINNESOTA
My Commission Expires Jan. 31, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Corporate and Executive Officers and Directors

Legal Name:	U.S. Bancorp	U.S. Bank, National Association
Business Address:	800 Nicollet Mall Minneapolis, MN 55402	425 Walnut Street Cincinnati, OH 45202
FEIN:	41-0255900	31-0841368
	Executive Officers:	**Corporate Officers:**
	Richard K. Davis Chairman, President and Chief Executive Officer **Jennie P. Carlson** Executive Vice President Human Resources **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman Wealth Management & Securities Services **Richard C. Hartnack** Vice Chairman Consumer Banking **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Joseph C. Hoesley** Vice Chairman Commercial Real Estate **Pamela A. Joseph** Vice Chairman Payment Services **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer **Richard B. Payne, Jr.** Vice Chairman Corporate Banking **Jeffry H. von Gillern** Vice Chairman Technology and Operations Services	**Richard K. Davis** Chairman, President and Chief Executive Officer **Andrew Cecere** Vice Chairman and Chief Financial Officer **Terrance R. Dolan** Vice Chairman **Richard C. Hartnack** Vice Chairman **Joseph C. Hoesley** Vice Chairman **Pamela A. Joseph** Vice Chairman **Richard B. Payne, Jr.** Vice Chairman **Jeffry H. von Gillern** Vice Chairman **Jennie P. Carlson** Executive Vice President Human Resources **Richard J. Hidy** Executive Vice President and Chief Risk Officer **Howell D. (Mac) McCullough, III** Executive Vice President and Chief Strategy Officer **Lee R. Mitau** Executive Vice President, General Counsel and Corporate Secretary **P.W. (Bill) Parker** Executive Vice President and Chief Credit Officer
Corporate Directors:		
	Richard K. Davis Chairman, President and Chief	**Andrew Cecere** **Richard K. Davis**

	Executive Officer U.S. Bancorp Minneapolis, Minnesota **Douglas M. Baker, Jr.** Chairman, President and Chief Executive Officer Ecolab Inc. St. Paul, Minnesota **Y. Marc Belton** Executive Vice President, Global Strategy Growth and Marketing General Mills, Inc. Minneapolis, Minnesota **Victoria Buyniski Gluckman** Retired President and Chief Executive Officer United Medical Resources, Inc., Cincinnati, Ohio **Arthur D. Collins, Jr.** Retired Chairman and Chief Executive Officer Medtronic, Inc. **Joel W. Johnson** Retired Chairman and Chief Executive Officer Hormel Foods Corporation Austin, Minnesota **Olivia F. Kirtley** Business Consultant Louisville, Kentucky **Jerry W. Levin** Chairman and Chief Executive Officer JW Levin Partners LLC; and Chairman and Chief Executive Officer of Wilton Brands Inc. New York, New York **David B. O'Maley** Executive Chairman and Retired President and Chief Executive Officer Ohio National Mutual Holdings, Inc. and it's subsidiary Ohio National Financial Services, Inc. Cincinnati, Ohio **O'dell M. Owens, M.D., M.P.H.** President, Cincinnati State Technical and Community CollegeCincinnati, Ohio **Richard G. Reiten** Retired Chairman and Chief Executive Officer Northwest National Gas Company Portland, Oregon **Craig D. Schnuck** Former Chairman and Chief	**Terrance R. Dolan** **Richard C. Hartnack** **Joseph C. Hoesley** **Pamela A. Joseph** **Richard B. Payne, Jr.** **Jeffry H. von Gillern**

	Executive Officer Schnuck Markets, Inc. St. Louis, Missouri **Patrick T. Stokes** Former Chairman and Former Chief Executive Officer Anheuser-Busch Companies, Inc. St. Louis, Missouri	

Attachment A

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association was formed from the following major banks: (1) Star Bank, National Association (Cincinnati, Ohio) changed its name to Firstar Bank, National Association (Cincinnati, Ohio) effective February 1999; (2) Mercantile Bank National Association (St. Louis, Missouri) merged into Firstar Bank, National Association (Cincinnati, Ohio) effective April 2000; (3) United States National Bank of Oregon (Portland, Oregon) merged with First Bank, National Association under the title U.S. Bank National Association effective August 1997; (4) U.S. Bank National Association merged into Firstar Bank, National Association, and the succeeding bank, changed its name to U.S. Bank National Association effective August 2001. These banks acquired through mergers and acquisitions numerous smaller banks. There are five hundred and forty-two U.S. Bank National Association predecessors. Thirty-three predecessors were founded before the abolition of slavery in December 1865. Thirteen of the pre-1866 predecessors were established in southern slave-holding states and territories, including Kansas, Kentucky, Missouri, and Tennessee.

In reviewing historical records held in various external repositories in accordance with the research requirements as set forth in the City of Chicago Office of the Corporation Counsel opinion letter dated April 29, 2004, U.S. Bank National Association has identified external records of its predecessors which necessitate disclosure. The conveyance records, while showing no record of direct ownership of enslaved individuals did contain records of founders and/or directors of predecessor banks owning enslaved individuals, as well as a record where an enslaved individual was the collateral for a loan. Specifically, the first president of predecessor Marion National Bank of Lebanon, Kentucky (founded in 1856), Benedict Spalding, owned two enslaved individuals in 1850. In 1860 someone with a similar name "Benidict Spalding" is also listed as having owned fourteen enslaved individuals. In addition, certain members of the Marion National Bank of Lebanon's board of directors (called "commissioners") owned approximately forty-seven enslaved individuals in total (the records include abbreviated names, which we conclude may be references to commissioners). The first president of predecessor First National Bank of Clarksville, Tennessee (founded in 1865), S.F. Beaumont, owned one enslaved individual in 1860. The first president of predecessor St. Louis Building and Savings Association, Missouri (founded in 1857), Marshall Brotherton, owned ten enslaved individuals in 1850 and four enslaved individuals in 1860. Merchants Bank (founded in 1857) and Bank of St. Louis (founded in 1857), both predecessors, along with a group of other St. Louis firms, issued a mortgage to Charles McLaran that was secured by his property, which included an unspecified number of enslaved individuals. However, the 1860 Federal Census Slave Schedule for St. Louis provided that Charles McLaran owned thirteen enslaved individuals.

The above is only a summary. U.S. Bank National Association has previously provided the City of Chicago with supporting attachments.

Attachment B

City of Chicago
Economic Disclosure Statement and Affidavit

U.S. Bank National Association is also one of the largest corporate trustees in the United States and in such capacity is trustee of numerous mortgage-backed securitizations trusts. Each trust holds multiple real property mortgages. From time-to-time, mortgage borrowers in Chicago default on mortgages or otherwise fail to comply with City of Chicago requirements with respect to certain of their properties. With respect to some of the troubled properties, U.S. Bank National Association may be a lender. However with respect to the majority of the trouble properties in Chicago for which U.S. Bank National Association is involved, U.S. Bank National Association is not the beneficial owner of the property and has no individual or corporate interest in the property. These properties are trust properties which are maintained by a wide variety of servicers. As of January 4, 2013, U.S. Bank National Association was aware of outstanding claims against it in its individual capacity of approximately $3,583.38. Moreover, with respect to properties held in trust (excluding Illinois Land Trust properties) for which U.S. Bank National Association acts as trustee, as of January 4, 2013, we were aware of outstanding claims against trust properties in the amount of approximately $132,599.23. As of January 14, 2013, U.S. Bank National Association has worked with the trust servicers to reduce that amount to $68,293.01.

U.S. Bank National Association, both in its individual capacity and in its capacity as a trustee, meets with various city officials twice a month to address these claims. U.S. Bank National Association, both individually and as trustee, has continually strived to work with the City to resolve and reconcile amounts potentially owed to the City. U.S. Bank National Association, both individually and as trustee, intends to continue to work with the City in good faith to address property concerns including amounts owed.

Office of the City Clerk

O2013-804

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Issuance of Tax Increment Financing Revenue Refunding Bonds for (Pilsen Redevelopment Project) Series 2013
Committee(s) Assignment:	Committee on Finance

FIN.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Chief Financial Officer, I transmit herewith an ordinance authorizing an issuance of Tax Increment Financing Revenue Refunding Bonds

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE PROVIDING FOR THE ISSUANCE OF ONE OR MORE SERIES OF TAX INCREMENT ALLOCATION REVENUE BONDS (PILSEN REDEVELOPMENT PROJECT), SERIES 2013; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE CREATING SUCH BONDS; AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED $75,000,000 OF SUCH BONDS; PROVIDING FOR THE DELEGATION OF AUTHORITY TO MAKE CERTAIN SPECIFIED DETERMINATIONS; AND CONCERNING RELATED MATTERS.

WHEREAS, the City of Chicago (the "City") is a municipal corporation and, by virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, is a home rule unit of local government and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City held the necessary public hearings preceded by the required public notice and, pursuant to ordinances duly adopted by the City Council of the City (the "City Council") on June 10, 1998, the City (i) designated a portion of the City as a "redevelopment project area" known as the Pilsen Redevelopment Project Area (the "Project Area"), (ii) approved a redevelopment plan and project (the "Original Plan") for the Project Area, and (iii) adopted tax increment allocation financing to pay redevelopment project costs (as defined in the Act referred to below, the "Project Costs"), all in accordance with the provisions of the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code, as supplemented and amended (the "Act"); and

WHEREAS, by an ordinance duly adopted by the City Council on November 12, 2003 (the "Extension Ordinance"), the City has amended the Original Plan (as amended, the "Plan") to extend the estimated dates of completion of the Project and the retirement of obligations to finance Project Costs to December 31, 2022, as provided in Section 11-74.4-3(n)(3) of the Act; and

WHEREAS, by an ordinance duly adopted by the City Council on November 12, 2003 (the "Series 2004 Bond Ordinance"), on July 26, 2004, the City issued $49,520,000 City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2004, consisting of $22,925,000 Series 2004A Tax Increment Allocation Revenue Bonds (Taxable) (the "Series 2004A Bonds") and $26,595,000 Series 2004B Junior Lien Tax Increment Allocation Revenue Bonds (Tax-Exempt) (the "Series 2004B Bonds" and together with the Series 2004A Bonds, the "Series 2004 Bonds") as a means of financing certain Project Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, pursuant to that certain agreement entitled "Intergovernmental Agreement between the City of Chicago, by and through its Department of Planning and Development, and the Board of Education of the City of Chicago regarding Benito Juarez Community Academy" dated as of November 24, 2004 (the "Intergovernmental Agreement"), the City issued to the

Board of Education of the City of Chicago (the "Board") its Tax Increment Allocation Revenue Note (Pilsen Redevelopment Project) Series 2004G in the maximum principal amount of $12,500,000 (the "City Note"), to pay for or reimburse the Board for the costs of certain redevelopment project costs within the Project Area; and

WHEREAS, pursuant to the terms of the Series 2004 Bond Ordinance and the Trust Indenture dated as of June 1, 2004, between the City and Cole Taylor Bank, as trustee, as amended by that certain First Supplemental Indenture between the City and the Trustee dated as of June 1, 2004, the Series 2004B Bonds are subject to redemption in whole or in part at the option of the City, on any date on or after June 1, 2014 upon the giving of notice as provided in the Series 2004 Bond Ordinance, at a redemption price equal to par plus accrued interest to the date of redemption; and

WHEREAS, the City Council determines that it is necessary and in the best interests of the City to (i) refund all of the outstanding Series 2004B Bonds and the aggregate outstanding principal amount of the City Note and/or the related alternate revenue bonds issued by the Board and identified as "Board Bonds" in the Intergovernmental Agreement (the "Board Bonds") in order to provide debt service savings (such bonds and City Note hereinafter collectively referred to as the "Prior Obligations") and (ii) pay certain additional Project Costs as set forth in the Plan for the Project Area; and

WHEREAS, by this Ordinance, the City Council determines that it is necessary and in the best interests of the City that the City issue one or more series of tax increment allocation revenue bonds (the "Bonds") payable from Pledged Revenues (as defined in the Indenture referred to below), in an amount not in excess of $75,000,000, to be used for one or more of the following purposes: (i) refunding all or any part of the outstanding Series 2004B Bonds and the City Note and/or related Board Bonds (ii) paying a portion of the Project Costs, (iii) paying for the Bond Insurance Policy, Credit Facility and/or Debt Reserve Credit Instrument (each as defined below), if any, pertaining to the Bonds, (iv) funding the Reserve Account with respect to the Bonds, (v) paying certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Obligations, and (vi) paying a portion of the interest accruing on the Bonds; and

WHEREAS, the Bonds shall be issued under the authority of this Ordinance and under a Trust Indenture (the "Trust Indenture") and a Supplemental Indenture (the "Supplemental Indenture" and together with the Trust Indenture collectively, the "Indenture") from the City to Amalgamated Bank of Chicago, acting as trustee (the "Trustee"); and

WHEREAS, the Committee on Finance of the City Council considered this Ordinance and the related exhibits at a public meeting for which proper public notice was given and recommends the adoption of this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

Section 1. Incorporation of Recitals. The recitals contained in the preambles to this Ordinance are incorporated into and made a part of this Ordinance by this reference.

Section 2. Definitions. All capitalized terms used in this Ordinance, unless otherwise defined in this Ordinance, shall have the meanings ascribed to them in the Indenture. As used in this Ordinance, the term "Authorized Officer" means either the City Comptroller or the Chief Financial Officer of the City appointed by the Mayor.

Section 3. Findings and Determinations; Delegation of Authority. The City Council finds and determines that the delegations of authority that are contained in this Ordinance, including the authority to make the specific determinations authorized below, are necessary and desirable because this City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. The City's ability to issue the Bonds without further action by this City Council in one or more series and with various interest rates, maturities, redemption provisions and other terms, all to be determined as provided below, will enhance the City's opportunities to obtain financing for refunding all or part of the Series 2004B Bonds and the City Note and/or related Board Bonds and for paying Project Costs upon the most favorable terms available. Thus, authority is granted to the Mayor or the Authorized Officer to determine to sell the Bonds in one or more series and on such terms as and to the extent such officers determine that such sale and terms are desirable and in the best financial interest of the City.

Section 4. Authorization of the Bonds. The issuance of the Bonds in one or more series, in an aggregate principal amount not to exceed $75,000,000, is authorized. The Bonds may be issued as Current Interest Bonds, Capital Appreciation Bonds or Capital Appreciation and Income Bonds (as each such term is defined in the Indenture), the interest on which may or may not be exempt from federal income taxes, all as shall be determined by the Authorized Officer at the time of sale of the Bonds, subject to the limitations contained in this Ordinance. The aggregate principal amount of the Bonds may reflect any original issue discount or premium used in the marketing of the Bonds (not to exceed twenty percent (20.0%) of their original principal amount, in the case of Current Interest Bonds, and provided that the original issue discount on Capital Appreciation Bonds and Capital Appreciation and Income Bonds may not result in a yield to maturity on such Bonds in excess of the applicable maximum interest rate specified in the next paragraph), as may be determined by the Authorized Officer.

The Bonds shall contain a recital that they are issued under authority of the Act, the City's powers as a home rule unit of local government and this Ordinance. As permitted by the Extension Ordinance and the Act, the Bonds shall mature no later than June 1, 2022, and shall bear interest (or in the case of Capital Appreciation Bonds, have a yield to maturity) at a rate per year not to exceed 18.0% (or for Bonds the interest on which is not excluded from gross income for federal tax purposes, a rate per year not to exceed 18.0%), payable on the interest payment date(s) as set forth in the applicable Supplemental Indenture and in the related Notification of Sale. The Bonds shall be dated, shall be subject to redemption prior to maturity, shall be in such denominations, shall be payable in such places and in such manner, shall be numbered and in such form, and shall have such other details and provisions as may be prescribed by the Indenture, the form of the Bonds, and the related Notification of Sale (which terms shall be consistent with the provisions of prior issues of Capital Appreciation Bonds and Capital Appreciation and Income Bonds of the City in the case of Capital Appreciation Bonds and Capital Appreciation and Income Bonds).

While in the form of Capital Appreciation Bonds, any Bonds issued and sold as Capital Appreciation and Income Bonds shall be subject to all of the provisions and limitations of this Ordinance relating to Capital Appreciation Bonds and while in the form of Current Interest Bonds, any Bonds issued and sold as Capital Appreciation and Income Bonds shall be subject to all of the provisions and limitations of this Ordinance relating to Current Interest Bonds.

The provisions for execution, signatures, authentication, payment and prepayment with respect to the Bonds, shall be as set forth in the Indenture and the form of the Bonds.

The Bonds may be made subject to redemption prior to maturity at the option of the City, in whole or in part on any date, at such times and at such redemption prices (to be expressed as a percentage of the principal amount of the Current Interest Bonds being redeemed and expressed as a percentage of the Compound Accreted Value (as defined in the Indenture) of Capital Appreciation Bonds being redeemed) not to exceed 105 percent, plus (in the case of Current Interest Bonds) accrued interest to the date of redemption, as shall be determined by the Authorized Officer at the time of their sale. All or any part of the Bonds may be made subject to mandatory sinking fund redemption, at the redemption price of par plus accrued interest to the date fixed for redemption (in the case of Current Interest Bonds being redeemed) or Compound Accreted Value as of the Redemption Date (in the case of Capital Appreciation Bonds being redeemed), as determined by the Authorized Officer at the time of their sale; provided, that no Bond shall mature later than the date set forth above.

The Bonds may be issued in either certificated or book-entry only form as determined by the Authorized Officer. In connection with the issuance of Bonds in book-entry only form, the Authorized Officer is authorized to execute and deliver a representation letter to the book-entry depository selected by the Authorized Officer in substantially the form previously used in connection with obligations issued by the City in book-entry form.

The Bonds or any portion of them may be issued as bonds (a) the interest on which is excluded from gross income for federal income tax purposes, or (b) the interest on which is not excluded from gross income for federal income tax purposes, all as determined by the Authorized Officer at the time of their sale to be in the best financial interests of the City.

Section 5. Authorization of Indenture. The Bonds shall be issued and secured pursuant to the terms of the Indenture which shall set forth the terms and provisions of the Bonds.

The Mayor or the Authorized Officer of the City is each authorized to execute and deliver the Trust Indenture on behalf of the City, to be in substantially the form attached as Exhibit A and made a part of this Ordinance and approved, with such changes as shall be approved by the Mayor or Authorized Officer executing the same, such execution to constitute conclusive evidence of their approval and this City Council's approval of any changes or revisions from the form of the Trust Indenture attached to this Ordinance.

The Mayor or the Authorized Officer of the City is each authorized to execute and deliver the Supplemental Indenture on behalf of the City, to be in substantially the form attached as Exhibit B and made a part of this Ordinance and approved, with such changes as shall be

approved by the Mayor or Authorized Officer executing the same, such execution to constitute conclusive evidence of their approval and this City Council's approval of any changes or revisions from the form of the Supplemental Indenture attached to this Ordinance.

The Mayor or the Authorized Officer is each authorized to act as an "Authorized Officer" (as such term is defined in the Indenture) of the City for the purposes provided in the Indenture.

The Authorized Officer shall select as Trustee a bank or trust company eligible to serve in that capacity under the terms of the Indenture.

Section 6. Security for the Bonds. The Bonds shall be limited obligations of the City, payable solely from Pledged Revenues (as defined in the Indenture), including the Incremental Taxes (as defined in the Indenture), as provided in the Indenture.

Section 7. Sale and Delivery of Bonds. The Bonds shall be sold by the City to an underwriter or group of underwriters to be selected by the Authorized Officer (the "Underwriters"), subject to the terms and conditions of a contract of purchase related to the Bonds; provided, that the aggregate purchase price of the Bonds shall be not less than ninety-seven percent (97.0%) of their original principal amount (less any net original issue discount used in their marketing) plus accrued interest (if any) from their date to their date of delivery. The Mayor and the Authorized Officer are each authorized to execute on behalf of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council, a contract of purchase in substantially the form previously used for tax increment allocation financings of the City with appropriate revisions to reflect the terms and provisions of the Bonds and such other revisions in text as the Mayor or the Authorized Officer shall determine are necessary or desirable in connection with the sale of the Bonds and in the best interest of the City.

Section 8. Bond Insurance Policy; Debt Reserve Credit Instrument. In connection with the sale of the Bonds, the Authorized Officer is authorized, but not required, to obtain (i) a bond insurance policy ("Bond Insurance Policy") from a bond insurer ("Bond Insurer") to secure the payment of principal of, premium, if any, and interest on the Bonds and (ii) a surety bond, an insurance policy, a letter of credit or other credit facility assuring the availability of cash to fund any applicable debt service reserve requirement (a "Debt Reserve Credit Instrument") from such provider as the Authorized Officer shall determine, if said Authorized Officer determines such Bond Insurance Policy or Debt Reserve Credit Instrument to be desirable in connection with the sale of the Bonds. The Authorized Officer is also authorized to enter into such agreements and make such covenants with any Bond Insurer or provider of a Debt Reserve Credit Instrument as the Authorized Officer deems necessary; provided, that any agreement to reimburse such Bond Insurer or provider shall be payable solely and only from the sources pledged to the payment of the Bonds as described in Section 6 of this Ordinance. The final form of any such reimbursement agreement entered into by the City with respect to the Bonds shall be attached to the Notification of Sale filed with the City Clerk pursuant to Section 10 of this Ordinance.

Section 9. Credit Facility. In connection with the sale of the Bonds, the Authorized Officer is authorized, but not required, to obtain a letter of credit, line of credit or similar credit facility (each called a "Credit Facility") with one or more financial institutions to secure the

payment of principal of, premium, if any, and interest on the Bonds. The Mayor or the Authorized Officer is authorized to enter into, execute and deliver on behalf of the City a reimbursement agreement (and any related promissory note) in connection with the provision of such Credit Facility. Any Credit Facility and any reimbursement agreement (and any related promissory note) shall be in substantially the form of the credit facilities and reimbursement agreements (and related promissory notes) previously entered into by the City in connection with the sale of revenue obligations of the City, but with such revisions in text as the Mayor or the Authorized Officer shall determine are necessary or desirable, the execution of such instruments by the Mayor or the Authorized Officer to evidence their approval and this City Council's approval of all such revisions. The annual fee paid to any financial institution that provides a Credit Facility shall be on terms similar to those negotiated with credit enhancement providers in connection with similar financings of the City. The reimbursement obligations of the City under any such reimbursement agreement (and any related promissory note) shall be payable solely and only from the sources pledged to the payment of the Bonds as described in Section 6 of this Ordinance and shall bear interest at a rate not exceeding eighteen percent (18.0%) per year. The final form of any such reimbursement agreement entered into by the City with respect to the Bonds shall be attached to the Notification of Sale filed with the City Clerk pursuant to Section 10 of this Ordinance.

Section 10. Notification of Sale. Subsequent to the sale of the Bonds, the Authorized Officer shall file in the Office of the City Clerk a Notification of Sale directed to the City Council setting forth (i) the aggregate original principal amount of, maturity schedule, redemption provisions for and nature and other terms of the Bonds sold, (ii) the interest rates on the Current Interest Bonds, (iii) the principal amounts of the Bonds sold as Current Interest Bonds, Capital Appreciation Bonds and Capital Appreciation and Income Bonds, respectively, (iv) in the case of Bonds sold as Capital Appreciation Bonds, (A) the original principal amount of and Yields to Maturity on the Capital Appreciation Bonds being sold and (B) a table of Compound Accreted Values per $5,000 Compound Accreted Value at maturity for any Capital Appreciation Bonds being sold, setting forth the Compound Accreted Value of each such Capital Appreciation Bond on each semiannual compounding date, (v) the identity of the Bond Insurer issuing the Bond Insurance Policy, if any, the identity of the provider of a Credit Facility, if any, and the identity of the provider of a Debt Reserve Credit Instrument, if any, (vi) the identity of the Trustee, (vii) the identity of the Underwriter or Underwriters selected by the Authorized Officer, and (viii) the compensation to be paid to the Underwriter or Underwriters in connection with such sale. There shall be attached to the Notification of Sale final forms of the Indenture, and any reimbursement agreements under Section 8 or 9 of this Ordinance.

Section 11. Disclosure Documents. In connection with any sale of the Bonds, the Mayor and the Authorized Officer are each authorized to execute and deliver, and the Underwriter is authorized to use and distribute, such disclosure documents as they shall deem appropriate on behalf of the City, which disclosure documents shall be in substantially the form previously used for prior tax increment allocation financings of the City, with such revisions as shall be necessary to reflect the terms and provisions of the Bonds determined by the Authorized Officer as provided in this Ordinance and to describe completely and accurately the Project Area and the Pledged Revenues, including the Incremental Taxes, and any of such actions previously taken with respect to any such disclosure document are ratified, approved and confirmed.

Section 12. Continuing Disclosure Undertaking. The Mayor or the Authorized Officer is authorized to execute and deliver a Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking") evidencing the City's agreement to comply with the provisions of Section (b)(5) of Rule 15(c)2-12, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as provided in this Ordinance, the Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. The Authorized Officer is further authorized to amend the Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as said officer shall deem necessary. Notwithstanding any other provision of this Ordinance, the sole remedy for any failure by the City to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 13. Use of Proceeds of Bonds. The proceeds from the sale of the Bonds may be used for one or more of the following purposes: (i) refunding all or any part of the outstanding Series 2004B Bonds and the City Note and/or the related Board Bonds issued by the Board, (ii) paying a portion of the Project Costs, (iii) paying for the Bond Insurance Policy, Credit Facility and/or Debt Reserve Credit Instrument (each as defined below), if any, pertaining to the Bonds, (iv) funding the Reserve Account with respect to the Bonds, (v) paying certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Obligations, and (vi) paying a portion of the interest accruing on the Bonds, all as shall be set forth in the Indenture, and such proceeds are appropriated for those purposes.

Section 14. Certain Hedge Agreements. The Mayor or the Authorized Officer of the City is each also authorized to execute and deliver on behalf of the City any agreements with respect to the Bonds with counterparties selected by the Authorized Officer, the purpose of which is to reduce the City's interest cost with respect to all or a portion of the Bonds, or to reduce the City's exposure to fluctuations in the interest rates payable on all or a portion of the Bonds, or to insure, protect or preserve the City's investments from any loss (including, but not limited to, losses caused by fluctuations in interest rates, markets or securities). The stated aggregate notional amount under all such agreements shall not exceed the aggregate original principal amount of the Bonds (net of offsetting transactions entered into by the City). Any such agreement, to the extent practicable, shall be in substantially the form of either the Local Currency-Single Jurisdiction Version, or the Multicurrency-Cross Border Version, of the current ISDA Master Agreement accompanied by the United States Municipal Counterparty Schedule published by the International Swap Dealers Association ("I.S.D.A.") or any related successor form published by I.S.D.A., and in the appropriate confirmations of transactions governed by that agreement, with such insertions, completions and modifications as shall be approved by the Mayor or Authorized Officer. The execution of any such agreement by the Mayor or the Authorized Officer shall be conclusive evidence of their approval and this City Council's approval of the form and terms of such agreement. Amounts payable by the City under any such agreement shall be payable solely from the sources pledged to the payment of the related Series of Bonds.

Section 15. Escrow Agreements. The Mayor, the Authorized Officer, the City Treasurer, the City Clerk, the Deputy City Clerk and the Commissioner of the Department of Housing and Economic Development are each authorized to execute and deliver one or more Escrow Agreements (collectively, the "Escrow Agreements") providing for the refunding of the Series 2004B Bonds and the City Note and/or the related Board Bonds. The execution of any such agreements by the Mayor or the Authorized Officer shall be conclusive evidence of their approval and this City Council's approval of the form and terms of such agreements. Amounts payable by the City under any such agreements shall be used solely to refund the Series 2004B Bonds and the City Note and/or the related Board Bonds.

Section 16. Additional Authorization. The Mayor, the Authorized Officer, the City Treasurer, the City Clerk, the Deputy City Clerk and the Commissioner of the Department of Housing and Economic Development are each authorized to execute and deliver such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the Bonds, including, but not limited to, the exercise following the delivery date of the Bonds of any power or authority delegated to such official under this Ordinance with respect to the Bonds upon original issuance, but subject to any limitations on or restrictions of such power or authority as set forth in this Ordinance.

Section 17. Proxies. The Mayor and the Authorized Officer may each designate another to act as their respective proxy and to affix their respective signatures to each Bond, whether in temporary or definitive form, and to any other instrument, certificate or document required to be signed by the Mayor or the Authorized Officer pursuant to this Ordinance, the Indenture or any Supplemental Indenture. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the Authorized Officer, respectively. A written signature of the Mayor or the Authorized Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Authorized Officer is so affixed to an instrument, certificate or document at the direction of the Authorized Officer, the same, in all respects, shall be binding on the City as if signed by the Authorized Officer in person.

Section 18. Separability. If any provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Ordinance.

Section 19. Inconsistent Provisions. All ordinances, resolutions, motions or orders in conflict with this Ordinance are repealed to the extent of such conflict. No provision of the Municipal Code of Chicago or any violation of its provisions shall impair the validity of this Ordinance or the instruments authorized by this Ordinance; provided, that the foregoing shall not affect the availability of or limit any other remedy or penalty for any violation of any provision of the Municipal Code of Chicago.

Section 20. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage.

EXHIBIT A

TRUST INDENTURE

CITY OF CHICAGO

TO

AMALGAMATED BANK OF CHICAGO,
AS TRUSTEE,

TRUST INDENTURE

DATED AS OF [_____] 1, 2013

SECURING

CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE BONDS
(PILSEN REDEVELOPMENT PROJECT)

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THIS TRUST INDENTURE, dated as of [_____] 1, 2013 (the "Indenture"), from the CITY OF CHICAGO, a municipal corporation and home rule unit of local government organized and existing under the laws of the State of Illinois and located in Cook and DuPage Counties, Illinois (the "City"), to AMALGAMATED BANK OF CHICAGO, a banking corporation duly organized, existing and authorized to accept and execute trusts of the character set out in this Indenture under and by virtue of the laws of the State of Illinois with its principal corporate trust office located in Chicago, Illinois, as trustee (said banking corporation, and any successor or successors as trustee under this Indenture, are referred to as the "Trustee"),

WITNESSETH:

WHEREAS, the City is a municipal corporation and, by virtue of Section 6(a) of Article VII of the Illinois Constitution of 1970, a home rule unit of local government organized and existing under the laws of the State of Illinois and located in Cook and DuPage Counties, Illinois; and

WHEREAS, by virtue of Section 6(a) of Article VII of the Illinois Constitution of 1970 and pursuant to an ordinance duly adopted by the City Council of the City (the "City Council") on November 12, 2003 (the "Series 2004 Bond Ordinance"), the City issued and delivered on July 26, 2004, its $49,520,000 City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2004, consisting of $22,925,000 Series 2004A Tax Increment Allocation Revenue Bonds (Taxable) (the "Series 2004A Bonds") and $26,595,000 Series 2004B Junior Lien Tax Increment Allocation Revenue Bonds (Tax-Exempt) (the "Series 2004B Bonds" and together with the Series 2004A Bonds, the "Series 2004 Bonds"), as a means of financing certain Pilsen Redevelopment Project Area redevelopment project costs (as defined in the Act) incurred pursuant to the Pilsen Redevelopment Plan (as such terms are defined below); and

WHEREAS, $[_____] of the Series 2004B Bonds remain outstanding and the Series 2004A Bonds are no longer outstanding as of the date hereof; and

WHEREAS, pursuant to that certain agreement entitled "Intergovernmental Agreement between the City of Chicago, by and through its Department of Planning and Development, and the Board of Education of the City of Chicago regarding Benito Juarez Community Academy" dated as of November 24, 2004 (the "Intergovernmental Agreement"), the City issued to the Board of Education of the City of Chicago (the "Board") its Tax Increment Allocation Revenue Note (Pilsen Redevelopment Project) Series 2004G in the maximum principal amount of $12,500,000 (the "City Note"), to pay for or reimburse the Board for the costs of certain redevelopment project costs within the Pilsen Redevelopment Project Area (as such term is defined below); and

WHEREAS, $[_____] of the City Note remains outstanding; and

WHEREAS, by virtue of Section 6(a) of Article VII of the Illinois Constitution of 1970 and pursuant to an ordinance entitled "Ordinance Providing for the Issuance of One or More Series of Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2013; Authorizing the Execution and Delivery of a Trust Indenture Creating Such Bonds; Authorizing the Issuance and Sale of Not To Exceed $75,000,000 of Such Bonds; Providing for

the Delegation of Authority to Make Certain Specified Determinations; and Concerning Related Matters" duly adopted by the City Council on March [__], 2013 (the "Bond Ordinance"), the City is authorized to enter into this Indenture and to do or cause to be done all the acts and things provided or required in this Indenture to be done; and

WHEREAS, pursuant to the Bond Ordinance, the City has duly authorized the issuance of $[_____] aggregate principal amount of its Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2013 (the "Series 2013 Bonds"); the Series 2013 Bonds being issued for the purpose of (i) refunding all of the outstanding Series 2004B Bonds; (ii) paying and retiring the outstanding City Note and/or a related principal amount of alternate revenue bonds issued by the Board of Education of the City of Chicago (collectively the "Prior Obligations"); [(iii) paying certain redevelopment project costs within the Pilsen Redevelopment Project Area, (iv) funding the Reserve Account for the Series 2013 Bonds, (v) paying certain expenses incurred in connection with the issuance of the Series 2013 Bonds and refunding the Prior Obligations, and (vi) paying a portion of the interest accruing on the Series 2013 Bonds; and

WHEREAS, all things necessary to make the Series 2013 Bonds, when executed by the City, authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal obligations of the City according to the import of the Series 2013 Bonds, and to constitute this Indenture a valid pledge of and grant of a lien on the Pledged Revenues (as defined below) to secure the payment of the principal of, premium, if any, and interest on the Bonds including the Series 2013 Bonds, have been done and performed, in due form and time, as required by law; and

WHEREAS, the execution and delivery of the Series 2013 Bonds and this Indenture have in all respects been duly authorized;

GRANTING CLAUSES

NOW, THEREFORE, THIS TRUST INDENTURE WITNESSETH:

That in order to secure the payment of the principal of, premium, if any, and interest on all Bonds issued and to be issued under this Indenture, according to the import of this Indenture, and the performance and observance of each and every covenant and condition in this Indenture and in the Bonds, and for and in consideration of the premises and of the acceptance by the Trustee of the trusts created by this Indenture, and of the purchase and acceptance of the Bonds by the respective Owners (as defined below), and for other good and valuable consideration, the sufficiency of which is acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds shall be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become their Owners, the City pledges and grants a lien upon the following Trust Estate to the Trustee and its successors in trust and assigns, to the extent provided in this Indenture:

(a) The Pledged Revenues.

(b) All moneys and securities and earnings on them in all Funds, Accounts and Sub–Accounts (except the Program Expenses Account, the Rebate Account, [the Project Fund] and the General Account) established pursuant to this Indenture; provided, that any Sub-Account established within the Reserve Account for any Series of Bonds pursuant to a Supplemental Indenture shall only secure and be pledged to the payment of such Series of Bonds unless otherwise provided in that Supplemental Indenture.

(c) Any and all other moneys, securities and property furnished from time to time to the Trustee by the City or on behalf of the City or by any other persons to be held by the Trustee under the terms of this Indenture.

[SUBJECT AND SUBORDINATE, HOWEVER, TO ANY RIGHTS OF THE HOLDERS OF THE EXCLUDED CONTRACTUAL OBLIGATIONS (AS DEFINED BELOW).]

BUT IN TRUST NEVERTHELESS, for the equal and proportionate benefit and security of the Bonds issued and to be issued under and secured by this Indenture in priority of payment without preference, priority or distinction as to participation in the lien, benefit and protection of this Indenture of any one Bond over any other Bond by reason of priority in their issue or negotiation or by reason of the date or dates of their maturity, or for any other reason whatsoever (except as expressly provided in this Indenture), so that each and all of such Bonds shall have the same right, lien and privilege under and shall be equally secured by this Indenture, with the same effect as if the same had all been made, issued and negotiated upon the delivery of this Indenture (all except as expressly provided in this Indenture).

PROVIDED, HOWEVER, that these presents are upon the condition that, if the City, or its successors, shall well and truly pay or cause to be paid or shall provide for the payment of all principal, premium, if any, and interest due or to become due on the Bonds, at the times and in the manner stipulated in the Bonds and in this Indenture, then this Indenture and the rights granted by it shall cease, terminate and be void, but shall otherwise be and remain in full force.

AND IT IS COVENANTED AND AGREED by and among the City, the Trustee and the Owners from time to time of the Bonds, that the terms and conditions upon which the Bonds are to be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become their Owners, and the trusts and conditions upon which the moneys and securities pledged by this Indenture are to be held and disposed of, which trusts and conditions the Trustee accepts, are as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. The terms defined in the preambles shall, for all purposes of this Indenture and of any amendment or supplement to it, have the meanings there ascribed to them, unless a different meaning clearly appears from the context. The following terms shall, for all purposes of this Indenture and of any amendment or supplement to this Indenture, have the following meanings unless a different meaning clearly appears from the context:

"Account" or "Sub-Account" means any of the accounts or sub-accounts, as the case may be, created pursuant to this Indenture.

"Accreted Amount" means, with respect to any Capital Appreciation Bonds, the amount set forth in the Supplemental Indenture authorizing such Bonds as the amount representing their initial public offering price, plus the amount of interest that has accreted on such Bonds, compounded periodically, to the date of calculation, determined by reference to accretion tables contained in each such Bond or contained or referred to in any Supplemental Indenture authorizing the issuance of such Bonds. The Accreted Amounts for such Bonds as of any date not stated in such tables shall be calculated by adding to the Accreted Amount for such Bonds as of the date stated in such tables immediately preceding the date of computation a portion of the difference between the Accreted Amount for such preceding date and the Accreted Amount for such Bonds as of the date shown on such tables immediately succeeding the date of calculation, apportioned on the assumption that interest accretes during any period in equal daily amounts on the basis of a 360-day year consisting of twelve 30-day months.

"Act" means the Tax Increment Allocation Redevelopment Act of the State of Illinois, Division 74.4 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-74.4-1 et seq., as amended and supplemented from time to time.

"Annual Debt Service Requirement" means, with respect to any calendar year the aggregate of the Interest Requirement and the Principal Requirement for such calendar year.

"Authorized Denominations" means, for any Series of Bonds, such denominations as may be specified in the Supplemental Indenture authorizing their issuance.

"Authorized Officer" means the Mayor, the City Comptroller or, if so designated and determined by the City Comptroller, the Chief Financial Officer of the City appointed by the Mayor, or any other officer or employee of the City authorized to perform specific acts or duties under this Indenture by ordinance or resolution duly adopted by the City Council.

"Bond" or "Bonds" means any bond or bonds, including any Refunding Bonds, authenticated and delivered under and pursuant to Article II of this Indenture.

"Bond Insurance Policy" means any municipal bond insurance policy insuring and guaranteeing the payment of the principal of and interest on a Series of Bonds or certain maturities of a Series of Bonds as may be provided in the Supplemental Indenture authorizing such Series.

"Bond Insurer" means any Person authorized by law to issue a Bond Insurance Policy.

"Bond Ordinance" has the meaning set forth in the Preambles to this Indenture.

"Bond Year" means the initial period beginning on the date of issuance of a Series of Bonds and ending on the next succeeding June 1, and thereafter each 12-month period commencing on June 2 of each calendar year and ending on June 1 of the next succeeding calendar year.

"Business Day" means any day which is not a Saturday, a Sunday, a legal holiday, or a day on which banks and trust companies in the city where the principal corporate trust office of any Fiduciary is located are authorized or required by law, regulation or executive order to remain closed (and such Fiduciary is in fact closed).

"Capital Appreciation and Income Bond" means any Bond as to which accruing interest is not paid prior to the Interest Commencement Date specified for such Bond and is compounded periodically on certain designated dates prior to the Interest Commencement Date specified for such Bond, all as provided in the Supplemental Indenture authorizing the issuance of such Capital Appreciation and Income Bond.

"Capital Appreciation Bond" means any Bond the interest on which (i) is compounded periodically on certain designated dates, (ii) is payable only at maturity or redemption prior to maturity, and (iii) is determined by subtracting from the Accreted Amount its initial public offering price, all as provided in the Supplemental Indenture authorizing the issuance of such Capital Appreciation Bond. The term "Capital Appreciation Bond" as used throughout this Indenture also includes any Capital Appreciation and Income Bond prior to the Interest Commencement Date specified for such Bond.

"Certified Initial Equalized Assessed Value" means, with respect to the Pilsen Redevelopment Project Area, the sum of $111,203,219 (One Hundred Eleven Million Two Hundred Three Thousand and Two Hundred Nineteen Dollars and 00/100 Cents), representing the "total initial equalized assessed value" (as defined in the Act) of the taxable real property within the Pilsen Redevelopment Project Area that was designated as a "redevelopment project area" under the Act by an ordinance adopted by the City Council on June 10, 1998, as certified by the Clerk of The County of Cook, Illinois, in accordance with Section 11-74.4-9 of the Act.

"City" means the City of Chicago, a home rule unit of local government.

"City Council" means the governing body of the City as from time to time constituted.

"Code" means the Internal Revenue Code of 1986, as amended.

"Code and Regulations" means the Code and the Income Tax Regulations.

"Counsel's Opinion" means an opinion signed by an attorney or firm of attorneys of recognized standing in the area of law to which the opinion relates, who may be counsel to the City (including the Corporation Counsel of the City).

"Credit Bank" means, as to any particular Series of Bonds, the Person (other than a Bond Insurer) providing a Credit Facility, as may be provided in the Supplemental Indenture authorizing such Series.

"Credit Facility" means, as to any particular Series of Bonds, a letter of credit, a line of credit, a guaranty, a standby bond purchase agreement or other credit or liquidity enhancement facility, other than a Bond Insurance Policy, as may be provided in the Supplemental Indenture authorizing such Series.

"Current Funds" means moneys which are immediately available in the hands of the payee at the place of payment.

"Current Interest Bond" means any Bond the interest on which is payable on the Interest Payment Dates provided for it in the Supplemental Indenture authorizing such Bond. The term "Current Interest Bond" as used throughout this Indenture also includes any Capital Appreciation and Income Bond from and after the Interest Commencement Date specified for it.

"Debt Reserve Credit Instrument" means, as to any particular Series of Bonds, an insurance policy or surety bond that guarantees or assures the timely payment of principal or interest, or both, on Outstanding Bonds in a stated amount subject only to notification that there are insufficient funds for such purpose. This definition shall also include any related covenants or agreements contained in any agreement with the insurer or surety required by the insurer or surety in order to obtain the policy or bond.

"Debt Service Reserve Requirement" means, with respect to the Bonds of any Series Outstanding at any time, that amount, if any, as shall be required to be maintained in the applicable Sub-Account of the Reserve Account established by the terms of the Supplemental Indenture authorizing such Series of Bonds.

"Defeasance Obligations" means (i) cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (ii) of this definition), or (ii) direct obligations (including obligations issued in book-entry form on the books of the Department of the Treasury) of the United States of America.

"Depositary" means any bank, national banking association or trust company having capital stock, surplus and retained earnings aggregating at least $1,000,000, selected by an Authorized Officer as a depositary of moneys and securities held under the provisions of this Indenture, and may include the Trustee.

"Determination Date" has the meaning set forth in Section 5.2(b) of this Indenture.

"Escrow Agent" means, with respect to any Bonds refunded after the date of execution and delivery of this Indenture, any trust company, bank or national banking association duly appointed to act in that capacity.

"Event of Default" means any event so designated and specified in Section 8.1.

["Excluded Contractual Obligations" means (i) other obligations of the City to be paid from Pilsen Increment to which the Board's prior right to receive Pledged Increment in connection with the City Note is subordinate and/or (ii) Increment generated from the construction value of a new assisted development project pledged to a developer (each as further described in Article Three subsection 1(e) of the Intergovernmental Agreement).]*

* Confirm if there are any, if not delete.

"Fiduciary" or "Fiduciaries" means the Trustee, the Registrar, the Paying Agents, and any Depositary, or any or all of them, as may be appropriate.

"First Supplemental Indenture" means the First Supplemental Indenture dated as of June 1, 2004 between the City and the Trustee pursuant to which the Series 2004 Bonds are issued.

"Fiscal Year" means the period January 1 through December 31 of the same year.

"Fund" means any of the Funds created pursuant to this Indenture.

"Government Obligations" means securities that are obligations described in clauses (a) and (b) of the definition of "Investment Securities".

"Income Tax Regulations" means the regulations proposed or promulgated under the Internal Revenue Code of 1986, as amended, as such regulations may be in effect from time to time.

"Incremental Taxes" means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Pilsen Redevelopment Project Area by any and all taxing districts or municipal corporations having the power to tax real property in the Pilsen Redevelopment Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Pilsen Redevelopment Project Area over and above the Certified Initial Equalized Assessed Value of each such piece of property.

"Incremental Taxes Fund" means the Pilsen Redevelopment Project Area Special Tax Allocation Fund of the City, a special tax allocation fund for the Pilsen Redevelopment Project Area established pursuant to Section 11-74.4-8 of the Act and originally created by an ordinance of the City adopted on June 10, 1998, as continued and further described in this Indenture.

"Indenture" means this Trust Indenture, dated as of [_____] 1, 2013, from the City to the Trustee, as from time to time amended and supplemented by Supplemental Indentures executed and delivered by the City and the Trustee in accordance with Article X.

"Independent" when used with respect to any specified Person means a Person who is in fact independent and is not connected with the City as an officer, employee, underwriter, or Person performing a similar function. Whenever it is provided in this Indenture or any Supplemental Indenture that the opinion or report of any Independent Person shall be furnished, such Person shall be appointed by the City, and such opinion or report shall be signed by such Person and shall state that the signer has read this definition and that the signer is Independent within its meaning.

"Interest Commencement Date" means, with respect to any Capital Appreciation and Income Bond, the date specified in the Supplemental Indenture authorizing the issuance of such Bond (which date must be prior to the maturity date for such Capital Appreciation and Income Bond) after which interest accruing on such Capital Appreciation and Income Bond shall be

payable periodically, with the first such payment date being the applicable Interest Payment Date immediately succeeding such Interest Commencement Date.

"Interest Payment Date" means any date on which interest on a Series of Bonds is payable as established in the Supplemental Indenture authorizing such Series.

"Interest Period" means the period from the date of the Bonds of any Series to and including the day immediately preceding the first Interest Payment Date and thereafter shall mean each period from and including an Interest Payment Date to and including the day immediately preceding the next Interest Payment Date.

"Interest Requirement" for any calendar year or any Interest Period, as the context may require, as applied to Bonds of any Series then Outstanding, means the total of the sums that would be deemed to accrue on such Bonds during such calendar year or Interest Period if the interest on the Current Interest Bonds of such Series were deemed to accrue daily during such year or Interest Period in equal amounts; provided, that interest expense shall be excluded from the determination of Interest Requirement to the extent that such interest is to be paid (a) from the proceeds of Bonds allocable to the payment of such interest as provided in the Supplemental Indenture authorizing the issuance of such Bonds or other available moneys or from investment (but not reinvestment) earnings on such proceeds or moneys if such proceeds or moneys shall have been invested in Investment Securities and to the extent such earnings may be determined precisely or (b) from investment earnings on deposit in the Reserve Account to the extent any such earnings may be determined precisely. Unless otherwise provided in a Supplemental Indenture, interest expense on Credit Facilities drawn upon to purchase but not to retire Bonds, except to the extent such interest exceeds the interest otherwise payable on such Bonds, shall not be included in the determination of the Interest Requirement. If interest is not payable at a single numerical rate for the entire term of such Bonds, then the term "Interest Requirement" shall have the appropriate meaning assigned to it by the Supplemental Indenture authorizing such Bonds.

"Investment Securities" means any of the following securities authorized by law as permitted investments of City funds at the time of their purchase:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America;

(b) trust receipts or other certificates of ownership evidencing an ownership interest in the principal of or interest on, or both principal of and interest on, obligations described in clause (a) of this definition, which obligations are held in trust by a bank described in clause (d) of this definition, provided that such bank holds such obligations separate and segregated from all other funds and accounts of the City and of such bank and that a perfected first security interest under the Illinois Uniform Commercial Code, or under book entry procedures prescribed at 31 C.F.R. 306.0 *et seq.* or 31 C.F.R. 350.0 *et seq.* (or other similar book entry procedures similarly prescribed by federal law or regulations adopted after the date of adoption of this Ordinance), has been created in such obligations for the benefit of the applicable account or fund created under this Indenture or, to the extent permitted, in any irrevocable trust or escrow established to make

provision for the payment and discharge of the indebtedness on any obligations that are payable from Pledged Revenues;

(c) obligations of Fannie Mae or of any agency or instrumentality of the United States of America now existing or hereafter created, including but not limited to the United States Postal Service, the Government National Mortgage Association, the Federal Financing Bank and the Federal Home Loan Mortgage Corporation;

(d) negotiable or non-negotiable time deposits evidenced (i) by certificates of deposit issued by any bank, trust company, national banking association or savings and loan association that has capital of not less than $100,000,000 or (ii) by certificates of deposit that are continuously and fully insured by (A) any agency of the United States of America or (B) an insurer that at the time of issuance of the policy securing such deposits has been assigned a credit rating on its long-term unsecured debt within one of the two highest rating categories, without regard to any refinement or gradation of rating category by numerical modifier or otherwise, from at least two Rating Agencies;

(e) repurchase agreements with banks described in clause (d) of this definition or with government bond dealers reporting to, trading with, and recognized as primary dealers by a Federal Reserve Bank, provided (i) that the underlying securities are obligations described in clauses (a) or (c) of this definition and are required to be continuously maintained at a market value not less than the amount so invested, (ii) the City has received an opinion of counsel to the effect that a custodian for the City has possession of the underlying securities as collateral and has a perfected first security interest in the collateral, and (iii) the collateral is in the opinion of such counsel free and clear of claims by third parties;

(f) obligations of any state of the United States of America or any political subdivision of a state or any agency or instrumentality of a state or political subdivision that are, at the time of purchase, rated by at least two Rating Agencies in one of their two highest respective long-term rating categories, without regard to any refinement or gradation of rating category by numerical modifier or otherwise (if not rated by at least two Rating Agencies then a rating by one Rating Agency shall be satisfactory) for comparable types of debt obligations;

(g) bonds, notes, debentures or other evidences of indebtedness issued or guaranteed by any corporation that are, at the time of purchase, rated by at least two Rating Agencies in their highest long-term rating category, without regard to any refinement or gradation of rating category by numerical modifier or otherwise (if not rated by at least two Rating Agencies then a rating by one Rating Agency shall be satisfactory), for comparable types of debt obligations;

(h) repurchase agreements and investment agreements (including forward purchase agreements pursuant to which the City agrees to purchase securities of the type described in clauses (a), (b), (c), (f), (g) and (i) of this definition of "Investment Securities"), with any bank, trust company, national banking association (which may include the Bond Registrar, any trustee or a Depository), insurance company or any other

financial institution that at the date of the agreement has an outstanding, unsecured, uninsured and unguaranteed debt issue rated by at least two Rating Agencies in one of the three highest long-term rating agency categories, without regard to any refinement or gradation of rating category by numerical modifier or otherwise, or if such institution is not so rated, that the agreement is secured by such securities as are described in clauses (a) through (d) above, inclusive, having a market value at all times (exclusive of accrued interest, other than accrued interest paid in connection with the purchase of such securities) at least equal to the principal amount invested pursuant to the agreement, provided that (i) a custodian for the City (which custodian is not the entity with which the City has the repurchase or investment agreement) has a perfected first security interest in the collateral and the City has received an opinion of counsel to that effect, (ii) the custodian or an agent of the custodian (which agent is not the entity with which the City has the repurchase or investment agreement) has possession of the collateral, and (iii) such obligations are in the opinion of such counsel free and clear of claims by third parties;

(i) prime commercial paper of a corporation incorporated under the laws of any state of the United States of America, rated by at least one Rating Agency in its highest short-term rating category, without regard to any refinement or gradation of rating category by numerical modifier or otherwise;

(j) certificates of deposit of national banks that are either fully collateralized at least 110 percent by marketable U.S. government securities marked to market at least monthly or secured by a corporate surety bond issued by an insurance company licensed to do business in Illinois and having a claims-paying rating in the top rating category, without regard to any refinement or gradation of rating category by numerical modifier or otherwise, as rated by at least one Rating Agency and maintaining such rating during the term of such investment; and

(k) shares of a money market fund registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933.

"Junior Lien Bonds" means any bonds or other obligations of the City permitted to be issued pursuant to Section 2.6 of this Indenture.

"Maximum Annual Debt Service Requirement" means, as of any date of calculation, the largest Annual Debt Service Requirement occurring in the then current and all succeeding calendar years.

"Outstanding," when used as of any date with reference to Bonds, means all Bonds previously or then being authenticated and delivered under this Indenture except:

(i) Any Bonds canceled by the Trustee at or prior to such date;

(ii) Bonds (or portions of Bonds) for the payment or redemption of which moneys and/or Defeasance Obligations, equal to their principal amount or Redemption Price, as the case may be, with interest to the date of maturity or date fixed for redemption, are held in trust under this Indenture and set aside for such payment or

redemption (whether at or prior to the maturity or redemption date); provided, that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given as in Article IV provided or provision satisfactory to the Trustee shall have been made for the giving of such notice;

(iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to Article III, Section 4.6 or Section 11.6; and

(iv) Bonds deemed to have been paid as provided in Section 12.1(b).

"Owner" means any Person who shall be the registered owner of any Bond or Bonds.

"Paying Agent" means any bank, national banking association or trust company designated by an Authorized Officer as paying agent for the Bonds of any Series, and any successor or successors appointed by an Authorized Officer under this Indenture.

"Payment Date" means any Interest Payment Date or Principal Payment Date.

"Person" means and includes an association, an unincorporated organization, a corporation, a partnership, a limited liability company, a joint venture, a business trust, a government or one of its agencies or political subdivisions, or any other public or private entity, or a natural person.

["Pilsen Increment" means Increment collected from the Pilsen Redevelopment Project Area. For purposes of this definition, "Increment" shall mean such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof.]

"Pilsen Redevelopment Plan" means the Pilsen Tax Increment Financing Redevelopment Project and Plan approved by the City Council on June 10, 1998, as amended by Amendment Number 1 to Pilsen Tax Increment Financing Redevelopment Plan approved by the City Council on November 12, 2003, to extend the estimated date of completion of the Project and the retirement of obligations payable from the Incremental Taxes Fund.

"Pilsen Redevelopment Project Area" means the Pilsen Tax Increment Financing Redevelopment Project Area that was designated as a "redevelopment project area" under the Act by the ordinance adopted by the City Council on June 10, 1998.

["Pledged Increment" means the Pilsen Increment pledged under the Intergovernmental Agreement.]

"Pledged Revenues" means the Incremental Taxes and any other revenues from any source whatsoever designated to pay principal of, premium, if any, or interest on the Bonds, including, without limitation, amounts on deposit in and pledged to various funds and accounts (other than the Program Expenses Account, the Rebate Account, the General Account [and the Project Fund]) as provided in this Indenture, together with interest earnings on such moneys.

"Principal" or "principal" means (i) with respect to any Capital Appreciation Bond, its Accreted Amount (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest) except as used in this Indenture in connection with the authorization and issuance of Bonds and with the order of priority of payments of Bonds after an event of default, in which case the term "principal" means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest) but when used in connection with determining whether the Owners of the requisite principal amount of Bonds then Outstanding have given any request, demand, authorization, direction, notice, consent or waiver or with respect to the Redemption Price of any Capital Appreciation Bond, the term "principal amount" means the Accreted Amount and (ii) with respect to the principal amount of any Current Interest Bond or Tender Option Bond, the principal amount of such Bond payable in satisfaction of a Sinking Fund Installment, if applicable, or at maturity.

"Principal and Interest Account" means the Principal and Interest Account established in Section 5.2 of this Indenture.

"Principal Payment Date" means the date upon which the principal of any Bond is stated to mature or upon which the principal of any Term Bond is subject to redemption in satisfaction of a Sinking Fund Installment, in each case as established in the Supplemental Indenture authorizing such Bonds.

"Principal Requirement" as to any calendar year and as applied to Bonds of any Series, means an amount of money equal to the aggregate of the principal amount of Outstanding Bonds of such Series which mature or are payable through Sinking Fund Installments during such calendar year.

"Program Expenses" means, in any calendar year, all initial and ongoing administrative expenses related to or incurred in connection with the Bonds and (in the case of (v) below) the Pilsen Redevelopment Project Area, including, specifically, (i) the sum necessary to pay all rating agency surveillance fees and costs and expenses of any Trustee, registrar or paying agent, (ii) the expected annual fees or premiums of any issuer or provider of any Credit Facility, Debt Reserve Credit Instrument or Bond Insurance Policy with respect to the Bonds, which expected annual fees may include additional amounts owing to such issuer or provider pursuant to any reimbursement or other agreement, other than reimbursement obligations arising from any draw or payment under such Credit Facility and other than payments on the Bonds, (iii) fees related to the calculation or verification of any required payment to the United States of America pursuant to Section 148(f) of the Code, (iv) auditing fees incurred in connection with the preparation of the financial statements required pursuant to Section 7.7 of this Indenture, and (v) to the extent not included in (iv) above, all fees and expenses incurred in preparing and compiling the information which Section 11-74.4-5(d) of the Act requires the City to submit to the State Comptroller, the joint review board and the taxing districts overlapping the Pilsen Redevelopment Project Area; but (except as provided in (iv) and (v) above and other payments to third parties) excluding expenses of the City relating specifically to the administration of the Project.

"Program Expenses Account" means the Program Expenses Account established in Section 5.2 of this Indenture.

"Project" means the redevelopment project approved by the Pilsen Redevelopment Plan.

"Project Costs" means those costs of the Project included in the definition of "Redevelopment Project Costs" in the Act as in effect on the effective date of this Indenture and shall include any costs added to the definition of "Redevelopment Project Costs" in the Act from time to time after the effective date of this Indenture and shall also include the purpose set forth in 65 ILCS 5/11-74.4-4(q) and any other purpose authorized under the Act; in no event, however, shall the removal of a cost from the definition of "Redevelopment Project Costs" from and after the effective date of this Indenture cause such cost not to be a "Project Cost" within the meaning of this Indenture.

["Project Fund" means the Project Fund established in Section 5.3 of this Indenture.]

"Qualified Swap Agreement" means an agreement between the City and a Swap Provider under which the City agrees to pay the Swap Provider an amount calculated at an agreed-upon rate or index based upon a notional amount and the Swap Provider agrees to pay the City for a specified period of time an amount calculated at an agreed-upon rate or index based upon such notional amount, where (i) each Rating Agency (if such Rating Agency also rates the unsecured obligations of the Swap Provider or its guarantor) has assigned to the unsecured obligations of the Swap Provider, or the Person who guarantees the obligations of the Swap Provider to make its payments to the City, as of the date the swap agreement is entered into, a rating that is equal to or higher than the rating then assigned to the Bonds by such Rating Agency (without regard to Bond Insurance or any other Credit Facility), and (ii) the City has notified each Rating Agency (whether or not such rating Agency also rates the unsecured obligations of the Swap Provider or its guarantor) in writing, at least 15 days prior to executing and delivering the swap agreement, of its intention to enter into the swap agreement and has received from such Rating Agency a written indication that the entering into the swap agreement by the City will not, in and of itself, cause a reduction or withdrawal by such Rating Agency of its rating on the Bonds.

"Rating Agencies" means each and every one of the nationally recognized rating services that shall have assigned ratings to any Bonds Outstanding as requested by or on behalf of the City, and which ratings are then currently in effect.

"Rebate Account" means the Rebate Account established in Section 5.2 of this Indenture.

"Record Date" means the date established as the record date with respect to an Interest Payment Date for a Series of Bonds in the Supplemental Indenture creating such Series.

"Redemption Price" means, with respect to any Bond, the Principal of such Bonds plus the applicable redemption premium, if any, payable upon the date fixed for their redemption.

"Redevelopment Ordinance" means an ordinance of the City adopted by the City Council on June 10, 1998 approving the Pilsen Redevelopment Plan, together with any further amendments and supplements to it.

"Refunding Bonds" means all Bonds subsequently issued pursuant to Section 2.5.

"Registrar" means any bank, national banking association or trust company appointed by an Authorized Officer under this Indenture and designated as registrar for the Bonds of any Series, and its successor or successors.

"Reserve Account" means the Reserve Account created pursuant to Section 5.2 of this Indenture.

"Serial Bonds" means the Bonds of a Series which shall be stated to mature in annual installments.

"Series" means all of the Bonds designated as a series and authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds subsequently authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article III or Sections 4.6 or 11.6.

"Series 2004 Bonds" has the meaning set forth in the Preambles to this Indenture.

"Series 2013 Bonds" has the meaning set forth in the Preambles to this Indenture.

"Sinking Fund Installment" means with respect to any Series of Bonds, each principal amount of Bonds scheduled to be redeemed through sinking fund redemption provisions of a Supplemental Indenture creating such Series by the application of amounts on deposit in the Principal and Interest Account.

"SLG's" means United States Treasury Certificates of Indebtedness, Notes and Bonds State and Local Government Series.

"Supplemental Indenture" means any Supplemental Indenture of the City authorized pursuant to Article X.

"Swap Provider" means any counterparty with whom the City enters into a Qualified Swap Agreement.

"Tender Option Bonds" means any Bonds with respect to which the Owners have the option to tender to the City, to any Fiduciary or to any agent of a Fiduciary, all or a portion of such Bonds for payment or purchase; provided, that no Tender Option Bonds shall be issued unless (i) the City has notified each Rating Agency in writing of its intention to issue such Tender Option Bonds and (ii) each Rating Agency has notified the City that the issuance of such Tender Option Bonds by the City will not, in and of itself, cause a reduction or withdrawal by such Rating Agency of its rating on the Bonds.

"Term Bonds" means the Bonds of a Series other than Serial Bonds which shall be stated to mature on one or more dates through the payment of Sinking Fund Installments.

"Treasurer" means the City Treasurer of the City.

"Trust Estate" means the Pledged Revenues and all other property pledged to the Trustee pursuant to this Indenture.

"Trustee" means Amalgamated Bank of Chicago, Chicago, Illinois, and any successor or successors appointed under this Indenture.

"Variable Rate Bonds" means any Bonds the interest rate on which is not established at the time of their issuance at a single numerical rate for the entire term of the Bonds; provided, that no Variable Rate Bonds shall be issued unless (i) the City has notified each Rating Agency in writing of its intention to issue such Variable Rate Bonds and (ii) each Rating Agency has notified the City that the issuance of such Variable Rate Bonds by the City will not, in and of itself, cause a reduction or withdrawal by such Rating Agency of its rating on the Bonds.

Section 1.2 Interpretation. As used in this Indenture, and unless the context otherwise indicates, the words "Bond," "Owner," and "Person" include the plural as well as the singular number.

Unless the context otherwise indicates, references to articles, sections, subsections, clauses, paragraphs and other subdivisions refer to the designated articles, sections, subsections, clauses, paragraphs and other subdivisions of this Indenture as originally executed.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.1 Authorization of Bonds.

(a) The City shall not issue any Bonds while this Indenture is in effect except in accordance with the provisions of Article II. All Bonds issued under this Indenture shall be designated "Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project)" or "Tax Increment Allocation Refunding Revenue Bonds (Pilsen Redevelopment Project)," and shall include such further appropriate designations as the City may determine.

(b) Bonds may be issued in one or more Series and each Bond shall bear upon its face the designation determined for its Series. Any two or more Series may be consolidated for purposes of sale in such manner as may be provided in the Supplemental Indenture authorizing such Series.

Section 2.2 Indenture to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by the Owners from time to time of the Bonds, the provisions of this Indenture and any Supplemental Indenture shall constitute a contract among the City, the Trustee and the Owners from time to time of the Bonds.

Section 2.3 General Provisions for Issuance and Delivery of Bonds.

(a) Each Series of Bonds shall be created by a Supplemental Indenture which shall prescribe expressly or by reference with respect to such Series (unless otherwise determined in this Indenture):

(i) the authorized principal amount, designation and Series of such Bonds;

(ii) the purposes for which such Series of Bonds are being issued;

(iii) the manner in which the proceeds of the Bonds of such Series are to be applied;

(iv) the date and the maturity date or dates of the Bonds of such Series;

(v) the interest rate or rates of the Bonds of such Series, or the manner of determining such rate or rates, and the Interest Payment Dates and Record Dates;

(vi) the Authorized Denominations and the manner of dating, numbering and lettering of the Bonds of such Series;

(vii) the Registrar and the Paying Agent or Paying Agents for the Bonds of such Series;

(viii) the Redemption Price or Prices, if any, and any redemption dates and redemption terms for the Bonds of such Series;

(ix) the place or places of payment of the principal and Redemption Price, if any, of, and interest on, the Bonds of such Series or the manner of designating the same;

(x) the amount and date of each Sinking Fund Installment, if any, for Bonds of like maturity of such Series; provided, that the aggregate of such Sinking Fund Installments shall equal the aggregate principal amount of all such Bonds less the principal amount scheduled to be retired at maturity;

(xi) provisions as to registration of the Bonds of such Series;

(xii) the form and text of the Bonds of such Series and provision for the Trustee's authentication of such Bonds by certificate or otherwise;

(xiii) the amount of the Debt Service Reserve Requirement with respect to such Series of Bonds, if any, calculated immediately after their authentication and delivery; and

(xiv) any other provisions deemed advisable by the City and which do not conflict with the provisions of this Indenture.

(b) Bonds of the same Series and maturity shall be of like tenor except as to denomination and form. After the original issuance of Bonds of a Series, no Bonds of such

Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III, Section 4.6 or Section 11.6.

(c) Bonds issued pursuant to Article II may be issued as Current Interest Bonds, Capital Appreciation Bonds, Capital Appreciation and Income Bonds, Variable Rate Bonds, Tender Option Bonds, Serial Bonds or Term Bonds or any combination, the interest on which may or may not be exempt from federal income taxes, all as provided in the Supplemental Indenture providing for their issuance; provided, that the City shall not issue Tender Option Bonds unless it shall have delivered to the Trustee upon the authentication of such Bonds a Credit Facility which the Trustee or another Fiduciary may draw upon to pay the purchase price of any such Bonds upon tender of such Bonds.

Section 2.4 Conditions Precedent to the Delivery of any Series. Following the issuance and delivery of the Series 2013 Bonds, Bonds of any Series shall be executed by the City and delivered to the Trustee and shall be authenticated by the Trustee and delivered to the City or upon its order, but only following the receipt by the Trustee of:

(a) A copy of an ordinance adopted by the City Council, certified by the City Clerk, authorizing the execution and delivery of the Supplemental Indenture referred to in Section 2.3;

(b) A Counsel's Opinion to the effect that (i) the City had the right and power to adopt the ordinance referred to in (a) above; (ii) the ordinance has been duly and lawfully adopted by the City Council, is in full force and effect, is valid and binding upon the City, and is enforceable in accordance with its terms (except as may be limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that equitable remedies are sought); (iii) this Indenture and such Supplemental Indenture have been duly and lawfully executed by authorized officers of the City and delivered, are in full force and effect, are valid and binding upon the City, and are enforceable in accordance with their terms (except as may be limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that equitable remedies are sought); (iv) this Indenture and the Supplemental Indenture create the valid pledge of Pledged Revenues, moneys and securities held under them for the benefit and security of the Bonds, subject to their application in the manner provided in this Indenture and such Supplemental Indenture; and (v) upon their execution, authentication and delivery, the Bonds of such Series will have been duly and validly authorized and issued in accordance with the Constitution and laws of the State of Illinois, this Indenture and such Supplemental Indenture;

(c) A written order as to the delivery of such Series, executed by an Authorized Officer (i) stating the identity of the purchasers, aggregate purchase price and date and place of delivery of such Series and that no Event of Default has occurred and is continuing under this Indenture and (ii) fixing and determining all terms and provisions of the Bonds of such Series not fixed or determined by this Indenture or the Supplemental Indenture referred to in Section 2.3;

(d) An original executed counterpart of this Indenture (or a copy duly certified by the City Clerk of the City) and the Supplemental Indenture referred to in Section 2.3; and

(e) With respect to all Series of Bonds, other than Refunding Bonds to the extent permitted by Section 2.5, issued and delivered subsequent to the initial Series of Bonds, a certificate of an Authorized Officer:

(i) establishing that Pledged Revenues collected in the immediately preceding calendar year equaled at least [150% of the Maximum Annual Debt Service Requirement] on the Bonds and the Bonds proposed to be issued; provided that the calculation of Maximum Annual Debt Service Requirement shall be exclusive of the final maturing principal amount of any series to the extent of the applicable Debt Service Reserve Requirement if amounts held in the Reserve Account or any Sub-Account of the Reserve Account with respect to such Series are expected to be available to pay Bonds of such Series on such final maturity date; and

(ii) stating that all required deposits to all Funds, Accounts and Sub-Accounts under this Indenture are current.

Section 2.5 Refunding Bonds.

(a) Following the issuance and delivery of the Series 2013 Bonds, one or more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund or advance refund any or all Outstanding Bonds of one or more Series, to pay costs and expenses incident to the issuance of such Refunding Bonds, and to make deposits in any Fund, Account or Sub-Account under this Indenture as determined by the City in the Supplemental Indenture authorizing such Bonds.

(b) Refunding Bonds of a Series shall be authenticated and delivered by the Trustee only upon receipt by it (in addition to the documents, securities and moneys required by Subsections (a), (b), (c) and (d) of Section 2.4) of:

(i) Such instructions to the Trustee as are necessary to comply with all requirements set forth in Section 12.1 so that the Bonds to be refunded or advance refunded will be paid or deemed to be paid pursuant to Section 12.1.

(ii) Either (A) moneys in an amount sufficient to effect payment of the principal and Redemption Price, if applicable, and interest due and to become due on the Bonds to be refunded or advance refunded on and prior to their redemption date or maturity date, as the case may be, which moneys shall be held by the Trustee or any of the Paying Agents in a separate account irrevocably in trust for and assigned to the respective Owners of the Bonds to be refunded or advance refunded, or (B) Government Obligations in such principal amounts, of such maturities, and bearing interest at such rates as shall be necessary, together with the moneys, if any, deposited with the Trustee at the same time, to comply with the provisions of Section 12.1(b).

(iii) A certificate of an Authorized Officer evidencing either that (A) (1) the term of the Refunding Bonds does not exceed the term of the Bonds being refunded, and (2) the Annual Debt Service Requirements for any calendar year on account of all Bonds Outstanding, after the issuance of such Refunding Bonds and the redemption or provision for payment of the Bonds to be refunded, shall not exceed the Annual Debt Service

Requirements for the corresponding calendar years on account of all the Bonds Outstanding, including the Bonds to be refunded, immediately prior to the issuance of such Refunding Bonds, or (B) in the case of a refunding of Outstanding Bonds that does not meet the requirements of the preceding clause (A), satisfaction of the test set forth in Section 2.4(e) as applied to the Refunding Bonds to be issued under the provisions of this Section, giving effect to the redemption or provision for payment of the Bonds being refunded.

(c) In applying the test set forth in subparagraph (b)(iii) above, if any of the Bonds Outstanding immediately prior to or after the issuance of the Refunding Bonds to be issued constitute Tender Option Bonds or Variable Rate Bonds, the following provisions shall be applied in determining the Annual Debt Service Requirements of such Bonds:

(X) Tender Option Bonds. If any of the Outstanding Bonds constitute Tender Option Bonds, then for purposes of the amounts to be shown as set forth in subparagraph (b)(iii) above, the options of the Owners of such Bonds to tender the same for payment prior to their stated maturity or maturities shall be ignored, and (1) if such Bonds also constitute Variable Rate Bonds, the City shall adjust such amounts to be shown as set forth in subparagraph (b)(iii) of this Section as provided in subparagraph (Y) below, (2) if such Bonds are secured by a Credit Facility, the Credit Bank or obligations secured by credit facilities issued by such Credit Bank shall be rated in one of the three highest rating categories (without reference to graduations such as "plus" or "minus") by any of the Rating Agencies, and (3) any obligation the City may have, other than its obligation on such Bonds (which need not be uniform as to all Owners), to reimburse any Credit Bank, including any obligations so to reimburse in excess of the Annual Debt Service Requirements on such Bonds (determined without regard to whether such Credit Bank shall then be holding or shall then have had pledged to it such Bonds) shall be subordinated to the obligation of the City on the Bonds.

(Y) Variable Rate Bonds. If any of the Outstanding Bonds constitute Variable Rate Bonds, then for purposes of the amounts to be shown as set forth in subparagraph (b)(iii) above, the interest rate used in such computation shall be the lesser of (a) the maximum interest rate established in the Supplemental Indenture authorizing such Bonds and (b) if and so long as a Qualified Swap Agreement is in effect, the interest rate determined as if the Variable Rate Bonds had interest payments equal to the interest payable on those Variable Rate Bonds less any payments to the City from the Swap Provider and plus any payments by the City to the Swap Provider as provided by the Qualified Swap Agreement (other than fees for providing the Qualified Swap Agreement). The conversion of Bonds constituting Variable Rate Bonds to bear interest at a different variable rate or a fixed rate or rates, in accordance with their terms, shall not constitute a new issuance of Bonds under Section 2.3 or Section 2.5 of this Indenture.

Section 2.6 [Junior Lien Bonds. The City may authorize and issue Junior Lien Bonds from time to time pursuant to Supplemental Indentures for any of the purposes for which Bonds may be issued under this Indenture. The Junior Lien Bonds shall be payable out of the Pledged Revenues and shall be secured by a pledge and assignment of amounts on deposit in certain funds and accounts established under this Indenture pursuant to Section 5.2 of this Indenture and

the respective Supplemental Indenture as may from time to time be available for the purpose of payment of such Junior Lien Bonds as provided therein; provided, that any such pledge and assignment shall be, and shall be expressed to be, subordinate to the pledge of the Pledged Revenues as security for the Bonds to the extent provided in this Indenture and no holder of a Junior Lien Bond shall have the right to cause the acceleration of such Junior Lien Bond in the event of a default under such Junior Lien Bond.]

Section 2.7 Hedging Transactions.

(a) If the City enters into a Qualified Swap Agreement with a Swap Provider requiring the City to pay a fixed interest rate on a notional amount, or requiring the City to pay a variable interest rate on a notional amount, and the City makes a determination that such Qualified Swap Agreement is being entered into for the purpose of providing substitute interest payments for Bonds of a particular maturity or maturities in a principal amount equal to the notional amount of the Qualified Swap Agreement, then during the term of the Qualified Swap Agreement and so long as the Swap Provider under such Qualified Swap Agreement is not in default under such Qualified Swap Agreement:

(i) for purposes of any calculation of Interest Requirements, the interest rate on the Bonds of such maturity or maturities shall be determined as if such Bonds bore interest at the fixed interest rate or the variable interest rate, as the case may be, payable by the City under such Qualified Swap Agreement;

(ii) any net payments required to be made by the City to the Swap Provider pursuant to the Qualified Swap Agreement shall be made only from amounts on deposit to the credit of the Incremental Taxes Fund; and

(iii) any net payments received by the City from the Swap Provider pursuant to such Qualified Swap Agreement shall be deposited to the credit of the Incremental Taxes Fund.

(b) If the City enters into a swap agreement of the type generally described in subsection (a) of this Section 2.7 that does not satisfy the requirements for qualification as a Qualified Swap Agreement, then:

(i) the interest rate adjustments or assumptions referred to in paragraph (i) of subsection (a) shall not be made;

(ii) any net payments required to be made by the City to the Swap Provider pursuant to such swap agreement shall be made only from amounts on deposit in the General Account; and

(iii) any net payments received by the City from the Swap Provider pursuant to such swap agreement may be treated as Pledged Revenues at the option of the City, and if so treated, shall be deposited to the credit of the Incremental Taxes Fund.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF BONDS

Section 3.1 Medium of Payment; Form and Date; Letters and Numbers.

(a) The Bonds shall be payable, with respect to interest, principal and Redemption Price, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) Any Bonds of a Series shall be issued only in the form of fully registered Bonds without coupons or, pursuant to the provisions of a Supplemental Indenture, in any other form permitted by law at the time of original issuance, including, but not limited to, Bonds which are transferable through a book-entry system.

(c) Each Bond shall be lettered and numbered as provided in this Indenture or the Supplemental Indenture authorizing the Series of which such Bond is a part so as to be distinguished from every other Bond.

(d) Bonds shall be dated as provided in this Indenture or the Supplemental Indenture authorizing the Bonds of such Series.

Section 3.2 Legends. The Bonds of each Series may contain or have endorsed on them such provisions, specifications and descriptive words not inconsistent with the provisions of this Indenture as may be necessary or desirable to comply with custom, law, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the City or the Trustee prior to their authentication and delivery.

Section 3.3 Execution and Authentication.

(a) The Bonds shall be executed in the name of the City by the manual or facsimile signatures of its Mayor and City Clerk, and its corporate seal (or a facsimile of it) shall be impressed, imprinted, engraved or otherwise reproduced on them. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been authenticated and delivered by the Trustee, such Bonds may, nevertheless, be authenticated and delivered as provided in this Indenture, and may be issued as if the persons who signed or sealed such Bonds had not ceased to hold such offices. Any Bond may be signed and sealed on behalf of the City by such persons who at the time of the execution of such Bond shall hold the proper office in the City, although at the date of such Bond such persons may not have been so authorized or have held such office.

(b) The Bonds shall bear a certificate of authentication, in the form set forth in this Indenture or the Supplemental Indenture authorizing such Bonds, executed manually by the Trustee. Only such Bonds as shall bear such certificate of authentication shall be entitled to any right or benefit under this Indenture, and no such Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the manual signature of an authorized officers of the Trustee. Such certificate of the Trustee upon any such Bond executed on behalf of the City shall be conclusive evidence that the Bond so authenticated

has been duly authenticated and delivered under this Indenture and that the Owner is entitled to the benefits of this Indenture.

Section 3.4 Interchangeability of Bonds. Subject to the provisions of Section 3.6, any Bond, upon surrender at the principal office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Owner or its duly authorized attorney, may, at the option of the Owner and upon payment of any charges which the Trustee may make as provided in Section 3.6, be exchanged for an equal aggregate principal amount of fully registered Bonds of the same Series and maturity and tenor of any other Authorized Denominations.

Section 3.5 Negotiability, Transfer and Registration.

(a) Each Bond shall be transferable only upon the registration books of the City, which shall be kept for that purpose by the Registrar, by the Owner in person or by its attorney duly authorized in writing, upon surrender of such Bond with a written instrument of transfer satisfactory to the Registrar, duly executed by the Owner or its duly authorized attorney. Upon the surrender for transfer of any such Bond, the City shall issue, in the name of the transferee, a new Bond or Bonds in Authorized Denominations of the same aggregate principal amount, Series and maturity as the surrendered Bond.

(b) The City and each Fiduciary may deem and treat the Person in whose name any Bond shall be registered upon the registration books of the City as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and redemption premium, if any, of and interest on such Bond and for all other purposes, and all such payments so made to any such Owner or upon its order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor any Fiduciary shall be affected by any notice to the contrary.

Section 3.6 Provisions with Respect to Exchanges and Transfers. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the City shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. All Bonds surrendered in any such exchanges shall forthwith be canceled by the Trustee. For any exchange or transfer of Bonds, whether temporary or definitive, the City, the Trustee or the Registrar may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid. The Registrar and the Trustee shall not be required to make any registration, transfer or exchange of any Bond during the period between each Record Date and the next succeeding Interest Payment Date of such Bond, or after such Bond has been called for redemption or, in the case of any proposed redemption of Bonds, during the 15 days next preceding the date of first giving notice of such redemption.

Section 3.7 Bonds Mutilated, Destroyed, Stolen or Lost. If any Bond shall become mutilated or be destroyed, stolen or lost, the City shall execute, and the Trustee shall then authenticate and deliver, a new Bond of like Series, maturity and principal amount as the Bonds so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond, upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, upon filing with the Trustee or Registrar evidence satisfactory to

the City and the Trustee or Registrar that such Bond has been destroyed, stolen or lost and proof of ownership of it, and upon (i) furnishing the City and the Trustee or Registrar with indemnity satisfactory to them and complying with such other reasonable regulations as the City, the Trustee or the Registrar may prescribe and (ii) paying such expenses as the City and Trustee and Registrar may incur. All Bonds so surrendered to the Trustee or Registrar shall be canceled by the Trustee in accordance with Section 12.5. Any such new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the City, whether or not the Bonds so alleged to be destroyed, stolen or lost shall be found at any time or be enforceable by anyone, shall be entitled to equal and proportionate benefits with all other Bonds of the same Series issued under this Indenture and shall be equally secured by the money or securities held by the City or any Fiduciary for the benefit of the Owners.

Section 3.8 Temporary Bonds.

(a) Until the definitive Bonds of any Series are prepared, the City may execute, in the same manner as is provided in Section 3.3, and, upon the request of the City, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to their denominations and as to exchangeability, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in Authorized Denominations, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The City at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds the Trustee shall authenticate and, without charge to the Owner, deliver in exchange for them, definitive Bonds of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered in Authorized Denominations. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Indenture.

(b) The Owner of any temporary Bond or Bonds may, at its option, surrender the same to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount, Series and maturity of any Authorized Denominations, and thereupon the City shall execute and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered and upon payment of the taxes, fees and charges provided for in Section 3.6, shall deliver a temporary Bond or Bonds of like aggregate principal amount, Series and maturity in such other Authorized Denominations as shall be requested by such Owner.

(c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.1 Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity pursuant to this Indenture or a Supplemental Indenture shall be redeemable, upon notice given as provided in Section 4.5, at such times, at such Redemption

Prices and upon such terms, in addition to the terms contained in Article IV, as may be specified in this Indenture or in the Supplemental Indenture authorizing such Series.

Section 4.2 Redemption at the Election or Direction of the City. In the case of any redemption of Bonds at the election or direction of the City, the City shall give written notice to the Trustee of its election or direction so to redeem, of the date fixed for redemption, of the Series, and of the principal amounts of the Bonds of each maturity of such Series to be redeemed. Such notice shall be given at least 45 days prior to the specified redemption date (or such shorter period as shall be acceptable to the Trustee). If notice of redemption shall have been given as in Section 4.5 provided, there shall be paid on or prior to the specified redemption date to the Trustee an amount in cash or Government Obligations maturing on or before the specified redemption date which, together with other moneys, if any, available for the purpose and held by the Trustee, will be sufficient to redeem all of the Bonds to be redeemed on the specified redemption date at their Redemption Price plus interest accrued and unpaid to the date fixed for redemption. Such amount and moneys shall be held in a separate, segregated account for the benefit of the Owners of the Bonds so called for redemption.

Section 4.3 Redemption Otherwise Than at City's Election or Direction. Whenever by the terms of this Indenture or a Supplemental Indenture the Trustee is required or authorized to redeem Bonds otherwise than at the election or direction of the City, the Trustee shall select the Bonds to be redeemed, give the notice of redemption and pay the Redemption Price, plus interest accrued and unpaid to the date fixed for redemption, in accordance with the terms of Articles IV and V to the extent applicable.

Section 4.4 Selection of Bonds to Be Redeemed. Unless otherwise provided by Supplemental Indenture, if less than all of the Bonds of like maturity of any Series shall be called for prior redemption, the particular Bonds or portion of Bonds to be redeemed shall be selected at random by the Trustee in such manner as the Trustee in its discretion may deem fair and appropriate; provided, that the portion of any Bond of a denomination of more than the minimum Authorized Denomination for the Bonds of such Series to be redeemed shall be in the principal amount of an Authorized Denomination for the Bonds of such Series and that, in selecting portions of such Bonds for redemption, the Trustee shall treat each such Bond as representing that number of Bonds of said minimum Authorized Denomination which is obtained by dividing the principal amount of such Bond to be redeemed in part by said minimum Authorized Denomination. If all Bonds of any Series are held in book-entry only form, the particular Bonds or portions of Bonds of such Series to be redeemed shall be selected by the securities depository for such Series of Bonds in such manner as such securities depository shall determine.

Section 4.5 Notice of Redemption. When the Trustee shall receive notice from the City of its election or direction to redeem Bonds pursuant to Section 4.2, and when redemption of Bonds is authorized or required pursuant to Section 4.3, the Trustee shall give notice, in the name of the City, of the redemption of such Bonds, which notice shall specify the Series and maturities of the Bonds to be redeemed, the date fixed for redemption and the place or places where amounts due upon such date fixed for redemption will be payable and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the letters and numbers or other distinguishing marks of such Bonds so to be redeemed, and, in the case of Bonds to be redeemed in part only, such notice shall also specify the respective portions of the principal amount of such

Bonds to be redeemed. Such notice shall further state that on such date there shall become due and payable the Redemption Price of each Bond to be redeemed, or the Redemption Price of the specified portions of the principal of such Bonds in the case of Bonds to be redeemed in part only, together with interest accrued to the date fixed for redemption, and that from and after such date interest shall cease to accrue and be payable. The Trustee shall mail copies of such notice by first-class mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owners of the Bonds to be redeemed at their addresses as shown on the registration books of the City maintained by the Registrar. If the Trustee mails notices of redemption as provided in this Section, notice shall be conclusively presumed to have been given to all Owners.

With respect to an optional redemption of any Bonds, unless moneys sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds to be redeemed shall have been received by the Trustee prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Trustee on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Trustee shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

Section 4.6 Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 4.5, the Bonds or portions of Bonds so called for redemption shall become due and payable on the date fixed for redemption at the Redemption Price, plus interest accrued and unpaid to such date, and, upon presentation and surrender of such Bonds at any place specified in such notice, such Bonds, or portions of Bonds, shall be paid at the Redemption Price, plus interest accrued and unpaid to such date. If there shall be called for redemption less than all of a Bond, the City shall execute and the Trustee shall authenticate and the appropriate Fiduciary shall deliver, upon the surrender of such Bond, without charge to the Owner, for the unredeemed balance of the principal amount of the Bond so surrendered, fully registered Bonds of like Series and maturity in any Authorized Denominations. If, on the date fixed for redemption, moneys for the redemption of all the Bonds or portions of Bonds of any like Series and maturity to be redeemed, together with interest to such date, shall be held by the Trustee so as to be available on said date and if notice of redemption shall have been given as provided in Section 4.5, then, from and after the date fixed for redemption, interest on the Bonds or portions of Bonds of such Series and maturity so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the date fixed for redemption, such Bonds or portions of Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Section 4.7 Adjustment of Sinking Fund Installments. In the event of the optional redemption by the City of less than all the Bonds of like Series and maturity with respect to which Sinking Fund Installments have been established, the principal amount so redeemed shall be credited against the unsatisfied balance of future Sinking Fund Installments or the final maturity amount established with respect to such Bonds, in such amount and against such Sinking Fund Installments or final maturity amount as shall be determined by the City in a Certificate of an Authorized Officer filed with the Trustee prior to the mailing of the notice of redemption of such Bonds or, in the absence of such determination, shall be credited against the

unsatisfied balance of the applicable Sinking Fund Installments in inverse order of their payment dates.

Section 4.8 Purchase in lieu of Redemption. In lieu of redeeming Bonds pursuant to optional or mandatory sinking fund redemption, unless otherwise specified in the Supplemental Indenture pursuant to which a Series of Bonds is issued, the Trustee shall, at the written direction of the City, purchase Bonds in the open market at a price not exceeding the redemption price then applicable to such Bonds. Any Bonds so purchased in lieu of redemption shall be delivered to the Trustee for cancellation.

ARTICLE V

PLEDGE OF PLEDGED REVENUES; ESTABLISHMENT OF FUNDS AND THEIR APPLICATION

Section 5.1 The Pledge Effected by this Indenture.

(a) There are pledged for the payment of the principal and Redemption Price of, and interest on, the Bonds in accordance with their terms and the provisions of this Indenture, and a lien is granted for such purpose, subject only [to the rights of the holders of the Excluded Contractual Obligations and] the provisions of this Indenture permitting or requiring their application for the purposes and on the terms and conditions set forth in this Indenture, (i) the Pledged Revenues; (ii) amounts on deposit in all Funds, Accounts and Sub-Accounts (except for the Program Expenses Account, [the Project Fund,] the Rebate Account and the General Account); provided, that any Sub-Account established within the Reserve Account for any Series of Bonds pursuant to a Supplemental Indenture shall only secure and be pledged to the payment of such Series of Bonds unless otherwise provided in said Supplemental Indenture; and (iii) any and all other moneys, securities and property furnished from time to time to the Trustee by the City or on behalf of the City or by any other Persons to be held by the Trustee under the terms of this Indenture; [provided that the application of Pledged Revenues to the payment of any Junior Lien Bonds is subordinated to the payment of the Bonds;] and provided further, that the application of Pledged Revenues to payments due to a Swap Provider under a Qualified Swap Agreement is expressly limited to the extent provided in this Indenture. This pledge is irrevocable until the obligations of the City are discharged under this Indenture and each Supplemental Indenture.

(b) The Pledged Revenues and the other moneys, securities and properties pledged by this Indenture shall immediately be subject to the lien and pledge of this Indenture without any physical delivery or further act, and the lien and pledge of this Indenture shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City, irrespective of whether such parties have notice of such lien and pledge.

(c) The Bonds do not represent or constitute a debt of the City or the State of Illinois within the meaning of any constitutional or any statutory limitation or a pledge of the faith and credit of the City or the State of Illinois or grant to the Owners any right to compel the City levy any taxes or appropriate any funds for the payment of the principal of, premium, if any, or

interest on the Bonds. The Bonds are payable solely from the Pledged Revenues and other sources pledged for their payment in accordance with this Indenture.

Section 5.2 Continuation of Incremental Taxes Fund; Establishment of Accounts and Sub-Accounts. The Incremental Taxes Fund previously created by the City is expressly continued as a special fund of the City, to be held by the City subject to the provisions of this Indenture, separate and apart from all other funds and accounts of the City, and shall be continue to be known as the Pilsen Redevelopment Project Area Special Tax Allocation Fund. The Incremental Taxes Fund is a trust fund established for the purpose of carrying out the covenants, agreements, terms and conditions imposed upon the City by this Indenture and the Ordinance and any indenture or ordinance supplemental to this Indenture authorizing the issuance of Bonds. Moneys on deposit in the various accounts and sub-accounts described below shall be applied by the City and the Trustee (as applicable) solely and only for the purpose of carrying out the terms, conditions, covenants and agreements of this Indenture.

In accordance with the provisions of the Act, the Incremental Taxes are to be paid to the Treasurer by the officers who collect or receive the Incremental Taxes. All of the Incremental Taxes collected on and after the date of issuance of the Series 2013 Bonds shall be set aside as collected and be promptly deposited by the Treasurer in the Incremental Taxes Fund. The Treasurer promptly shall transfer all Pledged Revenues deposited with him in the Incremental Taxes Fund to the Trustee for application in accordance with the provisions of this Section 5.2.

The moneys transferred by the Treasurer to the Trustee shall be deposited by the Trustee as provided in this Indenture to the separate accounts created by this Indenture to be held by the Trustee and known as the "Program Expenses Account," "Principal and Interest Account," "Reserve Account," "Rebate Account," and to be held by the City and known as the "General Account." Within the Principal and Interest Account there is created a "Capitalized Interest Sub-Account." Subject to the provisions of Section 5.4 of this Indenture, the City may, but is not required to, establish separate Sub-Accounts in the Reserve Account and in the Capitalized Interest Sub-Accounts of the Principal and Interest Account by an indenture or indentures supplemental to this Indenture authorizing the issuance of Bonds.

As moneys are deposited by the City into the Incremental Taxes Fund and transferred to the Trustee, they shall be credited by the Trustee and the City in the following order of priority:

(a) Program Expenses Account. From Pledged Revenues first received by the Trustee, the Trustee shall credit to and shall deposit into the Program Expenses Account an amount of Pledged Revenues sufficient to pay Program Expenses, if any, for the next succeeding calendar year [in an amount not to exceed $10,000]. The City shall, no later than November 1 of each year, provide to the Trustee information, calculations or estimates of Program Expenses for the next succeeding calendar year, and the Trustee may reasonably rely upon such information, calculations or estimates of such Program Expenses as necessary to determine the proper amount of such deposit into the Program Expenses Account. A portion of the proceeds of the Bonds may also be deposited into the Program Expenses Account and applied by Trustee to pay Costs of Issuance at the direction of the City. Amounts on deposit in the Program Expenses Account are not pledged to payment of the Bonds.

(b) Principal and Interest Account. The Trustee shall next transfer the Pledged Revenues into the Principal and Interest Account in an amount sufficient to pay the principal of and interest on all Outstanding Bonds coming due during the next succeeding calendar year, which amount shall be set aside in the Principal and Interest Account for such purpose. Except as provided below, such moneys shall be used solely and only for the purpose of paying principal of, redemption premium, if any, and interest on the Bonds, as the same become due whether at maturity or upon mandatory redemption. Any capitalized interest received upon the sale of the Bonds shall be deposited to and held in the Capitalized Interest Sub-Account and shall be used to pay interest coming due on the Bonds, prior to applying any other moneys for that purpose.

On December 2 of each year, the Trustee shall determine (i) the amount of Pledged Revenues to the credit of the Principal and Interest Account and (ii) the amount of proceeds of the Bonds, together with investment earnings on those proceeds, to the credit of the Capitalized Interest Sub-Account; provided, however, the Trustee shall determine the foregoing within 30 days of the receipt of Incremental Taxes if such Incremental Taxes have not been received by December 1 (such December 2 or later date within thirty (30) days of receipt of the Incremental Taxes is hereinafter referred to as the "Determination Date"). Such determination made on the Determination Date, preceding the final maturity date of a Series of Bonds shall also include all amounts on deposit in the applicable Sub-Account of the Reserve Account pledged to such Series of Bonds. Moneys to the credit of the Capitalized Interest Sub-Account shall be deemed the first moneys available to pay interest on the Bonds, and shall be applied by the Trustee to interest first coming due on the Bonds. The Trustee shall determine the amount necessary to pay principal, interest, and redemption premium, if any, on the Bonds, during the next succeeding calendar year after such Determination Date (except that the determination made on the Determination Date, preceding the final maturity date of a Series of Bonds shall relate to the Bond Year ending June 1, of the following calendar year), which amount shall be set aside within the Principal and Interest Account for such purpose. Funds to the credit of the Principal and Interest Account in excess of such necessary amount shall first be transferred by the Trustee to the Reserve Account as provided below and shall next be paid by the Trustee to and credited by the Treasurer to the Accounts as described in clauses (d) and (e) below.

(c) Reserve Account. The Trustee shall next transfer the Pledged Revenues into the Reserve Account until such account aggregates the Debt Service Reserve Requirement, and thereafter no such payments shall be made into that Account, except that when any money is paid out of that Account payments shall be resumed and continued until that Account has been restored to an aggregate amount equal to the Debt Service Reserve Requirement. The Debt Service Reserve Requirement shall be established in the applicable Supplemental Indenture. The Trustee shall value the investments in the Reserve Account, and each of its Sub-Accounts, if any, on the fifteenth (15th) Business Day preceding each June 1 and December 1, commencing December 1, 2013. In determining the value of the investments in the Reserve Account and in each of its Sub-Accounts, such investments shall be valued at their market price or as otherwise provided in this Indenture. Investment earnings on deposit in each Sub–Account of the Reserve Account shall be automatically transferred to the Principal and Interest Account from time to time to the extent the amounts on deposit therein exceed the applicable Debt Service Reserve Requirement. On the final maturity date of a Series of Bonds, all amounts on deposit in the applicable Sub-Account of the Reserve Account pledged to such Series of Bonds shall be used and applied by the Trustee to pay principal of and interest on such Series of Bonds. Whenever a

transfer is made from any Sub-Account in the Reserve Account to the Principal and Interest Account, the Trustee shall promptly give written notice of such transfer to the City.

(d) Rebate Account. The Trustee shall next transfer the Pledged Revenues into the Rebate Account to the extent necessary to ensure that there are on deposit in the Rebate Account sufficient moneys to make, at the required times, all rebate payments to the United States of America required to be made by Section 148 of the Code and applicable provisions of the Income Tax Regulations owed with respect to the Bonds. The City shall provide to the Trustee information, calculations or estimates of amounts to be deposited in the Rebate Account for the next succeeding calendar year. The Trustee may reasonably rely upon such information, calculations or estimates to determine the proper amount to be deposited into the Rebate Account and shall not be required to make transfers of the Pledged Revenues into the Rebate Account under this subsection if it has not been provided with such information, calculations and estimates. The Trustee shall make any necessary rebate payments to the United States of America that are required by the Code and Regulations from moneys on deposit in the Rebate Account. Amounts on deposit in the Rebate Account are not pledged to payment of the Bonds, to the extent of the moneys on deposit in that Account.

(e) The General Account. The Trustee shall next transfer the balance of any Pledged Revenues remaining after crediting the required amounts to the respective accounts provided for in (a), (b),(c) and (d) above, to the Treasurer to be credited to the General Account. Moneys on deposit in the General Account shall be used for any one or more of the following purposes as directed by the Authorized Officer, and (unless, and to the extent, otherwise provided in any Supplemental Indenture) without any priority among them:

(i) for the purpose of paying any Project Costs including, without limitation, obligations incurred in accordance with Section 7.6(b) or to pay any additional Program Expenses; or

(ii) for the purpose of paying principal of or interest on or redeeming Bonds; or

(iii) for the purpose of purchasing Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase; or

(iv) for the purpose of paying principal of or interest on any [Junior Lien Bonds or any other] indebtedness of the City issued pursuant to a separate indenture which is subordinate to the Bonds; or

(v) for the purpose of redeeming any [Junior Lien Bonds or any other] indebtedness of the City issued pursuant to a separate indenture which is subordinate to the Bonds; or

(vi) for the purpose of purchasing [Junior Lien Bonds or any other]indebtedness of the City issued pursuant to a separate indenture which is subordinate to the Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase; or

(vii) for the purpose of distribution of such funds to the taxing districts or municipal corporations having the power to tax real property in the Pilsen Redevelopment Project Area in accordance with the Act.

(viii) [for the purpose of paying Excluded Contractual Obligations.]

Except as may be otherwise provided in a Supplemental Indenture, moneys on deposit in the General Account are not pledged to the payment of the Bonds and are not Pledged Revenues.

Section 5.3 [Establishment of Project Fund.

(a) The Project Fund is established, and shall be held as a separate, segregated fund held by the City in a Depositary. There shall be paid into the Project Fund the amounts required to be so paid by the provisions of this Indenture and any Supplemental Indenture, and there may be paid into the Project Fund, at the option of the City, any moneys determined to be so applied by the City.

(b) The City shall establish within the Project Fund, in connection with the issuance of each Series of Bonds, separate, segregated accounts for the deposit of proceeds of such Bonds issued to finance additional Project Costs. The City may deposit any such separate, segregated account within the Project Fund with a Depositary pursuant to the provisions of a Supplemental Indenture.

(c) Amounts in each separate, segregated account established as provided in paragraph (b) above shall be applied to the purpose or purposes and in the manner specified in the Supplemental Indenture authorizing the Bonds, the proceeds of which were deposited in such account and upon the written direction of an Authorized Officer.

(d) Moneys in the Project Fund shall be invested at the direction of an Authorized Officer to the fullest extent practicable in Investment Securities maturing in such amounts and at such times as may be necessary to provide funds when needed to pay Project Costs. The City may, and to the extent required for payments from the Project Fund shall, sell any such Investment Securities at any time, and the proceeds of such sale, and of all payments at maturity and upon redemption of such investments, shall be held in the applicable account in the Project Fund. Earnings received on moneys or securities in a separate account in the Project Fund shall be held as a part of such account and available for the purposes for which moneys in such account are otherwise held.

(e) The completion of the Project to be paid for from an account in the Project Fund shall be evidenced by a certificate of an Authorized Officer of the City, which certificate shall be filed promptly with the Trustee, stating the date of such completion and the amount, if any, required in the opinion of the signer of such certificate for the payment of any remaining part of the cost of the Project. Upon the filing of such certificate evidencing the completion of the Project to be paid from that account in the Project Fund, the balance in said account in excess of the amount, if any, stated in such certificate of the City shall be applied by the City in the following order of priority: (1) to the applicable Sub–Account of the Reserve Account, to the extent necessary to cause the amount on deposit in the Reserve Account to equal the applicable

Debt Service Reserve Requirement; and (2) to the City for any lawful purpose under the Act which will not adversely affect the tax exempt status of any tax exempt bond.]

Section 5.4 Creation of Additional Accounts and Sub-Accounts for Bonds or Junior Lien Bonds.

(a) The City has reserved the right to issue multiple Series of Bonds pursuant to Sections 2.4 and 2.5, from time to time for the purposes authorized in the Pilsen Redevelopment Plan. Any such Bonds shall share ratably and equally with the Outstanding Bonds in the Pledged Revenues and (except as provided in the following two sentences) the Funds and Accounts established under this Indenture shall have the terms established in the Supplemental Indenture authorizing such Series of Bonds. No Series of Bonds shall have any terms creating a preference or priority over any other Series of Bonds; provided, that the City may, in any Supplemental Indenture, provide for the establishment of separate Sub-Accounts within the Reserve Account relating to one or more Series of Bonds. The creation of such separate Sub-Accounts shall not create a preference of any Series of Bonds over any other Series of Bonds with respect to Pledged Revenues, except to the extent that a Supplemental Indenture authorizing a Series of Bonds provides that amounts on deposit in any such Sub-Accounts shall secure only the one or more series of Bonds with respect to which such Sub-Account is established.

(b) The Trustee shall, at the written request of the City, establish such additional Accounts within any of the Funds established under this Indenture, and Sub-Accounts within any of the Accounts established under this Indenture, as shall be specified in such written request, for the purpose of enabling the City to identify or account for more precisely the sources, timing and amounts of transfers or deposits into such Funds, Accounts and Sub-Accounts, the amounts on deposit in or credited to such Funds, Accounts or Sub-Accounts as of any date or dates of calculation, and the sources, timing and amounts of transfers, disbursements or withdrawals from such Funds, Accounts or Sub-Accounts; but the establishment of any such additional Accounts or Sub-Accounts shall not alter or modify in any manner or to any extent any of the requirements of this Indenture with respect to the deposit or use of moneys in any Fund, Account or Sub-Account established under this Indenture.

(c) The City in a Supplemental Indenture or the Treasurer may establish such additional Sub-Accounts in the General Account as shall be considered necessary or desirable, for the purpose of enabling the City to identify or account for more precisely the sources, timing and amounts of transfers or deposits into the General Account, the amounts on deposit in or credited to the General Account as of any date or dates of calculation, and the uses, timing and amounts of transfers, disbursements or withdrawals from the General Account; but the establishment of any such additional Sub-Accounts shall not alter or modify in any manner or to any extent any of the requirements of this Indenture with respect to the deposit or use of moneys in the General Account.

(d) The City has reserved the right in this Indenture to issue one or more series of Junior Lien Bonds. All Junior Lien Bonds shall be subordinate to the Bonds as provided in this Indenture. Junior Lien Bonds may be issued under this Indenture or may be issued under a separate indenture or agreement. If issued under this Indenture, the Trustee shall create such additional funds, accounts and sub-accounts as shall be specified by the City in the supplemental

indenture authorizing such Junior Lien Bonds for the purpose of enabling the Trustee and the City to identify or account for more precisely the sources, timing and amounts of transfers or deposits into such funds, accounts and sub-accounts, the amounts on deposit in or credited to such funds, accounts or sub-accounts as of any date or dates of calculation, and the sources, timing and amounts of transfers, disbursements or withdrawals from such funds, accounts or sub-accounts.

ARTICLE VI

DEPOSITARIES, SECURITY FOR DEPOSITS AND INVESTMENTS OF FUNDS

Section 6.1 Depositaries; Moneys to be Held in Trust. All moneys held by the Trustee under the provisions of this Indenture may be deposited with one or more Depositaries selected by an Authorized Officer in the name of and in trust for the Trustee. All moneys held by the City under this Indenture may be deposited in one or more Depositaries (selected by an Authorized Officer) in the name of the City. All moneys deposited under the provisions of this Indenture with the Trustee, the City or any Depositary shall be held in trust and applied only in accordance with the provisions of this Indenture, and each of the Funds, Accounts and Sub-Accounts established by this Indenture shall be a trust fund.

Section 6.2 Deposits.

(a) All moneys held by any Depositary under this Indenture may be placed on demand or time deposit, as directed by an Authorized Officer; provided, that such deposits shall permit the moneys so held to be available for use when needed. Any such deposit may be made in the commercial banking department of any Fiduciary which may honor checks and drafts on such deposit as if it were not a Fiduciary. All moneys held by a Fiduciary may be deposited in its commercial banking department on demand or, if and to the extent directed by an Authorized Officer, on time deposit; provided, that such moneys on deposit be available for use when needed. Such Fiduciary shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size.

(b) All moneys held for the City under this Indenture shall be continuously and fully secured for the benefit of the City and the Owners of the Bonds in the same manner as provided by the City for similar funds of the City.

(c) All moneys deposited with the Trustee and each Depositary shall be credited to the particular Fund, Account or Sub-Account to which such moneys belong.

Section 6.3 Investment of Certain Moneys.

(a) Moneys held in any Fund, Account or Sub-Account by the City, the Trustee or a Depositary shall be invested and reinvested by the City at the direction of an Authorized Officer in Investment Securities that mature no later than necessary to provide moneys when needed for payments to be made from such Fund, Account or Sub-Account.

(b) Moneys held in two or more Funds, Accounts or Sub-Accounts may be jointly invested in one or more Investment Securities, if such investment complies with all the terms and conditions of this Indenture relating to the investment of moneys in such Funds, Accounts or Sub-Accounts, as the case may be, and the City maintains books and records as to the allocation of such investment as among such Funds, Accounts or Sub-Accounts.

(c) Any earnings on investments held in the Reserve Account shall be credited to and held in the applicable Sub-Account of the Reserve Account so long as the balance of any Sub-Account is less than the Debt Service Reserve Requirement for such Sub-Account and next shall be transferred to the Principal and Interest Account. Investment income from investments held in the various Funds, Accounts and Sub-Accounts shall remain in and be a part of the respective Funds, Accounts and Sub-Accounts in which such investments are held, except as otherwise provided in this Indenture.

(d) Notwithstanding any other provisions of this Indenture to the contrary, all investments made under this Indenture shall be consistent with the expectations expressed in any arbitrage certificate or tax compliance agreement executed on behalf of the City and filed with the Trustee with respect to any Series of Bonds issued under this Indenture.

Section 6.4 Valuation and Sale of Investments.

(a) Investment Securities in any Fund, Account or Sub-Account created under the provisions of this Indenture shall be deemed at all times to be part of such Fund, Account or Sub-Account and any profit realized from the liquidation of such investment shall be credited to such Fund, Account or Sub-Account and any loss resulting from liquidation of such investment shall be charged to such Fund, Account or Sub-Account.

(b) Valuations of Investment Securities held in the Funds, Accounts and Sub-Accounts established under this Indenture shall be made by the City as required under this Indenture. In computing the amounts in such Funds, Accounts and Sub-Accounts, Investment Securities shall be valued as provided in paragraph (c) of this Section 6.4.

(c) The value of Investment Securities shall be their fair market value; provided, that all SLG's shall be valued at par and those obligations which are redeemable at the option of the holder shall be valued at the price at which such obligations are then redeemable.

(d) Except as otherwise provided in this Indenture, the Trustee at the direction of an Authorized Officer shall sell at the best price obtainable, or present for redemption, any Investment Security held in any Fund, Account or Sub-Account held by the Trustee whenever it shall be necessary to provide moneys to meet any payment or transfer from such Fund, Account or Sub-Account, as the case may be. The Trustee shall not be liable or responsible for making any such investment in the manner provided above or for any loss resulting from any such investment.

ARTICLE VII

PARTICULAR COVENANTS AND REPRESENTATIONS OF THE CITY

Section 7.1 Payment of Bonds. The City covenants and agrees that it will pay or cause payment to be made, solely from Pledged Revenues, the principal at maturity and Redemption Price, if any, of every Outstanding Bond, whether a Serial Bond or a Term Bond, and the interest on such Bonds, solely from Pledged Revenues, at the places, on the dates and in the manner provided in this Indenture and in the Bonds. The City further covenants and agrees that it will make deposits, solely from Pledged Revenues, to meet all Sinking Fund Installments for the Bonds and for each other Series of Bonds for which Sinking Fund Installments are established, in accordance with and subject to the provisions of this Indenture and each Supplemental Indenture.

Section 7.2 Extension of Payment of Bonds. If the maturity of any Bond or installment of interest shall be extended pursuant to the written consent of the Owner of such Bond, such Bond or installment of interest shall not be entitled, in case of any default under this Indenture, to the benefit of this Indenture or to payment out of Pledged Revenues or the Funds, Accounts and Sub-Accounts established by this Indenture or moneys held by Fiduciaries or Depositaries (except moneys held in trust for the payment of such Bond or installment of interest) until the prior payment of the principal of all Bonds Outstanding the maturity of which has not been extended and of such portion of the accrued interest on the Bonds as shall not be represented by such extended claims for interest. The provisions of this Section do not limit the right of the City to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

Section 7.3 Offices for Servicing Bonds. The City shall at all times maintain one or more Paying Agents and Registrars with offices in Chicago, Illinois, or in New York, New York, at which Bonds may be presented for payment and where Bonds may be presented for registration of any transfer or exchange.

Section 7.4 Further Assurances. At any and all times the City shall, as far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further indentures, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming, all and singular, the rights, Pledged Revenues and other moneys, securities and funds pledged or assigned by this Indenture, or which the City may become bound to pledge or assign.

Section 7.5 Power to Issue Bonds and to Pledge Pledged Revenues and Other Funds. The City is duly authorized under all applicable laws to issue the Bonds, to execute and deliver this Indenture, to pledge the Pledged Revenues and other moneys, securities and funds pledged by this Indenture, and to grant the lien granted by this Indenture thereon in the manner and to the extent provided in this Indenture. Except as provided in the Granting Clauses and Section 5.1, the Pledged Revenues and other moneys, securities and funds so pledged, and subject to such lien, are and will be free and clear of any pledge, lien, charge or encumbrance on them or with respect to them prior to, or of equal rank with, the pledge and lien created by this Indenture, and all action on the part of the City to that end has been and will be duly and validly taken. The

Bonds and the provisions of this Indenture are and will be valid and legally enforceable obligations of the City in accordance with their terms and the terms of this Indenture and any Supplemental Indenture, except to the extent enforceability may be limited by bankruptcy, insolvency and other laws affecting conditions, rights or remedies and the availability of equitable remedies generally. The City covenants that upon the date of issuance of any of the Bonds, all conditions, acts and things required by the Constitution and laws of the State of Illinois and this Indenture to exist, to have happened and to have been performed precedent to or in the issuance of such Bonds shall exist, have happened and have been performed. The City shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of and lien on the Pledged Revenues and other moneys, securities and funds pledged under this Indenture and all the rights of the Owners under this Indenture against all claims and demands.

Section 7.6 Indebtedness and Liens. The City shall not issue any bonds or other evidences of indebtedness, other than the Bonds and Junior Lien Bonds which are secured by a pledge of or lien on the Pledged Revenues and shall not, except as expressly authorized in this Indenture, create or cause to be created or suffer to exist any lien or charge on the Pledged Revenues; provided, that nothing contained in this Indenture shall (a) prevent the City from issuing evidences of indebtedness payable from, or secured by the pledge of, Pledged Revenues to be derived on and after such date as this Indenture has been discharged and satisfied as provided in Section 12.1, or (b) prevent the City from issuing evidence of indebtedness payable from or secured by Incremental Taxes or other amounts transferred to the General Account as set forth in Sections 5.2(e) and 5.4(d) of this Indenture, or (c) prevent the City from agreeing to make payments from the General Account in payment of, or reimbursement for the payment of, Project Costs (including the payment of the principal of and interest on notes or other evidences of indebtedness of the City) as long as the City's agreement to make such payments is fully contingent on the availability in the General Account of funds for such purpose.

Section 7.7 Covenants Regarding Pledged Revenues. The City covenants and agrees with the Owners of the Bonds that, so long as any Bonds remain Outstanding and unpaid:

(a) The City will cause to be punctually paid from the Incremental Taxes Fund, but solely to the extent that adequate amounts are on deposit in that Fund for that purpose, the principal of, interest on and premium, if any, to become due in respect of the Bonds in strict conformity with the terms of the Bonds, this Indenture and the applicable Supplemental Indenture, and it will faithfully observe and perform all of the conditions, covenants and requirements of the Bonds, this Indenture and each Supplemental Indenture.

(b) The City will cause to be punctually paid and discharged, from the Incremental Taxes Fund, but solely to the extent that adequate amounts are on deposit in that Fund for that purpose, any and all lawful claims which, if unpaid, might become a lien or charge upon the Pledged Revenues, or any part of the Pledged Revenues, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing in this Indenture shall require the City to make any such payment so long as the City in good faith shall contest the validity of said claims.

(c) The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City, in which complete and correct entries

shall be made of all transactions relating to the Bonds and to the Pledged Revenues. Such books of record and accounts, and any other report, shall at all times during regular business hours be subject to the inspection of the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The City will prepare, or cause the preparation of, within 270 days after the close of each Fiscal Year of the City so long as any of the Bonds are Outstanding, audited financial statements with respect to the preceding Fiscal Year showing the Pledged Revenues received and all disbursements from the funds and accounts created by this Indenture, on a consolidated basis, as of the end of such Fiscal Year, which statements shall be accompanied by a certificate or opinion in writing of an Independent certified public accountant.

(d) The City will preserve and protect the security of the Bonds and the rights of the Owners, and will warrant and defend their rights against all claims and demands of all Persons. From and after the sale and delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

(e) The City will execute and deliver any and all such instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Indenture, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Indenture.

ARTICLE VIII

REMEDIES OF OWNERS

Section 8.1 Events of Default. Each of the following events is an "Event of Default:"

(a) default shall be made in the payment of the principal of or Redemption Price on any Bond when such payment shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) default shall be made in the payment of any installment of interest on any Bond when and as such payment shall become due and payable; or

(c) default shall be made by the City in the performance of any obligation in respect of the Reserve Account if such default continues for 60 days after such default; or

(d) the City shall (1) commence a voluntary case under the federal bankruptcy laws, as now or subsequently constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, (2) make an assignment for the benefit of its creditors, (3) consent to the appointment of a receiver of itself or of the whole or any substantial part of its property, or (4) be adjudicated a bankrupt or have entered against it any order for relief in respect of an involuntary case under the federal bankruptcy laws, as now or subsequently constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, if such order continues in effect for a period of 60 days without stay or vacation; or

(e) a court of competent jurisdiction shall enter an order, judgment or decree appointing a receiver of the City, or of the whole or any substantial part of its property, or approving a petition seeking reorganization of the City under the federal bankruptcy laws or any other applicable federal or state law or statute if such order, judgment or decree is not vacated or set aside or stayed within 60 days from the date of the entry of such order, judgment or decree; or

(f) under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the City or of the whole or any substantial part of its property, if such custody or control is not terminated or stayed within 60 days from the date of assumption of such custody or control; or

(g) the City shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Indenture on the part of the City to be performed, if such default continues for 60 days after written notice specifying such default and requiring such default to be remedied has been given to the City by the Trustee (which may give such notice whenever it determines that such a default is subsisting and shall give such notice at the written request of the registered owners of not less than a majority of the principal amount of the Bonds then Outstanding with respect to which such default shall have occurred); provided, that if the nature of the default is such that it cannot be cured within the 60-day period following receipt of notice specifying such default, but can be cured within a longer period, no event of default shall occur if the City institutes corrective action within such 60-day period and diligently pursues such action until the default is corrected; then in each and every such case the Trustee may, and upon the written request of the Owners of a majority of the principal amount of the Bonds with respect to which the Event of Default has occurred and then Outstanding under this Indenture, the Trustee shall, proceed to protect and enforce its rights and the rights of the Owners of the Bonds by a suit, action or special proceeding in equity or at law, by mandamus or otherwise, either for the specific performance of any covenant or agreement contained in this Indenture or in aid or execution of any power granted by this Indenture or for any enforcement of any other legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effective to protect and enforce those rights.

During the continuance of an Event of Default, all moneys received by the Trustee under this Indenture from the City or from any other source shall be applied by the Trustee in accordance with the terms of Section 8.3.

Section 8.2 Accounting and Examination of Records after Default; No Acceleration after Default.

(a) The City covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the City and all other records relating to the Pledged Revenues shall at all reasonable times be subject to the inspection of the Trustee and of its authorized agents and attorneys.

(b) The City covenants that if an Event of Default shall have happened and shall not have been remedied, the City, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Pledged Revenues and other moneys, securities and funds held by the City pursuant to the terms of this Indenture for such period as shall be stated in such demand.

(c) The Bonds shall not be subject to acceleration upon the occurrence of an Event of Default.

Section 8.3 Application of Revenues and Other Moneys after Default. If an Event of Default in payment of principal of or interest on any Serics of the Bonds shall happen and shall not have been remedied, the Trustee shall apply all moneys, securities and funds received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII as follows and in the following order:

(a) First, to the payment of the reasonable and proper expenses of the Trustee, the Bond Registrar and Paying Agents;

(b) Second, to the payment of principal or redemption premium, if any, and interest then due and owing on the Bonds as follows:

(i) first, to the payment to the Persons so entitled of all installments of interest then due and owing on the Bonds, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled to such payment, without any discrimination or preference;

(ii) second, to the payment to the Persons so entitled of the unpaid principal of any of the Bonds which shall have become due and owing (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Indenture), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal ratably according to the amount of such principal due on such date, to the Persons entitled to payment without any discrimination or preference; and

(iii) third, to the payment of the Redemption Price of any Bonds called for redemption pursuant to the provisions of this Indenture.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this paragraph, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. The deposit of such moneys with the Paying Agents, or otherwise setting aside such moneys, in trust for the proper purpose, shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the City, to any Owner or to any other Person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Indenture as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such funds, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another

date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date and of the endorsement to be entered on each Bond on which payment shall be made, and shall not be required to make payment to the Owner of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement, or some other procedure deemed satisfactory by the Trustee.

Section 8.4 Proceedings Brought by Trustee.

(a) If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon identical written request of the Owners of not less than a majority in principal amount of the Bonds Outstanding and upon being indemnified to its satisfaction the Trustee shall proceed, to protect and enforce its rights and the rights of the Owners of the Bonds under this Indenture forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant contained in this Indenture, or in aid of the execution of any power granted in this Indenture, or for an accounting against the City as if the City were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Indenture.

(b) All rights of action under this Indenture may be enforced by the Trustee without the possession of any of the Bonds or the production of any of the Bonds in any suit or other proceeding, and any such suit or other proceeding instituted by the Trustee shall be brought in its name.

(c) All actions against the City under this Indenture shall be brought in a state or federal court located in the State of Illinois.

(d) The Owners of not less than a majority in principal amount of the Bonds at the time Outstanding may direct the time, method and place of conducting any proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture or for the enforcement of any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee; provided, that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Owners not parties to such direction.

(e) Upon commencing any suit at law or in equity or any other judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Indenture and provided to be exercised by the Trustee upon the occurrence of any Event of Default.

(f) Regardless of the happening of an Event of Default, the Trustee shall have power, but unless requested in writing by the Owners of a majority in principal amount of the Bonds then Outstanding, and furnished with reasonable security and indemnity, shall be under no obligation, to institute and maintain such suits and proceedings as may be necessary or expedient

to prevent any impairment of the security under this Indenture and to preserve or protect its interests and the interest of the Owners.

Section 8.5 Restriction on Owners' Action.

(a) No Owner of any Bond shall have any right to institute any suit or proceeding at law or in equity for the enforcement or violation of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default, as provided in this Article, the Owners of at least a majority in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity either to exercise the powers granted in this Indenture or by the laws of Illinois or to institute such suit or proceeding in its own name, and unless such Owners shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities so to be incurred, and the Trustee shall have refused or failed to comply with such request within 60 days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatever by its or their action to affect, disturb or prejudice the pledge created by this Indenture or to enforce any right under this Indenture, except in the manner provided in this Indenture; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all Owners of the Outstanding Bonds, subject only to the provisions of Section 7.2.

(b) Nothing in this Indenture or in the Bonds shall affect or impair the obligation of the City, which is absolute and unconditional, to pay at the respective dates of maturity and places expressed in the Bonds, but solely from Pledged Revenues, the principal of and interest on the Bonds to the respective Owners, or affect or impair the right of action, which is also absolute and unconditional, of any Owner to enforce such payment of its Bond, but solely from Pledged Revenues.

(c) No Owner of any Bond shall have the right to cause the acceleration of the Bonds if any Event of Default shall have occurred.

Section 8.6 Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or the Owners is intended to be exclusive of any other remedy, but shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of the execution and delivery of this Indenture.

Section 8.7 Effect of Waiver and Other Circumstances.

(a) No delay or omission of the Trustee or any Owner to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of or acquiescence in any such default.

(b) The Owners of not less than two-thirds in principal amount of the Bonds at the time Outstanding, or their attorneys-in-fact duly authorized, may on behalf of the Owners of all of the Bonds waive any past default under this Indenture and its consequences, except a default

in the payment of interest on or principal or Redemption Price of any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent on such default.

Section 8.8 Notices of Default. The Trustee shall promptly mail written notice of the occurrence of any Event of Default to the Owners of the Bonds.

Section 8.9 Rights of Credit Bank or Bond Insurer. Notwithstanding anything contained in this Indenture to the contrary, but subject to the provisions of any applicable Supplemental Indenture, any Credit Bank or any Bond Insurer shall be treated as the Owner of Bonds upon which such Credit Bank or Bond Insurer is obligated pursuant to a Credit Facility or Bond Insurance Policy, as applicable, for the purposes of calculating whether or not the Owners of the requisite percentage of Bonds then Outstanding have consented to any request, consent, directive, waiver or other action permitted to be taken by the Owners of the Bonds pursuant to this Article; provided, that such Credit Bank or Bond Insurer shall cease to be so regarded as Owner of such Bonds in the event such Credit Bank or Bond Insurer is in default of its obligations under the applicable Credit Facility or Bond Insurance Policy.

Notwithstanding anything contained in this Indenture to the contrary, but subject to the provisions of any applicable Supplemental Indenture, until the City has reimbursed a Credit Bank for amounts paid under a Credit Facility to pay the interest on or the principal of any Bonds on any Interest or Principal Payment Date or to the extent any Bond Insurer has exercised its rights as subrogee for the particular Bonds of which it has insured payment, (i) such Bonds shall be deemed to be Outstanding and such Credit Bank or Bond Insurer shall succeed to the rights and interests of the Owners to the extent of the amounts paid under the Credit Facility or as specified in respect of the applicable Bond Insurance Policy until such amount has been reimbursed and (ii) upon presentation to the Registrar, such Bonds shall be registered in the name of the Credit Bank or its nominee or such Bond Insurer or its nominee, as appropriate.

ARTICLE IX

CONCERNING THE FIDUCIARIES

Section 9.1 Trustee; Appointment and Acceptance of Duties. The Trustee accepts and agrees to the trusts created by this Indenture, but only upon the additional terms set forth in this Article, to all of which the City agrees and the respective Owners of the Bonds, by their purchase and acceptance of their Bonds, agree. Except during the continuance of an Event of Default, the Trustee undertakes such duties and only such duties as are specifically set forth in this Indenture.

Section 9.2 Paying Agents; Appointment and Acceptance of Duties.

(a) The Trustee is appointed Paying Agent for the Series 2013 Bonds. The City shall appoint one or more Paying Agents for the Bonds of each other Series, and may at any time or from time to time appoint one or more other Paying Agents having the qualifications set forth in Section 9.15 for a successor Paying Agent. The Trustee may be appointed a Paying Agent for the Bonds of other Series.

(b) The Trustee accepts the duties and obligations imposed upon it as Paying Agent for the Series 2013 Bonds by this Indenture. Each other Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the City and to the Trustee a written acceptance.

(c) Unless otherwise provided, the principal or corporate trust offices of the Paying Agents are designated as the respective offices or agencies of the City for the payment of the principal or Redemption Price of the Bonds.

Section 9.3 Registrar; Appointment and Acceptance of Duties.

(a) The Trustee is appointed Registrar for the Series 2013 Bonds. The City shall appoint a Registrar for each other Series of Bonds. Each Registrar shall have the qualifications set forth in Section 9.16 for a successor Registrar. The Trustee or any Paying Agent may be appointed a Registrar for the Bonds of other Series.

(b) The Trustee accepts the duties and obligations imposed upon it as Registrar under this Indenture for the Series 2013 Bonds. Each other Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Indenture by executing and delivering to the City and to the Trustee a written acceptance.

Section 9.4 Responsibilities of Fiduciaries.

(a) The recitals of fact contained in this Indenture and in the Bonds shall be taken as the statements of the City and no Fiduciary assumes any responsibility for the correctness of the same. No Fiduciary makes any representations as to the validity or sufficiency of this Indenture or of any Bonds issued under this Indenture or as to the security afforded by this Indenture, and no Fiduciary shall incur any liability in respect of such matters. The Trustee shall, however, be responsible for any representation contained in its certificate on the Bonds. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to the City or to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit, or to advance any of its own moneys, unless properly indemnified. Subject to the provisions of paragraph (b) of this Section, no Fiduciary shall be liable in connection with the performance of its duties under this Indenture except for its own negligence or misconduct.

(b) In case an Event of Default has occurred and has not been remedied, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. Any provision of this Indenture relating to action taken or to be taken by the Trustee or to evidence upon which the Trustee may rely shall be subject to the provisions of this Section.

Section 9.5 Evidence on Which Fiduciaries May Act.

(a) Each Fiduciary shall be protected in acting upon any notice, ordinance, resolution, request, consent, order, certificate, report, opinion (including Counsel's Opinion), bond or other paper or document furnished to it pursuant to and conforming to the requirements of this

Indenture, and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter (unless this Indenture specifically requires other evidence of such matter) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, but in its discretion the Fiduciary may in lieu of such certificate accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in this Indenture, any request, order, notice or other direction required or permitted to be furnished by the City to any Fiduciary shall be sufficiently executed if signed by an Authorized Officer.

Section 9.6 Compensation. Unless otherwise determined by contract between the City and each Fiduciary, the City shall pay to each Fiduciary from time to time reasonable compensation determined by the City for all services rendered under this Indenture.

Section 9.7 Certain Permitted Acts. Any Fiduciary may become the Owner of any Bonds, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as Depositary for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not any such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

Section 9.8 Trustee Required; Eligibility. There shall at all times be a Trustee under this Indenture which shall be a bank or trust company within Illinois organized under the laws of the United States of America or the State of Illinois, authorized to exercise corporate trust powers, subject to supervision or examination by federal or state authorities, and having a reported combined capital and surplus of not less than $1,000,000. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner provided in Section 9.9. No resignation of the Trustee under Section 9.9 or removal of the Trustee under Section 9.10 and no appointment of a successor Trustee shall become effective until a successor Trustee has accepted its appointment under Section 9.11. If a successor Trustee shall not have accepted its appointment under Section 9.11 within 90 days of a notice of resignation or removal of the current Trustee, the Trustee may apply to a court of competent jurisdiction to appoint a temporary successor Trustee under Section 9.11 to act until such time, if any, as a successor shall have so accepted its appointment. All costs, fees and expenses related to such application to any court shall be paid by the City. The Trustee shall provide each Credit Bank and Bond Insurer with notice of the resignation or removal of the Trustee and of the appointment of any successor Trustee.

Section 9.9 Resignation of Trustee. The Trustee may at any time resign and be discharged of the duties and obligations imposed upon it by this Indenture by giving not less than 60 days' written notice to the City, all Owners of the Bonds, the Depositaries and the other Fiduciaries, and such resignation shall take effect upon the day specified in such notice but only

if a successor shall have been appointed by the City or the Owners as provided in Section 9.11, in which event such resignation shall take effect immediately on the appointment of such successor whether or not the date specified for such resignation to take effect has arrived.

Section 9.10 Removal of Trustee. The Trustee may be removed at any time by an instrument in writing delivered to the Trustee and signed by the City; provided, that if an Event of Default shall have occurred and be continuing, the Trustee may be so removed by the City only with the written concurrence of the Owners of a majority in principal amount of Bonds then Outstanding. The Trustee may be removed at any time by the Owners of a majority in principal amount of the Bonds then Outstanding, excluding any Bonds held by or for the account of the City, by an instrument or concurrent instruments in writing signed and duly acknowledged by such Owners or their attorneys-in-fact duly authorized, and delivered to the City. Copies of each such instrument shall be delivered by the City to each Fiduciary.

Section 9.11 Appointment of Successor Trustee.

(a) In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer or court shall take charge or control of the Trustee, or of its property or affairs, the City shall, within 90 days, appoint a successor Trustee. The City shall cause notice of any such appointment made by it to be mailed to all Owners of the Bonds.

(b) If no appointment of a Trustee shall be made by the City pursuant to the foregoing provisions of this Section 9.11, the Owner of any Bond Outstanding may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Section 9.12 Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under this Indenture shall execute, acknowledge and deliver to its predecessor Trustee, and also to the City, an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall be become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Trustee; but the predecessor Trustee shall nevertheless, on the written request of the City or of the successor Trustee, execute, acknowledge and deliver such instruments of conveyance and further assurances and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor Trustee all its right, title and interest in and to any property held by it under this Indenture, and shall pay over, assign and deliver to the successor Trustee any moneys or other property subject to the trusts and conditions set forth in this Indenture. Should any deed, conveyance or instrument from the City be required by such successor Trustee for more fully and certainly vesting in and confirming to such successor Trustee any such moneys, estates, properties, rights, powers and duties, such deed, conveyance or instrument shall be executed, acknowledged and delivered by the City. Any such successor Trustee shall promptly notify the Paying Agents of its appointment as Trustee.

Section 9.13 Merger or Consolidation. Any company into which any Fiduciary may be merged or converted or with which it may be consolidated or any company resulting from any

merger, conversion or consolidation to which it shall be a party or any company to which all or substantially all of the corporate trust business of any Fiduciary may be sold or transferred, shall be the successor to such Fiduciary and be bound to the obligations and duties of such Fiduciary without the execution or filing of any paper or the performance of any further act, unless such successor delivers written notice of its resignation pursuant to the provisions of this Article; provided, that such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association and shall be authorized by law to perform all the duties imposed upon it by this Indenture.

Section 9.14 Adoption of Authentication. In case any of the Bonds contemplated to be issued under this Indenture shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of any predecessor Trustee so authenticating such Bonds and deliver such Bonds so authenticated; and in case any of the said Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds in the name of the predecessor Trustee or in its own name.

Section 9.15 Resignation or Removal of Paying Agent and Appointment of Successor.

(a) Any Paying Agent may at any time resign and be discharged of the duties and obligations imposed upon it by this Indenture by giving at least 60 days' written notice to the City and the other Fiduciaries. Any Paying Agent may be removed at any time by an instrument signed by an Authorized Officer and filed with such Paying Agent and the Trustee. Any successor Paying Agent shall be appointed by the City and shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, having capital stock and surplus aggregating at least $1,000,000, willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(b) In the event of the resignation or removal of any Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor, or if there be no successor, to the Trustee and shall be subject to audit of all of its books, records and accounts with respect to the Bonds. In the event that for any reason there shall be a vacancy in the office of any Paying Agent, the Trustee shall act as such Paying Agent.

Section 9.16 Resignation or Removal of Registrar and Appointment of Successor.

(a) Any Registrar may at any time resign and be discharged of the duties and obligations imposed upon it by this Indenture by giving at least 60 days' written notice to the City and the other Fiduciaries. Any Registrar may be removed at any time by an instrument signed by an Authorized Officer and filed with such Registrar and the Trustee. Any successor Registrar shall be appointed by the City and shall be a bank, trust company or national banking association doing business and having an office in the State of Illinois or in the Borough of Manhattan, in the City and State of New York, if there be such a bank, trust company or national banking association willing and able to accept the office on reasonable and customary terms and authorized by law to perform all the duties imposed upon it by this Indenture.

(b) In the event of the resignation or removal of any Registrar, such Registrar shall deliver all books, records and other property including the bond register of the City to its successor, or if there be no successor, to the Trustee. In the event that for any reason there shall be a vacancy in the office of any Registrar, the Trustee shall act as such Registrar.

Section 9.17 Trustee Not Deemed to Have Notice of Default. The Trustee shall not be deemed to have notice of any default under this Indenture except a default under Section 8.1(a) or (b) or the failure of the City to file with the Trustee any document required by this Indenture unless any officer in its corporate trust department shall have actual knowledge of such default or the Trustee shall be specifically notified in writing of such default by the City or by the Owners of not less than a majority in principal amount of the Bonds Outstanding; and all notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee.

Section 9.18 Monthly Report by Trustee and Depositaries. Within seven days after the end of each month, the Trustee, any Paying Agent and each Depositary shall prepare a written report for each Fund, Account and Sub–Account held by it pursuant to the provisions of this Indenture. Such report shall set out the receipts and disbursements, both principal and income, and shall list the Investment Securities held by the Trustee and each Depositary at the end of the month. A copy of each such report shall be furnished to the City and any Persons designated by the City.

In addition, the Trustee, any Paying Agent and each Depositary shall, at any time when requested, including, without limitation, any request at the time of the resignation of the Trustee, any Paying Agent or any Depositary, furnish to the City and any Persons designated by the City a report of the amount of moneys, including Investment Securities, held in each Fund, Account or Sub–Account by the Trustee and each Depositary. For purposes of this certification, the Investment Securities in each such Fund, Account and Sub-Account shall be treated as having a value equal to their aggregate market value as of the date of this request.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.1 Supplemental Indentures Not Requiring Consent of Owners. The City and the Trustee may without the consent of, or notice to, any of the Owners, enter into a Supplemental Indenture or Supplemental Indentures as shall not be inconsistent with the terms and provisions of this Indenture for any one or more of the following purposes:

(a) to authorize a Series of Bonds and to specify, determine or authorize any matters and things concerning any such Bonds which are not contrary to or inconsistent with this Indenture;

(b) to close this Indenture against, or impose additional limitations or restrictions on, the issuance of Bonds, or of other notes, bonds, obligations or evidences of indebtedness;

(c) to impose additional covenants or agreements to be observed by the City;

(d) to impose other limitations or restrictions upon the City;

(e) to surrender any right, power or privilege reserved to or conferred upon the City by this Indenture;

(f) to confirm, as further assurance, any pledge of or lien upon the Pledged Revenues or any other moneys, securities or funds;

(g) to cure any ambiguity, omission, inconsistency, or defect in this Indenture;

(h) to provide for the appointment of a successor securities depository in the event any Series of Bonds is held in book–entry only form;

(i) to provide for the appointment of any successor Fiduciary;

(j) to authorize the issuance of Junior Lien Bonds and in connection therewith, specify and determine any matters and things relative thereto which are not contrary to or inconsistent with this Indenture as then in effect; and

(k) to make any other change which, in the judgment of the Trustee, is not to the prejudice of the Trustee or the Owners.

Section 10.2 Supplemental Indentures Effective upon Consent of Owners. Any Supplemental Indenture not effective in accordance with Section 10.1 shall take effect only if permitted and approved in the manner prescribed by Article XI.

Section 10.3 Filing of Counsel's Opinion. Each Supplemental Indenture described in Section 10.1 shall be accompanied, when filed with the Trustee, by a Counsel's Opinion to the effect that such Supplemental Indenture has been duly authorized by the City in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture and, when executed and delivered, will be valid and binding upon the City, the Owners and the Trustee.

ARTICLE XI

AMENDMENTS

Section 11.1 Notices. Any provision in this Article for the mailing of a notice or other information to Owners shall be fully complied with if it is mailed by first class mail, postage prepaid, or delivered only to each Owner of Bonds then Outstanding at its address, if any, appearing upon the registration books of the City kept by the Registrar and to each Bond Insurer.

Section 11.2 Powers of Amendment. Except for Supplemental Indentures described in Section 10.1, any modification or amendment of this Indenture and of the rights and obligations of the City and of the Owners of the Bonds under this Indenture, in any particular, may be made by a Supplemental Indenture with the written consent given as provided in Section 11.3 (a) of the Owners of at least a majority in principal amount of the Bonds Outstanding at the time such consent is given, and (b) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Owners of at least a majority in principal

amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; provided, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series and maturity remain Outstanding, the consent of the Owners of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bonds, or of any installment of interest or a reduction in the principal amount or the Redemption Price or in the rate of interest without the consent of the Owner of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent. For the purposes of this Section, a Series shall be deemed to be affected by a modification or amendment of this Indenture if the same adversely affects or diminishes the rights of the Owners of Bonds of such Series. The Trustee may in its discretion determine whether or not the rights of the Owners of Bonds of any particular Series or maturity would be adversely affected or diminished by any such modification or amendment, and its determination shall be binding and conclusive on the City and all Owners of the Bonds.

Section 11.3 Consent of Owners. The City may at any time authorize the execution and delivery of a Supplemental Indenture making a modification or amendment permitted by the provisions of Section 11.2, to take effect when and as provided in this Section. Upon the authorization of such Supplemental Indenture, a copy of it shall be delivered to and held by the Trustee for the inspection of the Owners. A copy of such Supplemental Indenture (or summary of it or reference to it in form approved by the Trustee), together with a request to Owners for their consent in form satisfactory to the Trustee, shall be mailed to the Owners, but failure to mail such copy and request shall not affect the validity of such Supplemental Indenture when consented to as in this Section provided. Such Supplemental Indenture shall not be effective unless and until, and shall take effect in accordance with its terms when (a) there shall have been filed with the Trustee (i) the written consents of the Owners of the required principal amount of Outstanding Bonds, and (ii) a Counsel's Opinion stating that the execution and delivery of such Supplemental Indenture has been duly authorized by the City in accordance with the provisions of this Indenture, is authorized or permitted by this Indenture and, when effective, will be valid and binding upon the City, the Owners and the Trustee, and (b) a notice shall have been mailed as provided below. A certificate or certificates by the Trustee delivered to the City that consents have been given by the Owners of the Bonds described in such certificate or certificates of the Trustee shall be conclusive. Any such consent shall be binding upon the Owner of the Bonds giving such consent and upon any subsequent Owner of such Bonds and of any Bonds issued in exchange for them whether or not such subsequent Owner has notice of such consent; provided, that any consent may be revoked by any Owner of such Bonds by filing with the Trustee, prior to the time when the Trustee's written statement referred to below is filed, a written revocation, with proof that such Bonds are held by the signer of such revocation. The fact that a consent has not been revoked may be proved by a certificate of the Trustee to the effect that no revocation is on file with it. Any consent, or revocation of consent, may be delivered or filed prior to any mailing or publication required by this Article and shall not be deemed ineffective by reason of such prior delivery or filing. Within 30 days of any date on which the consents on file with the Trustee and not previously revoked shall be sufficient under this Section, the Trustee shall make and deliver to the City a written statement that the consents of the Owners of the required

principal amount of Outstanding Bonds have been filed with the Trustee. Such written statement shall be conclusive that such consents have been so filed. Any time thereafter notice, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required principal amount of Outstanding Bonds and will be effective as provided in this Section, shall be given by mailing to the Owners (but failure to mail such notice or any defect in it shall not prevent such Supplemental Indenture from becoming effective and binding). The Trustee shall deliver to the City proof of the mailing of such notice. A record, consisting of the information required or permitted by this Section to be delivered by or to the Trustee, shall be proof of the matters stated in such record.

Section 11.4 Modifications by Unanimous Action. The Indenture and the rights and obligations of the City and of the Owners of the Bonds under it may be modified or amended in any respect by a Supplemental Indenture effecting such modification or amendment and with the consents of the Owners of all the Bonds then Outstanding, each such consent to be accompanied by proof of the holding at the date of such consent of the Bonds with respect to which such consent is given. Such Supplemental Indenture shall take effect upon the filing (a) with the Trustee of (i) a copy of such Supplemental Indenture, (ii) such consents and accompanying proofs, and (iii) the Counsel's Opinion referred to in Section 11.3 and (b) with the City of the Trustee's written statement that the consents of the Owners of all Outstanding Bonds have been filed with it. No mailing or publication of any Supplemental Indenture (or reference to it or summary of it) or of any request or notice shall be required. No such modification or amendment, however, shall change or modify any of the rights or obligations of any Fiduciary without its written assent.

Section 11.5 Exclusion of Bonds. Bonds owned or held by or for the account of the City shall not be deemed Outstanding and shall be excluded for the purpose of any calculation required by this Article. At the time of any consent or other action taken under this Article, the City shall furnish the Trustee a certificate of an Authorized Officer, upon which the Trustee may rely, identifying all Bonds so to be excluded.

Section 11.6 Notation on Bonds. Bonds authenticated and delivered after the effective date of any action taken as provided in Article X or this Article may, and if the Trustee so determines shall, bear a notation by endorsement or otherwise in form approved by the City and the Trustee as to such action, and upon demand of the Owner of any Bond Outstanding at such effective date and presentation of its Bond to the Trustee, suitable notation shall be made on such Bond by the Trustee as to any such action. If the City or the Trustee shall so determine, new Bonds so modified which, in the opinion of the Trustee and the City, conform to such action may be prepared, authenticated and delivered, and upon demand of the Owner of any Bond then Outstanding shall be exchanged, without cost to such Owner, for such Bond then Outstanding.

ARTICLE XII

MISCELLANEOUS

Section 12.1 Defeasance.

(a) If the City shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due on such Bonds, at the times and in the manner stipulated in such Bonds and in this Indenture, then the pledge of the Pledged Revenues and other moneys and securities pledged under this Indenture and all covenants, agreements and other obligations of the City to the Owners shall thereupon be discharged and satisfied. In such event, the Trustee, upon request of the City, shall provide an accounting of the assets managed by the Trustee to be prepared and filed with the City for any year or part of a year requested, and shall execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the City all moneys and securities held by them pursuant to this Indenture which are not required for the payment of Bonds not previously surrendered for such payment or redemption. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the Owners of all Outstanding Bonds of a particular Series, maturity within a Series or portion of any maturity within a Series (which portion shall be selected by lot by the Trustee in the manner provided in Section 4.4 for the selection of Bonds to be redeemed in part), the principal or Redemption Price, if applicable, of such Bonds and interest due or to become due on such Bonds, at the times and in the manner stipulated in such Bonds and in this Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Indenture, and all covenants, agreements and obligations of the City to the Owners of such Bonds and to the Trustee shall thereupon be discharged and satisfied.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and held in trust by the Escrow Agent at or prior to their maturity or redemption date shall be deemed to have been paid within the meaning of and with the effect expressed in this Section 12.1 if the City shall have delivered to or deposited with the Escrow Agent (i) irrevocable instructions to pay or redeem all of said Bonds in specified amounts no less than the respective amounts of, and on specified dates no later than the respective due dates of, their principal, (ii) irrevocable instructions to publish or mail the required notice of redemption of any Bonds so to be redeemed, (iii) either moneys in an amount which shall be sufficient, or Defeasance Obligations the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to each specified redemption date or maturity date of said Bonds, as the case may be, and (iv) if any of said Bonds are not to be redeemed within the next succeeding 60 days, irrevocable instructions to mail to all Owners of said Bonds a notice that such deposit has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, of said Bonds. The Defeasance Obligations and moneys deposited with the Trustee pursuant to this Section shall be held in trust for the payment of the principal or Redemption Price, if applicable, and interest on said Bonds. No payments of principal of any such Defeasance Obligations or

interest on them shall be withdrawn or used for any purpose other than the payment of such principal or Redemption Price of, or interest on, said Bonds unless after such withdrawal the amount held by the Trustee and interest to accrue on Defeasance Obligations so held shall be sufficient to provide fully for the payment of the principal of or Redemption Price and interest on such Bonds, at maturity or upon redemption, as the case may be.

(c) Amounts deposited with the Trustee for the payment of the principal of and interest on any Bonds deemed to be paid pursuant to this Section 12.1, if so directed by the City, shall be applied by the Trustee to the purchase of such Bonds in accordance with this subsection. Bonds for which a redemption date has been established may be purchased on or prior to the 45th day preceding the redemption date. The principal amount of Bonds to be redeemed shall be reduced by the principal amount of Bonds so purchased. Bonds which mature on a single future date may be purchased at any time prior to the maturity date. All such purchases shall be made at prices not exceeding the applicable principal amount or Redemption Price established pursuant to paragraph (b) of this Section 12.1, plus accrued interest, and such purchases shall be made in such manner as the Trustee shall determine. No purchase shall be made by the Trustee pursuant to this subsection if such purchase would result in the Trustee holding less than the moneys and Defeasance Obligations required to be held for the payment of all other Bonds deemed to be paid pursuant to this Section 12.1.

(d) The City may purchase with any available funds any Bonds deemed to be paid pursuant to this Section 12.1 in accordance with this subsection. Bonds for which a redemption date has been established may be purchased by the City on or prior to the 45th day preceding the redemption date. On or prior to the 45th day preceding the redemption date the City shall give notice to the Trustee of its intention to surrender such Bonds on the redemption date. The Trustee shall proceed to call for redemption the remainder of the Bonds due on the redemption date and shall pay to the City on the redemption date the Redemption Price of and interest on such Bonds upon surrender of such Bonds to the Trustee. Bonds which mature on a single future date may be purchased at any time prior to the maturity date. The Trustee shall pay to the City the principal amount of and interest on such Bonds upon surrender of such Bonds on the maturity date.

(e) Any time after any Bonds are deemed to be paid pursuant to this Section 12.1, the City shall not at any time permit any of the proceeds of the Bonds or any other funds of the City to be used directly or indirectly to acquire any securities or obligations the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in the Code and Regulations.

(f) Each Fiduciary shall continue to be entitled to reasonable compensation for all services rendered under this Indenture, notwithstanding that any Bonds are deemed to be paid pursuant to this Section 12.1, until such Bonds are paid and discharged at maturity or upon their prior redemption.

(g) Anything in this Indenture to the contrary notwithstanding, any moneys held by a Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed for two years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for two years after the date of deposit of such moneys if deposited with the

Fiduciary after the said date when such Bonds become due and payable, shall, at the written request of the City, be repaid by the Fiduciary to the City, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect to such moneys and the Owners of such Bonds shall look only to the City for the payment of such Bonds.

Section 12.2 Evidence of Signatures of Owners and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in Person or their attorneys appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise expressly provided in this Indenture) if made in the following manner, or in any other manner satisfactory to the Trustee, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

(A) The fact and date of the execution by any Owner or its attorney of such instruments may be proved by a guarantee of the signature by a bank, national banking association or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instruments acknowledged to that Person its execution, or by an affidavit of witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate or affidavit shall also constitute sufficient proof of authority.

(B) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the registration book maintained by the Registrar.

(b) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or any Fiduciary in accordance with such request or consent.

Section 12.3 Moneys Held for Particular Bonds. The amounts held by any Fiduciary for the payment of interest, principal or Redemption Price due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it for the Owners of the Bonds entitled to such payment.

Section 12.4 Preservation and Inspection of Documents. All documents received by any Fiduciary under the provisions of this Indenture, shall be retained in its possession and shall be subject at all reasonable times to the inspection of the City, any other Fiduciary, and any Owner and their agents and their representatives, any of whom may make copies.

Section 12.5 Cancellation and Destruction of Bonds. All Bonds paid or redeemed, either at or before maturity, and all mutilated Bonds surrendered pursuant to Section 3.7, shall be delivered to the Trustee when such payment or redemption is made or upon surrender, as the

case may be, and such Bonds, together with all Bonds purchased by the Trustee, shall thereupon be promptly canceled. Bonds so canceled may at any time be destroyed by the Trustee, which shall execute a certificate of destruction in duplicate by the signature of one of its authorized officers describing the Bonds so destroyed, and one executed certificate shall be delivered to the City and the other retained by the Trustee.

Section 12.6 Parties Interested In This Indenture. Nothing expressed or implied in this Indenture is intended or shall be construed to confer upon, or to give to, any Person, other than the City, the Fiduciaries and the Owners of the Bonds, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation in this Indenture; and all the covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Fiduciaries and the Owners of the Bonds.

Section 12.7 No Recourse on the Bonds.

(a) No recourse shall be had for the payment of the principal or Redemption Price of or interest on the Bonds or for any claim based on them or on this Indenture against any past, present or future member of the City Council, officer, employee or agent of the City, or any successor public body or any person executing the Bonds, either directly or through the City, under any rule of law or equity, statute or constitution or otherwise and all such liability of any such members, officers, employees or agents as such is expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of the Bonds.

(b) No officer, member, agent or employee of the City shall be individually or personally liable for the payment of the principal or Redemption Price of or interest on the Bonds; but nothing in this Indenture shall relieve any such officer, member, agent or employee from the performance of any official duty provided by law.

(c) All covenants, stipulations, obligations and agreements of the City in this Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the City to the full extent authorized and permitted by the Constitution and laws of the State of Illinois, and no covenants, stipulations, obligations or agreements in this Indenture shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the City in his or her individual capacity, and no officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issue of such Bonds. No member, officer, agent or employee of the City shall incur any personal, liability in acting or proceeding or in not acting or not proceeding in accordance with the terms of this Indenture.

Section 12.8 Successors and Assigns. Whenever in this Indenture the City is named or referred to, the reference shall be deemed to include its successors and assigns and all the covenants and agreements in this Indenture by or on behalf of the City shall bind and inure to the benefit of its successors and assigns whether so expressed or not.

Section 12.9 Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Indenture on the part of the City or any Fiduciary to be performed

should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Indenture.

Section 12.10 Notices. Any notice, demand, direction, request or other instruments authorized or required by this Indenture to be given to, delivered to or filed with the City or the Trustee shall be deemed to have been sufficiently given, delivered or filed for all purposes of the Indenture if and when sent by registered mail, return receipt requested:

To the City, if addressed to:

City of Chicago
Department of Finance
33 North LaSalle Street
Suite 600
Chicago, Illinois 60602
Attn: City Comptroller

With a copy to:

Office of Corporation Counsel
City Hall – Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attn: [Finance and Economic Development Division]

or at such other address as may be designated in writing by the City to the Trustee; and

To the Trustee, if addressed to:

Amalgamated Bank of Chicago
One West Monroe Street
Chicago, Illinois 60603
Attn: [____]

or at such other address as may be designated in writing by the Trustee to the City.

Section 12.11 Governing Law. The Indenture and all Supplemental Indentures shall be construed in accordance with the provisions of the internal laws of the State of Illinois, without giving effect to any contrary provisions of the laws of the State of Illinois or any other state.

Section 12.12 Headings Not a Part of This Indenture. Any headings preceding the texts of the several Articles and Sections of this Indenture, and any Table of Contents appended to copies of this Indenture, are solely for convenience of reference and do not constitute a part of this Indenture, nor do they affect its meaning, construction or effect.

Section 12.13 Counterparts. The Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the City of Chicago has caused this Indenture to be executed in its name and on its behalf by its [Title] and Amalgamated Bank of Chicago has caused this Indenture to be executed in its behalf by its Vice President and its corporate seal to be impressed hereon and attested by its Trust Officer, all as of the day and year first above written.

CITY OF CHICAGO

By:_____
[Title]

(Seal)

Attest:

By:_____
City Clerk

AMALGAMATED BANK OF CHICAGO, as Trustee

By:_____
Authorized Signatory

(Seal)

Attest:

By:_____
Authorized Signatory

EXHIBIT B

SUPPLEMENTAL INDENTURE

CITY OF CHICAGO

TO

AMALGAMATED BANK OF CHICAGO,
AS TRUSTEE

FIRST SUPPLEMENTAL INDENTURE

DATED AS OF _____, 2013

SECURING

CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE BONDS
(PILSEN REDEVELOPMENT PROJECT),
SERIES 2013

Supplementing a Trust Indenture securing City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), dated as of _____ 1, 2013, from the City of Chicago to Amalgamated Bank of Chicago, as Trustee.

INDENTURE

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and is only for convenience of reference.)

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FIRST SUPPLEMENTAL INDENTURE

THIS FIRST SUPPLEMENTAL INDENTURE, made and entered into as of _____ 1, 2013, from the City of Chicago (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, to Amalgamated Bank of Chicago (the "Trustee"), a banking corporation duly organized, existing and authorized to accept and execute trusts of the character set out in this First Supplemental Indenture under and by virtue of the laws of the State of Illinois, with its principal corporate trust office in Chicago, Illinois, as Trustee;

W I T N E S S E T H:

WHEREAS, by virtue of Section 6(a) of Article VII of the Illinois Constitution of 1970 and pursuant to an ordinance entitled "Ordinance Providing for the Issuance of One or More Series of Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2013; Authorizing the Execution and Delivery of a Trust Indenture Creating Such Bonds; Authorizing the Issuance and Sale of Not To Exceed $75,000,000 of Such Bonds; Providing for the Delegation of Authority to Make Certain Specified Determinations; and Concerning Related Matters" duly adopted by the City Council of the City (the "City Council") on _____, 2013 (the "Bond Ordinance"), the City is authorized to enter into this First Supplemental Indenture and to do or cause to be done all the acts and things provided or required in this First Supplemental Indenture to be done; and

WHEREAS, the City has entered into a Trust Indenture securing City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), dated as of _____ 1, 2013, with the Trustee (the "Indenture") which authorizes the issuance of such bonds in one or more Series pursuant to one or more Supplemental Indentures; and

WHEREAS, by virtue of Section 6(a) of Article VII of the Illinois Constitution of 1970 and pursuant to an ordinance duly adopted by the City Council of the City (the "City Council") on November 12, 2003 (the "Series 2004 Bond Ordinance"), the City issued and delivered on July 26, 2004, its $49,520,000 City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2004, consisting of $22,925,000 Series 2004A Tax Increment Allocation Revenue Bonds (Taxable) (the "Series 2004A Bonds") and $26,595,000 Series 2004B Junior Lien Tax Increment Allocation Revenue Bonds (Tax-Exempt) (the "Series 2004B Bonds" and together with the Series 2004A Bonds, the "Series 2004 Bonds"), as a means of financing certain Pilsen Redevelopment Project Area redevelopment project costs (as defined in the Act) incurred pursuant to the Pilsen Redevelopment Plan (as such terms are defined below); and

WHEREAS, $_____ of the Series 2004B Bonds remain outstanding and the Series 2004A Bonds are no longer outstanding as of the date hereof; and

WHEREAS, pursuant to that certain agreement entitled "Intergovernmental Agreement between the City of Chicago, by and through its Department of Planning and Development, and the Board of Education of the City of Chicago regarding Benito Juarez Community Academy" dated as of November 24, 2004 (the "Intergovernmental Agreement"), the City issued to the Board of Education of the City of Chicago (the "Board") its Tax Increment Allocation Revenue

Note (Pilsen Redevelopment Project) Series 2004G in the maximum principal amount of $12,500,000 (the "City Note"), to pay for or reimburse the Board for the costs of certain redevelopment project costs within the Pilsen Redevelopment Project Area (as such term is defined below); and

WHEREAS, $_____ of the City Note remains outstanding; and

WHEREAS, pursuant to the Bond Ordinance, the City has duly authorized the issuance of $_____ aggregate principal amount of its Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2013 (the "Series 2013 Bonds"). The Series 2013 Bonds are issued for the purpose of [paying certain Project Costs (as defined in the Indenture)], refunding in advance of its maturity all of the outstanding Series 2004B Bonds, paying and retiring the City Note and/or a related principal amount of alternate revenue bonds issued by the Board of Education of the City of Chicago, (collectively, the "Prior Obligations") funding the Reserve Account for the Series 2013 Bonds, [paying a portion of the interest accruing on the Series 2013 Bonds,] and paying costs related to the issuance of the Series 2013 Bonds and the refunding of the Prior Obligations, and

WHEREAS, the Series 2013 Bonds and the Trustee's Certificate of Authentication to be endorsed on the Series 2013 Bonds are to be in substantially the form set forth in Exhibit A hereto with necessary and appropriate variations, omissions and insertions as permitted or required by the Indenture, this First Supplemental Indenture or the Notification of Sale filed in the Office of the City Clerk pursuant to the Bond Ordinance:

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. All capitalized terms used in this First Supplemental Indenture unless otherwise defined in this First Supplemental Indenture shall have the same meaning as used in Article I of the Indenture. The following words and phrases shall have the following meanings for purposes of this First Supplemental Indenture:

"Authorized Denomination" means $5,000 or any integral multiple of $5,000 in excess of that amount.

"Bondholder" means the registered owner of any Bond.

"Bond Ordinance" means the ordinance duly adopted and approved by the City Council of the City on _____, 2013, which authorizes the issuance and sale of the Series 2013 Bonds and the execution of the Indenture and this First Supplemental Indenture.

"Bond Documents" means the Indenture, this First Supplemental Indenture and the Bonds.

"Bonds" means the Series 2013 Bonds and any additional bonds issued pursuant to Section 2.4 or Section 2.5 of the Indenture.

"Date of Issuance" means _____, 2013, the date of original issuance and delivery of the Series 2013 Bonds.

"Distribution Report" means the Office of the County Clerk Tax Increment Agency Distribution Summary which is issued annually and sets forth the Incremental Taxes expected to be collected in the calendar year in which the Distribution Report is issued.

"Escrow Agreements" [to be provided].

"First Supplemental Indenture" means this First Supplemental Indenture and any amendments and supplements to it.

"Indenture" means the Trust Indenture securing City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), dated as of _____ 1, 2013, from the City to the Trustee, pursuant to which City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project) of various Series are authorized to be issued, and any amendments and supplements to it, including this First Supplemental Indenture. References to Articles and Sections of the Indenture shall be deemed to refer to Articles and Sections of the Indenture as amended from time to time.

"Interest Payment Date" means June 1 and December 1 of each year, commencing [December 1, 2013].

"Record Date" means May 15 and November 15 of each year.

"Series 2013 Debt Service Reserve Requirement" means $_____.

"State" means the State of Illinois.

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses of the Indenture.

"Trustee" means Amalgamated Bank of Chicago, a banking corporation duly organized and existing under the laws of the State of Illinois, and its successors and any entity resulting from or surviving any consolidation or merger to which it or its successors may be a party, and any successor Trustee at the time serving as successor trustee under the Indenture.

ARTICLE II

PROVISIONS RELATING TO SERIES 2013 BONDS

Section 2.1 Authorized Amount of Series 2013 Bonds. No Series 2013 Bonds may be issued under the provisions of this First Supplemental Indenture except in accordance with this Article. The Series 2013 Bonds are being issued to provide funds to [pay Project Costs], to refund in advance of their maturity all of the outstanding Series 2004B Bonds, refund in advance

of its maturity the outstanding principal amount of City Note A and/or a related principal amount of alternate revenue bonds issued by the Board of Education of the City of Chicago, to fund the Reserve Account for the Series 2013 Bonds, [to pay a portion of the interest accruing on the Series 2013 Bonds] and to pay costs of issuance of the Series 2013 Bonds and the refunding of the Prior Obligations. Except as provided in Section 3.7 of the Indenture, the total principal amount of Series 2013 Bonds that may be issued is expressly limited to $_____.

Section 2.2 Issuance of Series 2013 Bonds; Terms of Series 2013 Bonds; Payment. The Series 2013 Bonds shall be designated "City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2013."

The Series 2013 Bonds shall be dated their Date of Issuance and shall be issued as registered bonds without coupons. The Series 2013 Bonds shall be issued only in Authorized Denominations. The Series 2013 Bonds shall be numbered consecutively from R-1 upwards bearing numbers not then contemporaneously outstanding (in order of issuance) according to the records of the Trustee and may be otherwise distinguished by letter or number as the Trustee deems necessary or appropriate.

The Series 2013 Bonds shall be issued in the aggregate principal amount of $_____ and shall mature on June 1 of each of the following years and bear interest at the following interest rates per annum:

Year	Principal Amount	Interest Rate

Interest shall be payable on June 1 and December 1 of each year, commencing [December 1, 2013]. The Series 2013 Bonds shall bear interest from their date or from and including the most recent Interest Payment Date with respect to which interest has been paid or duly provided for. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30 day months.

The Series 2013 Bonds are [not] subject to optional redemption prior to their maturity. [Insert redemption provisions.]

The Series 2013 Bonds maturing on June 1, ____ are term bonds subject to mandatory redemption prior to maturity at a redemption price of 100 percent of the principal amount thereof (plus accrued interest to the date fixed for redemption). The City shall deposit or cause to be deposited in the Principal and Interest Account in accordance with the provisions of the Indenture a sum in immediately available funds which, together with other moneys available for deposit into the Principal and Interest Account is sufficient to redeem such Bonds in part pro rata among all Owners of the Series 2013 Bonds (subject to the requirement that following any such redemption the remaining Series 2013 Bonds shall be held in Authorized Denominations) in the following principal amounts on June 1 of the following years:

Year	**Principal Amount**

The principal of and interest on the Series 2013 Bonds shall be payable at the principal corporate trust office of the Trustee in the City of Chicago, Illinois, as Paying Agent, and at such offices of any co-Paying Agent or successor Paying Agent or Paying Agents appointed pursuant to the Indenture for the Bonds. Interest on the Series 2013 Bonds shall be payable by check or bank draft mailed or delivered by the Trustee to the Owners as the same appear on the registration books of the City maintained by the Registrar as of the Record Date or, at the option of any Owner of $1,000,000 or more in aggregate principal amount of Series 2013 Bonds, by wire transfer of immediately available funds to such bank in the continental United States as said Owner shall request in writing to the Registrar.

Section 2.3 Form of Series 2013 Bonds; Temporary Bonds. The Series 2013 Bonds issued under this First Supplemental Indenture shall be substantially in the form set forth in Exhibit A hereto, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and this First Supplemental Indenture.

Pending preparation of definitive Series 2013 Bonds, or by agreement with the purchasers of the Series 2013 Bonds, the City may issue and, upon its request, the Trustee shall authenticate, in lieu of definitive Series 2013 Bonds, one or more temporary printed or typewritten Series 2013 Bonds in Authorized Denominations of substantially the tenor recited above. Upon the request of the City, the Trustee shall authenticate definitive Series 2013 Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Series 2013 Bonds shall have the same rights, remedies and security as definitive Series 2013 Bonds.

Section 2.4 Delivery of Series 2013 Bonds. Upon the execution and delivery of this First Supplemental Indenture, the City shall execute and deliver the Series 2013 Bonds to the Trustee, and the Trustee shall authenticate the Series 2013 Bonds and deliver them to the purchasers as may be directed by the City as provided in this Section 2.4 and in Section 2.4 of the Indenture.

Prior to the delivery by the Trustee of any of the Series 2013 Bonds, there shall be filed with the Trustee:

(1) A copy of the Bond Ordinance, certified by the City Clerk, authorizing the execution and delivery of this First Supplemental Indenture;

(2) A Counsel's Opinion to the effect that (i) the City had the right and power to adopt the Bond Ordinance; (ii) the Bond Ordinance has been duly and lawfully adopted by the City Council, is in full force and effect, is valid and binding upon the City and is enforceable in accordance with its terms (except as may be limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that equitable remedies are sought); (iii) the Indenture and this First Supplemental Indenture have been duly executed and delivered by the City, are valid and binding upon the City and are enforceable in accordance with their terms (except as may be limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that equitable remedies are sought); (iv) the Indenture and this First Supplemental Indenture create the valid pledge of Pledged Revenues, moneys and securities held under them for the benefit and security of the Series 2013 Bonds, subject to application in the manner provided in the Indenture and this First Supplemental Indenture; and (v) upon the execution, authentication and delivery of the Series 2013 Bonds, the Bonds of such Series will have been duly and validly authorized and issued in accordance with the Constitution and laws of the State of Illinois, the Indenture and this First Supplemental Indenture;

(3) A written order as to the delivery of the Series 2013 Bonds, executed by an Authorized Officer and stating (i) the identity of the purchasers, aggregate purchase price and date and place of delivery of such Series, and (ii) that no Event of Default has occurred and is continuing under the Indenture, and (iii) fixing and determining all terms and provisions of the Bonds of such Series not fixed or determined by the Indenture or this First Supplemental Indenture;

(4) Original executed counterparts (or copies duly certified by the City Clerk of the City) of the Indenture and this First Supplemental Indenture.

Section 2.5 Book-Entry Provisions. The Series 2013 Bonds shall be initially issued in the form of a separate single fully registered Series 2013 Bond for each maturity of that Series. Upon initial issuance, the ownership of each such Series 2013 Bond shall be registered in the registration books kept by the Trustee in the name of Cede & Co., as nominee of DTC, and except as provided in this Section, the ownership of all of the outstanding Series 2013 Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Series 2013 Bonds registered in the name of Cede &, Co., as nominee of DTC, the City and the Trustee shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Series 2013 Bonds. Without limiting the immediately preceding sentence, the City and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC Participant with respect to any ownership interest in any Series 2013 Bond, (ii) the delivery to any DTC Participant or any other Person, other than the Owner of any Series 2013 Bond, of any notice with respect to such Series 2013 Bond, including (without limitation) any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than the Owner of any Series 2013 Bond, of any amount with respect to Principal or Redemption Price of or interest on such Series 2013 Bond. Notwithstanding any other provisions of the Indenture to the contrary, the City, the Trustee and each other Paying Agent, if

any, shall be entitled to treat and consider the Person in whose name each Series 2013 Bond is registered as the absolute owner of such Series 2013 Bond for the purpose of payment of Principal or Redemption Price and interest with respect to such Series 2013 Bond, for the purpose of giving notices of redemption, for the purpose of registering transfers with respect to such Series 2013 Bond, and for all other purposes whatsoever. The Trustee and each other Paying Agent, if any, shall pay all Principal or Redemption Price of and interest on the Series 2013 Bonds only to or upon the order of the respective Owners of the Series 2013 Bonds, or their respective attorneys duly authorized in writing, and all of such payments shall be valid and effective to satisfy and discharge fully the City's obligations with respect to payment of Principal or Redemption Price of and interest on the Series 2013 Bonds to the extent of the sum or sums so paid. No person other than an Owner of a Series 2013 Bond shall receive a Bond certificate evidencing the obligation of the City to make payments of Principal or Redemption Price of and interest on the Series 2013 Bonds pursuant to the Indenture.

The owners of the Series 2013 Bonds have no right to the appointment or retention of a depository for the Series 2013 Bonds. DTC may resign or be removed as securities depository under the conditions provided in the Letter of Representations. In the event of any such resignation or removal, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository, and transfer or cause the transfer of one or more separate Bond certificates to such successor securities depository or (ii) notify DTC of the availability through DTC of Bond certificates and transfer or cause the transfer of one or more separate Bond certificates to DTC Participants having Bonds credited to their DTC accounts. In such event, the Series 2013 Bonds shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names the DTC Participants receiving Series 2013 Bonds shall designate, in accordance with the provisions of the Indenture.

The City has executed and delivered the Letter of Representations to DTC. Notwithstanding any other provision of the Indenture, so long as DTC, or its designee, is the Owner of all of the Series 2013 Bonds, the provisions set forth in the Letter of Representations shall apply to the redemption of any Series 2013 Bonds and to the payment of Principal or Redemption Price of and interest on the Series 2013 Bonds, including without limitation, that: (a) presentation of Series 2013 Bonds to the Trustee upon redemption or at maturity shall be deemed made to the Trustee when the right to exercise ownership rights in the Series 2013 Bonds through DTC or DTC's Participants is transferred by DTC on its books; and (b) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Owners of Series 2013 Bonds under the Indenture on a fractionalized basis on behalf of some or all of those Persons entitled to exercise ownership rights in the Series 2013 Bonds through DTC or DTC's Participants.

So long as the Series 2013 Bonds are registered in the name of Cede & Co., as nominee of DTC, the Trustee agrees to comply with the terms and provisions of the Letter of Representations.

Section 2.6 Creation of the 2013 Project Account and Refunding Accounts. The City establishes a separate, segregated account within the Project Fund, to be known as the ["2013 Project Account"]. In addition, the City shall establish pursuant to the Escrow Agreements, two separate segregated accounts, one to be known as the "2013 City Note Refunding Account" and one to be known as the "2004B Bonds Refunding Account." Proceeds of the Series 2013 Bonds shall be deposited into the 2013 Project Account, the 2004B Bonds Refunding Account and the 2013 City Note Refunding Account as provided in Section 2.9. [Amounts on deposit in the 2013 Project Account shall be applied upon the written direction of an Authorized Officer to pay Project Costs, including the payment of costs related to the issuance of the Series 2013 Bonds and the refunding of the Prior Obligations.] Amounts on deposit in the City Note Refunding Account shall be applied upon the written direction of an Authorized Officer to redeem the City Note [as provided in the City Note Escrow Agreement] and amounts on deposit in the 2004B Bonds Refunding Account shall be applied upon the written direction of an Authorized Officer to redeem the Series 2004B Bonds in accordance with the Series 2004B Bonds Escrow Agreement.]

Section 2.7 [Creation of the 2013 Capitalized Interest Sub-Account. The City establishes a separate, segregated Sub-Account within the Capitalized Interest Sub-Account of the Principal and Interest Account to be known as the "2013 Capitalized Interest Sub-Account". Proceeds of the Series 2013 Bonds in the amount set forth in Section 2.9 below shall be deposited into the 2013 Capitalized Interest Sub-Account. Amounts on deposit in the 2013 Capitalized Interest Sub-Account shall be applied as provided in the Indenture.]

Section 2.8 Creation of the 2013 Reserve Sub-Account. The City establishes a separate, segregated Sub-Account within the Reserve Account to be known as the "2013 Reserve Sub-Account." Proceeds of the Series 2013 Bonds in an amount equal to the Series 2013 Debt Service Reserve Requirement shall be deposited into the 2013 Reserve Sub-Account as provided in Section 2.9. Amounts on deposit in the 2013 Reserve Sub-Account shall be applied as provided in the Indenture.

Section 2.9 Application of Proceeds.

(a) The proceeds derived from the sale of the Series 2013 Bonds (which is net of Underwriter's Discount in the amount of $_____), plus accrued interest, if any, shall be applied by the Trustee on the Date of Issuance as follows:

(i) [$_____ shall be deposited into the 2013 Project Account;]

(ii) $_____ shall be deposited with the Escrow Agent into the City Note Refunding Account and applied to redeem the City Note in accordance with the City Note Escrow Agreement;

(iii) $_____ shall be deposited into the 2004B Bonds Refunding Account and applied in accordance with the Series 2004B Bonds Escrow Agreement to redeem the Series 2004B Bonds on December 1, 2014;

(iv) $_____ shall be deposited into the 2013 Reserve Sub-Account;

(v) $_____ shall be applied by the Trustee to pay costs of issuance at the direction of the City; and

(vi) [$_____ shall be deposited in the 2013 Capitalized Interest Sub-Account.]

Section 2.10 Tax Covenant. The City covenants to take any action required by the provisions of the Code and Regulations and within its power to take in order to preserve the exemption from Federal income taxation of interest on the Series 2013 Bonds, including, but not limited to, the provisions of Section 148 of the Code relating to "arbitrage bonds." Pursuant to such covenant, the City shall take no action to cause the Series 2013 Bonds to constitute "private activity bonds" including, but not limited to, no action that will cause taxes collected in respect to property within the Pilsen Redevelopment Project Area to be other than "generally applicable taxes" within the meaning of Section 1.141-4(e) of the Regulations.

ARTICLE III

SUPPLEMENTAL INDENTURES

Section 3.1 Supplements or Amendments to First Supplemental Indenture. This First Supplemental Indenture may be supplemented or amended in the manner set forth in Articles X and XI, respectively, of the Indenture.

ARTICLE IV

MISCELLANEOUS

Section 4.1 First Supplemental Indenture as Part of the Indenture. This First Supplemental Indenture shall be construed in connection with and as a part of the Indenture and all terms, conditions and covenants contained in the Indenture shall apply to and be deemed to be for the equal benefit, security and protection of the Bonds.

Section 4.2 Severability. If any provision of this First Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions contained in this First Supplemental Indenture or render the same invalid, inoperative or unenforceable to any extent.

Section 4.3 Payments Due on Saturdays, Sundays and Holidays. If any payment of interest of or principal or redemption premium on the Bonds is due on a date that is not a Business Day, payment shall be made on the next succeeding Business Day with the same force and effect as if made on the date which is fixed for such payment, and no interest shall accrue on such amount for the period after such due date.

Section 4.4 Counterparts. This First Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 4.5 Governing Law. This First Supplemental Indenture shall be construed in accordance with the provisions of the internal laws of the State of Illinois, without giving effect to any contrary provisions of the laws of the State of Illinois or any other state.

Section 4.6 Rules of Interpretation. Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this First Supplemental Indenture and not solely to the particular portion in which any such word is used.

Section 4.7 Captions. The captions and headings in this First Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this First Supplemental Indenture.

[Signature Page Follows]

IN WITNESS WHEREOF, the City has caused these presents to be executed in its name and on its behalf by its [Title]; and to evidence its acceptance of the trusts created by these presents, the Trustee has caused these presents to be executed in its corporate name and with its corporate seal affixed and attested by its duly authorized officers, as of the date first above written.

CITY OF CHICAGO

By:_____
[Title]

(SEAL)

Attest:

By:_____
City Clerk

AMALGAMATED BANK OF CHICAGO, as Trustee

By:_____
Authorized Signatory

(SEAL)

Attest:

By:_____
Authorized Signatory

Exhibit A

REGISTERED
NO. ___

REGISTERED
_____

CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE BOND
(PILSEN REDEVELOPMENT PROJECT),
SERIES 2013

Interest Rate	Maturity Date	Dated Date	CUSIP
_____	_____	_____	_____

Registered Owner: _____

Principal Amount: _____

The City of Chicago, Illinois, a municipal corporation and home rule unit of government duly organized and existing under the laws of the State of Illinois (the "City"), for value received, promises to pay (but only out of the sources provided in this bond) to the Registered Owner identified above or registered assigns, upon presentation and surrender of this bond, the Principal Amount identified above on the Maturity Date specified above, and to pay (but only out of the sources provided in this bond) interest on said Principal Amount from the interest payment date next preceding the date of authentication and delivery of this bond, unless this bond is authenticated and delivered on an interest payment date to which interest has been paid or provided for, in which event this bond shall bear interest from such interest payment date, or unless this bond is authenticated and delivered prior to [December 1, 2013,] in which event this bond shall bear interest from its Dated Date, or unless, as shown by the records of the Trustee (defined below), interest on this bond shall be in default, in which event this bond shall bear interest from the last date to which interest has been paid. Interest on this bond (computed on the basis of a 360-day year consisting of twelve 30-day months) is payable on June 1 and December 1 of each year, commencing [December 1, 2013,] until the payment in full of such Principal Amount.

Principal of and premium, if any, on this bond are payable in lawful money of the United States of America at the principal corporate trust office of Amalgamated Bank of Chicago, in Chicago, Illinois, or its successor in trust (the "Trustee"), and payment of interest shall be made to the person in whose name this Bond is registered at the close of business on the fifteenth (15th) day of the calendar month preceding each interest payment date occurs (the "Record Date") by check or bank draft mailed or delivered by the Trustee to such Registered Owner at such Registered Owner's address as it appears on the registration books of the City maintained by the Trustee, as Registrar (the "Registrar"), or, at the option of any Registered Owner of $1,000,000 or more in aggregate principal amount of Series 2013 Bonds (defined below), by

wire transfer of immediately available funds to such bank in the continental United States as said Registered Owner shall request in writing to the Registrar.

This bond is one of a duly authorized issue of $_____ aggregate principal amount Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2013 (the "Series 2013 Bonds"), issued pursuant to, under authority of and in full compliance with the Constitution and laws of the State of Illinois, particularly Article VII, Section 6(a) of the Illinois Constitution of 1970, and a Trust Indenture, dated as of _____1, 2013, from the City to the Trustee, as supplemented by a First Supplemental Indenture securing City of Chicago Tax Increment Allocation Revenue Bonds (Pilsen Redevelopment Project), Series 2013, dated as of _____1, 2013, from the City to the Trustee (collectively, the "Indenture"). As provided in the Indenture, the principal of and interest on the Series 2013 Bonds are payable solely from and secured by a pledge of and lien on the Pledged Revenues described in the Indenture and amounts on deposit in certain Funds and Accounts established pursuant to the Indenture. The Indenture provides that additional Series of Bonds and Refunding Bonds may be issued from time to time in the future on a parity with the Series 2013 Bonds to share ratably and equally in the Pledged Revenues upon compliance with certain requirements contained in the Indenture (the Series 2013 Bonds and such additional Bonds and Refunding Bonds from time to time outstanding are referred to collectively as the "Bonds"). [The Indenture also provides that the City may issue Junior Lien Bonds (as defined in the Indenture) which have a claim for payment from Pledged Revenues subordinate to the claim of the Bonds, as provided in the Indenture, upon compliance with certain requirements contained in the Indenture.]

The Series 2013 Bonds were authorized by an ordinance duly adopted by the City Council of the City on _____, 2013 (the "Bond Ordinance"), and are issued under the authority of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "Act"), and all laws amendatory of and supplemental to the Act, the City's powers as a home rule unit of local government and the Bond Ordinance. The principal of and interest on the Series 2013 Bonds are payable from Pledged Revenues and certain amounts on deposit in certain funds and accounts created pursuant to the Indenture.

The Series 2013 Bonds are being issued for the purpose of [paying certain Project Costs (as defined in the Indenture),] refunding in advance of their maturity all or any part of certain outstanding tax increment allocation revenue obligations of the City, funding a debt service reserve account for the Series 2013 Bonds, [paying a portion of the interest accruing on the Series 2013 Bonds,] and paying costs of issuance of the Series 2013 Bonds, all as more fully described in the Indenture, to all the provisions of which the Registered Owner by the acceptance of this Bond assents. The Series 2013 Bonds, together with the interest on the Series 2013 Bonds, are limited obligations of the City, payable solely from Pledged Revenues and the amounts on deposit in and pledged to certain Funds and Accounts as provided in the Indenture. For the prompt payment of this bond, both principal and interest, as stated above, at maturity, the Pledged Revenues have been irrevocably pledged. The Series 2013 Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation. No Registered Owner of this bond shall have the right to compel the exercise of any taxing power of the City, the State or any political subdivision of the State for payment of principal of this bond or interest or premium, if any, on the Series 2013 Bonds.

An executed copy of the Indenture is on file at the principal corporate trust office of the Trustee in Chicago, Illinois, and reference is made to the Indenture for a description of the provisions, among others, with respect to the nature and extent of the security for the Series 2013 Bonds, the rights, duties and obligations of the City, the Trustee and the Registered Owners of the Series 2013 Bonds and the terms upon which the Series 2013 Bonds are issued and secured and the terms and conditions upon which additional Series of Bonds and Refunding Bonds may be issued.

This bond is transferable, as provided in the Indenture, only upon the registration books of the City maintained by the Registrar by the Registered Owner in person, or by its duly authorized attorney, upon surrender of this Bond with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or its duly authorized attorney, and thereupon a new registered Series 2013 Bond or Series 2013 Bonds, in the same aggregate principal amount and maturity, shall be issued to the transferee. The City, the Trustee, the Registrar and any Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner of this Bond for the purpose of receiving payment of, or on account of, the principal of this Bond and interest due on this Bond and for all other purposes.

The Series 2013 Bonds are issuable in the form of fully registered bonds in the denomination of $5,000 or any integral multiple of that amount. Subject to the conditions and upon the payment of the charges provided in the Indenture, the Series 2013 Bonds may be surrendered (accompanied by a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or its duly authorized attorney) in exchange for an equal aggregate principal amount of the Series 2013 Bonds of the same maturity of any other authorized denominations.

The Registrar shall not be required to make any registration, transfer or exchange of any Series 2013 Bond during the period between each Record Date and the next succeeding interest payment date of such Series 2013 Bond.

[The Series 2013 Bonds are not subject to optional redemption prior to their maturity.]

[The Series 2013 Bonds maturing on June 1, ____ is a term bond subject to mandatory redemption prior to maturity at a redemption price of 100 percent of the principal amount thereof plus accrued interest to the date fixed for redemption. The City shall deposit or cause to be deposited in the Principal and Interest Account in accordance with the provisions of the Indenture a sum in immediately available funds which, together with other moneys available for the purpose of the Principal and Interest Account is sufficient to redeem such bonds in part pro rata among all Owners of the Series 2013 Bonds (subject to the requirement that following any such redemption the remaining Series 2013 Bonds shall be held in Authorized Denominations) in the following principal amounts on June 1 of the following years:

Year	**Principal Amount**

The Indenture provides that if the City shall pay the principal and interest due or to become due on all Bonds, at the times and in the manner stipulated in the Bonds and in the Indenture, then the pledge and lien created by the Indenture for all Bonds shall be discharged and satisfied. If the City shall pay the principal and interest due and to become due on all Bonds of a particular series, maturity within a series or portions of a maturity within a series at the times and in the manner stipulated in the Bonds and in the Indenture, then the pledge and lien created by the Indenture for such Bonds shall thereupon be discharged and satisfied. Bonds or interest installments for the payment of which moneys shall have been set aside and held in trust at or prior to their maturity date shall be deemed to have been paid if, among other things, the City shall have delivered to the Trustee either moneys in an amount which shall be sufficient or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (the "Government Obligations"), the principal of and interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest due and to become due on said Bonds on and prior to each specified maturity date. Government Obligations and moneys so deposited with the Trustee shall be held in trust for the payment of the principal of and interest on said Bonds.

The Series 2013 Bonds are payable solely from the Pledged Revenues and sources pledged for their payment on a parity with any additional Bonds which may be issued in the future, all in accordance with the Indenture. No recourse shall be had for the payment of the principal of or interest on the Series 2013 Bonds or for any claim based on the Series 2013 Bonds or on the Indenture against any past, present or future member of the City Council, officer, employee or agent of the City, or any successor public body or person executing the Bonds, either directly or through the City, under any rule of law or equity, statute or constitution or otherwise, and all of such liability of any such members, officers, employees or agents as such is expressly waived and released as a condition of and consideration for the execution of the Indenture and the issuance of the Series 2013 Bonds.

The Registered Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants in the Indenture, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect to them, except as provided in the Indenture.

Modifications or alterations of the Indenture, or of any supplements to it, may be made only to the extent and in the circumstances permitted by the Indenture.

It is certified, recited and declared that all acts and conditions required to be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond have been performed in due time, form and manner as required by law; and that the issuance of

this Bond and the series of which it is a part does not exceed or violate any constitutional or statutory limitation.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be signed in its name and on its behalf by the manual or duly authorized facsimile signature of its Mayor and its corporate seal (or a facsimile of it) to be impressed, imprinted, engraved or otherwise reproduced on this bond and attested by the manual or duly authorized facsimile signature of its City Clerk, all as of the Dated Date identified above.

CITY OF CHICAGO

_____

Mayor

[Seal]

Attest:

_____

City Clerk

[FORM OF CERTIFICATE OF AUTHENTICATION]

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2013 Bonds
described in the within-mentioned Indenture.

Date of Authentication and Delivery:

AMALGAMATED BANK OF CHICAGO, as Trustee

By: _____
Authorized Signatory

Date of Authentication: _____

[FORM OF ASSIGNMENT]

The following abbreviations, when used in the inscription on this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

Unif Gift Min Act - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts to Minors Act _____
(State)

Ten Com -	as tenants in common
Ten Ent -	as tenants by the entireties
Jt Ten -	as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____
(Name and Address of Assignee)

_____
(Please insert Social Security or other identifying number of Assignee)

the within bond and irrevocably constitutes and appoints _____, Attorney, to transfer the said bond on the books kept for registration of the said bond with full power of substitution in the premises.

Dated: _____ _____

Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

Notice: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in approved Signature Guarantee Medallion Program).

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Foley & Lardner LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 321 North Clark Street, Suite 2800
Chicago, IL 60654-5313

C. Telephone: 312-832-4533 Fax: 312-832-4700 Email: lbilas@foley.com

D. Name of contact person: Laura L. Bilas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Bond counsel to the City in connection with 2013 Pilsen TIF Refunding Bonds.

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[X] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Wisconsin

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Jay O. Rothman	Chief Executive Officer
Stanley S. Jaspan	Managing Partner
Darrell R. Ohlhauser	Chief Operating Officer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Chase J. Brill, an employee of Disclosure Party, provided birthday and holiday gifts totaling approximately $200 to James Edward Grill, his father, who is a Chicago Police Department employee; Rebecca S. Bradley, an employee of Disclosure Party, provided gifts totaling approximately $350 to Nenad Dragojlovich, her husband, who is a Chicago Police Department employee.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Foley & Lardner LLP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Laura L. Bilas
(Print or type name of person signing)

Partner
(Print or type title of person signing)

Signed and sworn to before me on (date) January 18, 2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 10-6-2014.

OFFICIAL SEAL
STACY L. MARINIER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 10-6-2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Golden Holley James LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: One South Dearborn Street, Suite 2100
Chicago, IL 60603

C. Telephone: (312) 960-0770 Fax: (312) 960-0775 Email: cholley@goldenholleyjames.com

D. Name of contact person: Charles Holley

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[x] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Georgia

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Sherman Golden	Partner
Charles Holley	Partner
Robert James	Partner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Sherman Golden	191 Peachtree Street NE, Ste 3300, Atlanta GA	20%
Charles Holley	One South Dearborn St., Ste 2100, Chicago IL	40%
Robert James	60 E. 42nd Street, Suite 4700, New York, NY	40%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Golden Holley James LLP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Charles Holley
(Print or type name of person signing)

Partner
(Print or type title of person signing)

"OFFICIAL SEAL"
HAL L. PROHASKA
Notary Public - State of Illinois
My Commission Expires December 09, 2016

Signed and sworn to before me on (date) 1/22/13,
at Cook County, Illinois (state).

Hal L Proh Notary Public.

Commission expires: 12/9/16.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

__Michael Best & Friedrich LLP_____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: _180 North Stetson, Suite 2000_____
__Chicago, IL 60601_____

C. Telephone: _312.222.0800_____ Fax: _312.222.0818_____ Email: _cdkatz@michaelbest.com___

D. Name of contact person: _Charles D. Katz_____

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

__2013 Pilsen TIF Refunding Bonds_____

G. Which City agency or department is requesting this EDS?__Department of Finance_____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[X] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

___Wisconsin_____

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see Attachment A	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
N/A			

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

___N/A_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X_1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____N/A_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

__Michael Best & Friedrich LLP_____
(Print or type name of Disclosing Party)

By: _____
(Sign here)

_Charles D. Katz_____
(Print or type name of person signing)

__Partner_____
(Print or type title of person signing)

Signed and sworn to before me on (date) 16th January,
at Cook County Illinois (state).

_____ Notary Public.

Commission expires: Jan 30, 2014.

NOTARY PUBLIC OFFICIAL SEAL STATE OF ILLINOIS
A'DORN L MCGAVOCK
MY COMMISSION EXPIRES
JANUARY 30, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

MICHAEL BEST
& FRIEDRICH LLP

ATTACHMENT A

Full names and titles of all executive offices and all directors of the entity.

NAME	Title
Schill, Katherine W	Partner
Bruchs, Amy O	Partner
Burkard, Timothy A	Partner
Bush, Gayle A	Partner
Cotrone, Carlo M	Partner
Finerty Jr., John D	Partner
Lucey, Paul A	Partner
Marschall, Richard H	Partner
Sarskas, S Edward	Partner
Welch, Teresa J	Partner
Hartwig, Amy D	Partner
Bochert, Linda H	Partner
Coffey, Peter L	Partner
Gigot, Stephen A	Partner
Meddings, Lori S	Partner
Patel, Hamang B	Partner
Pitz, Ian AJ	Partner
Turke, Mary C	Partner
Vaccaro, Daniel J	Partner
Weitzer, Glen A	Partner
Jones, Amy S	Partner
Perlson, J Lewis	Partner

MICHAEL BEST
& FRIEDRICH LLP

Croysdale, David W	Partner
Graupner, Charles P	Partner
Hoffman, Paul G	Partner
Kaiser, Richard L	Partner
Kaufman, Daniel A	Partner
McLeod, Eric M	Partner
Palmer, Charles B	Partner
Stettner, Derek C	Partner
Austin, Christopher B	Partner
Biskupic, Steven M	Partner
Brown, Jeffrey H	Partner
Flanagan, John E	Partner
Gimbel, Joshua L	Partner
Green, Michael S	Partner
Haase, Kerryann M	Partner
Haggerty, Nancy Leary	Partner
Hemaidan, Jordan J	Partner
Jackson, W Charles	Partner
Laff, Charles A	Partner
Martin, Porter J	Partner
Morgan, Geoffrey R	Partner
Rumbaugh, Eric H	Partner
Saret, Larry L	Partner
Schmitt, Marshall J	Partner
Scrivner, Thomas W	Partner
Stevens, Charles P	Partner

Stiegel, Michael A	Partner
De Bruin, David L	Partner
Hartwig, Gregory J	Partner
Hobbs, Eric E	Partner
Jones, Daniel S	Partner
Quick, Mitchell W	Partner
Ritt, Steven L	Partner
Scheller, John C	Partner
Smith, Ann Ustad	Partner
White, William F	Partner
Deschler, Peter W	Partner
Schally, Timothy G	Partner
Smith, Billie Jean	Partner
Benson, Paul E	Partner
Latta, Richard A	Partner
Fraser, Alexander P	Partner
Johannes, Robert J	Partner
Lynch, Gregory J	Partner
Olivieri, Jose' A	Partner
Poker, Mark S	Partner
Roge, Bret A	Partner
Beightol, Scott C	Partner
Best, J Donald	Partner
Crass, David A	Partner
Krutz, David A	Partner
Margolies, Jonathan H	Partner

Moran, Kevin P	Partner
Mulcahy, Robert W	Partner
Stern, Martin L	Partner
Miller, Thomas A	Partner
Price, David R	Partner
Linn, Paul F	Partner
Linstroth, Tod B	Partner
Lundgren, K Thor	Partner
Smith, David B	Partner

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Hardwick Law Firm, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 500 N. Michigan Ave, Ste 300
Chicago, IL 60611

C. Telephone: 312-658-1388 Fax: 312-658-1389 Email: hhardwick@hardwicklaw.com

D. Name of contact person: Herbert E. Hardwick

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2012 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Herbert E. Hardwick	President
Jean Z. Matzeder	Vice-President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Herbert E. Hardwick	500 N. Michigan Ave, Chicago, IL	87.5
Jean Z. Matzeder	500 N. Michigan Ave, Chicago, IL	12.5

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

N/A

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Hardwick Law Firm, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

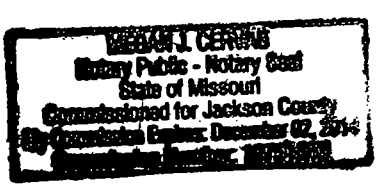
Jean Z. Matzeder
(Print or type name of person signing)

Vice-President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at Jackson County, Missouri (state).

_____ Notary Public.

Commission expires: 12-2-14.



CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Cabrera Capital Markets, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10 South LaSalle, Suite 1050
Chicago, IL 60603

C. Telephone: (312) 236-8888 Fax: (312) 236-8936 Email: raguilar@cabreracapital.com

D. Name of contact person: Robert Aguilar

E. Federal Employer Identification No. (if you have one): 01-0892965

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Martin Cabrera, Jr.	President (Director) / Manager
Robert Libertini	Vice President (Director)
Robert Aguilar	Chief Operating Officer (COO) / Treasurer
Rene LeBran	Board Member
Bruce Foerster	Board Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Cabrera Capital Inc	10 S LaSalle, Ste 1050 Chicago, IL 60603	76.5%
RCF Cabrera Holdings, Inc	155 North Lake Avenue, Suite 826 Pasadena, CA 91101	23.5%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Michael Best & Friedrich	180 North Stetson Avenue, Chicago, IL 60601	Underwriter's Counsel	$57,750*
Hardwick Law Firm	500 N. Michigan Avenue, Suite 300, Chicago, IL 60611	Underwriter's Counsel	$24,750*

*Estimated

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Cabrera Capital Markets, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Robert Aguilar
(Print or type name of person signing)

Chief Operating Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Cabrera Capital , Inc

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10 South LaSalle, Suite 1050
Chicago, IL 60603

C. Telephone: (312) 236-8888 Fax: (312) 236-8936 Email: raguilar@cabreracapital.com

D. Name of contact person: Robert Aguilar

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Martin Cabrera, Jr.	President (Director) / Manager
Rose Gonzales	Secretary
Robert Aguilar	Chief Operating Officer (COO) / Treasurer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Martin Cabrera, Jr.	10 S LaSalle, Ste 1050 Chicago, IL 60603	60.0%
Rose Gonzales	100 W Washington, Chicago, IL 60607	37.0%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Cabrera Capital , Inc
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Robert Aguilar
(Print or type name of person signing)

Chief Operating Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 01/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

RCF-Cabrera Holdings, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Thomas Unterman	President
Renée LaBran	VP, Secretary & Treasurer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Rustic Canyon/Fontis Partners, LP	155 North Lake Avenue, Suite 826 Pasadena, CA 91101	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

RCF-Cabrera Holdings, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Renée LaBran
(Print or type name of person signing)

Secretary
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Rustic Canyon/Fontis Partners, LP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[X] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Rustic Canyon/Fontis Partners GP, LLC	General Partner

*This party does NOT hold 7.5% or more of the applicant named on page 1.

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Please see attached sheet		

* None of these parties hold 7.5% or more of the applicant named on Page 1

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Rustic Canyon/Fontis Partners, LP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Renée LaBran
(Print or type name of person signing)

Authorized Signatory, Rustic Canyon/Fontis Partners GP, LLC, its General Partner
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

Attachment for Page 3

Rustic Canyon/Fontis Partners, LP

Investors with 7.5% or More

Company	Address	% Ownership
NXP Partners	c/o Gibson Dunn & Crutcher 2029 Century Park East, Suite 4000 Los Angeles, CA 90067	15.6%
New Mexico State Investment Council Land Grant Permanent Fund	New Mexico State Investment Council 2055 S. Pacheco Street, Suite 100 Santa Fe, NM 87505	12.43%
TMCT II, LLC	c/o Lucas, Horsfall Murphy & Pindroh, LLP 100 East Corson St., Suite 200 Pasadena, CA 91103-3841	15.6%
Capital Link Fund I, LLC	152 West 57th Street 34th Floor New York, NY 10019	13.9%

*None of the parties above hold 7.5% or more in the Applicant named on page 1

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Rustic Canyon/Fontis Partners GP, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Rustic Canyon/Fontis Management, LLC*	Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Please see attached sheet		

* None of these parties hold 7.5% or more of the applicant named on Page 1

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the incligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Rustic Canyon/Fontis Partners GP, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Renée LaBran
(Print or type name of person signing)

Authorized Signatory
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

Attachment for Page 3

Rustic Canyon/Fontis Partners GP, LLC

Investors with 7.5% or More

Company	Address	% Ownership
Mr. Daniel L. Villanueva	1076 County Club Estates Castle Rock, CO 80108	22.2%
Mr. Daniel D. Villanueva	517 Via Con Dios Camarillo, CA 93010	22.2%
Ms. Gabrielle E. Greene	1650 E. Mountain Street Pasadena, CA 91104	22.2%
RC/F Member, LLC	2425 Olympic Blvd., Suite 6050W Santa Monica, CA 90404	33.3%

*None of the parties above hold 7.5% or more in the Applicant named on page 1

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Rustic Canyon/Fontis Management, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Renee LaBran*	Managing Member
Gabrielle E. Greene*	Managing Member
Daniel D. Villanueva*	Managing Member
Daniel L. Villanueva*	Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Please see attached sheet		

* None of these parties hold 7.5% or more of the applicant named on Page 1

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Rustic Canyon/Fontis Management, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Renée LaBran
(Print or type name of person signing)

Authorized Signatory
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

Nancy Terrones Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

Attachment for Page 3

Rustic Canyon/Fontis Management, LLC

Investors with 7.5% or More

Company	Address	% Ownership
Ms. Renee LaBran	5210 Vista Miguel Dr., La Canada, CA 91011	21.40%
Ms. Gabrielle E. Greene	1650 E. Mountain Street Pasadena, CA 91105	28.57%
Mr. Daniel D. Villanueva	517 Via Con Dios Camarillo, CA 93010	14.29%
Mr. Daniel L. Villanueva	1076 Country Club Estates Castle Rock, CO 80108	28.57%

*None of the parties above hold 7.5% or more in the Applicant named on page 1

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Duncan-Williams, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 203 N. LaSalle Street, Suite 2100
Chicago, IL 60601

C. Telephone: 312-827-7966 Fax: 312-346-9603 Email: adriana.vargas@duncanw.com

D. Name of contact person: Adriana Vargas

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Tennessee

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see attached full list of officers and directors	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Please see attached for list		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Michael Best & Friedrich	180 N. Stetson Ave., Chicago, IL 60601	Underwriter's Counsel	est. $57,750
Hardwick Law Firm	500 N. Michigan Ave., Suite 300, Chicago, IL 60611	Co-Underwriter's Counsel	est. $24,750

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NA

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Duncan-Williams, Inc.
(Print or type name of Disclosing Party)

By: Adriana Vargas
(Sign here)

Adriana Vargas
(Print or type name of person signing)

Vice President - Public Finance
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at Cook County, IL (state).

Redella Drakeford Notary Public.

Commission expires: 9/30/13.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Section II. B. 1.

EXECUTIVE OFFICERS

Duncan F. Williams	President/CEO
Carolyn Williams	Co-Chairman
Donald Malmo	Co-Chairman
Donald Clanton	Chief Operating Officer
Frank Reid	Chief Financial Officer
Kevin Ogilby	EVP - Investment Banking
Jack Schlifer	EVP - Fixed Income Sales & Trading
Demetri Patikas	EVP - Private Client Group
James Pauline	EVP of Operations
Brad Ziemba	Chief Compliance Officer

DIRECTORS

Wayne Breunig	Managing Director, Public Finance
Gary Lendermon	VP, Marketing & Communications
Johnny Lessley	Managing Director, Municipal Trading
Kevin Ogilby	Managing Director, Corporate Finance
Alex Tartera Jr.	Chief Technology Officer
Patrick Burnett	Associate General Counsel

Section II. B. 2.

Name	Business Address	Percentage Interest in the Disclosing Party
Carolyn Williams	6750 Poplar Ave., #300, Memphis, TN 38138	51.10% - common stock
Duncan F. Williams	6750 Poplar Ave., # 300, Memphis, TN 38138	38.80% - common stock
Carolyn Williams	6750 Poplar Ave., # 300, Memphis, TN 38138	24.94% - voting stock
Abigail Williams	6750 Poplar Ave., # 300, Memphis, TN 38138	24.10% - voting stock
Duncan F. Williams	6750 Poplar Ave., # 300, Memphis, TN 38138	19.20% - voting stock
Don Malmo	6750 Poplar Ave., # 300, Memphis, TN 38138	15.30% - voting stock
Debra Smith	6750 Poplar Ave., # 300, Memphis, TN 38138	8.80% - voting stock
Frank Reid	6750 Poplar Ave., # 300, Memphis, TN 38138	7.65% - voting stock

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Estrada Hinojosa & Company, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 161 North Clark Street, Suite 4700, Chicago, IL 60601

C. Telephone: 312-523-2087 / 214-658-1670 Fax: 312-277-7499 / 214-658-1670 Email: fegrillo@ehmuni.com / nhinojosa@ehmuni.com

D. Name of contact person: Fernando Grillo & Noe Hinojosa, Jr.

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[x] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Texas

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Noe Hinojosa, Jr.	President/CEO
Robert A. Estrada	Senior Managing Director

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Noe Hinojosa, Jr.	1717 Main St., Suite 4700, Dallas, Texas 75201	50.32%
Robert A. Estrada	1717 Main St., Suite 4700, Dallas, Texas 75201	26.72%
Donald J. Gonzales	100 W. Houston St., Suite 1400, San Antonio, Texas 78205	10%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Michael Best & Friedrich	180 North Stetson Avenue, Chicago, IL 60601	ATTORNEYS	Est. $57,750
Hardwick Law Firm	500 N. Michigan Avenue, Suite 300, Chicago, IL 60611	ATTORNEYS	Est. $24,750

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_x_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Estrada Hinojosa & Company, Inc.
(Print or type name of Disclosing Party)

By: R A Estrada
(Sign here)

Robert A. Estrada
(Print or type name of person signing)

Senior Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at Dallas County, Texas (state).

Belinda A Garza Notary Public.

Commission expires: 11-10-2015.

BELINDA ANN GARZA
Notary Public, State of Texas
My Commission Expires
November 10, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Guzman & Company

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 101 Aragon Avenue
Coral Gables, FL 33134

C. Telephone: 305.374.3600x145 Fax: 305.374.0731 Email: cmiller@guzman.com

D. Name of contact person: Christopher Miller

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Florida

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Leopoldo E. Guzman	President
Susan C. Guzman	Corporate Secretary

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Leopoldo E. Guzman	101 Aragon Avenue Coral Gables, FL 33134	99.6%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.) *	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Michael Best & Friedrich	180 N. Stetson Ave., Chicago, IL 60601		$57,750 est.
Hardwick Law Firm	500 N. Michigan Ave., Suite 300, Chicago, IL		$24,750 est.

* ATTORNEYS

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__x__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Guzman & Company
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Alexis G. Miller
(Print or type name of person signing)

Chief Operating Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) JAN. 14, 2013
at Miami-Dade County, Florida (state).

_____ Notary Public.

Commission expires: _____

NOTARY PUBLIC STATE OF FLORIDA
ROSARIO R. ALVAREZ
MY COMMISSION # EE 107674
EXPIRES: July 13, 2015
Bonded Thru Budget Notary Services

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Mischler Financial Group, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 1111 Bayside Drive, Suite 100
Corona del Mar, CA 92625

C. Telephone: (949) 720-0640 Fax: (949) 720-0229 Email: skersh@mischlerfinancial.com

D. Name of contact person: Scott C. Kersh

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
C- Corporation

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

California

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Walter M. Mischler	Chairman
Dean A. Chamberlain	CEO
Doyle L. Holmes	President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)*	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Michael Best & Friedrich	180 North Stetson Avenue, Chicago, IL 60601		est. $57.750
Hardwick Law Firm	500 N. Michigan Avenue, Suite 300, Chicago, IL 60611		est. $24,750

* ATTORNEYS

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Walter M. Mischler	1111 Bayside Drive., Ste 100, Corona del Mar, CA 92625	51%
Dean A. Chamberlain	One Stamford Landing, 62 Southfield Ave., Ste 104, Stamford, CT 06902	33%
Doyle L. Holmes	1111 Bayside Drive., Ste 100, Corona del Mar, CA 92625	16%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Mischler Financial Group, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Doyle L. Holmes
(Print or type name of person signing)

President
(Print or type title of person signing)

Signed and sworn to before me on (date) February 1, 2013,
at Orange County, California (state).

_____ Notary Public.

Commission expires: June 10, 2014.

SHERYL A. URTUSUASTEGUI
Commission # 1892183
Notary Public - California
Orange County
My Comm. Expires Jun 10, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Podesta Co.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 208 S. LASALLE ST., STE. 1460
CHICAGO, IL 60604

C. Telephone: 312-899-0133 Fax: 312-899-0910 Email: cfoley@podestaco.com

D. Name of contact person: CAROL FOLEY

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 PILSEN TIF REFUNDING BONDS

G. Which City agency or department is requesting this EDS? DEPARTMENT OF FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

ILLINOIS

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
CAROL PODESTA FOLEY	PRESIDENT
VICTOR ELTING III	EXECUTIVE VICE PRESIDENT

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Carol Podlesta Foley	208 S. LASALLE ST., STE. 1460, CHICAGO, IL 60604	53%
Victor Elting III	208 S. LASALLE ST., STE 1460, CHICAGO, IL 60604	9%
Maude Glore	7310 Sylvan Ridge Rd. Indianapolis, IN 46240	9%
Constance Glore	285 W. Washington, West Boxford, MA 01885	9%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

_____

_____

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Michael Best + Friedrich	180 N. Stetson Ave, Chicago IL 60601	*	est. $57,750
Hardwick Law Firm	500 N. Michigan Ave, Ste 300 Chicago IL 60611	*	est. $24,750

* ATTORNEYS

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NA

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NA

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

PODESTA & CO.
(Print or type name of Disclosing Party)

By: Carol Podesta Foley
(Sign here)

CAROL PODESTA FOLEY
(Print or type name of person signing)

President
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-15-2013,
at Kane County, IL (state).

Sharon Piet Notary Public.

Commission expires: 6/02/15.

OFFICIAL SEAL
SHARON PIET
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:06/02/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Toussaint Capital Partners, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 13 Broadway Suit # 2
Freehold. NJ 07728

C. Telephone: 212-328-1800 Fax: 212-328-1850 Email: abyrd@toussaintcapital.com
kfolkes@toussaintcapital.com

D. Name of contact person: Avery Byrd & Kitwana Folkes

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bond

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[✓] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

DELAWARE

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY: YES

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
AVERY BYRD	CEO
KITWANA FOLKES	VICE PRESIDENT

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
AVERY BYRD	13 BROADWAY, FREEHOLD, NJ 07728	82 %
TRINA BYRD	13 BROADWAY, FREEHOLD, NJ 07728	15 %

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
MICHAEL BEST FRIEDRICH	180 NORTH STETSON AVE. CHICAGO, IL 60601	UNDERWRITER'S COUNSEL	ESTIMATED $57,750
HARDWICK LAW FIRM	500 NORTH MICHIGAN AVE. SUIT 300, CHICAGO. IL 60611	CO-UNDERWRITER'S COUNSEL	ESTIMATED $24,750

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS: NONE

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity; NO

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or NO

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or NO

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance). NO

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating. NO

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. NO

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code. YES

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[✓] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

YES (WE UNDERSTAND AND WE PLEDGE)

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement. N/A

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above. N/A

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities". N/A

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.
N/A

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[X] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

TOUSSAINT CAPITAL PARTNERS, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

KITWANA FOLKES
(Print or type name of person signing)

VICE PRESIDENT
(Print or type title of person signing)

ARTYOM ROGOV
Notary Public
State of New Jersey
My Commission Expires Aug 20, 2014

Signed and sworn to before me on (date) Jan 30 2013,
at Monmouth County, NJ (state).

Artyom Rogov Notary Public.

Commission expires: Aug 20, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

S.B. Friedman & Company

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 221 N. LaSalle St. Suite 820
Chicago, IL 60601

C. Telephone: (312) 424-4254 Fax: (312) 424-4262 Email: tsmith@sbfriedman.com

D. Name of contact person: Mr. Anthony Q. Smith

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 Pilsen TIF Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Mr. Stephen B. Friedman	President
Ms. Anita C. Friedman	Secretary
Mr. Anthony Q. Smith	Executive Vice President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Mr. Stephen B. Friedman	221 N. LaSalle St. Suite 820, Chicago, IL 60601	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N/A

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
N/A			

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared incligible or voluntarily excludcd from any transactions by any federal, state or local unit of government;

b. have not, within a five-ycar period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-ycar period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal governmcnt, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common usc of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

S.B. Friedman & Company
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Mr. Anthony Q. Smith
(Print or type name of person signing)

Executive Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/18/2013,
at Cook County, IL (state).

Carolyn Hines Notary Public.

Commission expires: 7/23/16.

"OFFICIAL SEAL"
CAROLYN HINES
Notary Public, State of Illinois
My Commission Expires 07/23/16

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

N/A

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Public Finance Advisors LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [☑] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 20229 Wilderness Trail
Olympia Fields, IL 60461

C. Telephone: (312) 371-7349 Fax: (866) 329-4095 Email: djordanw@publicfinanceadvisors.net

D. Name of contact person: Deneice Jordan-Walker

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Financial Advisory services in connection with Tax Increment Allocation Revenue Refunding Bonds (Pilsen Redevelopment Project), Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[☑] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [☑] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Deneice Jordan-Walker	Principal and Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Deneice Jordan-Walker	20229 Wilderness Trail Olympia Fields, IL 60461	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [☑] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

☑ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes ☑ No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NA

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NA

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NA

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [☑] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [☑] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

NA

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Public Finance Advisors LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Deneice Jordan-Walker
(Print or type name of person signing)

Principal and Managing Member
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 4-7-2013.

"OFFICIAL SEAL"
PATTI M. ANDERSON
Notary Public, State of Illinois
My Commission Expires April 07, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes ☑ No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

AMALGAMATED BANK OF CHICAGO

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: ONE WEST MONROE STREET
CHICAGO, IL 60603

C. Telephone: (312) 822-3188 Fax: (312) 267-8770 Email: LRYAN@ABOC.COM

D. Name of contact person: LAURA D. RYAN

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 PILSEN TIF REFUNDING BONDS

G. Which City agency or department is requesting this EDS? DEPARTMENT OF FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

ILLINOIS

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
SEE ATTACHED SHEET	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
AMALGAMATED INVESTMENTS COMPANY		
	ONE WEST MONROE STREET	
	CHICAGO, IL 60603	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

SEE ATTACHED EXHIBIT.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

AMALGAMATED BANK OF CHICAGO
(Print or type name of Disclosing Party)

By: _____
(Sign here)

JAMES T. LANDENBERGER
(Print or type name of person signing)

EXECUTIVE VICE PRESIDENT & GENERAL COUNSEL
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-2013,
at Cook County, IL (state).

Carolyn D Whiteurst Notary Public.

Commission expires: 03-15-2013.

"OFFICIAL SEAL"
CAROLYN D. WHITEURST
Notary Public, State of Illinois
My Commission Expires 03/15/2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

EXHIBIT SECTION II. B. 1

AMALGAMATED
Bank of Chicago

DIRECTORS

Steven Cisco
John Coli
Miriam L. Fitzgerald
Robert B. Flannery, Jr.
David E. Knopp
Avis LaVelle Sampson
Frank Libby
Ronald E. Powell
Robert M. Wrobel

OFFICERS

Robert M. Wrobel, President and Chief Executive Officer

David E. Knopp, Senior Executive Vice President and Chief Operating Officer

James T. Landenberger, Executive Vice President and General Counsel

Scott A. Rupp, Executive Vice President and Chief Financial Officer

AMALGAMATED BANK OF CHICAGO

EXHIBIT SECTION V. B. 9

List of Gifts (entertainment)
during preceding 12 months

Recipient	Date	Amount
Melanie Shaker, Deputy CFO Chicago Board of Education	Jan 24, 2012	$33.30 (lunch)
Pam Jurgenson, Chicago Board of Education	Feb 13, 2012	$25.94 (lunch)
Pam Jurgenson, Chicago Board of Education	Dec 7, 2012	$13.60 (refreshments)

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

AMALGAMATED INVESTMENTS COMPANY

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: AMALGAMATED BANK OF CHICAGO
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: ONE WEST MONROE STREET
CHICAGO, IL 60603

C. Telephone: (312) 822-3188 Fax: (312) 267-8770 Email: LRYAN@ABOC.COM

D. Name of contact person: LAURA D. RYAN

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 PILSEN TIF REFUNDING BONDS

G. Which City agency or department is requesting this EDS? DEPARTMENT OF FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

ILLINOIS

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
SEE ATTACHED SHEET	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
SEE ATTACHED EXHIBIT.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

AMALGAMATED INVESTMENTS COMPANY
(Print or type name of Disclosing Party)

By: _____
(Sign here)

JAMES T. LANDENBERGER
(Print or type name of person signing)

SECRETARY
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-2013,
at Cook County, IL (state).

Carolyn D. Whiteurst Notary Public.

"OFFICIAL SEAL"
CAROLYN D. WHITEURST
Notary Public, State of Illinois
My Commission Expires 03/15/2013

Commission expires: 03-15-2013.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

EXHIBIT SECTION II. B. 1

AMALGAMATED
Investments Company

DIRECTORS

Steven Cisco

John T. Coli

Robert B. Flannery, Jr.

Robert M. Wrobel

OFFICERS

Robert M. Wrobel	Chairman of the Board and President of the Company
David E. Knopp	Vice President
Scott A. Rupp	Vice President & Chief Financial Officer
James T. Landenberger	Secretary
William J. Dunn	Assistant Secretary

AMALGAMATED INVESTMENTS COMPANY

EXHIBIT SECTION II. B. 2.

Name	Business Address	Percentage Interest in the Disclosing Party
Eugene P. Heytow Trust dated 3/23/1988, as amended	c/o Richard F. Levy, as Trustee Jenner & Block 353 North Clark St Chicago, Illinois 60654	57.50%
Miriam S. Lutwak individually and as Trustee	1764 Lake Ave Highland Park, Illinois 60035	11.03%

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:
Richard F. Levy, or his successors in trust, not individually, but as trustee of the Eugene P. Heytow Trust, dated 3/23/1988, as amended.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: AMALGAMATED BANK OF CHICAGO
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: JENNER & BLOCK LLP, 353 N. CLARK STREET
CHICAGO, IL 60654

C. Telephone: (312) 923-2648 Fax: (312) 923-2748 Email: RLEVY@JENNER.COM

D. Name of contact person: RICHARD F. LEVY

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

2013 PILSEN TIF REFUNDING BONDS

G. Which City agency or department is requesting this EDS? DEPARTMENT OF FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[X] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

IRREVOCABLE TRUST GOVERNED BY NEVADA LAW.

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
RICHARD F. LEVY	TRUSTEE

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
See Attached Exhibit.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Richard F. Levy, or his successors in trust, not individually,
but as trustee of the Eugene P. Heytow Trust, dated 03/23/1988, as amended.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

RICHARD F. LEVY
(Print or type name of person signing)

TRUSTEE
(Print or type title of person signing)

Signed and sworn to before me on (date) January 18, 2013
at New York County, NY (state).

_____ Notary Public.

Commission expires: Dec. 21, 2014.

SHAY CRAWFORD
Notary Public, State of New York
No. 01CR6017957
Qualified in Westchester County
Commission Expires December 21, 20 14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

EXHIBIT SECTION II. B. 2.

Name	Business Address	Percentage Interest in the Disclosing Party
Andrew Heytow	25775 St Mary's Road, Libertyville, IL 60048	*
Pamela Krugman	300 Gold Hill Road, Breckenridge, CO 80424	*
Robert Lehman	2961 1st Ave, San Diego, CA 92103	*

*: These persons are beneficiaries or contingent beneficiaries of the Trust for which claims may exist.

Office of the City Clerk

O2013-808

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	*Issuance of Motor Fuel Tax Revenue Bonds, Series 2013* and Motor Fuel Tax Revenue TIFIA Bonds
Committee(s) Assignment:	Committee on Finance

FIN.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

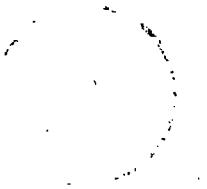
At the request of the Chief Financial Officer, I transmit herewith an ordinance authorizing an issuance of Motor Fuel Tax Revenue Refunding Bonds and an associated TIFIA loan.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor



City of Chicago

2013 Series and Supplemental Ordinance

Motor Fuel Tax Revenue Bonds, Series 2013

and

Motor Fuel Tax Revenue TIFIA Bond(s)

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2013 Series and Supplemental Ordinance Authorizing the Issuance of City of Chicago Motor Fuel Tax Revenue Bonds, Series 2013 and Motor Fuel Tax Revenue TIFIA Bond(s) and Certain Amendments to the General Ordinance

Be it ordained by the City Council of the City of Chicago, as follows:

Article I

AUTHORITY, DEFINITIONS, FINDINGS AND DETERMINATIONS

Section 101. Authority.

This 2013 Series and Supplemental Ordinance Authorizing the Issuance of City of Chicago Motor Fuel Tax Revenue Bonds, Series 2013 and TIFIA Bond(s) and Certain Amendments to the General Ordinance (this "2013 Series Ordinance") is adopted in accordance with the provisions of the City's Motor Fuel Tax Revenue Bonds General Ordinance, adopted on November 28, 1990 and published in the Journal of Proceedings of the City Council of the City for such date at pages 25555 through 25604, inclusive, as amended by Article VIII of that certain 2003 Series Ordinance, adopted March 5, 2003 published in the Journal of Proceedings of the City Council of the City for such date at pages 104562 through 104665.

Section 102. Definitions.

(a) All terms that are defined in the General Ordinance have the same meanings, respectively, in this 2013 Series Ordinance, unless the context clearly indicates otherwise.

(b) All references in this 2013 Series Ordinance to Articles, Sections, subsections and other divisions refer to this 2013 Series Ordinance unless some other document is specifically identified.

(c) For purposes of this 2013 Series Ordinance, the following words, terms and phrases shall have the following meanings, unless the context or usage indicates a different meaning:

"Additional City Revenues" means, for purposes of this 2013 Series Ordinance, Project Revenues.

"Book Entry Form" or **"Book Entry System"** means, with respect to the Series 2013 Bonds, a form or system, as applicable, under which the ownership of beneficial interests in the Series 2013 Bonds may be transferred only through book entry and physical bond certificates in fully registered form are registered only in the name of a Securities Depository or its nominee as Holder, with the physical bond certificates "immobilized" in the custody of the Securities Depository or its custodian.

"Bond Counsel" shall mean any firm of nationally recognized expertise in the fields of law pertaining to the valid issuance of state and local government obligations and the tax-exempt status of the interest on such obligations, selected by or acceptable to the City.

"Bond Purchase Agreements" shall mean the one or more Bond Purchase Agreements entered into with respect to the Series 2013 Bonds by the City and the Initial Purchasers.

"Bond Register" means the registration books of the City kept by the Trustee (in its capacity as Bond Registrar) to evidence the registration and transfer of Series 2013 Bonds.

"Bond Registrar" means the Trustee.

"Business Day" means any day other than a Saturday, Sunday, legal holiday or a day on which banks located (a) in the city in which the designated corporate trust office of the Trustee is located, (b) for Series 2013 Variable Rate Bonds, in the cities in which the principal office of each Bank at which drawings under the Liquidity Facility or Letter of Credit are to be honored is located, (c) for Series 2013 Variable Rate Bonds, in the city in which the corporate trust office of the Trustee at which the Series 2013 Variable Rate Bonds may be tendered for purchase by the Holders is located, and (d) for Series 2013 Variable Rate Bonds, in the city in which the principal office of the Remarketing Agent is located, are required or authorized to remain closed or on which the New York Stock Exchange is closed, and *further*, with respect to payments due from the City or notices required to be given by the City hereunder or under the General Ordinance, shall also exclude any day on which the offices of the City are required or authorized to remain closed.

"Chief Financial Officer" shall mean the Chief Financial Officer of the City appointed by the Mayor of the City or, if no one holds that position at the time, the Comptroller.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and any applicable and lawful regulations promulgated or proposed under it, as the same presently exist or may from time to time be amended, supplemented or revised.

"Commissioner" shall mean the City's Commissioner of Transportation or any successor thereto.

"Continuing Disclosure Undertaking" shall mean as provided in Section 209(i) hereof.

"Date of Issuance" shall mean, with respect to Series 2013 Bonds, the date of original issuance and delivery of the Series 2013 Bonds.

"DTC" shall mean The Depository Trust Company, New York, New York.

"DTC Participant" shall mean a direct participant or an indirect participant in DTC pursuant to its rules and operational arrangements.

"Escrow Deposit Agreements" shall mean as provided in Section 209(h) hereof.

"General Ordinance" shall mean the City's Motor Fuel Tax Revenue Bonds General Ordinance, adopted November 28, 1990, as amended from time to time.

"Initial Purchasers" shall mean the initial purchasers of the Series 2013 Bonds identified in the Series 2013 Determination Certificate.

"Interest Rate Hedge Agreement" shall mean a Qualified Swap Agreement, a Non-Qualified Swap Agreement, a Qualified Option or a Non-Qualified Option.

"Letter of Representations" shall mean one or more Blanket Issuer Letters of Representations between the City and DTC, or Letters of Representations among the City, the Trustee and DTC with respect to the Series 2013 Bonds in substantially the form previously used in connection with similar revenue bond financings of the City, as applicable.

"Mode Conversion Certificate" shall mean the certificate of an Authorized Officer executed in connection with any conversion of the Series 2013 Variable Rate Bonds (or Subseries thereof) to another Interest Mode, as provided in Section 506 hereof.

"Municipal Code" shall mean the Municipal Code of Chicago, as amended from time to time.

"Opinion of Bond Counsel" means a written opinion of Bond Counsel in form and substance acceptable to the City.

"Project Revenues" means those certain revenues to be collected by the City and deposited in a single appropriate fund pursuant to Section 2-32-1300 of the Municipal Code.

"Record Date" means with respect to any Series 2013 Variable Rate Bond (or Subseries thereof) (a) during a Short Mode, the Business Day immediately preceding each Interest Payment Date (as defined in Section 302 hereof), and (b) during an Adjustable Long Mode or a Fixed Mode, December 15 and June 15 (whether or not a Business Day); *provided, however*, that if the Adjustment Date for the Adjustable Long Mode or the Fixed Rate Conversion Date shall occur on or after December 15 but prior to January 1, or on or after June 15 but prior to July 1, the Record Date shall be the Adjustment Date for the Adjustable Long Mode and the Fixed Rate Conversion Date for the Fixed Mode.

"Refunded Bonds" shall mean those portions, if any, of Outstanding Bonds (other than Series 2013 Bonds) to be refunded from the proceeds of the Series 2013 Bonds as identified in the Series 2013 Determination Certificate.

"Revenues Test" shall mean the "revenues test" for the issuance of Additional Bonds provided in Section 907(2) of the General Ordinance. The Revenues Test is met if, at the date the contract is made to sell the Additional Bonds, the total amount of the City's (i) Motor Fuel Tax Revenues which lawfully may be used for the purpose of Municipal Indebtedness, and (ii) Project Revenues shall equal or exceed two times the maximum Annual Debt Service Requirements for all Bonds (including the Additional Bonds) to be Outstanding following the issuance of the Additional Bonds. For purposes of the Revenues Test, the amount of Motor Fuel Tax Revenues and Project Revenues taken into account shall be equal to (i) the amount of Motor

Fuel Tax Revenues received by the Trustee and transferred from the Motor Fuel Tax Revenue Fund into the Debt Service Fund and (ii) the amount of Project Revenues received by the Trustee and transferred from the Additional City Revenue Fund into the Debt Service Fund, in each case, pursuant to the General Ordinance, in the immediately preceding 12-month period for which information is available, as certified by the Chief Financial Officer or the Comptroller. For purposes of the Revenues Test as applied to the TIFIA Bond(s), the "date the contract is made to sell the Additional Bonds" shall be the date of execution and delivery of the TIFIA Loan Agreement.

"Riverwalk Expansion Project" shall mean the project consisting of, among other things, the creation of a continuous promenade along the south bank of the Chicago River from Lake Shore Drive to Lake Street in order to provide a link between the Loop, the Lakefront and Navy Pier and to develop opportunities for enhanced transportation amenities.

"Securities Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended, operating and maintaining, with its participants ("Participants") or otherwise, a Book Entry System to record ownership of beneficial interests in the Series 2013 Bonds, and to effect transfers of the Series 2013 Bonds, in Book Entry Form. At the time of the adoption of this 2013 Series Ordinance, the Securities Depository means initially DTC.

"Series 1993 Bonds" shall mean the City's Motor Fuel Tax Revenue Bonds, Refunding Series 1993, authorized by Article II of the ordinance entitled "Authorization for the Issuance of City of Chicago Motor Fuel Tax Revenue Bonds, Refunding Series 1993," adopted by the City Council of the City on April 22, 1993 and approved by the Mayor on the same day, as published in the Journal of Proceedings of the City Council of the City for that date at pages 31046 through 31071.

"Series 2003A Bonds" shall mean the City's Motor Fuel Tax Revenue Bonds, Series 2003A, authorized by Article II of the ordinance entitled "Authorization for the Issuance of City of Chicago Motor Fuel Tax Revenue Bonds, Series 2003," adopted by the City Council of the City on March 5, 2003, and approved by the Mayor on the same day, as published in the Journal of Proceedings for the regular meeting of the City Council of the City for that date at pages 104563 through 104665.

"Series 2008 Bonds" shall mean the City's Motor Fuel Tax Revenue Bonds, Series 2008A and Series 2008B, authorized by Article II of the ordinance entitled "Authorization for the Issuance of City of Chicago Motor Fuel Tax Revenue Bonds, Series 2007," adopted by the City Council of the City on September 27, 2007, and approved by the Mayor on the same day, as published in the Journal of Proceedings for the regular meeting of the City Council of the City for that date at pages 8140 through 8239.

"Series 2013 Bonds" shall mean the City's Motor Fuel Tax Revenue Bonds, Series 2013, authorized by Article II hereof, which may be issued in two or more Subseries, taxable or tax-exempt, if so provided in the Series 2013 Determination Certificate.

"**Series 2013 Debt Service Reserve Account**" shall mean as provided in Section 605.

"**Series 2013 Determination Certificate**" shall mean the certificate of an Authorized Officer filed with the Office of the City Clerk addressed to the City Council, as provided in Section 209(g) hereof.

"**Series 2013 Variable Rate Bonds**" shall mean the Series 2013 Bonds that are issued as Variable Rate Bonds pursuant to Articles III, IV and V hereof which may be issued in two or more Subseries if so provided in the Series 2013 Determination Certificate. If the Series 2013 Variable Rate Bonds are issued in two or more Subseries, the references to Series 2013 Variable Rate Bonds throughout this 2013 Series Ordinance shall mean the Series 2013 Variable Rate Bonds and any Subseries thereof, as applicable.

"**TIFIA Determination Certificate**" shall mean the TIFIA Loan Agreement.

"**TIFIA Loan Agreement**" shall mean the loan agreement by and between the City and the United States Department of Transportation, relating to the Riverwalk Expansion Project and the TIFIA Bond(s).

"**TIFIA Bond(s)**" shall mean the City's Motor Fuel Tax Revenue TIFIA Bond(s) authorized by Article II hereof and issued by the City pursuant to the TIFIA Loan Agreement. The TIFIA Bond(s) shall constitute Additional Bonds for purposes of the General Ordinance and this 2013 Series Ordinance.

"**TIFIA Reserve Requirement**" shall mean the amount (which may be zero) established in the TIFIA Determination Certificate as the "Reserve Requirement" for the TIFIA Bond(s).

"**2013 Reserve Requirement**" shall mean the amount (which may be zero) established in the Series 2013 Determination Certificate as the "Reserve Requirement" for the Series 2013 Bonds.

Section 103. Findings and Determinations.

It is found and declared by the City Council of the City of Chicago as follows:

(a) The City Council of the City of Chicago, by the General Ordinance, has provided for the issuance from time to time of Bonds for any purpose for which, under the Use of Motor Fuel Tax Funds Act, Bonds of the City lawfully may be issued.

(b) Pursuant to Section 301(2) of the General Ordinance, Bonds, including any Additional Bonds, are authorized to be issued in the form of fully registered bonds or notes without coupons.

(c) The City may, under the General Ordinance, issue Additional Bonds for any lawful purpose allowed by the Use of Motor Fuel Tax Funds Act if (i) there is then no default in the payment of Bonds or in making required deposits to the Debt Service Fund, (ii) the value of each Account in the Debt Service Reserve Fund is then not less than the Reserve Requirement for such Account, and (iii) the Revenues Test is met as required under the General Ordinance .

(d) It is necessary and in the best interest of the City to borrow money through the issuance of Additional Bonds for the purpose of (i) providing funds to refund the Refunded Bonds, (ii) paying the costs of acquiring, constructing, improving and equipping projects constituting Project Purposes, (iii) paying the costs of one or more of the following, if any, pertaining to such Additional Bonds: Credit Support Instruments, Reserve Fund Credit Instruments, and Interest Rate Hedge Agreements, (iv) paying the costs of one or more Interest Rate Hedge Agreements pertaining to any Outstanding Bonds where permitted by the General Ordinance, (v) paying Costs of Issuance of such Additional Bonds and expenses incurred in connection with the refunding of the Refunded Bonds, (vi) providing any required deposit to the Debt Service Reserve Fund created under the General Ordinance, (vii) paying the costs of one or more of the following, if any, pertaining to other Additional Bonds issued under this 2013 Series Ordinance: Credit Support Instruments, Reserve Fund Credit Instruments, and Interest Rate Hedge Agreements, and (viii) paying Costs of Issuance of other Additional Bonds issued under this 2013 Series Ordinance.

(e) The City Council finds and determines that (i) the Series 2013 Bonds are to be issued as Additional Bonds under the General Ordinance for lawful purposes allowed by the Use of Motor Fuel Tax Funds Act, (ii) there is no default in the payment of Bonds or in making required deposits to the Debt Service Fund, (iii) the value of each Account, relating to Outstanding Bonds as of the effective date of this 2013 Series Ordinance, in the Debt Service Reserve Fund is not less than the Reserve Requirement for such Account and the value of the Account to be established for the Series 2013 Bonds, if any, in the Debt Service Reserve Fund will not be less than the 2013 Reserve Requirement, and (iv) the Revenues Test will be met on the date the contract is made to sell the Series 2013 Bonds.

(f) The City has determined and does determine that it is necessary and desirable to finance all or a portion of the cost of acquiring, constructing, improving and equipping the Riverwalk Expansion Project. The Riverwalk Expansion Project constitutes a valid Project Purpose under the General Ordinance and a lawful purpose under the Use of Motor Fuel Tax Funds Act, for which Additional Bonds may be issued.

(g) The City is seeking a loan (the "TIFIA Loan") from the United States Department of Transportation, which is being made available pursuant to the Transportation Infrastructure Finance and Innovation Act, in order to finance all or a portion of the costs relating to the Riverwalk Expansion Project. The City's obligation to repay the TIFIA Loan shall be evidenced by the issuance of the TIFIA Bond(s) and the execution and delivery of the TIFIA Loan Agreement.

(h) The City Council of the City of Chicago finds and determines that (i) the TIFIA Bond(s) are to be issued as Additional Bonds under the General Ordinance for lawful purposes allowed by the Use of Motor Fuel Tax Funds Act, (ii) there is no default in the payment of Bonds or in making required deposits to the Debt Service Fund, (iii) the value of each Account, relating to Outstanding Bonds as of the effective date of this 2013 Series Ordinance, in the Debt Service Reserve Fund is not less than the Reserve Requirement for such Account and the value of the Account to be established for the TIFIA Bond(s), if any, in the Debt Service Reserve Fund will not be less than the TIFIA Reserve Requirement, and (iv) the Revenues Test will be met on the date the TIFIA Loan Agreement is executed and delivered.

(i) The City is a municipal corporation and, by virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, is a home rule unit of local government and as such may exercise any power and perform any function pertaining to its government and affairs. The City is authorized by its home rule powers to issue the Series 2013 Bonds and the TIFIA Bond(s) to evidence its obligation to repay the borrowings authorized by this 2013 Series Ordinance.

(j) The City has determined and does determine that it is necessary and desirable to issue the Series 2013 Bonds and the TIFIA Bond(s) as provided in this 2013 Series Ordinance to evidence the borrowings.

(k) The City Council of the City of Chicago finds and determines that it is necessary and desirable to amend the Municipal Code of Chicago to provide appropriate authority to enter into certain agreements regarding the Riverwalk Expansion Project and to provide for the designation of a fund into which certain revenues shall be deposited in order to provide additional security for repayment of Bonds.

(l) For the benefit of the Holders from time to time of the Bonds, the City pledges, assigns and grants to the Trustee a first lien on and first security interest in all Project Revenues held by the Trustee under this Ordinance for payment in full of the principal, Redemption and Purchase Prices of, and interest on the Bonds, as such amounts become due and payable.

(m) The delegations of authority that are contained in this 2013 Series Ordinance, including the authority to make the specific determinations authorized below, are necessary and desirable because this City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. The City's ability to issue the Series 2013 Bonds and the TIFIA Bond(s) without further action by this City Council with various interest rates, maturities, redemption provisions and other terms, all to be determined as provided below, will enhance the City's opportunities to refund the Refunded Bonds and finance projects constituting Project Purposes upon the most favorable terms available. Thus, authority is granted to any one of the Authorized Officers to (i) determine to sell the Series 2013 Bonds on such terms as and to the extent such officer determines that such sale and terms are desirable and in the best financial interest of the City and (ii) determine to execute the TIFIA Loan Agreement in order to issue the TIFIA Bond(s) on such terms as and to the extent such officer determines that such execution and issuance are desirable and in the best financial interest of the City.

Article II

AUTHORIZATION OF THE SERIES 2013 BONDS AND THE TIFIA BOND(S)

Section 201. Principal Amount, Purposes and Designation; Not Indebtedness.

The provisions of this Article II shall apply to all Series 2013 Bonds except, with respect to Series 2013 Variable Rate Bonds, to the extent that the provisions of Article III hereof are inconsistent with this Article II. In that event, with respect to Series 2013 Variable Rate Bonds,

Article III shall apply. The provisions of this Article II shall only apply to the TIFIA Bond(s) as specifically indicated to apply thereto herein.

The City is authorized to borrow money for the purposes specified in Section 202 in an aggregate principal amount not to exceed $275,000,000 plus the amount of original issue discount; such aggregate principal amount may consist of solely Series 2013 Bonds, solely TIFIA Bond(s), or any combination of both Series 2013 Bonds and TIFIA Bond(s). In evidence of its obligation to repay any such borrowings, the City is authorized to issue (i) the Series 2013 Bonds in a single series, or in two or more Subseries, and (ii) the TIFIA Bond(s). The Series 2013 Bonds, together with the TIFIA Bond(s), shall be issued in an aggregate principal amount not to exceed $275,000,000, as determined by an Authorized Officer in the Series 2013 Determination Certificate with respect to the Series 2013 Bonds and in the TIFIA Loan Agreement, with respect to the TIFIA Bond(s). The Series 2013 Bonds shall be designated "City of Chicago Motor Fuel Tax Revenue Bonds, Series 2013", and may include Subseries designations, if the Series 2013 Bonds are issued in two or more Subseries. Any Subseries of Series 2013 Bonds may be issued on a tax-exempt basis or a taxable basis. If a Subseries of Series 2013 Bonds is issued on a taxable basis, the word "Taxable" or a similar descriptive phrase may be included in the designation of such Subseries of Series 2013 Bonds. If some or all of the Series 2013 Bonds are issued as Series 2013 Variable Rate Bonds, the phrase "Variable Rate Demand" or a similar descriptive phrase may be included in the designation of such Series 2013 Variable Rate Bonds. The TIFIA Bond(s) shall be designated "City of Chicago Motor Fuel Tax Revenue TIFIA Bond(s)" or shall have such other designation as an Authorized Officer shall provide in the TIFIA Determination Certificate and may also be issued on a tax-exempt basis or taxable basis.

The Series 2013 Bonds and the TIFIA Bond(s) shall be limited obligations of the City having a claim for payment of principal, redemption premium and interest solely from Motor Fuel Tax Revenues which lawfully may be used for the payment of Municipal Indebtedness and from the Project Revenues on deposit in the Additional City Revenue Fund, on an equal and ratable basis with (i) the Series 1993 Bonds, the Series 2003 Bonds and the Series 2008 Bonds remaining Outstanding after the issuance of the Series 2013 Bonds and the TIFIA Bond(s), and (ii) any other Additional Bonds that may be issued.

The Series 2013 Bonds and the TIFIA Bond(s) shall not constitute an indebtedness of the City (i) within the meaning of any constitutional or statutory provision or limitation of indebtedness, or (ii) for which its full faith and credit is pledged. Each Series 2013 Bond and TIFIA Bond shall contain a statement to that effect.

Section 202. Purposes.

The borrowing and the issuance of the Series 2013 Bonds authorized in Section 201 hereof shall be for the purposes of (i) providing funds to refund the Refunded Bonds, (ii) paying the costs of or relating to acquiring, constructing, improving and equipping projects constituting Project Purposes, (iii) paying the costs of one or more of the following, if any, pertaining to the Series 2013 Bonds: Credit Support Instruments, Reserve Fund Credit Instruments, and Interest Rate Hedge Agreements, (iv) paying the costs of one or more Interest Rate Hedge Agreements pertaining to any Outstanding Bonds where permitted by the General Ordinance, (v) paying

Costs of Issuance of the Series 2013 Bonds and expenses incurred in connection with the refunding of the Refunded Bonds, (vi) paying capitalized interest, if any, on Series 2013 Bonds, (vii) providing funds to deposit in the Series 2013 Debt Service Reserve Account as provided in Section 605 hereof, (viii) paying the costs of one or more of the following, if any, pertaining to the TIFIA Bond(s): Credit Support Instruments, Reserve Fund Credit Instruments, and Interest Rate Hedge Agreements, (ix) paying Costs of Issuance of the TIFIA Bond(s), (x) paying capitalized interest, if any, on TIFIA Bond(s), and (xi) providing funds to deposit in the TIFIA Debt Service Reserve Account, as provided in Section 605 hereof.

The borrowing and the issuance of the TIFIA Bond(s) authorized in Section 201 hereof shall be for one or more of the following purposes: (i) paying the costs of or relating to acquiring, constructing, improving and equipping the Riverwalk Expansion Project (which constitutes a Project Purpose), (ii) paying the costs of one or more Credit Support Instruments and Reserve Fund Credit Instruments pertaining to the TIFIA Bond(s), (iii) paying capitalized interest, if any, on TIFIA Bond(s), and (iv) providing funds to deposit in the TIFIA Debt Service Reserve Account as provided in Section 605 hereof.

Section 203. Date, Denominations, Numbers.

The Series 2013 Bonds, other than Series 2013 Variable Rate Bonds, shall be issued as fully registered bonds without coupons in denominations of $5,000 or any integral multiple of that amount. Series 2013 Variable Rate Bonds shall be issued as fully registered bonds without coupons in Authorized Denominations (as defined in Section 302 hereof). Series 2013 Bonds issued prior to the first interest payment date shall be dated as provided in the applicable Bond Purchase Agreement, except that capital appreciation bonds and Series 2013 Variable Rate Bonds shall be dated as of the date they are issued. Series 2013 Bonds bearing interest payable currently that are issued on or subsequent to the first interest payment date shall be dated as provided in Section 301(3) of the General Ordinance. Series 2013 Bonds shall be numbered as provided in the Series 2013 Determination Certificate. Neither the City nor the Trustee shall be obligated to make any exchange or transfer of the Series 2013 Bonds during the fifteen (15) days next preceding an interest payment date on the Series 2013 Bonds or to make any such transfer or exchange in the case of any Series 2013 Bond proposed to be redeemed after the selection by the Trustee of such Series 2013 Bond for redemption.

The TIFIA Bond(s) shall be issued as fully registered bonds without coupons in denominations of $5,000 or any integral multiple of that amount, as determined pursuant to the TIFIA Loan Agreement.

Section 204. Maturity.

The principal of the Series 2013 Bonds shall be payable (either at maturity or pursuant to mandatory sinking fund redemption) on January 1 of such years as are provided in the Series 2013 Determination Certificate, with a final maturity not later than January 1, 2053. The Series 2013 Bonds shall be issued as Serial Bonds, as Term Bonds, as capital appreciation bonds, as Series 2013 Variable Rate Bonds, or as any combination of Serial Bonds, Term Bonds, capital appreciation bonds and Series 2013 Variable Rate Bonds. The maturities for the Series 2013 Bonds shall be provided in the Series 2013 Determination Certificate.

The principal of the TIFIA Bond(s) shall be payable (either at maturity or pursuant to mandatory sinking fund redemption) on such dates in such years as are provided in the TIFIA Loan Agreement, with a final maturity not later than the earlier of (i) January 1, 2063, or (ii) 35 years after the date of substantial completion (as defined in the TIFIA Loan Agreement) of the Riverwalk Expansion Project. The TIFIA Bond(s) shall be issued as Serial Bonds, Term Bonds, or as any combination of Serial Bonds and Term Bonds.

Section 205. Redemption, Notice of Redemption Terms.

(a) *Optional Redemption*. The Series 2013 Bonds shall be subject to redemption, in whole or in part, at the option of the City, at a price equal to their principal amount (or Compound Accreted Value for capital appreciation bonds) plus accrued interest, if any, to the date of redemption if the redemption date is not an interest payment date and, subject to the remaining provisions of this Section 205, upon such other terms as an Authorized Officer shall provide in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, each and all of which such Authorized Officer is authorized and directed to determine and approve on behalf of and in the name of the City. The Series 2013 Bonds shall be subject to optional redemption at any time on and after the first optional redemption date established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, at a redemption premium, if any, either (i) not greater than 105% of the principal amount (or Compound Accreted Value for capital appreciation bonds) of the Series 2013 Bonds to be so redeemed or (ii) if in the best interest of the City, as provided in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, at a redemption price structured to ensure that the holder of the Series 2013 Bonds at the time of redemption receives the economic value of its investment in the Series 2013 Bonds based on a formula designed to make the investor "whole" for the period of time specified in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, for the economic loss realized from the early redemption of the Series 2013 Bonds.

The TIFIA Bond(s) shall be subject to redemption, in whole or in part, at the option of the City, at any time or from time to time, at a redemption premium not greater than 105% of the then Outstanding principal amount of the TIFIA Bond(s) to be redeemed, with such premium and with such other terms as an Authorized Officer shall provide in the TIFIA Loan Agreement, each and all of which such Authorized Officer is authorized and directed to determine and approve on behalf of and in the name of the City.

(b) . *Mandatory Sinking Fund Redemption*. All or any portion of the Series 2013 Bonds may be Term Bonds subject to Sinking Fund Installments, subject to the remaining provisions of this Section 205, upon such other terms as an Authorized Officer shall provide in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, each and all of which such Authorized Officer is authorized and directed to determine and approve on behalf of and in the name of the City. Subject to the terms of Section 404 of the General Ordinance and Section 315 hereof, any Series 2013 Bonds that are Term Bonds shall be selected for redemption by lot by the Trustee, and shall be so redeemed at a price of 100% of the principal amount (or Compound Accreted Value for capital appreciation bonds) of the Series 2013 Bonds to be redeemed plus accrued interest, if any, to the date fixed for redemption if not an interest payment date. To the extent that Series 2013 Bonds that are Term Bonds have been previously

called for redemption in part otherwise than from a sinking fund payment, one or more Sinking Fund Installments for such Series 2013 Bonds as determined by the City in its sole discretion shall be reduced by amounts determined by the City in its sole discretion, which determinations shall be made by an Authorized Officer, *provided* that any reduction of any Sinking Fund Installment shall be in an amount of $5,000 or any integral multiple of that amount. Written notice of such determinations shall be sent promptly by the Authorized Officer to the Trustee.

In lieu of making all or any part of any sinking fund payment in cash, the City may, at its option, redeem Series 2013 Bonds that are Term Bonds through the purchase of such Series 2013 Bonds in the open market. Series 2013 Bonds shall not be purchased in the open market for such purpose at a price in excess of (i) their Outstanding principal amount (or Compound Accreted Value for capital appreciation bonds) plus (ii) the redemption premium, if any, applicable to the redemption of such Series 2013 Bonds on the next date on which they may be optionally redeemed plus (iii) accrued and unpaid interest, if the Series 2013 Bonds bear interest payable currently, on the principal of the purchased Series 2013 Bonds to the date of purchase. The total principal amount of the Series 2013 Bonds of any maturity and interest rate which shall be redeemed pursuant to purchase on the open market shall be a credit against and a reduction of any one or more applicable Sinking Fund Installments determined by the City in its sole discretion, which determination shall be made by an Authorized Officer; *provided* that any reduction of any Sinking Fund Installment shall be in an amount of $5,000 or any integral multiple of that amount. Written notice of that determination shall be sent promptly by the Authorized Officer to the Trustee.

The TIFIA Bond(s) shall be subject to mandatory redemption, in whole or in part, without penalty or premium, in the amounts and at the times required pursuant to the TIFIA Loan Agreement and upon such other terms as an Authorized Officer shall provide in the TIFIA Loan Agreement, each and all of which such Authorized Officer is authorized and directed to determine and approve on behalf of and in the name of the City.

(c) *Partial Redemption of Bonds*. In the event of a redemption of less than all the Series 2013 Bonds of a Subseries (if any), maturity and interest rate, the Trustee shall assign to each Outstanding Series 2013 Bond of such Subseries, maturity and interest rate in a denomination greater than $5,000 principal amount at maturity a distinctive number for each $5,000 principal amount at maturity portion of such Series 2013 Bond so as to distinguish each such $5,000 portion from each other portion of such Series 2013 Bond. Subject to the provisions of Section 404 of the General Ordinance and Section 315 hereof, the Trustee shall select by lot, using such method of selection as it shall deem proper in its sole discretion, from the numbers assigned to the Series 2013 Bonds of such Subseries, maturity and interest rate as many numbers as, at $5,000 for each number, shall equal the principal amount of Series 2013 Bonds of such Subseries, maturity and interest rate to be redeemed. The Series 2013 Bonds of such Subseries, maturity and interest rate to be redeemed shall be the Series 2013 Bonds to which were assigned the numbers so selected, but only so much of the principal amount of each such Series 2013 Bond of a denomination greater than $5,000 principal amount at maturity shall be redeemed as shall equal $5,000 principal amount at maturity for each number assigned to it and so selected. At any time the Series 2013 Bonds are held by DTC in its global Book Entry System, the foregoing shall be subject to their operating guidelines for selection by lottery.

(d) *Notice of Redemption*. In addition to the requirements set forth in Section 401 of the General Ordinance and except as hereinafter provided, any notice of redemption shall be given by the Trustee on behalf of the City (i) by first class mail, postage prepaid, with respect to Series 2013 Bonds bearing interest at a Short Rate, not less than 20 or more than 45 days prior to the date fixed for redemption, (ii) by first class mail, postage prepaid, with respect to Series 2013 Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, not less than 30 or more than 60 days prior to the date fixed for redemption, and (iii) with respect to Bank Bonds, as specified in below, in each case, to the Bank (if any), the Remarketing Agent (if any) and the Holders of the Series 2013 Bonds to be redeemed at their addresses as shown on the Bond Register. Prior to the date that the notice of redemption is first given as aforesaid with respect to an optional or extraordinary redemption, funds shall be placed with the Trustee to pay such Series 2013 Bonds, any premium thereon, and accrued interest thereon to the redemption date, or such notice shall state that any redemption is conditional on such funds being deposited on the redemption date; any funds so deposited with the Trustee shall be invested solely in Government Obligations maturing no later than the earlier of (i) 30 days after the date of placement with the Trustee, or (ii) the redemption date.

If Bank Bonds are to be redeemed pursuant to Sections 315(c) or (d) hereof, the Trustee shall give Immediate Notice of a redemption of Bank Bonds to the Bank at least one Business Day prior to the date fixed for redemption.

(i) Each notice of redemption shall (a) identify the Series 2013 Bonds to be redeemed by name, Series and Subseries (if any), CUSIP number, date of issue, interest rate and maturity date and, if only a portion of the Series 2013 Bonds (or any Subseries of Series 2013 Bonds) are to be redeemed, the certificate letters and numbers of such Series 2013 Bonds and the respective portions of the principal amounts to be redeemed, (b) identify the redemption date, (c) state the Redemption Price, (d) state that on the redemption date there shall become due and payable upon each Series 2013 Bond, the Redemption Price of the specified portions of the principal to be redeemed, together with unpaid interest accrued to the redemption date on the principal of the Series 2013 Bonds to be redeemed, and that from and after that date the interest on such principal amount shall cease to accrue and be payable if funds sufficient for their redemption and available for the purpose are on deposit with the Trustee on the redemption date, (e) state the place or places of payment of the Redemption Price, including the name of the Trustee and appropriate address or addresses with name of the contact person and telephone number at the Trustee and that payment for the Series 2013 Bonds will be made on the redemption date at the designated office of the Trustee during normal business hours upon the surrender of the Series 2013 Bonds to be redeemed, and (f) shall include such other information as the Trustee shall deem appropriate or necessary at the time such notice is given to comply with any applicable law, regulation or industry standard.

Notices of redemption shall also be forwarded to the Securities Depository by first class mail, telecopier or electronic mail. If the Series 2013 Bonds are not then held under a Book Entry System, further notice shall be given by the Trustee to one or more national information services if any exist, chosen in the discretion of the Trustee, that disseminate notice of redemption of obligations such as the Series 2013 Bonds.

A second redemption notice shall be sent by telecopier or electronic mail not more than 60 days after the redemption date, to each Registered Owner of Series 2013 Bonds called for redemption who has not presented such Series 2013 Bonds within 30 days following the redemption date.

If any Series 2013 Bond is transferred or exchanged on the Bond Register after notice has been given calling such Series 2013 Bond for redemption, the Trustee shall attach a copy of such notice to the Series 2013 Bond issued in connection with such transfer or exchange.

Failure to give notice in the manner prescribed hereunder with respect to any Series 2013 Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Series 2013 Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Series 2013 Bonds to be redeemed and to pay interest due thereon and premium, if any, the Series 2013 Bonds thus called shall not, after the applicable redemption date, bear interest or be deemed to be Outstanding under the provisions of this 2013 Series Ordinance.

Notwithstanding any contrary provision in Section 1201(3) of the General Ordinance, any monies held by the Trustee in trust for the payment of the Redemption Price of any of the Series 2013 Bonds which remain unclaimed, shall be retained by the Trustee for at least one year after the final maturity date of the Series 2013 Bonds or advance refunding date, if applicable, and, after such date, upon the City's written request, shall be repaid by the Trustee to the City as its absolute property and free from trust, and the Trustee shall thereupon be released and discharged with respect to such amounts and the Holders shall look only to the City for the payment of such Series 2013 Bonds.

With respect to the TIFIA Bond(s), in addition to the requirements set forth in Section 401 of the General Ordinance, any notice of redemption shall be given upon such other terms as an Authorized Officer shall provide in the TIFIA Loan Agreement, each and all of which such Authorized Officer is authorized and directed to determine and approve on behalf of and in the name of the City.

Section 206. Interest.

The Series 2013 Bonds shall bear interest (or, in the case of capital appreciation bonds, accrue interest) from their date until principal is paid at a rate or rates per year (or, in the case of capital appreciation bonds, at a yield) determined by an Authorized Officer and provided in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, which shall be in the judgment of the Authorized Officer the best interest rates for which the Series 2013 Bonds (other than Series 2013 Variable Rate Bonds) can be sold in the market and which result in a true interest cost (expressed as a percentage) not in excess of 18% computed on the basis of a 360-day year consisting of twelve 30-day months. Not all Series 2013 Bonds maturing on the same date need bear interest at the same interest rate per year (or, in the case of capital appreciation bonds, accrue interest at the same yield). Interest on the Series 2013 Bonds (other than Series 2013 Variable Rate Bonds) on which interest is payable currently shall be payable semi-annually on January 1 and July 1 in each year, with the first interest payment date being

fixed by the Authorized Officer in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

The TIFIA Bond(s) shall bear interest from their date until principal is paid at a rate or rates per year determined by an Authorized Officer and provided in the TIFIA Loan Agreement which shall result in a true interest cost (expressed as a percentage) not in excess of 18% computed on the basis of a 365- or 366-day year for actual days elapsed. Interest on the TIFIA Bond(s) shall be payable on such dates as provided in the TIFIA Loan Agreement.

Section 207. Places and Medium of Payment.

Subject to the provisions of Section 201 above, the principal or Compound Accreted Value and Redemption Price of all Series 2013 Bonds (and the interest payable on any date of redemption other than on an interest payment date) shall be payable at the designated corporate trust office of the Trustee in Chicago, Illinois. The Trustee is appointed Paying Agent for the Series 2013 Bonds. The Trustee may exercise the duties of Paying Agent in whole or in part through the Trustee's Agent (as defined in Section 302). Interest on the Series 2013 Bonds payable on any interest payment date shall be payable by check mailed by the Trustee to the Holders of the Series 2013 Bonds at their addresses as shown on the registration books of the City maintained by the Bond Registrar. The interest payable on the Series 2013 Bonds on each interest payment date will be paid to the persons in whose names the Series 2013 Bonds are registered on the applicable Record Date. Upon request of a Holder of at least $1,000,000 in principal amount at maturity of the Series 2013 Bonds Outstanding, all payments of principal or Compound Accreted Value, Redemption Price and interest on the Series 2013 Bonds shall be paid by wire transfer in immediately available funds to an account designated by such Holder. CUSIP number identification with appropriate dollar amounts for each CUSIP number must accompany all payments of principal or Compound Accreted Value, Redemption Price, Purchase Price and interest, whether payment is made by presentation, by check or by wire transfer.

In the case of the TIFIA Bond(s), the principal and Redemption Price of the TIFIA Bond(s) and the interest on the TIFIA Bond(s), as due, shall be paid to the United States Department of Transportation or as otherwise provided in accordance with the TIFIA Loan Agreement.

Section 208. Global Book Entry System.

Except as may be otherwise provided in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, the Series 2013 Bonds shall be initially issued in the form of a separate single fully registered Bond for each maturity of such Series. Upon initial issuance, the ownership of each Series 2013 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, and except as provided in this 2013 Series Ordinance, the ownership of all of the outstanding Series 2013 Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

The provisions of this Section shall apply as long as the Series 2013 Bonds are maintained in Book Entry Form, any provisions of this 2013 Series Ordinance to the contrary notwithstanding. Notwithstanding anything else to the contrary herein, so long as DTC is the

Securities Depository, the Series 2013 Bonds shall be subject to the operational arrangements of DTC in effect from time to time.

(a) The Series 2013 Bonds shall be payable to the Securities Depository, or its nominee, as the Holder of the Series 2013 Bonds, in same day funds on each date on which the principal or Compound Accreted Value, Redemption Price or Purchase Price of, and interest on the Series 2013 Bonds is due as set forth in this 2013 Series Ordinance and the Series 2013 Bonds. Such payments shall be made to the offices of the Securities Depository specified by the Securities Depository to the City and the Trustee in writing. Without notice to or the consent of the beneficial owners of the Series 2013 Bonds, the City and the Securities Depository may agree in writing to make payments of principal or Compound Accreted Value, Redemption Price or Purchase Price of, and interest in a manner different from that set forth herein. If such different manner of payment is agreed upon, the City shall give the Trustee notice thereof, and the Trustee shall make payments with respect to the Series 2013 Bonds in the manner specified in such notice as set forth herein. Neither the City nor the Trustee shall have any obligation with respect to the transfer or crediting of the principal or Compound Accreted Value, Redemption Price or Purchase Price of, and interest on the Series 2013 Bonds to Participants or the beneficial owners of the Series 2013 Bonds or their nominees.

(b) If (i) the City determines, or (ii) the City receives notice that the Securities Depository has received notice from its Participants having interests in at least 50 percent in principal amount of the Series 2013 Bonds, that the Securities Depository or its successor is incapable of discharging its responsibilities as a securities depository, or that it is in the best interests of the beneficial owners that they obtain certificated Series 2013 Bonds, the City may (or, in the case of clause (ii) above, the City shall) cause the Trustee to authenticate and deliver Series 2013 Bond certificates. The City shall have no obligation to make any investigation to determine the occurrence of any events that would permit the City to make any determination described in this paragraph.

(c) If, following a determination or event specified in paragraph (b) above, the City discontinues the maintenance of the Series 2013 Bonds in Book Entry Form with the then current Securities Depository, the City will issue replacement Series 2013 Bonds to the replacement Securities Depository, if any, or, if no replacement Securities Depository is selected for the Series 2013 Bonds, directly to the Participants as shown on the records of the former Securities Depository or, to the extent requested by any Participant, to the beneficial owners of the Series 2013 Bonds shown on the records of such Participant. Replacement Series 2013 Bonds shall be in fully registered form and in Authorized Denominations, be payable as to interest on the Interest Payment Dates of the Series 2013 Bonds by check mailed to each Registered Owner at the address of such Registered Owner as it appears on the Bond Register or, at the option of any Registered Owner of not less than $1,000,000 principal amount of Series 2013 Bonds, by wire transfer to any address in the United States of America on such Interest Payment Date to such Registered Owner as of such Record Date, if such Registered Owner provides the Trustee with written notice of such wire transfer address not later than the Record Date (which notice may provide that it will remain in effect with respect to subsequent Interest Payment Dates unless and until changed or revoked by subsequent notice). Principal or Compound Accreted Value, Redemption Price or Purchase Price of the replacement Series 2013 Bonds are payable

only upon presentation and surrender of such replacement Series 2013 Bond(s) at the designated office of the Trustee.

(d) The Securities Depository and its Participants, and the beneficial owners of the Series 2013 Bonds, by their acceptance of the Series 2013 Bonds, agree that the City and the Trustee shall not have liability for the failure of such Securities Depository to perform its obligations to the Participants and the beneficial owners of the Series 2013 Bonds, nor shall the City or the Trustee be liable for the failure of any Participant or other nominee of the beneficial owners to perform any obligation of the Participant to a beneficial owner of the Series 2013 Bonds.

(e) As long as Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the Registered Owner of the Series 2013 Bonds, as nominee of DTC, references herein to the Registered Owners of the Series 2013 Bonds shall mean Cede & Co. and shall not mean the beneficial owners of the Series 2013 Bonds.

(f) As long as Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the Registered Owner of the Series 2013 Bonds:

(i) selection of Series 2013 Bonds to be redeemed upon partial redemption, presentation of Series 2013 Bonds to the Trustee upon partial redemption, delivery of Series 2013 Bonds to the Trustee in connection with an optional or mandatory tender, or redelivery of such Series 2013 Bonds by the Trustee to Registered Owners following a remarketing or failed conversion to the Fixed Rate shall be deemed made when the right to exercise ownership rights in such Series 2013 Bonds through DTC or DTC's Participants is transferred by DTC on its books;

(ii) notices of demand for purchase of Series 2013 Bonds shall be given by the beneficial owners of such Series 2013 Bonds exercising ownership rights to the Remarketing Agent (as defined in Section 302 hereof) (pursuant to DTC's deliver order procedures) by telephonic or electronic notice (confirmed in writing) or written notice;

(iii) any notices of the interest rate on the Series 2013 Bonds to be provided by the Trustee shall be provided to anyone identifying itself to the Trustee as a person entitled to exercise ownership rights with respect to such Series 2013 Bonds through DTC or its Participants;

(iv) DTC may present notices, approvals, waivers or other communications required or permitted to be made by Registered Owners on a fractionalized basis on behalf of some or all of those persons entitled to exercise ownership rights in the Series 2013 Bonds through DTC or its Participants; and

(v) beneficial interests in Bank Bonds (as defined in Section 302 hereof) shall be held for the account of the Bank (or its Participant) on the records of DTC.

(g) The TIFIA Bond(s) shall be held by the United States Department of Transportation or as otherwise provided in accordance with the TIFIA Loan Agreement.

Section 209. Sale of Series 2013 Bonds.

(a) Each of the Authorized Officers is authorized to execute one or more Bond Purchase Agreements on behalf of the City providing for the sale by the City of the Series 2013 Bonds pursuant to one or more negotiated sales on such terms as he or she may deem to be in the best interests of the City as provided in this 2013 Series Ordinance. Except as otherwise provided in this Section 209, the purchase price shall not be less than 97% of the original principal amount of the Series 2013 Bonds, plus accrued interest, if applicable, less the amount of original issue discount, if any, on the Series 2013 Bonds from their date to the date of their delivery. Any Series 2013 Bonds sold at an original issue discount shall have a principal amount (net of original issue discount) not to exceed $275,000,000, shall be sold in the aggregate at an original issue discount of not to exceed 10% of their principal amount, and the original issue discount on such Series 2013 Bonds may not result in a yield to maturity in excess of the maximum rate of interest specified in Section 206 hereof.

(b) An Authorized Officer shall establish the terms of the Series 2013 Bonds and of their sale to the Initial Purchasers in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable. The terms to be so determined include, without limitation, the purchase price to be paid by the Initial Purchasers pursuant to Section 209(a) above, the aggregate principal amount of the Series 2013 Bonds, the maturities of the Series 2013 Bonds, the amount of any original issue discount, the amount of the 2013 Reserve Requirement, the issuance of the Series 2013 Bonds in a single Series or two or more Subseries, and as Serial Bonds, Term Bonds, capital appreciation bonds, Series 2013 Variable Rate Bonds, or any combination of Serial Bonds, Term Bonds, capital appreciation bonds and Series 2013 Variable Rate Bonds, the numbering of the Series 2013 Bonds, the interest rate or rates and the first interest payment dates for the Series 2013 Bonds that bear interest payable currently and the yield to maturity of any capital appreciation bonds, whether the Series 2013 Bonds shall be issued initially in the form of a single or more than one fully registered Series 2013 Bond for each maturity, the issuance of Series 2013 Bonds as Series 2013 Bonds the interest on which is excluded from gross income for federal income tax purposes, as Series 2013 Bonds the interest on which is not excluded from gross income for federal income tax purposes, or any combination thereof, and the prices and other terms upon which the Series 2013 Bonds are subject to redemption, all as provided in and subject to the limitations expressed in this Article II, including the limitation specified in Section 206 hereof and, with respect to Series 2013 Variable Rate Bonds, elsewhere in this 2013 Series Ordinance. The Authorized Officer may in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, make such changes to the terms of the Series 2013 Bonds and the form of the Series 2013 Bonds from those provided in this 2013 Series Ordinance as he or she shall determine but which shall result in the Series 2013 Bonds having substantially the terms and being in substantially one of the forms provided by this 2013 Series Ordinance. In the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, the Authorized Officer shall also (i) identify any Banks and Credit Support Instruments to be obtained to secure the payment of debt service on and/or the Purchase Price of the Series 2013 Bonds, (ii) identify any Reserve Fund Credit Instruments to be obtained in respect of the Series 2013 Bonds and the company or companies providing them, (iii) identify the Initial Purchasers selected by the Authorized Officer, (iv) specify the compensation to be paid to the Initial Purchasers in connection with the sale of the Series 2013 Bonds, and (v) identify any Interest Rate Hedge Agreements entered into or to be entered into

with respect to the Series 2013 Bonds or with respect to any Outstanding Bonds (where permitted by the General Ordinance).

(c) Each of the Authorized Officers is further authorized to take the actions and execute and deliver the documents and instruments necessary in connection with the issuance of the Series 2013 Bonds as specified in this 2013 Series Ordinance. The Series 2013 Bonds shall be then duly prepared and executed in substantially the form and manner provided in this 2013 Series Ordinance and delivered by an Authorized Officer to the Initial Purchasers or the Trustee in accordance with the terms of the Bond Purchase Agreements and the Series 2013 Determination Certificate.

(d) The City is authorized to enter into the Bond Purchase Agreements, which shall be in substantially the form previously used for similar revenue bond financings of the City, with appropriate revisions to reflect the terms and provisions of the Series 2013 Bonds and such other revisions in text as the Authorized Officer executing the applicable Bond Purchase Agreement shall determine are necessary or desirable in connection with the sale of the Series 2013 Bonds. Each of the Authorized Officers is authorized to execute one or more of the Bond Purchase Agreements on behalf of and in the name of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council (to be filed in the Office of the City Clerk and addressed to the City Council as provided in this 2013 Series Ordinance).

(e) The preparation, use and distribution of a preliminary official statement, an official statement or any other disclosure document relating to each sale and issuance of the Series 2013 Bonds are hereby ratified and approved. The Mayor and each Authorized Officer are each hereby authorized to execute and deliver an official statement or other disclosure document relating to each sale and issuance of the Series 2013 Bonds on behalf of the City. The preliminary official statement, official statement and other disclosure documents herein authorized shall be substantially similar to those previously used for similar revenue bond financings of the City, or shall contain disclosure information substantially similar to that presented in such financings and shall reflect the terms and provisions of the Series 2013 Bonds, the manner in which the Series 2013 Bonds shall be sold, the use of proceeds of the Series 2013 Bonds, financial information for the City, and such other information as any Authorized Officer determines to be advisable under the circumstances. Upon sale of the Series 2013 Bonds, each Authorized Officer is authorized to (i) cause one or more final Official Statements or other disclosure documents to be prepared, (ii) execute and deliver the final official statements or other disclosure documents to the Initial Purchasers and (iii) file the final official statements or other disclosure documents with the Office of the City Clerk, addressed to the City Council. The circulation by the Initial Purchasers of the preliminary official statements, the official statements, and other disclosure documents, if any is ratified, confirmed and approved.

(f) Upon a finding by an Authorized Officer in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, that the purchase of one or more Credit Support Instruments or one or more Reserve Fund Credit Instruments for the Series 2013 Bonds is likely to facilitate the marketing and sale of all or some of the Series 2013 Bonds and permit completion of such sale in a timely fashion, and that each such instrument is available at an acceptable price, each Authorized Officer is authorized to cause the City to purchase one or more Credit Support Instruments or Reserve Fund Credit Instruments for all or any portion of the

Series 2013 Bonds, payable from amounts received upon the sale of the Series 2013 Bonds or from other amounts lawfully available for that purpose. Each such instrument shall be provided by a bank or other financial institution (in the case of a Credit Support Instrument) or, in the case of a Reserve Fund Credit Instrument, a provider which satisfies the criteria in the definition of the term "Reserve Fund Credit Instrument," that is approved by the Authorized Officer. Each of the Authorized Officers is authorized to enter into commitments with respect to the terms under which Credit Support Instruments or Reserve Fund Credit Instruments will be issued and on behalf of the City may enter into such agreements and may make such covenants with respect to such instruments that are consistent with this 2013 Series Ordinance; *provided, however,* that any agreement to reimburse a provider of a Credit Support Instrument or a Reserve Fund Credit Instrument shall be payable solely and only from the sources pledged to the payment of the Series 2013 Bonds as described in Section 201 hereof. Any Credit Support Instrument or Reserve Fund Credit Instrument and any related reimbursement agreement (and any related promissory note) shall be in substantially the form of the credit facilities and reimbursement agreements (and related promissory notes) previously entered into by the City in connection with the sale of revenue obligations of the City, but with such revisions in text as an Authorized Officer shall determine are necessary or desirable, the execution of such instruments by such Authorized Officer to evidence this City Council's approval of all of such revisions. Promissory notes relating to any Credit Support Instruments, Reserve Fund Credit Instruments and any related reimbursement agreements shall mature not later than the final maturity date of the Series 2013 Bonds. The annual fee paid to any provider of a Credit Support Instrument shall not exceed three percent (3.0%) of the average principal amount of the Series 2013 Bonds secured by such instrument that are Outstanding during such annual period and the annual fee paid to any provider of a Reserve Fund Credit Instrument shall not exceed three percent (3.0%) of the average principal amount of the Series 2013 Bonds secured by such instrument that are Outstanding during such annual period. The reimbursement obligations of the City under any such reimbursement agreement (and any related promissory note) shall be payable solely and only from the sources pledged to the payment of the Series 2013 Bonds as described in Section 201 hereof and shall bear interest at a rate not exceeding eighteen percent (18.0%) per year. The final form of any such reimbursement agreement entered into by the City with respect to a Credit Support Instrument or a Reserve Fund Credit Instrument shall be attached to the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

(g) Subsequent to such sale, the applicable Authorized Officer shall execute and file in the Office of the City Clerk, addressed to the City Council, (i) the Series 2013 Determination Certificate setting forth the terms of sale of the Series 2013 Bonds, the interest rate or rates on the Series 2013 Bonds that bear interest payable currently, or, in the case of Series 2013 Variable Rate Bonds, a description of the method of determining the interest rate to be borne by such Series 2013 Variable Rate Bonds from time to time, the yield to maturity of any capital appreciation bonds, the numbering of the Series 2013 Bonds, the redemption terms for the Series 2013 Bonds, findings with respect to and the identity of any providers of Credit Support Instruments, Reserve Fund Credit Instruments, and Interest Rate Hedge Agreements for the Series 2013 Bonds, findings with respect to and the identity of any providers of Interest Rate Hedge Agreements for Outstanding Bonds identified in the Series 2013 Determination Certificate for which such agreements are permitted under the General Ordinance, the identity of any remarketing agent or tender agent to be retained in connection with any Series 2013 Variable

Rate Bonds, the amount to be borrowed to pay the costs of projects constituting Project Purposes as provided in Section 209(j) hereof, and such other terms as are identified in Section 209(b) hereof, (ii) an executed copy of the Bond Purchase Agreements, reflecting concurrence of the Chairman of the Committee on Finance of the City Council in the determinations made by the Authorized Officer as to the terms and the terms of sale of the Series 2013 Bonds, (iii) the final official statements of the City as provided in Section 209(e) hereof, (iv) the final Escrow Deposit Agreements (as defined below) as provided in Section 209(h) hereof, (v) the final forms of any reimbursement agreements under Section 209(f) hereof, and (vi) the final forms of any Pledge Agreements (as defined in Section 302 hereof) under Section 209(k) hereof.

(h) The City is authorized to enter into one or more Escrow Deposit Agreements (the **"Escrow Deposit Agreements"**) with an escrow agent to be designated by an Authorized Officer substantially in the form previously used for similar refunding financings of the City, with appropriate revisions to reflect the terms and provisions of the refunding of the Refunded Bonds and such other revisions in text as the Authorized Officer shall determine are necessary or desirable in connection with the refunding of the Refunded Bonds. Each of the Authorized Officers is authorized to execute and deliver the Escrow Deposit Agreements on behalf of the City. The execution of the Escrow Deposit Agreements by an Authorized Officer shall be conclusive evidence of their approval and this City Council's approval of the form of such agreements. In addition, each of the Authorized Officers is authorized to execute and deliver on behalf of the City one or more contracts under which amounts coming due on investments in the Escrow Account may be reinvested until required, all as may be provided in the Escrow Deposit Agreements.

(i) In connection with any sale of the Series 2013 Bonds, each of the Authorized Officers is authorized to execute and deliver, if necessary, a Continuing Disclosure Undertaking with respect thereto (the **"Continuing Disclosure Undertaking"**) evidencing the City's agreement to comply to the extent required by law with the provisions of Section (b)(5) of Rule 15c2-12, adopted by the Securities and Exchange Commission (the **"SEC"**) under the Securities Exchange Act of 1934, as amended (the **"1934 Act"**) in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as provided in this 2013 Series Ordinance, the Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. The Authorized Officer is further authorized to amend the Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as they shall deem necessary. In addition, each Authorized Officer is authorized to make all future filings with the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board or such other municipal securities information repository as shall be designated by the SEC, all in accordance with the provisions of Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the 1934 Act. Notwithstanding any other provision of the General Ordinance or this 2013 Series Ordinance, the sole remedy for any failure by the City to comply with the Continuing Disclosure Undertaking shall be the ability of the Holder of any Series 2013 Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

(j) Upon a determination by an Authorized Officer made at the time of sale of the Series 2013 Bonds and set forth in the Series 2013 Determination Certificate, the amount of money which the City shall borrow and in respect of which the City shall issue the Series 2013 Bonds may be reduced so that the amount so borrowed and available to pay the costs of acquiring, constructing, improving and equipping projects constituting Project Purposes does not exceed the amount which the Authorized Officer determines will be needed by the City for that purpose during the three-year period following the issuance and delivery of the Series 2013 Bonds, taking into account moneys that will be available from other sources to pay such costs.

(k) In connection with the issuance of Series 2013 Variable Rate Bonds under Articles III, IV and V hereof, each of the Authorized Officers is authorized to execute and deliver one or more Pledge Agreements providing for the custody and disposition of Bank Bonds or as may be required by the applicable Bank. The Pledge Agreements shall be in substantially the form previously used for similar variable rate bond financings of the City, with appropriate revisions to reflect the terms and provisions of the Series 2013 Variable Rate Bonds and such other revisions in text as the Authorized Officer shall determine are necessary or desirable in connection with the sale of the Series 2013 Variable Rate Bonds.

Section 210. Execution of TIFIA Loan Agreement; Issuance of TIFIA Bond(s); Execution of Other Documents.

(a) Each of the Authorized Officers is authorized to execute a TIFIA Loan Agreement on behalf of the City providing for one or more loans from the United States Department of Transportation in an aggregate amount not to exceed $275,000,000 in connection with the Riverwalk Expansion Project. The TIFIA Loan Agreement shall be in the form as required by the United States Department of Transportation with such changes thereto as shall be determined by an Authorized Officer to be in the best interests of the City.

(b) Subject to the applicable limits specified in Article II hereof, an Authorized Officer shall establish certain terms of the TIFIA Loan Agreement and of the TIFIA Bond(s). The terms to be so determined include, without limitation, the aggregate principal amount of the loan under the TIFIA Loan Agreement, the maturities of the TIFIA Bond(s), the amount of the TIFIA Reserve Requirement, the interest rate or rates and the interest payment dates for the TIFIA Bond(s), the terms upon which the TIFIA Bond(s) can be redeemed, and the terms and conditions under which TIFIA Bond proceeds are disbursed for Project Purposes.

(c) Each of the Authorized Officers is further authorized to take the actions and execute and deliver all documents and instruments necessary in connection with the TIFIA Bond(s) as specified in this 2013 Series Ordinance. The TIFIA Bond(s) shall be then duly prepared and executed in substantially the form and manner provided in this 2013 Series Ordinance and delivered by an Authorized Officer to the United States Department of Transportation or as otherwise provided in accordance with the terms of the TIFIA Loan Agreement.

(d) In connection with such issuance of the TIFIA Bond(s), the applicable Authorized Officer shall execute and file in the Office of the City Clerk, addressed to the City Council, an

executed copy of the TIFIA Loan Agreement, reflecting the determinations made by the Authorized Officer as to the terms and the terms of the TIFIA Bond(s).

(e) Any Authorized Officer and the Commissioner are each hereby authorized to enter into such documents and agreements with state and federal agencies as shall be required in connection with oversight and management of the construction of the Riverwalk Expansion Project.

(f) The Commissioner is hereby authorized to purchase, from legally available funds, mitigation credits from such parties and in such amounts as may be required by the United States Department of Transportation in connection with the Riverwalk Expansion Project.

(g) The preparation, use and distribution of a preliminary official statement, an official statement or any other disclosure document relating to each sale and issuance of the TIFIA Bond(s) are hereby ratified and approved. The Mayor and each Authorized Officer are each hereby authorized to execute and deliver an official statement or other disclosure document relating to each sale and issuance of the TIFIA Bond(s) on behalf of the City. The preliminary official statement, official statement and other disclosure documents herein authorized shall be substantially similar to those previously used for similar revenue bond financings of the City, or shall contain disclosure information substantially similar to that presented in such financings and shall reflect the terms and provisions of the TIFIA Bond(s), the manner in which the TIFIA Bond(s) shall be sold, the use of proceeds of the TIFIA Bond(s), financial information for the City, and such other information as any Authorized Officer determines to be advisable under the circumstances. Upon sale of the TIFIA Bond(s), each Authorized Officer is authorized to (i) cause one or more final Official Statements or other disclosure documents to be prepared, (ii) execute and deliver the final official statement or other disclosure documents to the holder(s) of the TIFIA Bond(s) or as otherwise provided in the TIFIA Loan Agreement and (iii) file the final official statement or other disclosure documents with the Office of the City Clerk, addressed to the City Council.

(h) Upon a finding by an Authorized Officer in the TIFIA Determination Certificate that the purchase of one or more Credit Support Instruments or one or more Reserve Fund Credit Instruments for the TIFIA Bond(s) is likely to facilitate the marketing and sale of all or some of the TIFIA Bond(s) and permit completion of such sale in a timely fashion, and that each such instrument is available at an acceptable price, each Authorized Officer is authorized to cause the City to purchase one or more Credit Support Instruments or Reserve Fund Credit Instruments for all or any portion of the TIFIA Bond(s), payable from amounts received upon the sale of the Additional Bonds issued under this 2013 Series Ordinance or from other amounts lawfully available for that purpose. Each such instrument shall be provided by a bank or other financial institution (in the case of a Credit Support Instrument) or, in the case of a Reserve Fund Credit Instrument, a provider which satisfies the criteria in the definition of the term "Reserve Fund Credit Instrument," that is approved by the Authorized Officer. Each of the Authorized Officers is authorized to enter into commitments with respect to the terms under which Credit Support Instruments or Reserve Fund Credit Instruments will be issued and on behalf of the City may enter into such agreements and may make such covenants with respect to such instruments that are consistent with this 2013 Series Ordinance; *provided, however,* that any agreement to reimburse a provider of a Credit Support Instrument or a Reserve Fund Credit Instrument shall

be payable solely and only from the sources pledged to the payment of the TIFIA Bond(s) as described in Section 201 hereof. Any Credit Support Instrument or Reserve Fund Credit Instrument and any related reimbursement agreement (and any related promissory note) shall be in substantially the form of the credit facilities and reimbursement agreements (and related promissory notes) previously entered into by the City in connection with the sale of revenue obligations of the City, but with such revisions in text as an Authorized Officer shall determine are necessary or desirable, the execution of such instruments by such Authorized Officer to evidence this City Council's approval of all of such revisions. Promissory notes relating to any Credit Support Instruments, Reserve Fund Credit Instruments and any related reimbursement agreements shall mature not later than the final maturity date of the TIFIA Bond(s). The annual fee paid to any provider of a Credit Support Instrument shall not exceed three percent (3.0%) of the average principal amount of the TIFIA Bond(s) secured by such instrument that are Outstanding during such annual period and the annual fee paid to any provider of a Reserve Fund Credit Instrument shall not exceed three percent (3.0%) of the average principal amount of the TIFIA Bond(s) secured by such instrument that are Outstanding during such annual period. The reimbursement obligations of the City under any such reimbursement agreement (and any related promissory note) shall be payable solely and only from the sources pledged to the payment of the TIFIA Bond(s) as described in Section 201 hereof and shall bear interest at a rate not exceeding eighteen percent (18.0%) per year. The final form of any such reimbursement agreement entered into by the City with respect to a Credit Support Instrument or a Reserve Fund Credit Instrument shall be attached to the TIFIA Determination Certificate.

(i) In connection with any sale of the TIFIA Bond(s), each of the Authorized Officers is authorized to execute and deliver, if necessary, a Continuing Disclosure Undertaking with respect thereto (the **"TIFIA Continuing Disclosure Undertaking"**) evidencing the City's agreement to comply to the extent required by law with the provisions of Section (b)(5) of Rule 15c2-12, adopted by the SEC under 1934 Act in a form approved by the Corporation Counsel. Upon its execution and delivery on behalf of the City as provided in this 2013 Series Ordinance, the TIFIA Continuing Disclosure Undertaking will be binding on the City, and the officers, employees and agents of the City are authorized to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the TIFIA Continuing Disclosure Undertaking as executed. The Authorized Officer is further authorized to amend the TIFIA Continuing Disclosure Undertaking in accordance with its terms from time to time following its execution and delivery as they shall deem necessary. In addition, each Authorized Officer is authorized to make all future filings with the Electronic Municipal Market Access system operated by the Municipal Securities Rulemaking Board or such other municipal securities information repository as shall be designated by the SEC, all in accordance with the provisions of Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the 1934 Act. Notwithstanding any other provision of the General Ordinance or this 2013 Series Ordinance, the sole remedy for any failure by the City to comply with the TIFIA Continuing Disclosure Undertaking shall be the ability of the Holder of any TIFIA Bond to seek mandamus or specific performance by court order to cause the City to comply with its obligations under the TIFIA Continuing Disclosure Undertaking.

Section 211. Contracts Relating to Interest Rate Hedge Agreements.

(a) Each of the Authorized Officers is authorized to execute and deliver from time to time, with respect to the Series 2013 Bonds or (to the extent permitted under the General Ordinance) any Outstanding Bonds identified in the Series 2013 Determination Certificate, or both, one or more Interest Rate Hedge Agreements, with counterparties selected by an Authorized Officer, the purpose of which is to provide to the City (i) an interest rate basis, cash flow basis, or other basis different from that provided in the applicable Series of Bonds for the payment of interest, or (ii) with respect to a future delivery of a Series of Bonds, one or more of a guaranteed interest rate, interest rate basis, cash flow basis or purchase price. Interest Rate Hedge Agreements include without limitation agreements or contracts commonly known as interest rate exchange, swaps, including forward starting swaps, collar, caps, or derivative agreements, forward payment conversion agreements, interest rate locks, forward bond purchase agreements, bond warrant agreements, or bond purchase option agreements and also include agreements granting to the City or a counterparty an option to enter into any of the foregoing and agreements or contracts providing for payments based on levels of or changes in interest rates, including a change in an interest rate index, to exchange cash flows or a Series of payments, or to hedge payment, rate spread, or similar exposure. Except as set forth below, the stated aggregate notional amount under all Interest Rate Hedge Agreements authorized under this Section (net of "offsetting transactions" entered into by the City) shall not exceed (A) the aggregate principal amount of the Series 2013 Bonds for Interest Rate Hedge Agreements entered into with respect to the Series 2013 Bonds or (B) the aggregate principal amount of the applicable Outstanding Series of Bonds for Interest Rate Hedge Agreements entered into with respect to such Series of Bonds. For purposes of this Section, the term "*offsetting transactions*" shall include any transaction which is intended to hedge, modify or otherwise affect another outstanding transaction or its economic results. The offsetting transaction need not be based on the same index or rate option as the related Bonds or the transaction being offset and need not be with the same counterparty as the transaction being offset. Examples of offsetting transactions include, without limitation, a floating-to-fixed rate interest rate swap being offset by a fixed-to-floating rate interest rate swap, and a fixed-to-floating rate interest rate swap being offset by a floating-to-fixed rate interest rate swap or an interest rate cap or floor or a floating-to-floating interest rate swap.

(b) Any Qualified Swap Agreement or Non-Qualified Swap Agreement to the extent practicable shall be in substantially the form of either the 2002 ISDA Master Agreement or the Local Currency-Single Jurisdiction version or the Multicurrency-Cross Border version of the 1992 ISDA Master Agreement (including a Schedule and/or a Credit Support Annex to such Schedule, if applicable) published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") or any successor form to either published by ISDA, and in the appropriate confirmations of transactions governed by the applicable agreement, with such insertions, completions and modifications thereof as shall be approved by the officer of the City executing the same, his or her execution to constitute conclusive evidence of this City Council's approval of such insertions, completions and modifications. Should any ISDA form not be the appropriate form to accomplish the objectives of the City under this Section 211, then such other agreement as may be appropriate is hereby approved, the execution by an Authorized Officer being conclusive evidence of the City Council's approval of such insertions, completions and modifications thereof.

(c) Any payments received by the City prior to the Date of Issuance in connection with Interest Rate Hedge Agreements entered into under this paragraph may be used by the City for its general corporate purposes and are appropriated for such purposes.

(d) Nothing contained in this Section 211 shall limit or restrict the authority of the City or any Authorized Officer on behalf of the City to enter into Interest Rate Hedge Agreements pursuant to prior or subsequent authorization of this City Council.

Article III

SERIES 2013 VARIABLE RATE BONDS

Section 301. Series 2013 Variable Rate Bonds.

The provisions of Articles III, IV and V hereof shall apply to the Series 2013 Variable Rate Bonds. To the extent not otherwise expressly provided in Articles III, IV, and V hereof, the Series 2013 Variable Rate Bonds shall be subject to the general terms and provisions set forth in the remainder of this 2013 Series Ordinance and in the General Ordinance. References in the General Ordinance to Bonds that bear interest at "variable rates" apply to Series 2013 Variable Rate Bonds prior to their conversion to bear interest at a Fixed Rate.

Section 302. Definitions Applicable to Series 2013 Variable Rate Bonds.

For purposes of Articles III, IV and V hereof the following words, terms and phrases shall have the following meanings, unless the context or usage clearly indicates otherwise:

"**Accredited Investor**" means an "Accredited Investor" as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended.

"**Adjustable Long Mode**" means any Adjustment Period during which the Rate Determination Date and the Rate Change Date for each Rate Period therein (which shall have a duration of 367 days or more and less than or equal to the remaining term of the Series 2013 Variable Rate Bonds) shall be designated by the Remarketing Agent upon the request of the City pursuant to Section 501 hereof, and, except as provided in Section 410(e) hereof, during which the Series 2013 Variable Rate Bonds (or Subseries thereof) which bear interest during such Adjustment Period bear interest at the Adjustable Long Rate.

"**Adjustable Long Rate**" means, for each Rate Period within an Adjustable Long Mode applicable to a Series 2013 Variable Rate Bond (or Subseries thereof), a fixed per annum interest rate borne by such Series 2013 Variable Rate Bond established pursuant to Section 303(e), 501(c) or 502(b) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Series 2013 Variable Rate Bond to be remarketed at a price equal to the principal amount thereof, plus accrued interest thereon, if any, on the Rate Change Date for such Rate Period.

"**Adjustment Date**" means (i) the Date of Issuance, (ii) any date which is the first day of an Adjustment Period designated in the manner set forth in Section 501 hereof, (iii) any Substitute Adjustment Date designated in the manner set forth in Section 502 hereof, and

(iv) any proposed Fixed Rate Conversion Date designated in the manner set forth in Section 503 hereof.

"**Adjustment Period**" means, with respect to each Series 2013 Variable Rate Bond (or Subseries thereof), each period commencing on an Adjustment Date for such Series 2013 Variable Rate Bond to and including the day immediately preceding the immediately succeeding Adjustment Date for such Series 2013 Variable Rate Bond (or the Maturity Date thereof), during which period such Series 2013 Variable Rate Bond shall operate in one type of Interest Mode.

"**Alternate Letter of Credit**" means a Letter of Credit issued pursuant to Section 311 hereof.

"**Applicable Factor**" means, with respect to the Series 2013 Variable Rate Bonds (or Subseries thereof) bearing interest at the LIBOR Index Rate, during any Bank Purchase Rate Period, such other percentage as may be determined as the Applicable Factor for such Series 2013 Variable Rate Bonds during such Bank Purchase Rate Period as provided in Section 501(c) hereof.

"**Applicable Spread**" means with respect to the Series 2013 Variable Rate Bonds (or Subseries thereof) (i) bearing interest at a Bank Purchase Rate during the initial Interest Period, the number of basis points established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable; and (ii) bearing interest at a Bank Purchase Rate during any other Interest Period, the number of basis points or schedule of basis points determined in accordance with Section 501(c) hereof (which may include a schedule for the Applicable Spread based upon the long-term unenhanced rating or ratings then assigned to debt of the City payable from or secured by Motor Fuel Tax Revenues as described in the General Ordinance).

"**Authorized Denomination**" means, prior to the Fixed Rate Conversion Date with respect to a particular Series 2013 Variable Rate Bond (or Subseries thereof), $100,000 and any integral multiple of $5,000 in excess thereof, and, after the Fixed Rate Conversion Date with respect to a particular Series 2013 Variable Rate Bond (or Subseries thereof), $5,000 and any integral multiple thereof.

"**Bank**" means (i) while a Liquidity Facility is in effect any provider then obligated under a Liquidity Facility delivered in accordance with the terms of this 2013 Series Ordinance, and (ii) while a Letter of Credit is in effect, any provider then obligated under a Letter of Credit delivered in accordance with the terms of this 2013 Series Ordinance. When more than one bank is acting in the capacity of the Bank, references herein to the Bank shall be deemed to refer to each such bank.

"**Bank Agreement**" means a reimbursement agreement (or similar agreement), if any, between the City and a Bank, pursuant to which a Credit Support Instrument is issued including, if any, the agreement described in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, and any Substitute Bank Agreement. When more than one bank is acting in the capacity of the Bank, references herein to the Bank Agreement shall be deemed to refer to each such agreement between the City and each such bank.

"Bank Approval" means the written approval of the Bank or the Purchaser, as applicable (with respect to the Series 2013 Variable Rate Bonds or the applicable Subseries thereof), or the Banks or the Purchasers, as applicable (with respect to the Series 2013 Variable Rate Bonds or the applicable Subseries thereof), if such approval is required hereunder or pursuant to the then-applicable Bank Agreement, Bank Purchase Rate Agreement or related document.

"Bank Bonds" means Tendered Bonds purchased with moneys drawn under the Liquidity Facility or the Letter of Credit, as applicable, pursuant to Section 410(c) hereof, which are pledged to or owned by the Bank or its permitted assigns in accordance with the Bank Agreement or the Custody Agreement, if any, until such Tendered Bonds are remarketed by the Remarketing Agent pursuant to the Remarketing Agreement or such Tendered Bonds lose their characterization as Bank Bonds pursuant to the Bank Agreement.

"Bank Purchase Conversion Date" means each date upon which the Series 2013 Variable Rate Bonds (or Subseries thereof) commence bearing interest at a Bank Purchase Rate after conversion from another Interest Mode or following the end of another Bank Purchase Mode.

"Bank Purchase Mode" means, for the Series 2013 Variable Rate Bonds (or Subseries thereof), any Adjustment Period during which such Series 2013 Variable Rate Bonds bear interest at the Bank Purchase Rate as set forth in Section 303(g) hereof.

"Bank Purchase Rate" means (i) the LIBOR Index Rate or the SIFMA Index Rate, as applicable, subject in each case to Section 303(g)(vi), or (ii) a rate based on such other index and parameters as determined by an Authorized Officer and described in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

"Bank Purchase Rate Agreement" means any agreement between the City and a Purchaser, pursuant to which the Series 2013 Variable Rate Bonds (or any Subseries thereof) are purchased by the Purchaser including, if any, the agreement set forth in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable. When more than one Person is acting in the capacity of the Purchaser, references herein to the Bank Purchase Rate Agreement shall be deemed to refer to each such agreement between the City and each such Person.

"Bank Purchase Rate Agreement Event of Default" means each "Event of Default," if any, under a Bank Purchase Rate Agreement, the consequence of notice to the Trustee of which is that the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) shall be subject to mandatory tender pursuant to Section 407 hereof.

"Bank Purchase Rate Period" means any Rate Period during which the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) bear interest at a Bank Purchase Rate.

"Bank Purchase Rate Termination Date" means, with respect to the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof), the Adjustment Date designated by

the City pursuant to Section 501(b) hereof and specified in the related Bank Purchase Rate Agreement.

"Bank Purchase Rate Pricing Agent" means the Remarketing Agent or any other financial institution with experience in pricing information for tax-exempt or taxable municipal securities, as selected by the City. The Bank Purchase Rate Pricing Agent (if other than the Remarketing Agent) may perform the duties of a Remarketing Agent with respect to the Series 2013 Variable Rate Bonds bearing interest at the Bank Purchase Rate, *provided, however,* that in such event, to the extent directed by the City, the Trustee may perform any settlement of securities or transfer of funds required of the Remarketing Agent hereunder.

"Bank Rate" means with respect to any Bank Bond, such interest rate or sequence of rates (which may be stated as a formula and may be determined by reference to a specified index or indices) as is specified in the Bank Agreement then in effect pursuant to which the Bank Bond was purchased. The foregoing notwithstanding, at no time shall the Bank Rate be higher than the Maximum Interest Rate.

"Bank Variable Rate" means the rate of interest determined by the Remarketing Agent to equal the rate of interest Bank Bonds bearing interest at the Bank Rate would have borne had they not been tendered and purchased by the Bank under the Liquidity Facility or Letter of Credit, as applicable. The foregoing notwithstanding, at no time shall the Bank Variable Rate be higher than the Maximum Interest Rate.

"Beneficial Owner" means the owner of a beneficial interest in Series 2013 Variable Rate Bonds (or Subseries thereof) registered in the name of Cede & Co., as nominee of DTC (or a successor nominee).

"Bond Purchase Fund" means the Series 2013 Variable Rate Bond Purchase Fund created in Section 305.

"Bond Sale Date" means the date on which Bank Bonds are remarketed (or deemed remarketed pursuant to the applicable Bank Agreement) and no longer bear interest at the applicable Bank Rate.

"Calculation Agent" means, with respect to the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) bearing interest in the Bank Purchase Mode, the Remarketing Agent or any other Person appointed by the City, with the consent of the applicable Purchaser of such Series 2013 Variable Rate Bonds, to serve as calculation agent for such Series 2013 Variable Rate Bonds.

"Computation Date" means (i) during each SIFMA Index Rate Period, Wednesday of each week, or if a Wednesday is not a Business Day, the next succeeding Business Day, (ii) during each LIBOR Index Rate Period, the second London Business Day preceding each LIBOR Index Reset Date, or (iii) such other time as established by the Authorized Officer in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

"Credit Substitution Date" means the day on which an Alternate Letter of Credit becomes effective.

"Custody Agreement" means a custody agreement or a pledge and security agreement (which may also be the Bank Agreement), if any, entered into the Trustee, as custodian, and the Bank, and to which the City or Remarketing Agent may be a party, and any and all amendments and supplements thereto, relating to Bank Bonds.

"Daily Mode" means any Adjustment Period during which Rate Determination Dates and Rate Change Dates occur on each Business Day in the manner set forth in Section 303(b) hereof, and, except as provided in Section 410(e) hereof, during which the Series 2013 Variable Rate Bonds (or Subseries thereof) which bear interest during such Adjustment Period bear interest at the Daily Rate.

"Daily Rate" means, for each Rate Period within a Daily Mode applicable to a Series 2013 Variable Rate Bond (or Subseries thereof), a fixed per annum interest rate borne by such Series 2013 Variable Rate Bond established pursuant to Section 303(b), 501(c) or 502(c) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Series 2013 Variable Rate Bond to be remarketed at a price equal to the principal amount thereof, plus accrued interest thereon, if any, on the Rate Change Date for such Rate Period.

"Default Rate" means, with respect to the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) bearing interest in a Bank Purchase Mode, as provided in the applicable Bank Purchase Rate Agreement. The foregoing notwithstanding, at no time shall the Default Rate be higher than the Maximum Interest Rate.

"Delivery Office" shall mean the offices of the Remarketing Agent and the Trustee, respectively, at which Tendered Bonds are to be delivered by their Holders, as designated by the Trustee (as to the Trustee) and the Remarketing Agent (as to the Remarketing Agent) from time to time by written notice provided to the City, the Trustee, the Remarketing Agent and the Holders.

"Demand Date" means (i) with respect to any Series 2013 Variable Rate Bond (or the applicable Subseries thereof) during a Daily Mode, the Business Day on which the Trustee's Agent and the Remarketing Agent receive notice at or prior to 10:00 a.m., Chicago time, from the Holder thereof demanding to have such Series 2013 Variable Rate Bond (or any portion thereof in an Authorized Denomination) purchased (or the succeeding Business Day if such notice is received after 10:00 a.m., Chicago time), all as provided in Section 401 hereof, and (ii) with respect to any Series 2013 Variable Rate Bond during a Weekly Mode, the Business Day specified in the notice received by the Trustee's Agent and the Remarketing Agent upon which the Holder of such Series 2013 Variable Rate Bond intends to tender such Series 2013 Variable Rate Bond (or any portion thereof in an Authorized Denomination) for purchase as provided in Section 401 hereof, which Business Day shall be not less than seven calendar days after the date such notice is received. Notice must be received not later than 4:00 p.m., Chicago time, to be effective that Business Day.

"Failed Tender Rate" means the then prevailing 30-Day LIBOR up to the Maximum Interest Rate.

"Fixed Mode" means the Adjustment Period commencing on the Fixed Rate Conversion Date for a Series 2013 Variable Rate Bond (or Subseries thereof) and ending on the Maturity Date thereof, as established pursuant to Section 503 hereof, during which such Series 2013 Variable Rate Bonds which bear interest during such Adjustment Period bear interest at the Fixed Rate.

"Fixed Rate" means, for the Fixed Mode applicable to a Series 2013 Variable Rate Bond, a fixed per annum interest rate borne by such Series 2013 Variable Rate Bond established pursuant to Section 303(f) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Series 2013 Variable Rate Bond to be remarketed at a price equal to the principal amount thereof on the Fixed Rate Conversion Date for such Fixed Mode.

"Fixed Rate Conversion" means the conversion of the interest rate to be borne by all or any portion of the Series 2013 Variable Rate Bonds to a Fixed Rate pursuant to Sections 303 and 503 hereof.

"Fixed Rate Conversion Date" means an Adjustment Date for any Series 2013 Variable Rate Bond on which it begins to bear interest at a Fixed Rate.

"Flexible Mode" means any Adjustment Period during which the Rate Determination Date and the Rate Change Date for each Rate Period therein (which shall have a duration which is not less than seven days nor more than 270 days) shall occur on the first day of such Rate Period which shall be designated by the Remarketing Agent pursuant to Section 303(d), 501(c) or 502(b) hereof, and, except as provided in Section 410(e) hereof, during which the Series 2013 Variable Rate Bonds (or Subseries thereof) which bear interest during such Adjustment Period bear interest at the Flexible Rate.

"Flexible Rate" means, for each Rate Period within a Flexible Mode applicable to a Series 2013 Variable Rate Bond (or Subseries thereof), a fixed per annum interest rate borne by such Series 2013 Variable Rate Bond established pursuant to Section 303(d), 501(c) or 502(b) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Series 2013 Variable Rate Bond to be remarketed at a price equal to the principal amount thereof on the Rate Change Date for such Rate Period.

"Immediate Notice" means notice by telephone, telex, electronic mail or telecopier to such address as the addressee shall have directed in writing, promptly followed by written notice by first class mail, postage prepaid; *provided, however*, that if any person required to give an Immediate Notice shall not have been provided with the necessary information as to the telephone, telex, electronic mail or telecopier number of an addressee, Immediate Notice shall mean written notice by first class mail, postage prepaid.

"Interest Coverage Rate" means the rate used in any Liquidity Facility or Letter of Credit, as applicable, to calculate the maximum amount (as reduced and restated from time to

time in accordance with the terms thereof) which is available for the payment of the portion of the Purchase Price of Tendered Bonds corresponding to interest accrued on the Tendered Bonds to the date of their purchase. The initial Interest Coverage Rate for Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) in the Daily Mode or the Weekly Mode entitled to the benefit of the Letter of Credit, if any, shall be established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable. The foregoing notwithstanding, at no time shall the Interest Coverage Rate be higher than the Maximum Interest Rate.

"**Interest Mode**" means a period of time relating to the frequency with which the interest rate on the Series 2013 Variable Rate Bonds (or Subseries thereof) is determined pursuant to Section 303 hereof. An Interest Mode may be a Daily Mode, a Weekly Mode, a Flexible Mode, an Adjustable Long Mode, a Bank Purchase Mode or a Fixed Mode.

"**Interest Payment Date**" means (a) for each Series 2013 Variable Rate Bond (or Subseries thereof), each Adjustment Date (including, without limitation, a proposed Fixed Rate Conversion Date) therefor, (b) for any Series 2013 Variable Rate Bond (or Subseries thereof) in a Daily Mode, a Weekly Mode or a Bank Purchase Mode, the first Business Day of each calendar month, (c) for any Series 2013 Variable Rate Bond (or Subseries thereof) in an Adjustable Long Mode, the next succeeding January 1 or July 1 which occurs not less than two months after the date on which the applicable Rate Period commences, each January 1 and July 1 thereafter and each Rate Change Date (other than the Date of Issuance) therefor so long as such Rate Period is in effect, (d) for any Series 2013 Variable Rate Bond in a Flexible Mode (or Subseries thereof), each Rate Change Date therefor, (e) for any Series 2013 Variable Rate Bond in a Fixed Mode, each January 1 and July 1, commencing as provided in Section 503, (f) for any Bank Bond, such dates as are specified in the applicable Bank Agreement, (g) for any Unremarketed Bond, such dates as are specified in the applicable Bank Purchase Rate Agreement, and (h) for each Series 2013 Variable Rate Bond (or Subseries thereof), its Maturity Date; *provided, however,* that, except with respect to any Interest Payment Dates with respect to remarketed Bank Bonds under (f), in no event shall more than one Interest Payment Date for the Series 2013 Variable Rate Bonds (or Subseries thereof) occur in any one calendar month. The initial Interest Payment Date in connection with the issuance of the Series 2013 Variable Rate Bonds (or any Subseries thereof) or any subsequent change in the Interest Mode with respect thereto shall be established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

"**Interest Period**" means the period from the Date of Issuance to and including the day immediately preceding the first Interest Payment Date and thereafter shall mean each period from and including an Interest Payment Date to and including the day immediately preceding the next Interest Payment Date.

"**Interest Requirement**" for any Interest Period, as applied to the Series 2013 Variable Rate Bonds (or Subseries thereof) then Outstanding, shall mean the interest accrued on such Series 2013 Variable Rate Bonds for the applicable Interest Period, *provided, however*, that should there be one or more Rate Change Dates between the date of calculation of the Interest Requirement and the last day of the applicable Interest Period, the least of the Maximum Interest Rate, or if a Qualified Swap Agreement is in effect, the rate provided for in Section 206(A)(1) of the General Ordinance, shall be used for that portion of the Interest Period from the Rate Change

Date(s) through the end of the Interest Period. Interest Requirement shall include all interest payable on Bank Bonds. Notwithstanding the foregoing, so long as a Qualified Swap Agreement is in effect with respect to the Series 2013 Variable Rate Bonds, the Interest Requirement shall be calculated in accordance with Section 206(A)(1) of the General Ordinance.

"Investor Representations Letter" means a letter in the form typically provided by an Accredited Investor or a Qualified Institutional Buyer in connection with the purchase of Series 2013 Variable Rate Bonds (or Subseries thereof), with such terms as approved by an Authorized Officer and Bond Counsel.

"Letter of Credit" means, if any, a Credit Support Instrument in the form of an irrevocable direct pay letter of credit providing for the payment of principal and purchase price of and interest on the Series 2013 Variable Rate Bonds (or Subseries thereof) issued by the Bank to the Trustee contemporaneously with the delivery of such Series 2013 Variable Rate Bonds, or any extensions of such letter of credit, provided that upon the issuance and delivery of an Alternate Letter of Credit in accordance with Section 311 hereof, "Letter of Credit" shall mean such Alternate Letter of Credit or any extension of such Alternate Letter of Credit. When more than one bank is acting in the capacity of the Bank, references herein to the Letter of Credit shall be deemed to refer to each such letter of credit issued by each such bank.

"Letter of Credit Cancellation Date" means as provided in Section 313(b) hereof.

"LIBOR Index" means, for any LIBOR Index Reset Date, the London interbank offered rate for U.S. dollar deposits for a one-month period, as reported, on the Reuters Screen LIBOR01 Page (or any successor), as of 11:00 a.m., London time, on the related Computation Date, or if any Computation Date is not a London Business Day, on the next preceding London Business Day; *provided* that if any such rate is not reported on a London Business Day, the term "LIBOR Index" shall mean the rate as determined by the City from another recognized source or interbank quotation.

"LIBOR Index Interest Period" means, while the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) bear interest at the LIBOR Index Rate, the period from (and including) the LIBOR Index Rate Conversion Date to (but not including) the next succeeding Interest Payment Date, and thereafter shall mean the period from (and including) each Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or, if sooner, to but excluding the last day of the LIBOR Index Rate Period).

"LIBOR Index Rate" means, for the Series 2013 Variable Rate Bonds (or Subseries thereof) bearing interest during a LIBOR Index Rate Period in Bank Purchase Mode, a per annum rate of interest equal to the sum of (i) the Applicable Spread plus (ii) the product of the LIBOR Index multiplied by the Applicable Factor. The foregoing notwithstanding, at no time shall the LIBOR Index Rate be higher than the Maximum Interest Rate.

"LIBOR Index Rate Conversion Date" means (a) the Adjustment Date on which the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) begin to bear interest at the LIBOR Index Rate or, (b) if the Series 2013 Variable Rate Bonds (or Subseries thereof) have previously borne interest at the LIBOR Index Rate during a LIBOR Index Rate Period then

ending, the Special Mandatory Tender Date occurring at the end of the then ending LIBOR Index Rate Period for such Series 2013 Variable Rate Bonds.

"**LIBOR Index Rate Period**" means, with respect to the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof), from and including a LIBOR Index Rate Conversion Date to but excluding the earlier of (i) the immediately succeeding Special Mandatory Tender Date; (ii) the Adjustment Date on which such Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) begin to bear interest in an Interest Mode other than the Bank Purchase Mode, and (iii) the date on which such Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) are paid in full.

"**LIBOR Index Reset Date**" means the first Business Day of each month.

"**Liquidity Facility**" means a Credit Support Instrument pursuant to which the Bank is obligated to provide funds for the purpose of purchasing Tendered Bonds, which Liquidity Facility may be in the form of a line of credit, standby bond purchase agreement, letter of credit, or other agreement or instrument as may be acceptable to the City. A Liquidity Facility does not include the Letter of Credit or any other letter of credit that provides for payment of principal of and interest on the Series 2013 Variable Rate Bonds (or Subseries thereof) in addition to payment of the Purchase Price of Tendered Bonds.

"**Liquidity Facility Cancellation Date**" means as provided in Section 313(b) hereof.

"**Liquidity Facility Default**" means (a) if the Bank providing a Liquidity Facility shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in the involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing; or (b) if any involuntary case or other proceeding shall be commenced against the Bank providing a Liquidity Facility seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days.

"**Liquidity Substitution Date**" means the day on which a Substitute Liquidity Facility becomes effective.

"**London Business Day**" means any day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency) in the City of London, United Kingdom.

"**Maturity Date**" means, with respect to Series 2013 Variable Rate Bonds (or the applicable Subseries thereof), the maturity date or dates established for such Series 2013 Variable Rate Bonds in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, and any other maturity date designated as such in connection with a Fixed Rate Conversion.

"**Maximum Interest Rate**" means (a) with respect to Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) entitled to the benefit of a Liquidity Facility or Letter of Credit (other than Bank Bonds), the least of (i) eighteen percent (18%) per annum and (ii) the Interest Coverage Rate, and (b) with respect to Bank Bonds, eighteen percent (18%) per annum.

"**Person**" means an individual, corporation, firm, association, partnership, limited liability company, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"**Pledge Agreement**" means any pledge agreement among a Bank providing a Liquidity Facility, the City and the Trustee with respect to the custody and disposition of Bank Bonds or any other Series 2013 Variable Rate Bonds (or Subseries thereof) that have been purchased with funds provided by such Bank, as applicable.

"**Purchase Date**" means the date on which a Bank purchases Series 2013 Variable Rate Bonds (or a Subseries thereof) which either have not been remarketed upon the tender thereof or for which remarketing proceeds have not been received on the tender date prior to the times required hereunder for a draw on the Liquidity Facility or Letter of Credit, as the case may be.

"**Purchaser**" means, with respect to any Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) during any Bank Purchase Rate Period, except as otherwise provided in the applicable Bank Purchase Rate Agreement, the Holder thereof if (i) there is a single Holder of all of such Series 2013 Variable Rate Bonds and (ii) such Series 2013 Variable Rate Bonds are not then held by DTC under its global Book Entry System. If there is more than one Holder of such Series 2013 Variable Rate Bonds, the term "Purchaser" means Holders owning a majority of the aggregate principal amount such Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) then Outstanding. If such Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) are then held by DTC under its global Book Entry System, the term "Purchaser" means the Beneficial Owner thereof if there is a single Beneficial Owner. If such Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) are then held by DTC under its global Book Entry System and there is more than one Beneficial Owner thereof, the term "Purchaser" means Beneficial Owners who are the beneficial owners of a majority of the aggregate principal amount of such Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) then Outstanding. The Purchaser, if any, shall be established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

"**Purchaser Rate**" has the meaning given to such term in each Bank Purchase Rate Agreement, as applicable. The foregoing notwithstanding, at no time shall the Purchaser Rate be higher than the Maximum Interest Rate.

"Qualified Institutional Buyer" means a "Qualified Institutional Buyer" as defined in Rule 144A under the Securities Act of 1933, as amended.

"Rate Change Date" means for each Rate Period (a) during any Daily Mode, each Business Day, (b) during any Weekly Mode, Wednesday, or such other day of the week designated as such by the Remarketing Agent from time to time, in accordance with the provisions of Section 303(c)(ii) hereof, (c) during each SIFMA Index Rate Period, each SIFMA Rate Reset Date, (d) during each LIBOR Index Rate Period, each LIBOR Index Reset Date, (e) during any Adjustable Long Mode, the Business Day(s) specified in the notice delivered to the Trustee in accordance with Section 501(b) or 502(b) hereof, (f) during any Flexible Mode, the Business Day(s) specified in the notice delivered to the Trustee in accordance with Section 303(d), 501(c) or 502(c) hereof, and (g) each Adjustment Date.

"Rate Determination Date" means for (a) each Rate Period during any Daily Mode, the Rate Change Date for such Rate Period, (b) each Rate Period during any Weekly Mode, Tuesday, or such other day of the week designated as such by the Remarketing Agent from time to time, in accordance with the provisions of Section 303(c)(ii) hereof, next preceding the Rate Change Date for such Rate Period (unless such day is not a Business Day, in which case the Rate Determination Date shall be the immediately preceding Business Day), and for the first Rate Period following a conversion to the Weekly Mode, the Rate Change Date for such Rate Period, (c) each Rate Period during a Bank Purchase Mode, the related Computation Date, (d) each Rate Period during any Adjustable Long Mode, the Business Day(s) specified in the notice delivered to the Trustee in accordance with Section 501(b) or Section 502(b) hereof, which Business Day(s) shall not be less than one calendar day nor more than 30 calendar days prior to the first day of such Rate Period, (e) each Rate Period during any Flexible Mode, the Rate Change Date for such Rate Period specified in the notice delivered to the Trustee in accordance with Section 303(d), 501(c) or 502(b) hereof, (f) the Rate Period during a Fixed Mode, the date of the firm underwriting or purchase contract referred to in Section 503 hereof, (g) the Rate Period following a proposed Fixed Rate Conversion Date in the event of a failed conversion, such proposed Fixed Rate Conversion Date, (h) the Rate Period following a failed Interest Mode conversion pursuant to Section 501(f) hereof, the proposed Adjustment Date, and (i) each Adjustment Date.

"Rate Period" means, with respect to each Series 2013 Variable Rate Bond (or Subseries thereof), each period commencing on a Rate Change Date for such Series 2013 Variable Rate Bond to and including the day immediately preceding the immediately succeeding Rate Change Date for such Series 2013 Variable Rate Bond (or the Maturity Date or date of redemption thereof), during which period such Series 2013 Variable Rate Bond shall bear interest at one specific interest rate.

"Remarketing Agent" means the placement or remarketing agent at the time serving as such under the Remarketing Agreement. The initial Remarketing Agent, if any, shall be designated in the Series 2013 Determination Certificate in connection with the issuance of the Series 2013 Variable Rate Bonds (or any Subseries thereof) or in the Mode Conversion Certificate with respect to any subsequent change in the Interest Mode. There may be separate remarketing agents for separate Subseries. When more than one remarketing agent is acting in

the capacity of Remarketing Agent, references herein to the Remarketing Agent shall be deemed to refer to each such remarketing agent.

"**Remarketing Agreement**" means the Remarketing Agreement between the City and the Remarketing Agent with respect to the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof), as the same may be amended, supplemented or assigned from time to time, or any similar agreement as may be substituted therefor. When more than one remarketing agent is acting in the capacity of Remarketing Agent, references herein to the Remarketing Agreement shall be deemed to refer to each such remarketing agreement between the City and each such remarketing agent.

"**Short Mode**" means a Flexible Mode, a Daily Mode, a Weekly Mode or a Bank Purchase Mode.

"**Short Rate**" means a Flexible Rate, a Daily Rate, a Weekly Rate or a Bank Purchase Rate.

"**SIFMA**" means the Securities Industry and Financial Markets Association (formerly the Bond Market Association), and any successors thereto.

"**SIFMA Swap Index**" means the Securities Industry and Financial Markets Association Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., or its successor, or as otherwise designated by the Securities Industry and Financial Markets Association; *provided, however*, that, if such index is no longer produced by Municipal Market Data, Inc. or its successor, then "SIFMA Swap Index" shall mean the S&P Weekly High Grade Index (formerly the J.J. Kenny Index) as generally made available by Standard & Poor's Securities Evaluations Inc., and if the S&P Weekly High Grade Index is no longer provided by Standard & Poor's Securities Evaluations Inc. or its successor, then such other reasonably comparable index selected by the City.

"**SIFMA Index**" means, for any SIFMA Rate Reset Date, the SIFMA Swap Index on the related Computation Date or as of the most recent date for which such index was published.

"**SIFMA Index Interest Period**" means, while the Series 2013 Variable Rate Bonds (or Subseries thereof) bear interest at the SIFMA Index Rate, the period from (and including) the related SIFMA Index Rate Conversion Date to (but excluding) the first Thursday thereafter, and thereafter shall mean the period from (and including) Thursday of each week to (but excluding) Thursday of the following week (or, if sooner, to but excluding the last day of the SIFMA Index Rate Period).

"**SIFMA Index Rate**" means, for the Series 2013 Variable Rate Bonds (or Subseries thereof) bearing interest during a SIFMA Index Interest Period in Bank Purchase Mode, a per annum rate of interest equal to the sum of (i) the Applicable Spread and (ii) the SIFMA Index for such SIFMA Index Interest Period. The foregoing notwithstanding, at no time shall the SIFMA Index Rate be higher than the Maximum Interest Rate.

"SIFMA Index Rate Conversion Date" means, with respect to the Series 2013 Variable Rate Bonds (or Subseries thereof), (a) the Adjustment Date on which such Series 2013 Variable Rate Bonds begin to bear interest at the SIFMA Index Rate or, (b) if such Series 2013 Variable Rate Bonds have previously borne interest at the SIFMA Index Rate during a SIFMA Index Rate Period then ending, the Special Mandatory Tender Date occurring at the end of the then ending SIFMA Index Rate Period.

"SIFMA Index Rate Period" means, with respect to the Series 2013 Variable Rate Bonds (or Subseries thereof) bearing interest at the SIFMA Interest Rate, each period from and including a SIFMA Index Rate Conversion Date to but excluding the earlier of (i) the immediately succeeding Special Mandatory Tender Date, (ii) the Adjustment Date on which such Series 2013 Variable Rate Bonds begin to bear interest in a different Interest Mode, and (iii) the date on which such Series 2013 Variable Rate Bonds are redeemed or otherwise paid in full.

"SIFMA Rate Reset Date" means Thursday of each week or such other day of the week as agreed to by the City and the Purchaser.

"Special Default" means, when a Liquidity Facility is in effect, each "default" or "event of default," if any, under the Bank Agreement, the consequence of which is the obligation of the Bank to provide funds for the purchase of Tendered Bonds thereunder is either suspended or terminated without prior notice to the City, the Trustee or the Holders.

"Special Mandatory Tender Date" means (i) the date designated by the City pursuant to Section 501(c) hereof and (ii) the fifth (5th) Business Day after receipt by the Trustee of notice of a Bank Purchase Rate Agreement Event of Default from the Purchaser and directing the Trustee to cause a mandatory tender of the Series 2013 Variable Rate Bonds (or the applicable Subseries thereof) pursuant to Section 407 hereof.

"Stated Termination Date" means the stated date upon which the Credit Support Instrument under a Bank Agreement by its term expires, as the same may be extended from time to time.

"Subseries" means a distinct portion of the Series 2013 Variable Rate Bonds with an Interest Mode distinguished by numerical designation designated by the City and by a distinctive CUSIP number reflecting either different Rate Periods, credit providers, liquidity providers, purchasers, remarketing agents, Adjustment Dates, or Rate Change Dates or any combination thereof, as applicable.

"Substitute Adjustment Date" means (i) any Business Day during any Adjustment Period for Bank Bonds, and (ii) any Business Day for any Series 2013 Variable Rate Bonds (or Subseries thereof) in an Adjustable Long Mode on which such Series 2013 Variable Rate Bonds can be optionally redeemed at a price of par plus accrued interest, as established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable (this date is the first day of a new Adjustment Period).

"Substitute Bank" means (a) one or more commercial banks, trust companies or financial institutions selected by the City and obligated under any Substitute Bank Agreement, or (b) the City if the requirements of this 2013 Series Ordinance are met.

"Substitute Bank Agreement" means any agreement (other than the initial Bank Agreement) of any Substitute Bank as it may from time to time be amended or supplemented, pursuant to which a Substitute Credit Support Instrument shall be in effect.

"Substitute Credit Support Instrument" means a Liquidity Facility or Letter of Credit, as applicable, provided by a Bank substitute other than the Bank providing the Liquidity Facility or Letter of Credit, as applicable, in effect on or prior to the Substitution Date; *provided, however*, that none of the following shall be deemed a Substitute Credit Support Instrument: a change in the Bank Agreement pursuant to which such Liquidity Facility or Letter of Credit is issued; a change in the number of days of interest or interest rate covered by such Liquidity Facility or Letter of Credit; and a renewal or extension of the existing Liquidity Facility or Letter of Credit.

"Substitution Date" means the day on which a Substitute Credit Support Instrument becomes effective pursuant to Sections 310 and 312 hereof.

"Substitute Liquidity Facility" means a Liquidity Facility provided by a Substitute Bank; *provided, however*, that none of the following shall be deemed a Substitute Liquidity Facility: a change in the Bank Agreement pursuant to which the Liquidity Facility is issued; a change in the number of days of interest or interest rate covered by the Liquidity Facility; and a renewal of the existing Liquidity Facility.

"Tendered Bonds" means any Series 2013 Variable Rate Bonds (or Subseries thereof) which have been mandatorily or optionally tendered pursuant to any of Sections 401 through 407 hereof.

"Trustee's Agent" means any agent designated as Trustee's Agent by the Trustee and at the time serving in that capacity pursuant to Section 308 hereof. Any agent so designated by the Trustee shall execute a written agreement with the Trustee assuming all obligations of the Trustee hereunder and shall agree to be governed in all respects as provided in this 2013 Series Ordinance. To the extent that a Trustee's Agent is so designated, it shall be deemed to be a "Paying Agent" for purposes of the General Ordinance. While the Series 2013 Bonds are held by a Securities Depository, references herein to the Trustee's Agent shall be deemed to be references to the Trustee.

"Unremarketed Bonds" means any Series 2013 Variable Rate Bonds (or Subseries thereof) which, on the applicable Special Mandatory Tender Date, have not been successfully converted to another Interest Mode or remarketed to a Person other than the Purchaser.

"Weekly Mode" means any Adjustment Period during which Rate Determination Dates and Rate Change Dates occur on a weekly basis as set forth in Section 303(c) hereof, and, except as provided in Section 410(e) hereof, during which the Series 2013 Variable Rate Bonds (or

Subseries thereof) which bear interest during such Adjustment Period bear interest at the Weekly Rate.

"**Weekly Rate**" means, for each Rate Period within a Weekly Mode applicable to a Series 2013 Variable Rate Bond (or Subseries thereof), a fixed per annum interest rate borne by such Series 2013 Variable Rate Bond, established pursuant to Section 303(c), 501(c) or 502(b) hereof equal to the lowest interest rate which, in the judgment of the Remarketing Agent, would enable such Series 2013 Variable Rate Bond to be remarketed at a price equal to the principal amount thereof, plus accrued interest thereon, if any, on the Rate Change Date for such Rate Period.

Section 303. Interest on Series 2013 Variable Rate Bonds.

(a) *General.* The Series 2013 Variable Rate Bonds shall bear interest from and including the Date of Issuance until payment of the principal or Redemption Price thereof shall have been made or provided for in accordance with the provisions hereof, whether at the Maturity Date, upon redemption or otherwise. Interest accrued on the Series 2013 Variable Rate Bonds during each Rate Period shall be paid in arrears on each Interest Payment Date except for Bank Purchase Mode. Interest on the Series 2013 Variable Rate Bonds shall be computed (i) during any Short Mode (except for the Bank Purchase Mode) upon the basis of a 365 or 366-day year, as applicable, for the number of days actually elapsed, (ii) during any Adjustable Long Mode or during a Fixed Mode, upon the basis of a 360-day year consisting of twelve 30-day months, (iii) during any Bank Purchase Mode, upon the basis of a 360-day year consisting of twelve 30-day months, and (iv) with respect to Bank Bonds, upon the basis of a 365 or 366-day year, as applicable, and the actual number of days elapsed. The Series 2013 Variable Rate Bonds shall initially bear interest for the period from the Date of Issuance to the end of the first Rate Period designated in the Series 2013 Determination Certificate at the interest rate established in the Series 2013 Determination Certificate (the "**Initial Rate**"). Thereafter, the Series 2013 Variable Rate Bonds shall bear at an interest rate or interest rates for one or more Interest Modes as established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, for the Interest Periods following the initial Interest Period until and unless any portion thereof is converted to a different Interest Mode as provided in Section 501, 502, 503 or 504 hereof. Each Bank Bond shall bear interest at the applicable Bank Rate. Notwithstanding any other provision herein to the contrary, at no time shall the Series 2013 Variable Rate Bonds (including Bank Bonds) bear interest at a rate higher than the Maximum Interest Rate. No Rate Period shall be established during an Adjustable Long Mode or a Flexible Mode for any Series 2013 Variable Rate Bonds which extends beyond the Business Day preceding the Stated Termination Date. The determination of the Remarketing Agent as to the rate or rates on the Series 2013 Variable Rate Bonds shall be binding and conclusive on all Holders, the Trustee and the City.

(b) *Daily Mode.* Series 2013 Variable Rate Bonds in the Daily Mode shall bear interest beginning on the Rate Change Date at the Daily Rate (which rate shall be the same for all Series 2013 Variable Rate Bonds in the Daily Mode) determined on the Rate Determination Date in the following manner for each such Rate Period. No later than 9:00 a.m., Chicago time, on the Rate Determination Date for each such Rate Period, the Remarketing Agent will determine, and is required to give telephonic or electronic notice (confirmed by telecopy or electronic mail) to

the Trustee of, the Daily Rate. Except on an Adjustment Date, in which event the provisions of Section 501(f) hereof shall apply, in the event that the Daily Rate is not determined by the Remarketing Agent, the rate of interest borne by the Series 2013 Variable Rate Bonds bearing interest at a Daily Rate shall be equal to the rate in effect for the immediately preceding Rate Period for which a rate has been set and if the Daily Rate is not determined for two consecutive weeks, the rate shall be equal to 110% of the SIFMA Swap Index, in each case until the Remarketing Agent next determines the Daily Rate as required hereunder.

(c) *Weekly Mode*.

(i) For each Rate Period during any Weekly Mode, Series 2013 Variable Rate Bonds in such Interest Mode shall bear interest beginning on the Rate Change Date at the Weekly Rate (which rate shall be the same for all Series 2013 Variable Rate Bonds in the Weekly Mode) determined on the Rate Determination Date in the following manner for each such Rate Period. No later than 3:00 p.m., Chicago time, on the Rate Determination Date for each such Rate Period, the Remarketing Agent will determine the Weekly Rate and will give telephonic or electronic notice (confirmed by telecopy or electronic mail) to the Trustee of the Weekly Rate by 1:00 p.m., Chicago time, on such Rate Determination Date. Except on an Adjustment Date, in which event the provisions of Section 501(f) hereof shall apply, in the event that the Weekly Rate is not determined by the Remarketing Agent on a Rate Determination Date, the rate of interest borne by the Series 2013 Variable Rate Bonds bearing interest at a Weekly Rate shall be equal to the rate in effect for the immediately preceding Rate Period for which a rate has been set and if the Weekly Rate is not determined for two consecutive weeks, the rate shall be equal to 110% of the SIFMA Swap Index, in each case until the Remarketing Agent next determines the Weekly Rate as required hereunder.

(ii) If at any time the Remarketing Agent shall determine that, in its judgment, the scheduled Rate Determination Dates or Rate Change Dates during a Weekly Mode have become inappropriate (taking into account general market practice with respect to periodic adjustment of rates on instruments comparable to the Series 2013 Variable Rate Bonds bearing interest at the Weekly Rate, whether based upon the time of compilation or reporting of any interest rate or financial index or indicator or otherwise), the Remarketing Agent may, after consultation with the City, designate new scheduled Rate Determination Dates and/or Rate Change Dates, to remain in effect until another redetermination of scheduled Rate Determination Dates or Rate Change Dates in accordance with this subparagraph. The Remarketing Agent shall give written notice of any change in scheduled Rate Determination Dates and/or Rate Change Dates during a Weekly Mode to the City, the Trustee, the Trustee's Agent, if any, and the Bank and such change shall become effective on the first scheduled Rate Determination Date or Rate Change Date, as the case may be, so designated occurring not less than 14 days following the giving of such notice. Promptly upon receipt of such notice, the Trustee shall notify or cause the Remarketing Agent to notify each affected Holder of such change in writing. Notwithstanding the foregoing, no such change shall be effective with respect to the Series 2013 Variable Rate Bonds without an Opinion of Bond Counsel to the effect that any such change will not adversely affect the exclusion from

gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled.

(d) *Flexible Mode*.

(i) For each Rate Period during any Flexible Mode, each Series 2013 Variable Rate Bond which will bear interest at a Flexible Rate for such Rate Period shall bear interest beginning on the Rate Change Date at the Flexible Rate, which rate shall be the same for all Series 2013 Variable Rate Bonds in the Flexible Mode and having a Rate Period of the same duration with the same beginning and ending dates, determined on the Rate Determination Date in the following manner for each such Rate Period. No later than 11:00 a.m., Chicago time, on the Rate Determination Date for a Series 2013 Variable Rate Bond bearing interest at the Flexible Rate, the Remarketing Agent will determine, and is required to give telecopy or electronic notice to the Trustee of, (a) the duration of the Rate Period for such Series 2013 Variable Rate Bond by specifying the succeeding Rate Change Date (which shall also be the succeeding Rate Determination Date) for such Series 2013 Variable Rate Bond which Rate Change Date shall be no later than the Business Day prior to the Stated Termination Date of any related Credit Support Instrument, if a Liquidity Facility or Letter of Credit is required to be in place, and (b) the Flexible Rate applicable to such Series 2013 Variable Rate Bond bearing interest at the Flexible Rate during such Rate Period. The last day of such Rate Period must be a Business Day and the day next succeeding such Business Day must also be a Business Day. Except on an Adjustment Date, in which event the provisions of Section 501(f) hereof shall apply, in the event that the Flexible Rate for any Series 2013 Variable Rate Bond is not determined by the Remarketing Agent on any Rate Determination Date, such Series 2013 Variable Rate Bond shall bear interest at a Flexible Rate equal to the SIFMA Swap Index for a Rate Period of seven days until the Remarketing Agent next determines the Flexible Rate, as required hereunder.

(ii) The Remarketing Agent shall determine the duration of Rate Periods during a Flexible Mode as will, in the judgment of the Remarketing Agent, result in the lowest aggregate cost being payable by the City with respect to the Series 2013 Variable Rate Bonds bearing interest at Flexible Rates, taking into account interest and any other determinable fees and expenses. The Remarketing Agent may establish different Rate Periods on the same Rate Change Date for Series 2013 Variable Rate Bonds in the Flexible Mode in order to achieve an average duration of Rate Periods that, in the judgment of the Remarketing Agent, is most likely to achieve the lowest total aggregate cost being payable by the City with respect to such Series 2013 Variable Rate Bonds, taking into account interest and any other determinable fees and expenses. The Remarketing Agent's determination shall be based upon the market for, and the relative yields of, the Series 2013 Variable Rate Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the judgment of the Remarketing Agent, are otherwise comparable to the Series 2013 Variable Rate Bonds, or any fact or circumstance relating to the Series 2013 Variable Rate Bonds, affecting the market for the Series 2013 Variable Rate Bonds or affecting such other comparable securities in a manner that, in the judgment of the Remarketing Agent, will affect the market for the Series 2013 Variable Rate Bonds. The Remarketing Agent's determination shall be

conclusive and binding upon all parties. Except on an Adjustment Date, in which event the provisions of Section 501(f) hereof shall apply, in the event that the Rate Period for any Series 2013 Variable Rate Bond in a Flexible Mode is not determined by the Remarketing Agent as provided in this paragraph, the Rate Period for such Series 2013 Variable Rate Bond shall be a Rate Period of seven days.

(e) *Adjustable Long Mode*.

(i) For each Rate Period during any Adjustable Long Mode, each Series 2013 Variable Rate Bond which will bear interest at an Adjustable Long Rate for such Rate Period shall bear interest beginning on the Rate Change Date at the Adjustable Long Rate (which rate shall be the same for all Series 2013 Variable Rate Bonds in the Adjustable Long Mode and having a Rate Period of the same duration with identical beginning and ending dates) determined on the Rate Determination Date in the following manner for such Rate Period. No later than 10:00 a.m., Chicago time, on the Rate Determination Date for each Rate Period during an Adjustable Long Mode applicable to a specific Series 2013 Variable Rate Bond, the Remarketing Agent will determine a fixed per annum interest rate to be borne by such Series 2013 Variable Rate Bond for such Rate Period and is required to give telephonic or electronic notice (confirmed by telecopy or electronic mail) to the Trustee of the Adjustable Long Rate. Except on an Adjustment Date, in which event the provisions of Section 501(f) shall apply, if the Remarketing Agent shall fail to determine an Adjustable Long Rate on a Rate Determination Date for a Rate Period within an Adjustable Long Mode, the Series 2013 Variable Rate Bonds in an Adjustable Long Mode shall automatically convert to a Rate Period of 367 days and shall bear interest at an Adjustable Long Rate equal to 90 percent of the interest rate on United States Treasury obligations with a maturity of one year.

(ii) The Remarketing Agent, upon the request of the City, shall determine the duration of Rate Periods during an Adjustable Long Mode as will, in the judgment of the Remarketing Agent, result in the lowest aggregate cost being payable by the City with respect to the Series 2013 Variable Rate Bonds bearing interest at Adjustable Long Rates, taking into account interest and any other determinable fees and expenses. The Remarketing Agent may establish different Rate Periods on the same Rate Change Date for Series 2013 Variable Rate Bonds in an Adjustable Long Mode in order to achieve an average duration of Rate Periods that, in the judgment of the Remarketing Agent, is most likely to achieve the lowest total aggregate cost being payable by the City with respect to such Series 2013 Variable Rate Bonds, taking into account interest and any other determinable fees and expenses. The Remarketing Agent's determination will be based upon the market for and the relative yields of the Series 2013 Variable Rate Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the judgment of the Remarketing Agent, are otherwise comparable to the Series 2013 Variable Rate Bonds, or any fact or circumstance relating to the Series 2013 Variable Rate Bonds, affecting the market for the Series 2013 Variable Rate Bonds or affecting such other comparable securities in a manner that, in the judgment of the Remarketing Agent, will affect the market for the Series 2013 Variable Rate Bonds. The Remarketing Agent's determination will be conclusive and binding upon all parties.

Except on an Adjustment Date, in which event the provisions of Section 501(f) hereof shall apply, in the event that the Rate Period for any Series 2013 Variable Rate Bond in an Adjustable Long Mode is not determined by the Remarketing Agent as provided in this clause (ii), the Rate Period for such Series 2013 Variable Rate Bond will be a 367-day Rate Period.

(f) *Fixed Mode*. From and after the Fixed Rate Conversion Date for a Series 2013 Variable Rate Bond, such Series 2013 Variable Rate Bond shall bear interest at the Fixed Rate with respect thereto established as provided in Section 503 hereof.

(g) *Bank Purchase Mode*. For each Bank Purchase Rate Period, each Series 2013 Variable Rate Bond (or Subseries thereof) in the Bank Purchase Mode shall bear interest beginning on the Rate Change Date at the Bank Purchase Rate specified in the applicable Bank Purchase Rate Agreement. At any time during each such Bank Purchase Rate Period, the City, with the written consent of the related Purchaser, may elect that such Series 2013 Variable Rate Bonds bear interest at a new Bank Purchase Rate; *provided, however*, that a conversion from a LIBOR Index Rate to a SIFMA Index Rate cannot occur within any respective Bank Purchase Rate Period and any such change shall occur only on the effective date of a new Bank Purchase Rate Period. The effective date of the new Bank Purchase Rate must be a day that would otherwise be an Interest Payment Date and is subject to any conditions set forth in the related Bank Purchase Rate Agreement. The City shall give the Trustee notice of any new Bank Purchase Rate at least 30 days prior to the effective date of the new Bank Purchase Rate.

(i) *SIFMA Index Rate*. During each SIFMA Index Rate Period during a Bank Purchase Mode for the Series 2013 Variable Rate Bonds, such Series 2013 Variable Rate Bonds shall bear interest at the SIFMA Index Rate. The Calculation Agent for such Series 2013 Variable Rate Bonds shall determine the applicable SIFMA Index Rate on each Computation Date during the SIFMA Index Rate Period, and such rate shall become effective on the SIFMA Rate Reset Date following such Computation Date, commencing on and including the first day of the applicable SIFMA Index Interest Period to but excluding the last day of such SIFMA Index Interest Period. The SIFMA Index Rate shall be rounded upwards to the nearest two decimal places. Promptly following the determination of the SIFMA Index Rate, the Calculation Agent shall give notice thereof by fax or electronic mail by 3:00 p.m., Chicago time, to the Trustee and the Remarketing Agent, if applicable. If the SIFMA Index Rate for such Series 2013 Variable Rate Bonds is not determined by the applicable Calculation Agent, the rate of interest borne by the applicable Subseries shall be the rate in effect for the immediately preceding Rate Period until the Calculation Agent next determines the SIFMA Index Rate as required hereunder.

(ii) *LIBOR Index Rate*. During each LIBOR Index Rate Period during a Bank Purchase Mode for the Series 2013 Variable Rate Bonds, such Series 2013 Variable Rate Bonds shall bear interest at the LIBOR Index Rate. The Calculation Agent for such Series 2013 Variable Rate Bonds shall determine the LIBOR Index Rate on each Computation Date during the LIBOR Index Rate Period, and such rate shall become effective on the LIBOR Index Reset Date following the Computation Date, commencing on and including the first day of the applicable LIBOR Index Interest Period to but

excluding the last day of such LIBOR Index Interest Period. The LIBOR Index Rate shall be rounded upwards to the nearest three decimal places. Promptly following the determination of the LIBOR Index Rate, the Calculation Agent shall give notice thereof by fax or electronic mail to the Trustee and Remarketing Agent, if applicable. If the LIBOR Index Rate for such Series 2013 Variable Rate Bonds is not determined by the applicable Calculation Agent, the rate of interest borne by the applicable Subseries shall be the rate in effect for the immediately preceding Rate Period until the Calculation Agent next determines the LIBOR Index Rate as required hereunder.

(iii) *Certain Payments Not Interest*. Under the Bank Purchase Rate Agreement in effect during the Bank Purchase Mode, the City may be required to make payments to the Purchaser of the Series 2013 Variable Rate Bonds under certain circumstances. Such payments by the City are intended to be fees of the Purchaser or reimbursement of Purchaser costs or expenses and shall not be treated as payments of interest or premium on the related Series 2013 Variable Rate Bonds. Any such fees shall not exceed 1.5% per annum.

(iv) *Interest on Unremarketed Bonds*. Unless otherwise bearing interest at the Default Rate, each Unremarketed Bond shall bear interest for each day it is an Unremarketed Bond at the Purchaser Rate for such day.

(v) *Default Rate; Taxable Rate*. From and after the occurrence of a Bank Purchase Rate Agreement Event of Default, the interest for the Series 2013 Variable Rate Bonds bearing interest at a Bank Purchase Rate and for Unremarketed Bonds bearing interest at the Purchaser Rate shall be equal to the greater of (i) the Default Rate and (ii) the interest rate that otherwise would be applicable to such Series 2013 Variable Rate Bonds but for the provisions of this paragraph, as determined by the Calculation Agent. During any period for which interest on the Series 2013 Variable Rate Bonds of a Subseries is includable in the gross income of the Purchaser thereof pursuant to the applicable Bank Purchase Rate Agreement, the interest for Series 2013 Variable Rate Bonds bearing interest at a Bank Purchase Rate or for any Unremarketed Bonds shall be as set forth in such Bank Purchase Rate Agreement.

(vi) *Excess Interest*. Notwithstanding anything in this 2013 Series Ordinance to the contrary, if during a Bank Purchase Rate Period the rate of interest on the applicable Series 2013 Variable Rate Bonds (or Subseries thereof) as calculated pursuant to the terms of an applicable Bank Purchase Rate Agreement exceeds the Maximum Rate for such Series 2013 Variable Rate Bonds, as determined by the Calculation Agent, then (i) such Series 2013 Variable Rate Bonds shall bear interest at the Maximum Rate and (ii) interest on such Series 2013 Variable Rate Bonds calculated at the rate equal to the difference between (A) the rate of interest for such Series 2013 Variable Rate Bonds as calculated pursuant to the applicable Bank Purchase Rate Agreement and (B) the Maximum Rate (the **"Excess Interest"**) shall be deferred until such date as the rate of interest borne by such Series 2013 Variable Rate Bonds as calculated pursuant to this Section 303(g) is below the Maximum Rate, at which time Excess Interest shall be payable with respect to such Series 2013 Variable Rate Bonds, provided that at no time shall the interest payable on such Series 2013 Variable Rate

Bonds, including any Excess Interest paid thereon, exceed interest calculated at the Maximum Rate. Payments of deferred Excess Interest shall no longer be due and payable upon the earliest to occur of (i) the date on which such Series 2013 Variable Rate Bonds are no longer Outstanding, (ii) the date such Series 2013 Variable Rate Bonds are tendered for purchase in accordance with Section 407 hereof and are so paid (without regard for the payment of any deferred Excess Interest) or (iii) the date of maturity or redemption for such Series 2013 Variable Rate Bonds.

(h) *Information for Holders*. The Trustee shall provide to any Holder of Series 2013 Variable Rate Bonds (unless the Series 2013 Variable Rate Bonds are then in a Book Entry System), upon the written request of such Holder, information regarding the Adjustment Periods, Rate Periods, Interest Payment Dates, optional redemption provisions and interest rate or rates applicable to such Holder's Series 2013 Variable Rate Bonds.

(i) *Notices to City*. The Remarketing Agent shall provide to the City and the Trustee notice of all determinations made by the Remarketing Agent pursuant to this 2013 Series Ordinance, including, but not limited to, interest rate determinations and duration of Rate Periods, on a timely basis.

Section 304. Required Information in Bond Form.

(a) On each date on which the Trustee or the Trustee's Agent authenticates and delivers a Series 2013 Variable Rate Bond, it shall complete the information required to be inserted by the form of the Series 2013 Variable Rate Bonds in Section 701 hereof and shall keep a record of such information.

(b) On each date on which the Trustee or the Trustee's Agent authenticates and delivers a Series 2013 Variable Rate Bond during a Flexible Mode or an Adjustable Long Mode applicable to such Series 2013 Variable Rate Bond, the Trustee or Trustee's Agent shall attach to each such Series 2013 Variable Rate Bond a copy of the Notice of Rate Period in substantially the form set forth in the form of the Series 2013 Variable Rate Bonds in Section 701 hereof for the purpose of maintaining an accurate record of the terms and provisions of the Adjustment Period then applicable to such Series 2013 Variable Rate Bond.

(c) On each date on which the Trustee authenticates and delivers Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate from and after the Fixed Rate Conversion Date applicable to such Series 2013 Variable Rate Bonds, the Trustee shall issue Series 2013 Variable Rate Bonds with such information as is required pursuant to Section 503 hereof.

Section 305. Establishment of Series 2013 Variable Rate Bond Purchase Fund.

The Trustee shall establish and maintain (but shall not have a lien on as part of the trust estate created by the General Ordinance), as long as any Series 2013 Variable Rate Bonds are Outstanding which have not been converted to a Fixed Rate, a separate fund to be known as the "Series 2013 Variable Rate Bond Purchase Fund" (the "**Bond Purchase Fund**"). There shall be deposited into the Bond Purchase Fund from time to time the following:

(i) the moneys received upon the remarketing of Tendered Bonds to any person pursuant to the Remarketing Agreement (other than Tendered Bonds sold to the City);

(ii) the moneys received from the purchasers (other than the City) of Tendered Bonds upon the conversion of the interest rate thereon to a Fixed Rate;

(iii) the moneys obtained by the Trustee pursuant to the Letter of Credit or Liquidity Facility, if any, then in effect to be applied to pay the Purchase Price of Tendered Bonds; and

(iv) at the sole option of the City, in its sole discretion, any other moneys furnished by the City to the extent that moneys obtained pursuant to (i), (ii) or (iii) above are insufficient on any date to pay the Purchase Price of Tendered Bonds, *provided however,* that the conditions of Section 412(b) hereof are satisfied.

Moneys in the Bond Purchase Fund shall not be commingled with any other moneys, and shall be held in trust exclusively for the payment of the Purchase Price of Tendered Bonds; *provided, however*, that under no circumstances shall proceeds of a purchase made pursuant to the Liquidity Facility or proceeds of a drawing on a Letter of Credit be used to purchase Bank Bonds or Fixed Rate Bonds. Moneys obtained by the Trustee pursuant to the Liquidity Facility or Letter of Credit in excess of the amount needed for the payment of the Purchase Price of Tendered Bonds shall be promptly paid to the Bank. Moneys on deposit in the Bond Purchase Fund (other than moneys derived from the Liquidity Facility or Letter of Credit, which shall not be invested) shall be invested only in Government Obligations with a term not exceeding the earlier of 30 days from the date of investment of such moneys or the date or dates that moneys therefrom are required. Amounts held to pay the Purchase Price after the date for such purchase shall be applied in the same manner as provided under Section 205 with respect to unclaimed payments of principal and interest; provided that excess moneys (i.e., moneys derived from the Liquidity Facility or Letter of Credit and not required by the Trustee to pay the Purchase Price of Tendered Bonds) derived from the Liquidity Facility or Letter of Credit shall be repaid to the Bank promptly in accordance with the terms of the Bank Agreement.

Section 306. Remarketing Agent.

The City shall designate the Remarketing Agent in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, for the purpose of determining the interest rate on the Series 2013 Variable Rate Bonds, subject to the conditions set forth in Section 307 hereof, and for the purpose of remarketing the Series 2013 Variable Rate Bonds as provided herein. The Remarketing Agent shall designate to the Trustee its Delivery Office and signify its acceptance of the duties and obligations imposed upon it hereunder by written instruments of acceptance delivered to the City and the Trustee. The Remarketing Agent shall at all times be acceptable to the Bank providing a Liquidity Facility or Letter of Credit, as applicable.

Section 307. Qualifications of Remarketing Agent.

The Remarketing Agent shall be (i) a member of the Financial Industry Regulatory Authority, having a capitalization of at least $1,000,000, and (ii) authorized by law to perform all the duties imposed upon it by this 2013 Series Ordinance and the Remarketing Agreement.

The Remarketing Agent may resign on 60 days notice to the City, the Trustee and the Bank, such resignation to become effective on the earlier of the date set forth in the notice or the date the City appoints a successor. While any Series 2013 Variable Rate Bonds are Outstanding (other than at a Fixed Rate), the Remarketing Agent may not be removed until a successor shall have been appointed pursuant to this 2013 Series Ordinance. In the event of the resignation or removal of the Remarketing Agent, the Remarketing Agent shall pay over, assign and deliver any moneys and Series 2013 Variable Rate Bonds held by it in such capacity to its successor or, if there be no successor, to the Trustee. The Bank shall be given Immediate Notice of the resignation or removal of the Remarketing Agent and the appointment of any successor.

Section 308. Trustee's Agent.

Until such time as the Series 2013 Variable Rate Bonds have been converted to bear interest at a Fixed Rate, the Trustee, with the City's written consent, shall have the right to appoint a Trustee's Agent with the power to act on the Trustee's behalf and subject to its direction in the authentication and delivery of the Series 2013 Variable Rate Bonds, payment of the Series 2013 Variable Rate Bonds, provision of notice of interest rates on Series 2013 Variable Rate Bonds to Holders and in connection with transfers, exchanges, tenders and purchases thereof, as fully to all intents and purposes as though the Trustee's Agent had been expressly authorized hereunder to authenticate, deliver, pay, transfer and exchange Series 2013 Variable Rate Bonds, provide notice of interest rates to Holders of Series 2013 Variable Rate Bonds, receive tender notices, tender Series 2013 Variable Rate Bonds to the Bank for purchase under the Letter of Credit or Liquidity Facility, as applicable, purchase tendered Series 2013 Variable Rate Bonds and make payments on the Series 2013 Variable Rate Bonds. The Trustee's Agent shall perform such functions subject to the terms and conditions expressed in Article VIII of the General Ordinance. The foregoing notwithstanding, the Trustee's Agent shall not be answerable for other than its negligence, default or willful misconduct and the Trustee's Agent shall not be deemed to have notice of any Event of Default hereunder unless notified by the Trustee. For all purposes, any such Trustee's Agent shall be deemed to be acting solely as the agent of the Trustee and the authentication, delivery, transfer or exchange of Series 2013 Variable Rate Bonds, provision of notice of interest rates to Holders of Series 2013 Variable Rate Bonds, receipt of tender notices, tender of Series 2013 Variable Rate Bonds to the Bank for purchase under the Letter of Credit or Liquidity Facility, as applicable, purchase of tendered Series 2013 Variable Rate Bonds and payment of Series 2013 Variable Rate Bonds by the Trustee's Agent pursuant to this Section shall be deemed to be the authentication, delivery, transfer or exchange of Series 2013 Variable Rate Bonds, provision of notice of interest rates to Holders of Series 2013 Variable Rate Bonds, receipt of tender notices, tender of Series 2013 Variable Rate Bonds to the Bank for purchase under the Letter of Credit or Liquidity Facility, as applicable, purchase of tendered Series 2013 Variable Rate Bonds and payment of Series 2013 Variable Rate Bonds by the Trustee. The Trustee's Agent may act as Bond Registrar for any Series 2013 Variable Rate Bond prior to the Fixed Rate Conversion Date.

The Trustee's Agent shall at all times be a bank or trust company having a corporate trust office in the City of New York, New York (or having an agent with such a corporate trust office) and shall at all times be an institution organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise corporate trust powers and subject to supervision or examination by federal or state authorities and either (a) having, together with its parent bank or trust company, a reported combined capital and surplus of at least $5,000,000 or (b) affiliated with and indemnified by the Trustee. If such institution publishes reports of condition at least annually pursuant to law or the requirements of such authorities, then for the purposes of this Section the combined capital and surplus of such institution shall be deemed to be its combined capital and surplus, as set forth in its most recent report of condition so published. The appointment of a Trustee's Agent under this Section shall be effective upon acceptance by the Trustee's Agent and shall continue until the Trustee making such appointment shall rescind such appointment or until the effective date of the resignation or removal of such Trustee. In addition, the Trustee's Agent may resign upon 60 days' prior written notice to the Trustee, the City, the Remarketing Agent and the Bank. The Trustee's Agent may act through an agent constituting a commercial bank or trust company.

If at any time there is no Trustee's Agent, all references to the Trustee's Agent herein and in the Series 2013 Variable Rate Bonds shall be deemed to refer to the Trustee.

Section 309. Payments of Principal and Interest on Series 2013 Variable Rate Bonds.

(a) The principal of and premium, if any, on Series 2013 Variable Rate Bonds bearing interest at a Short Rate or an Adjustable Long Rate shall be payable at the designated corporate trust office of the Trustee, upon presentation and surrender of such Series 2013 Variable Rate Bonds. The principal of and premium, if any, on Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate shall be payable at the designated corporate trust office of the Trustee upon presentation and surrender of such Series 2013 Variable Rate Bonds. Any payment of the Purchase Price of a Tendered Bond shall be payable at the designated corporate trust office of the Trustee's Agent (or at such other office as may be designated by the Trustee), upon presentation and surrender of such Tendered Bond, as provided in Section 408 hereof. Payment of principal of Bank Bonds shall be made to the Bank by wire transfer in the manner provided in the Bank Agreement.

(b) Interest on Series 2013 Variable Rate Bonds bearing interest at a Daily Rate, a Weekly Rate, an Adjustable Long Rate, a Bank Purchase Rate or a Fixed Rate shall be paid by check mailed on the Interest Payment Date to the persons appearing on the Bond Register as the Holders thereof as of the close of business of the Trustee on the Record Date at the addresses of such Holders as they appear on the Bond Register or at such other addresses as are furnished to the Trustee in writing by the Holders not later than the Record Date. Payment of interest on Series 2013 Variable Rate Bonds bearing interest at a Flexible Rate shall be made to the persons appearing on the Bond Register as the Holders thereof as of the close of business of the Trustee on the Record Date, upon presentation and surrender of such Series 2013 Variable Rate Bond at the designated corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on any Series 2013 Variable Rate Bond shall be made to the Holder of $1,000,000 or more in aggregate principal amount of Series 2013 Variable Rate Bonds as of the

close of business of the Trustee on the Record Date for a particular Interest Payment Date by wire transfer to such Holder on such Interest Payment Date upon written notice from such Holder containing the wire transfer address within the United States of America to which such Holder wishes to have such wire directed, which written notice is received not later than the Business Day next preceding the Record Date; *provided, however,* that such wire transfer shall only be made for Series 2013 Variable Rate Bonds bearing interest at a Flexible Rate upon presentation and surrender of such Series 2013 Variable Rate Bonds at the designated corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on Bank Bonds shall be made to the Bank by wire transfer in the manner provided for in the applicable Bank Agreement (or such other wire transfer address as is specified by the Bank in writing from time to time).

Section 310. Liquidity Facility; Reduction; Liquidity Substitution Date.

(a) The City covenants and agrees that at all times while any Series 2013 Variable Rate Bonds are Outstanding which bear interest at a rate other than the Fixed Rate or the Bank Purchase Rate, it will maintain either a Liquidity Facility or a Letter of Credit with respect to all such Series 2013 Variable Rate Bonds bearing interest at other than the Bank Rate, except as otherwise provided in Section 313 hereof. Notwithstanding the foregoing, it shall not be a requirement of this 2013 Series Ordinance (unless otherwise required by any Rating Agency then rating the Series 2013 Variable Rate Bonds) that any Liquidity Facility or Letter of Credit then in effect provide coverage of any Interest Modes other than the Interest Mode or Interest Modes the Series 2013 Variable Rate Bonds are then in; provided that no such coverage of any Series 2013 Variable Rate Bonds in the Fixed Rate Mode or the Bank Purchase Mode shall be required hereby. Notwithstanding the foregoing, the City shall be entitled to obtain a Substitute Liquidity Facility at any time pursuant to Section 310(c) below or an Alternate Letter of Credit pursuant to Section 311 hereof, in which event the Series 2013 Variable Rate Bonds shall be subject to tender pursuant to Section 404 hereof.

(b) Upon the receipt by the Trustee of a written request of the City stating that the amount available under the Liquidity Facility or Letter of Credit may be reduced in compliance with Section 313 hereof, the Trustee shall direct or send appropriate notice to the Bank requesting or directing that such amount be reduced and specifying the amount that shall thereafter be available under the Liquidity Facility or Letter of Credit, subject to any requirements of the Bank Agreement, or that the Liquidity Facility or Letter of Credit is being cancelled. In no event shall the Liquidity Facility or Letter of Credit be reduced to an amount less than the principal amount of the Series 2013 Variable Rate Bonds Outstanding which bear interest at other than the Bank Rate, a Fixed Rate or Bank Purchase Rate, plus an amount equal to interest thereon at the Interest Coverage Rate then required by any Rating Agency then rating the Series 2013 Variable Rate Bonds for the number of days then required by any Rating Agency then rating the Series 2013 Variable Rate Bonds, unless the City has deposited a Substitute Liquidity Facility or Alternate Letter of Credit with the Trustee in accordance with the terms of this Article, or unless the requirements set forth in Section 313 hereof are satisfied. In no event shall any Substitute Liquidity Facility or Alternate Letter of Credit replace only in part any then-current Liquidity Facility or Letter of Credit. Notwithstanding the foregoing, immediately after payment in full has been made on any Series 2013 Variable Rate Bond covered by the Liquidity Facility or Letter of Credit, either at its Maturity Date, by optional redemption or

otherwise, the Trustee shall direct or send appropriate notice to the Bank requesting or directing that the amount available under the Liquidity Facility or Letter of Credit be reduced by an amount equal to such principal so paid plus the amount of interest theretofore provided for under the Liquidity Facility or Letter of Credit on such principal amount. No direction or consent of the City shall be required for the Trustee to take the action required by the preceding sentence.

(c) Prior to the Fixed Rate Conversion Date, and subject to the provisions of the Liquidity Facility, a Substitute Liquidity Facility may become effective on any Business Day, which shall be a Liquidity Substitution Date. The City shall cause a draft of any Substitute Liquidity Facility in substantially final form to be delivered to the Trustee, the Trustee's Agent and the Remarketing Agent at the times set forth in Section 404 hereof. On each Liquidity Substitution Date, the Remarketing Agent, the Trustee and the Trustee's Agent shall also receive (i) an opinion of counsel for the Substitute Bank regarding the enforceability of the Substitute Liquidity Facility in substantially the form delivered to the Trustee upon execution and delivery of the Liquidity Facility then in effect, and (ii) an Opinion of Bond Counsel to the effect that the substitution of the Liquidity Facility then in effect will not adversely affect the validity of the Series 2013 Bonds, or adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled. No Substitute Liquidity Facility shall become effective unless the then-current Bank certifies to the City, the Trustee's Agent and the Trustee that all obligations owing to such Bank under the Bank Agreement have been paid in full and all Bank Bonds held by or on behalf of such Bank have been redeemed, remarketed or purchased by the Substitute Bank.

(d) On any Liquidity Substitution Date on which a Substitute Liquidity Facility becomes effective in accordance with the provisions of this Section, the Trustee shall take such action as is required under the Bank Agreement to cause the cancellation of the Liquidity Facility then in effect provided that all purchase notices delivered thereunder have been honored.

(e) Immediate Notice shall be given by the Trustee to the Bank, the City, the Remarketing Agent, the Trustee's Agent and Rating Agency then maintaining a rating on the Series 2013 Variable Rate Bonds if no satisfactory Substitute Liquidity Facility shall be furnished to the Trustee in accordance with this Section on or prior to the Stated Termination Date of the then-current Liquidity Facility, unless the requirements of Section 313 hereof are satisfied.

(f) Each Substitute Liquidity Facility shall provide for the submission of draws thereunder, and the payment of properly submitted draws thereunder, on the same timing as that of the Liquidity Facility being substituted for, unless the Rating Agency then maintaining a rating on the Series 2013 Variable Rate Bonds shall agree to some other timing.

Section 311. Letter of Credit.

(a) *Maintenance of Letter of Credit*. The City covenants and agrees that during such period as the Series 2013 Variable Rate Bonds bear interest at a Short Rate (except for a Bank Purchase Rate) it will cause a Letter of Credit or Alternate Letter of Credit to be delivered to the Trustee unless a Liquidity Facility has been provided pursuant to Section 310 hereof or no Letter of Credit or Liquidity Facility is required pursuant to Section 313 hereof. The Letter of Credit

shall not be transferred to a successor Trustee except in full compliance with the terms of the Letter of Credit.

(b) *Letter of Credit – Requirements*. The Letter of Credit shall provide for direct payments to or upon the order of the Trustee as set forth below and shall be the irrevocable obligation of the Bank to pay to or upon the order of the Trustee, upon certification and in accordance with the terms of the Letter of Credit, up to (i) an amount sufficient (A) to pay the principal of the Series 2013 Variable Rate Bonds when due whether at stated maturity or upon redemption, or (B) to enable the Trustee to pay the portion of the purchase price equal to the principal amount of Series 2013 Variable Rate Bonds delivered for purchase pursuant to Sections 401, 402, 404, and 406 hereof and not remarketed, plus (ii) an amount equal to at least 35 days' interest accrued on the outstanding Series 2013 Variable Rate Bonds (and for the purpose of calculating the amount of such accrued interest the Letter of Credit shall state on its face the maximum rate of interest on the Series 2013 Variable Rate Bonds covered by the Letter of Credit) (A) to pay interest on the Series 2013 Variable Rate Bonds when due or (B) to enable the Trustee to pay the portion of the purchase price of the Series 2013 Variable Rate Bonds delivered for purchase pursuant to Sections 401, 402, 404, and 406 hereof equal to the interest accrued, if any, on such Series 2013 Variable Rate Bonds.

(c) *Alternate Letter of Credit*. The City may, except with respect to Series 2013 Variable Rate Bonds in the Fixed Mode, at its option, provide for the delivery to the Trustee of an Alternate Letter of Credit. An Alternate Letter of Credit shall be an irrevocable direct pay letter of credit, issued by a commercial bank or banks or other financial institution, the terms of which shall in all respects material to the Holders be the same as the then current Letter of Credit, if any. Such Alternate Letter of Credit shall set forth a maximum interest rate on the Series 2013 Variable Rate Bonds with respect to which draws may be made. On or prior to the date of delivery of an Alternate Letter of Credit to the Trustee, the City shall furnish to the Trustee (i) an opinion of Counsel stating that the delivery of such an Alternate Letter of Credit to the Trustee is authorized under the 2013 Series Ordinance and complies with the terms hereof, (ii) an Opinion of Bond Counsel stating that the delivery of such an Alternate Letter of Credit will not adversely affect the exclusion of interest on the Series 2013 Bonds from gross income for federal income tax purposes (other than with respect to an alternative minimum tax imposed on interest on the Series 2013 Bonds) and (iii) an opinion of counsel to the Bank stating that such Alternate Letter of Credit has been duly authorized, executed and delivered by the Bank and is the valid and binding obligation of the Bank, enforceable against the Bank in accordance with its terms. The Trustee shall then accept such Alternate Letter of Credit and surrender the previously held Letter of Credit, if any, to the previous Bank for cancellation as provided in subsection (c) of this Section 311. Each Alternate Letter of Credit shall become effective and commence coverage as of the applicable Credit Substitution Date determined in reference to the previously held Letter of Credit and shall not expire earlier than one year following its date of issuance.

(d) *Delivery to Trustee of Alternate Letter of Credit; Surrender of Letter of Credit for Cancellation*. If at any time there shall have been delivered to the Trustee (i) an Alternate Letter of Credit pursuant to the preceding subsections of this Section 311 and (ii) when required under the preceding subsections of this Section 311, an opinion of Counsel stating that the delivery of such Alternate Letter of Credit to the Trustee is authorized under this Section 311 and complies with the terms of this 2013 Series Ordinance, then the Trustee shall accept such Alternate Letter

of Credit and surrender the previously held Letter of Credit to the Bank issuing the same for cancellation (after all draws have been honored); *provided, however*, that (a) in no event shall such Letter of Credit be surrendered prior to the effective date of the Alternate Letter of Credit or prior to the satisfaction of the condition in clause (b) of this proviso, and (b) on the applicable Credit Substitution Date, the Trustee shall draw upon the existing Letter of Credit rather than the new Alternate Letter of Credit in order to provide funds to pay the Purchase Price of Series 2013 Variable Rate Bonds subject to mandatory purchase on such Credit Substitution Date pursuant to Section 404 hereof. If at any time there shall cease to be any Series 2013 Variable Rate Bonds Outstanding under this 2013 Series Ordinance, the Trustee shall promptly surrender the Letter of Credit to the Bank for cancellation. The Trustee shall comply with the procedures set forth in the Letter of Credit relating to the termination thereof.

(e) *Notice of Expiration of Letter of Credit*. The Trustee shall give notice by first class mail of the expiration of the term of a Letter of Credit if, following such expiration no Letter of Credit is required pursuant to Section 313, which notice shall (i) specify the date of the expiration of the term of the Letter of Credit, (ii) state that such expiration may result in reduction or withdrawal of any Rating Agency's ratings of the Series 2013 Variable Rate Bonds from those which then prevail, (iii) if the Series 2013 Variable Rate Bonds bear interest at a Short Rate, specify the last times and dates prior to such expiration on which Series 2013 Variable Rate Bonds must be delivered, or on which notice must be given, for the purchase of Series 2013 Variable Rate Bonds pursuant to the last sentence of Section 404 hereof and the place where such Series 2013 Variable Rate Bonds must be delivered for such purchase and (iv) state that on the Credit Substitution Date, the Series 2013 Variable Rate Bonds shall be subject to mandatory purchase on such date. Such notice shall be given by first class mail at least 30 days prior to such Interest Payment Date to the owners of Series 2013 Variable Rate Bonds appearing on the Bond Register. The Trustee agrees to give notices to the Bank in accordance with the applicable Bank Agreement

Section 312. Draws on Letter of Credit.

(a) *General*. The City and the Trustee shall take all actions necessary under the Letter of Credit, to provide funds for the timely payment of the purchase price of Tendered Bonds. All provisions of this 2013 Series Ordinance (i) requiring or directing the Trustee to make a draw on a Letter of Credit with respect to Series 2013 Variable Rate Bonds shall refer solely and only to the Letter of Credit specifically securing those Series 2013 Variable Rate Bonds or the applicable Subseries of such Series 2013 Variable Rate Bonds secured by the Letter of Credit for the benefit of which the drawing is to be made and (ii) relating to notices and directions from, notices to or consents of a Bank in connection with an action to be taken in respect of Series 2013 Variable Rate Bonds shall refer solely to those Series 2013 Variable Rate Bonds or the applicable Subseries of Series 2013 Variable Rate Bonds secured by a Letter of Credit issued by such Bank.

(b) *Trustee's Duty to Draw on Letter of Credit to Pay Principal of and Interest on Series 2013 Variable Rate Bonds*. The City authorizes and directs the Trustee, and the Trustee agrees, to draw moneys under the Letter of Credit for the benefit of the Holders of the Series 2013 Variable Rate Bonds in accordance with the terms of the Letter of Credit in amounts sufficient to make timely payments of the principal of (other than Bank Bonds or Series 2013

Variable Rate Bonds owned by or on behalf of the City) and interest on the Series 2013 Variable Rate Bonds (other than Bank Bonds and Series 2013 Variable Rate Bonds owned by or on behalf of the City) in accordance with the provisions of Section 312(a), after taking into account any amounts held in the 2013 Letter of Credit Account. In the event that the Bank fails to honor the Trustee's properly presented and conforming draw request on its Letter of Credit, the Trustee shall notify the City of such failure and that it intends to apply amounts on deposit in the Series 2013 Bond Account to make timely payments of principal of and interest on the Series 2013 Variable Rate Bonds. Upon giving such notice, the Trustee shall apply amounts on deposit in the Series 2013 Bond Account to make timely payments of principal of and interest on the Series 2013 Variable Rate Bonds.

(c) *Trustee's Duty to Draw on Letter of Credit to Pay Purchase or Redemption Price of Series 2013 Variable Rate Bonds*. The Trustee shall also (i) draw moneys under the Letter of Credit in accordance with its terms to the extent necessary to make timely payments (other than payments on Bank Bonds and Series 2013 Variable Rate Bonds owned by or on behalf of the City) required to be made pursuant to, and in accordance with, Sections 401 through 406 hereof, and (ii) draw moneys under the Letter of Credit to pay the redemption price of Series 2013 Variable Rate Bonds (other than Bank Bonds or Series 2013 Variable Rate Bonds owned by or on behalf of the City) pursuant to Section 315 hereof in accordance with its terms in the amounts required by said Section 315 hereof. It is understood and agreed that the Trustee when drawing amounts under the Letter of Credit as provided in clauses (i) and (ii) of this subsection is not acting as an agent of the City. The Trustee shall make draws under the Letter of Credit in accordance with its terms to pay the purchase price of Series 2013 Variable Rate Bonds pursuant to Sections 401 through 406 hereof, or to pay the redemption price or purchase price of Series 2013 Variable Rate Bonds pursuant to Article III, so as to provide immediately available funds in New York, New York, by the close of business (*i.e.*, 1:30 p.m., Chicago time) on the date such purchase or redemption is to be made. In the event that the Bank fails to honor a properly presented and conforming draw request under the Letter of Credit, the Trustee shall notify the City of such failure and that it intends to apply amounts deposited under Section 603 hereof for the redemption of Series 2013 Variable Rate Bonds to make timely payouts of the redemption price of the Series 2013 Variable Rate Bonds.

(d) *Drawings under Letter of Credit When the Letter of Credit Consists of Two or More Instruments*. When there are two or more letters of credit constituting the Letter of Credit hereunder, the Trustee shall draw on each such letter of credit in amounts proportionate to the portion of the principal amount of the Series 2013 Variable Rate Bonds each such letter of credit by its terms secures.

Section 313. Credit Support Instrument Not Required and City May Provide Liquidity in Certain Circumstances.

(a) Prior to the Fixed Rate Conversion Date therefor, and subject to the provisions of the Liquidity Facility or Letter of Credit, as applicable, all of the Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds which bear interest at a Bank Purchase Rate, and Series 2013 Variable Rate Bonds owned by or on behalf of the City) are required to have the benefit of a Liquidity Facility or Letter of Credit unless, prior to the expiration or termination of the Credit Support Instrument then in effect, there is delivered by the

City to the Remarketing Agent, the Trustee and the Trustee's Agent (i) an Opinion of Bond Counsel to the effect that the expiration or termination of the Liquidity Facility or Letter of Credit then in effect will not adversely affect the validity of the Series 2013 Bonds, or adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled, and (ii) a certificate of an Authorized Officer that the City has agreed to be a Substitute Bank hereunder for all the Series 2013 Variable Rate Bonds (other than Series 2013 Variable Rate Bonds in the Fixed Mode or Bank Purchase Mode). Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate or a Bank Purchase Rate shall not be required to have the benefit of a Liquidity Facility or Letter of Credit.

(b) Upon satisfaction of the requirements described in subparagraph (a) above, (i) the Trustee, upon receipt of a written request of the City, shall direct or send appropriate notice to the Bank requesting or directing the cancellation of the Liquidity Facility then in effect on the date (the **"Liquidity Facility Cancellation Date"**) requested by the City in such written request, or requesting or directing the cancellation of the Letter of Credit then in effect (the **"Letter of Credit Cancellation Date"**) which date may not be less than 30 days, or such longer period as is required by the Bank Agreement for its termination at the request of the City, from the date the Trustee receives such written request, and (ii) following the date of such cancellation, all Tendered Bonds may be remarketed by the Remarketing Agent pursuant to the Remarketing Agreement without the benefit of a Liquidity Facility or Letter of Credit until such time, if any, as the Series 2013 Variable Rate Bonds are thereafter entitled to the benefits of a Liquidity Facility or Letter of Credit pursuant to the provisions of Section 310 hereof, but only if there is delivered to the City, the Trustee, the Trustee's Agent and the Remarketing Agent an Opinion of Bond Counsel to the effect that the execution and delivery of the Liquidity Facility or Letter of Credit will not adversely affect the validity of the Series 2013 Bonds or the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled. In the event of a Liquidity Facility Cancellation Date or Letter of Credit Cancellation Date, as applicable, the Series 2013 Variable Rate Bonds shall be subject to mandatory tender pursuant to Section 404 hereof. If at any time no Liquidity Facility or Letter of Credit is required on the Series 2013 Variable Rate Bonds, the Trustee shall affix a legend in substantially the following form on the face of each Series 2013 Variable Rate Bond which does not bear interest at a Fixed Rate or Bank Purchase Rate authenticated on or after the date on which a Liquidity Facility or Letter of Credit is no longer required:

> A Liquidity Facility or Letter of Credit is not required with respect to this Series 2013 Variable Rate Bond. If a Liquidity Facility or Letter of Credit is currently provided, it may be discontinued at any time. If a Liquidity Facility is currently provided, it may be discontinued at any time without prior notice to, or a right to tender by, the Holder. The City is a substitute Liquidity Provider.

Section 314. Consent of Bank. No consent of the Bank shall be required under any provision of this 2013 Series Ordinance, nor shall the Bank have any right to receive notice of, consent to, direct or control any actions, restrictions, rights, remedies, waivers or accelerations pursuant to any provision of this 2013 Series Ordinance, during any time which:

(i) the Bank has wrongfully failed to provide funds pursuant to a properly presented purchase notice with respect to the purchase of Tendered Bonds under and in compliance with the terms of the applicable Liquidity Facility or the Bank has failed to honor a properly presented and conforming draw under and in compliance with the terms of the applicable Letter of Credit;

(ii) the applicable Liquidity Facility for any reason ceases to be valid and binding on the Bank or is declared to be null and void, or the validity or enforceability of any provision of the applicable Liquidity Facility is denied by the Bank or any governmental agency or authority, or the Bank is denying or contesting further liability or obligation under the applicable Liquidity Facility, in all of the above cases contrary to the terms of such Liquidity Facility;

(iii) the applicable Letter of Credit is no longer in effect and all amounts owing to the Bank under the applicable Bank Agreement have been paid in full;

(iv) a petition has been filed and is pending against the Bank under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and has not been dismissed within 60 days after such filing;

(v) the Bank has filed a petition, which is pending, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law, of any jurisdiction, whether now or hereafter in effect, or has consented to the filing of any petition against it under such law; or

(vi) the Bank is dissolved or confiscated by action of government due to war or peacetime emergency or the United States government declares a moratorium on the Bank's activities.

Section 315. Redemption of Series 2013 Variable Rate Bonds.

(a) The Series 2013 Variable Rate Bonds shall be subject to redemption prior to maturity at such times, subject to the remaining provisions of this Section 315 hereof, at such Redemption Prices (not exceeding 105% of the principal amount of the Series 2013 Variable Rate Bonds to be redeemed plus accrued interest, if any, to the redemption date) and upon such other terms as an Authorized Officer shall provide in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, each and all of which the Authorized Officer is authorized and directed to determine and approve on behalf of and in the name of the City.

(b) *Optional Redemption.*

(i) Series 2013 Variable Rate Bonds in a Daily Mode or a Weekly Mode shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day during such Daily Mode or Weekly Mode, as applicable, at a Redemption Price not exceeding 103% of the principal amount of the Series 2013 Variable Rate Bonds to be redeemed plus accrued interest, if any, to the redemption date, as established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

(ii) Series 2013 Variable Rate Bonds in an Adjustable Long Mode or a Fixed Mode shall be subject to redemption prior to their Maturity Date, during each Rate Period in which one of such Modes is applicable, at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on such days, at such Redemption Prices (not in excess of the limit specified above) and upon such other terms as are established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

(iii) Series 2013 Variable Rate Bonds bearing interest at a Bank Purchase Rate shall be subject to optional redemption prior to their Maturity Date upon such other terms as are set forth in the applicable Bank Purchase Rate Agreement.

(iv) Series 2013 Variable Rate Bonds bearing interest at a Flexible Rate or an Adjustable Long Rate shall be subject to optional redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on such days, at such Redemption Prices (not in excess of the limit specified above) and upon such other terms as are set forth in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

(v) The City may deliver to the Trustee an alternate redemption schedule to the schedule in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, if the City delivers to the Bank and the Trustee an Opinion of Bond Counsel to the effect that the alternative schedule of redemption will not adversely affect the validity and enforceability of the Series 2013 Variable Rate Bonds in accordance with their terms and, with respect to Series 2013 Variable Rate Bonds the interest on which is excluded from gross income for federal income tax purposes, does not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Variable Rate Bonds would otherwise be entitled. After the first Rate Change Date succeeding the delivery of such alternate schedule and Opinion of Bond Counsel, Series 2013 Variable Rate Bonds in a Fixed Mode or an Adjustable Long Mode shall be subject to redemption pursuant to the terms of such alternate schedule.

(c) *Optional Redemption of Bank Bonds*. Bank Bonds shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on such days, at such Redemption Prices and upon such other terms

as are set forth in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

(d) *Extraordinary Redemption of Bank Bonds*. Bank Bonds shall be subject to mandatory redemption on the dates and in the amounts specified in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable. Such redemption shall be at such Redemption Prices and upon such other terms as are set forth in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable. Bank Bonds may be redeemed pursuant to this 2013 Series Ordinance without any notice from or direction by the City.

(e) *Priority of Redemption*. In the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, the City may, but shall not be required to, provide that, Bank Bonds shall be redeemed prior to any other Series 2013 Variable Rate Bonds.

(f) *Mandatory Redemption of Series 2013 Variable Rate Bonds*. The Series 2013 Variable Rate Bonds shall be subject to mandatory redemption prior to maturity in the amounts, at the Redemption Prices (subject to the limits prescribed in this Section) and upon such other terms as are set forth in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable. The principal amount of the Series 2013 Variable Rate Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption of Series 2013 Bonds, with any partial optional redemption of such Series 2013 Bonds credited against future Sinking Fund Installments of Series 2013 Variable Rate Bonds in such order of the applicable Sinking Fund Installment dates as the City may determine. In addition, on or prior to the sixtieth day preceding any Sinking Fund Installment date, the Trustee may, and if directed by the City shall, purchase Series 2013 Variable Rate Bonds required to be retired on such Sinking Fund Installment date. Any such Series 2013 Variable Rate Bonds so purchased shall be canceled and the principal amount thereof shall be credited against the payment required on such next Sinking Fund Installment date of Series 2013 Variable Rate Bonds.

(g) *General Provisions Regarding Redemptions*.

(i) No redemption of less than all of the Series 2013 Variable Rate Bonds Outstanding shall be made pursuant to Sections 315(b) or (c) hereof unless (a) if such redemption is of Bank Bonds or Series 2013 Variable Rate Bonds bearing interest at a Short Rate or an Adjustable Long Rate, the aggregate principal amount of Series 2013 Variable Rate Bonds to be redeemed is equal to $100,000 or integral multiples thereof and (b) if, such redemption is with respect to Series 2013 Variable Rate Bonds bearing interest as a Fixed Rate, the aggregate principal amount of Series 2013 Variable Rate Bonds to be redeemed is equal to $5,000 multiples. Any redemption of less than all of the Series 2013 Variable Rate Bonds Outstanding shall be made in such a manner that all Series 2013 Variable Rate Bonds Outstanding after such redemption are in Authorized Denominations.

(ii) Series 2013 Variable Rate Bonds may be called for redemption by the Trustee (A) in the case of Series 2013 Variable Rate Bonds bearing interest at a Short Rate, upon receipt by the Trustee at least 25 days prior to the redemption date of a

written request of the City requesting such redemption, or in accordance with any mandatory schedule provided in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, or (B) in the case of Series 2013 Variable Rate Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, upon receipt by the Trustee at least 35 days prior to the redemption date of a written request of the City requesting such redemption, or in accordance with the mandatory schedule provided in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable.

(iii) Bank Bonds may be called for redemption by the Trustee pursuant to Section 315(c) hereof upon receipt by the Trustee at least one Business Day prior to the redemption date of a written request of the City requesting such redemption.

(h) *Notice of Redemption.* Except as is otherwise provided with respect to Bank Bonds in this 2013 Series Ordinance, notice of the call for redemption of any Series 2013 Variable Rate Bonds identifying the Series 2013 Variable Rate Bonds to be redeemed shall be given by first class mail, postage prepaid, with respect to Series 2013 Variable Rate Bonds bearing interest at a Short Rate, not less than 20 or more than 45 days prior to the date fixed for redemption, and shall be given by first class mail, postage prepaid, with respect to Series 2013 Variable Rate Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, not less than 30 or more than 60 days prior to the date fixed for redemption, to the Holders of Series 2013 Variable Rate Bonds to be redeemed at their addresses as shown on the registration books of the City maintained by the Bond Registrar. Failure to give notice in the manner prescribed with respect to any Series 2013 Variable Rate Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Series 2013 Variable Rate Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Series 2013 Variable Rate Bonds to be redeemed and to pay interest due thereon and premium, if any, due with respect thereto, the Series 2013 Variable Rate Bonds thus called shall not after the applicable redemption date bear interest, be protected by the General Ordinance or this 2013 Series Ordinance or be deemed to be Outstanding under the provisions of the General Ordinance and this 2013 Series Ordinance.

(i) *Selection of Series 2013 Variable Rate Bonds to be Redeemed.* If less than all of the Series 2013 Variable Rate Bonds shall be called for redemption under any provision of this 2013 Series Ordinance permitting such partial redemption, the particular Series 2013 Variable Rate Bonds or portions thereof to be redeemed shall be selected by the City, except as otherwise provided in Section 315(e) hereof, in the principal amount designated to the Trustee by the City, which designation shall include the Interest Mode, Maturity Date, and, if the Series 2013 Variable Rate Bonds have been issued in Subseries, the Subseries of the particular Series 2013 Variable Rate Bonds to be redeemed, or as otherwise required by this 2013 Series Ordinance; *provided, however*, that (i) all partial redemptions of any Subseries of the Series 2013 Variable Rate Bonds shall be effected pursuant to the operating guidelines of DTC for selection by lottery, (ii) in the case of the redemption of less than all Series 2013 Variable Rate Bonds which bear interest in the same Interest Mode at the same rate for the same Rate Periods and which in the case of Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate were converted on the same date, such redemption shall be by lot in such manner as the Trustee may determine among such Series 2013 Variable Rate Bonds, and (iii) subject to other applicable provisions of this

2013 Series Ordinance, the portion of any Series 2013 Variable Rate Bond to be redeemed shall be in a principal amount equal to an Authorized Denomination. In selecting Series 2013 Variable Rate Bonds for redemption, the Trustee shall treat each Series 2013 Variable Rate Bond as representing that number of Series 2013 Variable Rate Bonds which is obtained by dividing the principal amount of such Series 2013 Variable Rate Bond by the minimum Authorized Denomination. If it is determined that one or more, but not all, of the integral multiples of the Authorized Denomination of principal amount represented by any Series 2013 Variable Rate Bond is to be called for redemption, then, upon notice of intention to redeem such integral multiple of an Authorized Denomination, the Holder of such Series 2013 Variable Rate Bond shall forthwith surrender such Series 2013 Variable Rate Bond to the Trustee for (a) payment to such Holder of the redemption price of the integral multiple of the Authorized Denomination of principal amount called for redemption, and (b) delivery to such Holder of a new Series 2013 Variable Rate Bond(s) in the aggregate principal amount of the unredeemed balance of the principal amount of such Series 2013 Variable Rate Bond. New Series 2013 Variable Rate Bonds representing the unredeemed balance of the principal amount of such Series 2013 Variable Rate Bond shall be issued to the Holder thereof without charge therefor. Anything herein to the contrary notwithstanding, any redemption of less than all of the Series 2013 Variable Rate Bonds Outstanding shall be made first from Bank Bonds. At any time the Series 2013 Variable Rate Bonds are held by DTC in its global Book Entry System, the foregoing will be subject to their operating guidelines for selection of bonds to be redeemed by lottery.

Section 316. Registration, Transfer and Exchange of Series 2013 Variable Rate Bonds.

Subject to the limitations set forth in the following paragraph with respect to Series 2013 Variable Rate Bonds in the Bank Purchase Mode, Series 2013 Variable Rate Bonds are transferable only upon the registration books of the City kept for that purpose by the Bond Registrar at the designated corporate trust office of the Trustee in Chicago, Illinois, by the Holder of a Series 2013 Variable Rate Bond in person, or by the Holder's agent duly authorized in writing. Upon the surrender of a Series 2013 Variable Rate Bond, together with a written instrument of transfer satisfactory to the Trustee duly executed by the Holder or the Holder's agent duly authorized in writing, and upon the payment of any charges prescribed in the General Ordinance, a new registered Series 2013 Variable Rate Bond, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee as provided in the General Ordinance. The City and the Trustee may deem and treat the Holder of a Series 2013 Variable Rate Bond as the absolute owner of such Series 2013 Variable Rate Bond (whether or not such Series 2013 Variable Rate Bond shall be overdue) for the purpose of receiving payment of or on account of principal of such Series 2013 Variable Rate Bond and the Redemption Price, if any, and interest due on such Series 2013 Variable Rate Bond and for all other purposes, and neither the City nor the Trustee shall be affected by any notice to the contrary. Notwithstanding the provisions of Section 203, neither the City nor the Trustee shall be obligated to make any exchange or transfer of a Series 2013 Variable Rate Bond during the period from the Record Date applicable to such Series 2013 Variable Rate Bond to the next Interest Payment Date for such Series 2013 Variable Rate Bond or to make any such transfer or exchange of such Series 2013 Variable Rate Bond if such Series 2013 Variable Rate Bond is proposed to be redeemed after its selection by the Trustee for redemption.

Series 2013 Variable Rate Bonds in the Bank Purchase Mode may be transferred only (i) to Accredited Investors or Qualified Institutional Buyers, and (ii) after the Trustee and the City have received an Investor Representations Letter executed by the transferee of each Series 2013 Variable Rate Bond to be so transferred; provided that the Series 2013 Variable Rate Bonds in the Bank Purchase Mode may also be transferred to a grantor trust or other custodial arrangement so long as the owners of any beneficial interests therein (1) are Accredited Investors or Qualified Institutional Buyers and (2) have delivered to the Trustee and the City an executed Investor Representations Letter. At any time at which a Subseries of the Series 2013 Variable Rate Bond is held by DTC in its global Book Entry System, the foregoing limitations shall apply to beneficial interests in the Series 2013 Variable Rate Bonds of such Subseries and to Beneficial Owners.

The Series 2013 Variable Rate Bonds shall be issued in fully registered form in Authorized Denominations.

Article IV

PURCHASE OF SERIES 2013 VARIABLE RATE BONDS

Section 401. Purchase on Demand of Holder While Series 2013 Variable Rate Bonds Bear Interest at Daily Rate or Weekly Rate.

(a) While a Series 2013 Variable Rate Bond bears interest at a Daily Rate, such Series 2013 Variable Rate Bond (or portion thereof in an Authorized Denomination) shall be purchased on a Demand Date therefor upon the demand of the Holder thereof, at a Purchase Price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to such Demand Date, upon irrevocable telephonic, electronic or written notice (which telephonic notice shall be confirmed in writing, and which written notice may be given by telecopy) to both the Trustee's Agent and the Remarketing Agent, which notice must be received not later than 10:00 a.m., Chicago time, on a Business Day in order to be effective on that date. Any notice received after 10:00 a.m., Chicago time, on a Business Day shall be deemed given on the next succeeding Business Day. The Business Day on which any notice is deemed given will be the Demand Date for the applicable Tendered Bond. Such notice must specify the principal amount and number of such Series 2013 Variable Rate Bond, the name and the address of such Holder and the taxpayer identification number, if any, of such Holder. The Trustee's Agent shall give Immediate Notice (which notice shall be delivered no later than 10:15 a.m., Chicago time, on the Business Day on which it receives notice of tender) to the Trustee, the City and the Bank as to the contents of any such notices received by it.

(b) While a Series 2013 Variable Rate Bond bears interest at a Weekly Rate, such Series 2013 Variable Rate Bond (or portion thereof in an Authorized Denomination) shall be purchased on a Demand Date therefor upon the demand of the Holder thereof, at a Purchase Price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to such Demand Date, upon irrevocable electronic or written notice (which may be given by telecopy) to the Trustee's Agent and the Remarketing Agent, which notice must be received by the Trustee's Agent and the Remarketing Agent not later than 4:00 p.m., Chicago time, on a Business Day in order to be effective on the Business Day requested as the Demand Date, which Demand Date

shall not be less than seven calendar days after the effective date such notice is received. Any notice received after 4:00 p.m., Chicago time, on a Business Day shall be deemed given on the next succeeding Business Day. Such notice must specify (i) the principal amount and number of such Series 2013 Variable Rate Bond, the name and the address of such Holder and the taxpayer identification number, if any, of such Holder, and (ii) the Demand Date on which such Series 2013 Variable Rate Bond is to be purchased. The Trustee's Agent shall give Immediate Notice (which notice shall be given no later than 4:30 p.m., Chicago time, on the Business Day on which it receives notice of tender) to the Trustee, the City and the Bank as to the contents of any such notices received by it.

(c) The determination of the Trustee's Agent and the Remarketing Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Holder of such Tendered Bond. Any notice received by the Trustee's Agent and the Remarketing Agent pursuant to this Section from any person reasonably believed by the Trustee's Agent and the Remarketing Agent to be the Holder of a Series 2013 Variable Rate Bond may be conclusively relied upon by the Trustee's Agent and the Remarketing Agent as a true, irrevocable notice of demand with respect to such Series 2013 Variable Rate Bond.

Section 402. Purchase on Notice of Default Under Bank Agreement.

(a) When a Liquidity Facility is in effect, the Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) are subject to mandatory tender by the Holders thereof to the Trustee when the Trustee gives Immediate Notice to the Holders of such Series 2013 Variable Rate Bonds and the Remarketing Agent of the occurrence and continuation of a Liquidity Facility Default. When a Letter of Credit is in effect, the Series 2013 Variable Rate Bonds (other than the Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) are subject to mandatory tender by the Holders thereof to the Trustee when the Trustee gives Immediate Notice to the Holders of such Series 2013 Variable Rate Bonds and the Remarketing Agent of the occurrence of a default under the applicable Bank Agreement. Upon the giving of such Immediate Notice, such Series 2013 Variable Rate Bonds shall be purchased, on a date designated by the Trustee, which date is no more than 15 days after the date of the Immediate Notice to the Holders and, when a Letter of Credit is in effect, is no less than three days and no more than five days after the date the Trustee receives notice of such deposit from the Bank, and in no event later than the Business Day prior to the last day on which funds will be available under the Liquidity Facility or Letter of Credit, as applicable, at a Purchase Price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to the purchase date. In such case, the Holder of any such Series 2013 Variable Rate Bond required to be purchased may not elect to retain its Series 2013 Variable Rate Bond and by the acceptance of such Series 2013 Variable Rate Bond shall be deemed to have agreed to sell such Series 2013 Variable Rate Bond to the Trustee on the date specified pursuant to this Section. The Trustee shall give such Immediate Notice upon receipt by the Trustee of a written notice from the Bank of (i) in the case of a Liquidity Facility, of the occurrence of a Liquidity Facility Default and (ii) in the case of a Letter of Credit, of the occurrence of a default under the Bank Agreement.

(b) If a Liquidity Facility is in effect, upon receipt by the Trustee of a written notice from the Bank of the occurrence and continuation of a Special Default under the Bank Agreement, the Trustee shall give Immediate Notice thereof to the Holders of all the Series 2013 Variable Rate Bonds and the Remarketing Agent, which notice shall state that there will be no mandatory purchase of the Series 2013 Variable Rate Bonds as a result of such Special Default and that the Series 2013 Variable Rate Bonds will no longer be entitled to the benefits of a Liquidity Facility or that the obligation of the Bank to provide funds thereunder is suspended but that the tender provisions in the other Sections of this Section will remain in effect, as the case may be, and that the applicable Bank Agreement may terminate if such suspension is not cured within the time period specified in such Bank Agreement.

If a Liquidity Facility is in effect, and if Immediate Notice of a mandatory tender has been given due to receipt by the Trustee of written notice from the Bank of the occurrence of a Liquidity Facility Default, but a Special Default occurs prior to the mandatory tender date, the Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) shall remain subject to mandatory tender on such date, although the Purchase Price thereof will not be payable from amounts drawn under the Bank Agreement.

Section 403. Purchase While Series 2013 Variable Rate Bonds Bear Flexible Rate.

While any Series 2013 Variable Rate Bond bears interest at a Flexible Rate, such Series 2013 Variable Rate Bond shall be purchased on each Rate Change Date for such Series 2013 Variable Rate Bond, other than the Rate Change Date which is the first day of a Flexible Mode applicable to such Series 2013 Variable Rate Bond, and on the Adjustment Date immediately following the last day of the Flexible Mode, at a Purchase Price equal to 100 percent of the principal amount thereof. The Holder of such Series 2013 Variable Rate Bond may not elect to retain its Series 2013 Variable Rate Bond.

Not later than the 15th day next preceding such Rate Change Date for each Rate Period, the Trustee shall give notice by mail to the Holders of the Series 2013 Variable Rate Bonds which bear interest at a Flexible Rate stating (i) the last day of the Rate Period then ending, and (ii) that the Series 2013 Variable Rate Bonds are required to be purchased on such Rate Change Date. The foregoing notwithstanding, the failure of the Trustee to give such notice or cause such notice to be given will not affect the requirement of such Holders to tender their Series 2013 Variable Rate Bonds for purchase. If sufficient moneys are on deposit with the Trustee on the applicable Rate Change Date to purchase such Tendered Bonds at the Purchase Price therefor, such Tendered Bonds shall not after the applicable Rate Change Date, and, with respect to such Holders, bear interest, be protected by the General Ordinance or this 2013 Series Ordinance or be deemed to be Outstanding.

Section 404. Purchase Prior to Stated Termination Date When Required Substitute Credit Support Instrument Not In Place; Purchase Prior to Substitution Date.

(a) If, during the period a Liquidity Facility is in effect pursuant to the terms of Section 310 hereof, by the 30th day (or such other number of days as set forth in the Series 2013 Determination Certificate) preceding any Stated Termination Date of the Liquidity Facility, the

Trustee has not received notice of an extension of the then-current Liquidity Facility in accordance with the terms of this 2013 Series Ordinance, then the Trustee shall give Immediate Notice to the City and all Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) shall be tendered (or deemed tendered) for purchase pursuant to Section 404(b) below if an extension of the Stated Termination Date of the Liquidity Facility or a Substitute Liquidity Facility, or a Letter of Credit is not delivered to the Trustee not later than the 30th day preceding the Stated Termination Date of the Liquidity Facility. If Liquidity Facility is in effect pursuant to Section 310 hereof, and the City has delivered to the Trustee a Substitute Liquidity Facility or Letter of Credit pursuant to Section 311 hereof, Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) shall be tendered (or deemed tendered) for purchase hereunder. If a Liquidity Facility or Letter of Credit is no longer required pursuant to Section 313 hereof, all Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) shall be tendered (or deemed tendered for purchase on the Business Day prior to the Liquidity Facility Cancellation Date or Letter of Credit Cancellation Date pursuant to this Section. A purchase of Tendered Bonds pursuant to this Section shall be at a Purchase Price for each such Tendered Bond equal to the principal amount thereof plus accrued interest, if any, to the purchase date. The Holder of such Series 2013 Variable Rate Bond may not elect to retain its Series 2013 Variable Rate Bond.

(b) Not later than the 30th day (or such other number of days as set forth in the Series 2013 Determination Certificate) preceding the Stated Termination Date of the Liquidity Facility, if no extension of such Liquidity Facility and no Liquidity Facility or no Substitute Liquidity Facility or Letter of Credit has been delivered, the Trustee shall give Immediate Notice to the Holders of the Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City bearing interest at a Fixed Rate) stating (i) the Stated Termination Date, (ii) that no extension of the Liquidity Facility and no Substitute Liquidity Facility or Letter of Credit has been received as of the date of such notice, and (iii) that the Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City or bearing interest at a Fixed Rate) are required to be tendered (or deemed tendered) for purchase on the Business Day immediately preceding the Stated Termination Date.

(c) Not later than the 15th day (or such other number of days as set forth in the Series 2013 Determination Certificate) preceding a Liquidity Substitution Date, the Trustee shall give Immediate Notice to the Holders of the Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) stating (i) the Liquidity Substitution Date, and (ii) that the Series 2013 Variable Rate Bonds (other than Bank Bonds, Series 2013 Variable Rate Bonds owned by or on behalf of the City and Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate) are required to be purchased on the Liquidity Substitution Date, provided that the Trustee shall not terminate, cancel or release the then existing Liquidity Facility until the Series 2013 Variable Rate Bonds subject to mandatory tender pursuant to this Section have actually been purchased, and provided further that, to the extent needed to pay the purchase price of tendered Series 2013 Variable Rate Bonds on a Liquidity Substitution Date, the

Trustee shall draw on the existing Liquidity Facility then in effect and receive payment thereunder, prior to the surrender thereof and acceptance of a Substitute Liquidity Facility or Alternate Letter of Credit.

Section 405. Purchase While Series 2013 Variable Rate Bonds Bear Adjustable Long Rate.

While any Series 2013 Variable Rate Bond bears interest at an Adjustable Long Rate, such Series 2013 Variable Rate Bond shall be purchased pursuant to this Section on each Rate Change Date within an Adjustable Long Mode for such Series 2013 Variable Rate Bond, other than the Rate Change Date which is the first day of an Adjustable Long Mode applicable to such Series 2013 Variable Rate Bond, and on the Adjustment Date immediately following the last day of such Adjustable Long Mode, at a Purchase Price equal to 100 percent of the principal amount thereof. The Holder of such Series 2013 Variable Rate Bond may not elect to retain its Series 2013 Variable Rate Bond.

Not later than the 15th day (or such other number of days as set forth in the Series 2013 Determination Certificate) next preceding such Rate Change Date for each Rate Period, the Trustee shall give notice by mail to the Holders of the Series 2013 Variable Rate Bonds which bear interest at an Adjustable Long Rate stating (i) the last day of the Rate Period then ending, and (ii) that such Series 2013 Variable Rate Bonds are required to be purchased on such Rate Change Date. The foregoing notwithstanding, the failure of the Trustee to give such notice or cause such notice to be given will not affect the requirement of such Holders to tender their Series 2013 Variable Rate Bonds for purchase. If sufficient moneys are on deposit with the Trustee on the applicable Rate Change Date to purchase such Tendered Bonds at the Purchase Price therefor, such Tendered Bonds shall not after the applicable Rate Change Date and, with respect to such Holders, bear interest, be protected by the General Ordinance or this 2013 Series Ordinance or be deemed to be Outstanding.

Section 406. Purchase on Adjustment Date.

On each Adjustment Date with respect to a Series 2013 Variable Rate Bond (other than a Bank Bond), including, without limitation, a proposed Fixed Rate Conversion Date or a Substitute Adjustment Date, such Series 2013 Variable Rate Bond shall be purchased pursuant to this Section at a Purchase Price equal to 100 percent of the principal amount thereof, except that (i) a Series 2013 Variable Rate Bond which is to be purchased on an Adjustment Date which immediately follows the last day of a Flexible Mode shall be purchased pursuant to Section 403 hereof, and (ii) a Series 2013 Variable Rate Bond which is to be purchased on an Adjustment Date which immediately follows the scheduled final day of an Adjustable Long Mode shall be purchased pursuant to Section 405 hereof. The Holder of such Series 2013 Variable Rate Bond may not elect to retain its Series 2013 Variable Rate Bond.

Not later than the 15th day (or such other number of days as set forth in the Series 2013 Determination Certificate) next preceding the Adjustment Date for any Series 2013 Variable Rate Bond bearing interest at a Daily Rate or a Weekly Rate, the Trustee shall give Immediate Notice to the Holder of such Series 2013 Variable Rate Bond stating (i) the last day of the

Adjustment Period then ending, and (ii) that such Series 2013 Variable Rate Bond is required to be purchased on the Adjustment Date.

Section 407. Purchase on Special Mandatory Tender Date.

Series 2013 Variable Rate Bonds (or Subseries thereof) bearing interest in the Bank Purchase Mode shall, subject to the terms and conditions of the applicable Bank Purchase Rate Agreement, be subject to mandatory tender for purchase on the Special Mandatory Tender Date for such Series 2013 Variable Rate Bonds at par plus accrued interest to such Special Mandatory Tender Date. The Purchaser of such Series 2013 Variable Rate Bonds may not elect to retain its Series 2013 Variable Rate Bonds and by acceptance of such Series 2013 Variable Rate Bonds shall be deemed to have agreed to deliver such Series 2013 Variable Rate Bonds to the Trustee on the Special Mandatory Tender Date for such Series 2013 Variable Rate Bonds.

Section 408. Purchase of Tendered Bonds Delivered to Trustee's Agent; Notices.

(a) Tendered Bonds shall be purchased from their Holders at a Purchase Price equal to 100 percent of the principal amount thereof, plus accrued interest thereon (unless purchased on an Interest Payment Date, in which event such accrued interest shall not be paid as part of the Purchase Price secured by, or payable from, the Liquidity Facility or Letter of Credit, as applicable), but solely from the following sources of funds in order of priority indicated below, and neither the City, the Trustee, the Trustee's Agent nor the Remarketing Agent shall have an obligation to use funds from any other source:

(i) proceeds of the sale of such Tendered Bonds (other than Tendered Bonds sold to the City in violation of Section 412(b)) hereof pursuant to Section 409 hereof,

(ii) moneys received from the purchasers (other than the City) of Tendered Bonds upon the conversion of the interest rate thereon to a Fixed Rate;

(iii) proceeds of the Letter of Credit, to the extent a Letter of Credit is then available, and, if not, then proceeds of the applicable Liquidity Facility, to the extent a Liquidity Facility is available; and

(iv) other moneys furnished by the City in its sole discretion, if any, to the Trustee for the purchase of Tendered Bonds, provided that the conditions of Section 412(b) hereof are satisfied.

(b) The Trustee shall transfer the proceeds of sale of Tendered Bonds and proceeds of the Liquidity Facility or Letter of Credit, as applicable, to the Trustee's Agent, if any, by 1:25 p.m. Chicago time on the purchase date. The Trustee's Agent shall pay the Purchase Price specified above from the sources specified above of each Tendered Bond to the Holder thereof by 1:30 p.m., Chicago time, on the purchase date, provided that the Trustee's Agent shall have confirmed that such Holder has delivered such Tendered Bond (with any necessary endorsements) to the designated corporate trust office of the Trustee's Agent no later than 12:00 noon, Chicago time, on such date.

If the Series 2013 Variable Rate Bonds are in a Book Entry System, the requirement for physical delivery of Tendered Bonds in connection shall be deemed satisfied when the ownership rights in the Series 2013 Variable Rate Bonds are transferred by participants in the Securities Depository on the records of the Securities Depository to the participant account of the Trustee.

Section 409. Remarketing of Tendered Bonds by Remarketing Agent.

Subject to Section 411 hereof, upon the delivery or deemed delivery of Tendered Bonds by the Holders thereof in accordance with the provisions hereof, the Remarketing Agent shall offer for sale and use its best efforts to remarket such Tendered Bonds pursuant to the Remarketing Agreement, any such remarketing to be made on the date on which such Tendered Bonds are to be purchased, at a price equal to 100 percent of the principal amount thereof plus accrued interest, if any.

If Tendered Bonds are to be delivered for purchase under Section 401(a) hereof, the Remarketing Agent shall give telephonic or electronic notice to the Trustee, the Trustee's Agent, the City, and the Bank no later than 10:30 a.m., Chicago time, on the date on which such Tendered Bonds are to be so delivered or deemed delivered, of the aggregate principal amount of such Tendered Bonds to be purchased on such date which it has reasonable grounds to expect will not be remarketed on such date.

In addition, with respect to Tendered Bonds delivered or deemed delivered for purchase under Section 401(b), 402, 403, 404, 405, 406 or 407 hereof, the Remarketing Agent shall give telephonic or electronic notice to the Trustee, the Trustee's Agent, the City and the Bank no later than 3:00 p.m., Chicago time, on the Business Day next preceding the date on which such Tendered Bonds are to be so delivered or deemed delivered, of the aggregate principal amount of such Tendered Bonds to be purchased on such date which it has reasonable grounds to expect will not be remarketed on such date.

When a Letter of Credit is in effect, the Trustee shall pay the Purchase Price of such unremarketed Tendered Bonds with a draw on the Letter of Credit for the principal portion and the interest portion of the purchase price of such Tendered Bonds to the extent the remarketing proceeds are insufficient to make such payment by the times required by Section 410 hereof.

The Remarketing Agent shall remarket Bank Bonds to the extent, and subject to the conditions, set forth herein and in the Remarketing Agreement and prior to the remarketing of any other Series 2013 Variable Rate Bonds; *provided, however*, that no Bank Bond may be remarketed unless simultaneously with such remarketing the amount of funds which are available under the Liquidity Facility or the Letter of Credit, as applicable, has been reinstated to an amount which is equal to the principal amount of such Series 2013 Variable Rate Bonds and the applicable interest component covered under the Liquidity Facility or the Letter of Credit, as applicable, unless the Liquidity Facility or the Letter of Credit, as applicable, is no longer required pursuant to Section 313 hereof. Bank Bonds shall be remarketed at a price of par plus accrued interest, if any, until the Bond Sale Date; Bank Bonds may be remarketed at a rate up to and including the Maximum Rate by the Remarketing Agent, to the extent permitted by the Bank Agreement, as if such Bank Bonds had accrued interest at the Bank Variable Rate. If on the

Bond Sale Date, Bank Bonds are remarketed with accrued interest computed based on the Bank Variable Rate instead of the Bank Rate, the Differential Interest Amount shall be due to the Bank from the City on the Bond Sale Date (or such later date as is provided in the Bank Agreement). Upon the remarketing of Bank Bonds, the Remarketing Agent shall immediately provide telephonic or electronic notice, promptly confirmed by telecopy or electronic mail, of such remarketing to the Trustee, the City and the Bank, and thereupon the Trustee shall, subject to Section 410(a)(ii) hereof, immediately deliver or provide for transfer of beneficial interest in such Bank Bonds for delivery to the purchasers thereof upon payment to the Bank of the principal amount of such Bank Bonds.

Section 410. Delivery of Tendered Bonds and Proceeds of Sale; Failed Purchase.

(a) (i) Subject to Section 411 hereof, Tendered Bonds remarketed by the Remarketing Agent pursuant to Section 409 hereof shall be delivered by the Trustee or the Trustee's Agent as directed by the Remarketing Agent by 11:00 a.m., Chicago time, on the date against payment therefor. The proceeds of sale by the Remarketing Agent shall be delivered to the Trustee by 10:00 a.m., (for Tendered Bonds in any Interest Mode other than the Daily Mode) or 10:45 a.m. (for Tendered Bonds in the Daily Mode) Chicago time, on the date of purchase.

(ii) Bank Bonds shall be delivered to the Trustee or otherwise at the direction of the Bank, or for as long as the Series 2013 Variable Rate Bonds are in the Book Entry System, credited to the designated account of the Bank or its designee as beneficial Holder of such Bank Bonds by DTC (in its capacity as custodian) pursuant to the Bank Agreement or Custody Agreement, if any. Notwithstanding anything herein to the contrary, if the Trustee holds Bank Bonds as custodian for the Bank pursuant to the Bank Agreement or Custody Agreement, if any, the Trustee shall not release to the purchaser thereof Bank Bonds remarketed pursuant to Section 409 hereof unless the Bank shall have given written notification (which may be by facsimile or electronic communication) to the Trustee that it has either (i) reinstated the Liquidity Facility or the Letter of Credit, as applicable, in an amount equal to the principal amount of the Bank Bonds remarketed plus the applicable interest component, unless a Liquidity Facility and Letter of Credit is no longer required pursuant to Section 313 hereof or (ii) has reinstated the Letter of Credit simultaneously with the receipt of remarketing proceeds, unless a Letter of Credit is no longer required pursuant to Section 313 hereof. The Trustee shall follow the provisions of the Bank Agreement or the Custody Agreement, if any, as to registration and procedures for Bank Bonds during the effective period of the Liquidity Facility or Letter of Credit. Reinstatement of the Liquidity Facility or Letter of Credit, as applicable, shall also be a requirement of the transfer of any Bank Bonds if the Trustee does not hold the Bank Bonds pursuant to the Custody Agreement.

(b) Except as otherwise provided in the Bank Agreement or the Custody Agreement, if any, Tendered Bonds delivered as provided in this Section shall be registered in the manner directed by the purchaser thereof, except that Bank Bonds shall be registered in the name of the Bank, or its designee, and beneficial interests therein shall be transferred as provided in paragraph (a)(ii) above.

(c) The Trustee's Agent and the Remarketing Agent shall notify the Trustee in writing (which may be delivered by telecopy or electronically) no later than 10:30 a.m., Chicago time, on each day on which Tendered Bonds in the Daily Mode, and no later than 3:00 p.m., Chicago time, on the Business Day prior to the day on which Tendered Bonds in any other Interest Mode, are delivered or deemed delivered for purchase under Sections 401 through 406 hereof of the aggregate principal amount of Tendered Bonds to be purchased on such date. The Trustee shall take such actions as are necessary to draw or obtain funds under the Liquidity Facility in accordance with its terms to pay the Purchase Price of such Tendered Bonds (other than Bank Bonds and Series 2013 Variable Rate Bonds owned by the City) on such date; and, in connection with the Letter of Credit, shall make drawings thereunder (based upon the proceeds of sale by the Remarketing Agent actually delivered to the Trustee by 10:00 a.m. (for Tendered Bonds in any Interest Mode other than the Daily Mode) or 10:45 a.m. (for Tendered Bonds in the Daily Mode), Chicago time, on the date of purchase pursuant to paragraph (a)(i) of this Section) no later than 10:30 a.m. for Tendered Bonds in any Interest Mode other than the Daily Mode or 11:15 a.m. Chicago time for Tendered Bonds in the Daily Mode, on such date in order to obtain funds thereunder by no later than 1:15 p.m. Chicago time, on such date. Upon receipt of such funds, the Trustee shall immediately pay the tendering Holders the Purchase Price for their Series 2013 Variable Rate Bonds. If the Series 2013 Variable Rate Bonds are Outstanding in Subseries and there are two or more letters of credit related to such Subseries constituting the Letter of Credit for such Subseries, the Trustee shall draw on each Letter of Credit in proportion to the Tendered Bonds of such Subseries not remarketed. If surplus moneys from the Bank remain after the payment in full of all Tendered Bonds, the Trustee shall provide Immediate Notice to the Bank of the amount of funds made available by the Bank on such date which are not required for the payment of Tendered Bonds and shall immediately return such excess funds to the Bank.

(d) If sufficient moneys are on deposit with the Trustee or the Trustee's Agent to pay the applicable Purchase Price of any Tendered Bond, such Tendered Bond shall be deemed to have been purchased whether or not delivered by the Holder thereof on the date such Tendered Bond is to be purchased. If any such purchased Tendered Bond is not so delivered, the City shall execute, and the Trustee shall authenticate and deliver, a replacement Series 2013 Variable Rate Bond of like date, Maturity Date and denomination as the Tendered Bond and bearing a number not contemporaneously Outstanding.

(e) In the event the Remarketing Agent is unable to remarket the Tendered Bonds upon a tender thereof, and the Bank does not purchase the Tendered Bonds for any reason whatsoever, the City may, but need not, purchase the Tendered Bonds. If the City does not purchase the Tendered Bonds, the Tendered Bonds shall remain Outstanding and shall continue to be owned by the Holders seeking to tender their Tendered Bonds. Such Tendered Bonds shall bear interest at the Failed Tender Rate until funds to purchase such Tendered Bonds are made available to such Holders, at which time such Holders shall be required to deliver such Tendered Bonds as if the failed purchase had not occurred. If such failed purchase occurs in connection with any Adjustment Date, such Tendered Bonds subject to the Adjustment Date shall remain Outstanding in the Interest Mode in which they had been and shall bear interest at the Failed Tender Rate as aforesaid.

Section 411. No Remarketing After Certain Defaults.

If no Liquidity Facility or Letter of Credit is in effect, there shall be no remarketing of Tendered Bonds unless consented to in writing by the City and the Remarketing Agent or unless no Liquidity Facility or Letter of Credit is required pursuant to Section 313 hereof, and if there shall have occurred and be continuing an Event of Default under the General Ordinance of which an authorized officer in the principal office of the Remarketing Agent or an authorized officer in the designated corporate trust office of the Trustee has actual knowledge, there shall be no remarketing of Tendered Bonds pursuant to Section 409 hereof unless consented to in writing by the City and the Remarketing Agent. In addition, when a Liquidity Facility is in effect, the Remarketing Agent shall be under no obligation to remarket Tendered Bonds upon the occurrence and continuance of a Special Default, Liquidity Facility Default or the wrongful failure by the Bank to honor a properly presented purchase notice under the Liquidity Facility.

Section 412. Limitations on Remarketing.

(a) Any Tendered Bond purchased pursuant to Sections 401 through 406 hereof from the date notice is given of redemption of such Tendered Bond through the date for such redemption, or from the date of notice of mandatory purchase of such Tendered Bond pursuant to Sections 402 through 406 hereof through the date for such mandatory purchase, shall not be remarketed except to a purchaser who has been notified at the time of such purchase of the requirement to deliver such Tendered Bond for redemption or purchase to the Trustee on the redemption or purchase date.

(b) Series 2013 Variable Rate Bonds acquired by, or on behalf of, the City may not be tendered for purchase pursuant to Sections 401 to 406 hereof. Tendered Bonds shall not be remarketed to the City. The requirement of the preceding sentence shall not apply to a purchase of Tendered Bonds when either (a) the Bank has failed to honor a properly presented and conforming drawing under the Letter of Credit then in effect or, if a Liquidity Facility is then in effect with respect to the Series 2013 Variable Rate Bonds, there is a Special Default thereunder, or (b) no Letter of Credit or Liquidity Facility is required to be in effect pursuant to this 2013 Series Ordinance. The Trustee shall not be required to monitor the actions of the Remarketing Agent to ensure that it will not remarket any Tendered Bonds to the City, and, for the purposes of Section 408(a)(i) hereof, the Trustee may, in the absence of actual notice to the contrary, assume that no funds furnished to the Trustee by the Remarketing Agent constitute proceeds of the remarketing of any Tendered Bonds to the City.

(c) Notwithstanding anything else herein to the contrary, in no event shall any Series 2013 Variable Rate Bond owned by the City be entitled to the benefit of the tender provisions hereof, and, consequently, in no event shall proceeds of a Letter of Credit or Liquidity Facility ever be applied to the payment of such Series 2013 Variable Rate Bonds owned by or on behalf of the City (and, as such, the Trustee shall make no drawings under a Letter of Credit or Liquidity Facility with respect thereto).

Article V

MODE CONVERSION

Section 501. Authority for and Conditions to Conversion to Adjustable Long Mode or Short Mode.

(a) It is not necessary that all of the Series 2013 Variable Rate Bonds operate in the same Interest Mode, or, within an Adjustable Long Mode or a Flexible Mode, the same Rate Period, at the same time, provided that any Subseries of Series 2013 Variable Rate Bonds supported by a Letter of Credit or a Liquidity Facility shall operate in the same Interest Mode. In connection with any conversion of the Series 2013 Variable Rate Bonds (or Subseries thereof) to another Interest Mode, on the applicable Adjustment Date two or more Subseries of the Series 2013 Variable Rate Bonds may be combined into one Subseries or divided into two or more Subseries, with such numerical designations as the City shall designate. The City may designate a different Interest Mode with respect to any Subseries of the Series 2013 Variable Rate Bonds during a Flexible Mode or one or more Adjustable Long Modes on any Rate Change Date, and during a Daily Mode, a Weekly Mode or a Bank Purchase Mode on any Business Day, upon compliance with this Section. The City may select such subsequent Interest Mode and, within an Adjustable Long Mode or a Flexible Mode, the Remarketing Agent may designate such Rate Periods from time to time, upon the written request of the City, as will, in its judgment, result in the lowest aggregate cost being payable by the City with respect to the Series 2013 Variable Rate Bonds bearing interest at a Flexible Rate or an Adjustable Long Rate, as the case may be, taking into account interest and any other determinable fees and expenses, and taking into account any Qualified Swap Agreement relating to such Series 2013 Variable Rate Bonds. The City may establish different Interest Modes and, within an Adjustable Long Mode or a Flexible Mode, the Remarketing Agent may from time to time, upon the written request of the City, establish different Rate Periods, for Series 2013 Variable Rate Bonds on the same Adjustment Date in order to achieve an average duration of Rate Periods that, in the judgment of the Remarketing Agent, is most likely to achieve the lowest total aggregate cost being payable by the City with respect to the Series 2013 Variable Rate Bonds, taking into account interest and any other determinable fees and expenses, and taking into account any Qualified Swap Agreement relating to such Series 2013 Variable Rate Bonds. The Remarketing Agent's determination shall be based upon the market for and the relative yields of the Series 2013 Variable Rate Bonds and other securities that bear interest at a variable rate or at fixed rates that, in the judgment of the Remarketing Agent, are otherwise comparable to the Series 2013 Variable Rate Bonds, or any fact or circumstance relating to the Series 2013 Variable Rate Bonds or affecting the market for the Series 2013 Variable Rate Bonds, or affecting such other comparable securities, in a manner that, in the judgment of the Remarketing Agent, will affect the market for the Series 2013 Variable Rate Bonds. The Remarketing Agent, in its discretion, may consider such information and resources as it deems appropriate in making the determinations required by this Section, but the Remarketing Agent's determination shall be based solely upon the Remarketing Agent's judgment, and the Remarketing Agent's determination shall be conclusive and binding upon all parties. The foregoing notwithstanding, the City may select any Interest Mode and, within an Adjustable Long Mode or a Flexible Mode, the Remarketing Agent may designate any Rate Period which does not meet the foregoing standards if the conditions of Section 501(h)(ii) hereof are satisfied. The City shall select such a

principal amount of Series 2013 Variable Rate Bonds for conversion from one Interest Mode to another as will allow Series 2013 Variable Rate Bonds after conversion to be sold in the minimum Authorized Denominations applicable to such Interest Mode; *provided, however*, that if the Series 2013 Variable Rate Bonds or a Subseries thereof is bearing interest at a Bank Purchase Rate, then the City shall not convert less than the entire principal amount of such Series 2013 Variable Rate Bonds or a Subseries thereof, as applicable, to a new Interest Mode. Notwithstanding anything herein to the contrary, no conversion of all or any portion of the Series 2013 Variable Rate Bonds may occur unless, concurrently with the City's written notice in (b) below, an Opinion of Bond Counsel is delivered to the Trustee to the effect that such conversion will not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled. If there is an attempt to convert the Series 2013 Variable Rate Bonds into an Interest Mode not covered by the Letter of Credit and the remarketing of the Series 2013 Variable Rate Bonds in the new Interest Mode fails for any reason, such conversion shall not be effective and the Series 2013 Variable Rate Bonds shall remain in the Interest Mode they were in prior to the attempted conversion.

(b) The City shall evidence each election that the Series 2013 Variable Rate Bonds shall bear interest at a new Bank Purchase Rate and each designation of a subsequent Interest Mode and Adjustment Date for Series 2013 Variable Rate Bonds pursuant to Section 501(a) hereof by giving written notice to the Trustee, the Trustee's Agent, the Remarketing Agent, the Bank and each Rating Agency then maintaining a rating on the Series 2013 Variable Rate Bonds, which written notice shall be sent by the City to each such party not less than 20 days prior to the Adjustment Date with respect to the new Adjustment Period, specifying (i) the new Bank Purchase Rate or the Interest Mode or Modes in which such Series 2013 Variable Rate Bonds shall operate during such Adjustment Period and the commencement date of such new Bank Purchase Rate or Adjustment Period, and (ii) if such Interest Mode is to be an Adjustable Long Mode or Flexible Mode, the duration of such Adjustment Period for each Series 2013 Variable Rate Bond affected thereby, the Rate Determination Date or Dates, the Rate Change Date or Dates therefor and the applicable optional redemption provisions determined in accordance with Section 315(b)(ii) hereof, *provided, however*, that (i) if such Adjustment Period is an Adjustable Long Mode or a Flexible Mode, the first day following each Rate Period therein shall be a Business Day, and (ii) prior to the effective date of the new Bank Purchase Rate, the Trustee must have received a copy of the written consent of the applicable Purchaser to such change. In addition, the Letter of Credit, or if applicable, the Liquidity Facility must provide an Interest Coverage Rate and number of days of interest coverage after the Adjustment Date satisfactory to any Rating Agency, if any, then maintaining a rating on the Series 2013 Variable Rate Bonds to continue its rating, if any, unless no Letter of Credit or Liquidity Facility is required pursuant to this 2013 Series Ordinance. The Trustee shall not draw on the Liquidity Facility or Letter of Credit with respect to any Series 2013 Variable Rate Bonds of a Subseries that have been converted to an Interest Mode not covered by the Liquidity Facility or Letter of Credit.

(c) In connection with a conversion of a Subseries of Series 2013 Variable Rate Bonds to the Bank Purchase Mode or the establishment of a new Bank Purchase Rate Period after a prior Bank Purchase Rate Period, (a) the City shall establish and provide written notice to the Trustee of the following at least 20 days prior to any Adjustment Date: (i) whether such Bank Purchase Rate Period shall be a LIBOR Index Rate Period or a SIFMA Index Rate Period and (ii) the Special Mandatory Tender Date for such Bank Purchase Rate Period, and (b) the

Bank Purchase Rate Pricing Agent shall establish and provide written notice to the City and the Trustee (i) if such Bank Purchase Rate Period is to be a LIBOR Index Rate Period, the Applicable Factor, and (ii) the Applicable Spread, in each case such that the applicable Bank Purchase Rate shall be the rate of interest per annum (based upon its examination of tax-exempt or taxable obligations comparable, in the judgment of the Bank Purchase Pricing Agent, to the Series 2013 Variable Rate Bonds of such Subseries and known to the Bank Purchase Rate Pricing Agent to have been priced or traded under then prevailing market conditions) to be the minimum interest rate at which a person will agree to purchase such Subseries on the effective date of the Bank Purchase Rate Period at a price (without regard to accrued interest) equal to the principal amount thereof. The Bank Purchase Rate Pricing Agent shall use its best efforts to remarket the Series 2013 Variable Rate Bonds of such Subseries at par with a LIBOR Index Rate or SIFMA Index Rate, as applicable, upon the Special Mandatory Tender Date. Such remarketing shall determine the Bank Purchase Rate for each Bank Purchase Rate Period and shall reasonably be expected to measure contemporaneous variations in the cost of newly-borrowed funds. The Calculation Agent or the City (or a financial advisor appointed by the City) may perform the duties of the Bank Purchase Rate Pricing Agent provided for in this subsection upon delivery of an Opinion of Bond Counsel to the Trustee to the effect that such performance (i) is authorized or permitted by this 2013 Series Ordinance, (ii) will not have an adverse effect on the validity or enforceability of any Series 2013 Bond, and (iii) will not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled.

(d) No later than 10:00 a.m., Chicago time, on an Adjustment Date which is the first day of a Flexible Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the City, the Bank and the Trustee of (i) the initial Rate Period and initial Flexible Rate to be borne by each Series 2013 Variable Rate Bond designated to operate in a Flexible Mode, and (ii) the Rate Change Date which immediately succeeds such initial Rate Period. No later than 9:30 a.m., Chicago time, on an Adjustment Date which is the first day of a Daily Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the City, the Bank and the Trustee of the initial Daily Rate to be borne by the Series 2013 Variable Rate Bonds designated to operate in a Daily Mode. No later than 10:00 a.m., Chicago time, on the Rate Determination Date preceding an Adjustment Date which is the first day of a Weekly Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the City, the Bank and the Trustee of the initial Weekly Rate to be borne by the Series 2013 Variable Rate Bonds designated to operate in a Weekly Mode. No later than 10:00 a.m., Chicago time, on the Rate Determination Date preceding an Adjustment Date which is the first day of an Adjustable Long Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the Trustee, the Bank and the City of the initial Adjustable Long Rate to be borne by each Series 2013 Variable Rate Bond designated to operate in an Adjustable Long Mode.

(e) If the City shall designate a Short Mode for any Series 2013 Variable Rate Bond which had been operating in an Adjustable Long Mode, or if the City shall designate an Adjustable Long Mode or Fixed Mode for any Series 2013 Variable Rate Bond which had been operating in a Short Mode, the City shall cause to be delivered to the Trustee, the Trustee's Agent, the Bank and the Remarketing Agent, concurrently with the notice described in (b) above, an Opinion of Bond Counsel to the effect that such designation (i) is authorized or permitted by

this 2013 Series Ordinance, (ii) will not have an adverse effect on the validity or enforceability of any Series 2013 Bond, and (iii) will not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled. If an Opinion of Bond Counsel is required to be delivered together with the notice, the conversion contemplated by such opinion and notice shall not become effective unless prior to 11:00 a.m., Chicago time, on the applicable Adjustment Date the Trustee shall have received an Opinion of Bond Counsel, dated the Adjustment Date, reaffirming the conclusions of the opinion accompanying the notice delivered as above required.

(f) In the event (i) the City does not specify a new Interest Mode for the Series 2013 Variable Rate Bonds or the Remarketing Agent does not determine the interest rate applicable to the initial Rate Period during a new Interest Mode with respect to any Series 2013 Variable Rate Bond all as provided in Section 501(a) hereof, or (ii) an Opinion of Bond Counsel required by Section 501(e) hereof is not delivered or reaffirmed on the applicable Adjustment Date, the immediately succeeding Interest Mode with respect to the Series 2013 Variable Rate Bonds in the Interest Mode then ending shall be (a) a Daily Mode if the preceding Interest Mode was a Short Mode, with a Daily Rate established by the Remarketing Agent, or if the Remarketing Agent fails to set such Daily Rate, such Daily Rate shall be equal to the SIFMA Swap Index or (b) an Adjustable Long Mode with an Adjustment Period of 367 days if the preceding Interest Mode was an Adjustable Long Mode, with an Adjustable Long Rate established by the Remarketing Agent, or, if the Remarketing Agent fails to set such rate, such Adjustable Long Rate shall equal 90% of the interest rate on United States Treasury obligations with a maturity of one year.

(g) (i) Upon receipt of notice from the City as provided in Section 501(b) hereof, the Trustee, at least 15 days prior to each succeeding Adjustment Date, shall give the Immediate Notice described in Section 406 hereof to each Holder of Series 2013 Variable Rate Bonds thereby affected bearing interest at a Daily Rate or a Weekly Rate of the mandatory tender for purchase of the affected Series 2013 Variable Rate Bonds on the Adjustment Date.

(ii) Upon receipt of notice from the City as provided in Section 501(b) hereof that the Series 2013 Variable Rate Bonds of a Subseries are to be converted to a Bank Purchase Rate Period, the Trustee, at least 10 days prior the Adjustment Date, shall give immediate notice to each Holder thereby affected of the mandatory tender for purchase of the affected Series 2013 Variable Rate Bonds on the Adjustment Date. Such notice shall state (a) that the affected Series 2013 Variable Rate Bonds shall bear interest at the Bank Purchase Rate unless the City rescinds its election to convert the interest rate to a Bank Purchase Rate as provided below; (b) the proposed effective date of the Bank Purchase Rate; and (c) that the affected Series 2013 Variable Rate Bonds are subject to mandatory tender for purchase on the proposed effective date of the Bank Purchase Rate and setting forth the Purchase Price and the place of delivery for purchase of such affected Series 2013 Variable Rate Bonds.

The City shall have the right to elect to rescind a conversion to a Bank Purchase Rate Period and to provide a notice of conversion pursuant to the preceding paragraph that is conditional. If the City elects to rescind a conversion to a Bank Purchase Rate Period or the conditions to convert a Subseries of the Series 2013 Variable Rate Bonds

are not satisfied, then the Interest Period that shall commence on the mandatory purchase of such Subseries of the Series 2013 Variable Rate Bonds on the Bank Purchase Conversion Date specified in the notice delivered to Holders shall, automatically and without further action hereunder, be a Weekly Interest Rate Period and if a rate is not determined, the Weekly Interest Rate shall be equal to the SIFMA Index. If a conversion of a Subseries of the Series 2013 Variable Rate Bonds to a new Bank Purchase Rate Period from a previous Bank Purchase Rate Period is scheduled prior to a related Special Mandatory Tender Date and such conversion fails to occur or is rescinded, then there shall be no mandatory tender on such proposed Bank Purchase Conversion Date and such Subseries of the Series 2013 Variable Rate Bonds shall continue to bear interest at the Bank Purchase Rate previously in effect.

(h) Any designation pursuant to Section 501(a) hereof of a subsequent Adjustment Period shall be accompanied by (i) a written statement from the Remarketing Agent, addressed to the City, the Bank and the Trustee, to the effect that the Remarketing Agent has determined that such change satisfies the standards provided in Section 501(a) hereof, and (ii) an approval in writing of such change by an Authorized Officer together with an Opinion of Bond Counsel to the effect that such approval will not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Variable Rate Bonds would otherwise be entitled.

(i) Unless neither a Letter of Credit nor a Liquidity Facility is required under this 2013 Series Ordinance, no conversion of Interest Modes shall be effective unless the City has certified to the Trustee that the Letter of Credit or Liquidity Facility, as applicable, in effect (or to be in effect) on and after such Interest Mode conversion permits requests to be made and funds to be made available to the Trustee's Agent so the Trustee's Agent can comply with Section 408 hereof in a timely manner.

(j) In connection with any conversion of a Series or one or more Subseries of the Series 2013 Variable Rate Bonds to another Interest Mode, the delivery of a Substitute Credit Support Instrument or any other event resulting in a mandatory tender pursuant to Article IV on the Applicable Adjustment Date, Credit Substitution Date or mandatory tender date a Series or one or more Subseries may be divided into two or more Subseries. The City in its notice pursuant to this Section shall specify the Subseries by such numerical designations as it chooses and the principal amount of each Subseries. The Remarketing Agent shall apply for separate CUSIP numbers for each such Subseries. Such Subseries shall remain in effect until the next Adjustment Date, Credit Substitution Date or mandatory tender date, upon which the City may select a different Subseries structure; if the City fails to select a different Subseries structure on an Adjustment Date, Credit Substitution Date or mandatory tender date, the then existing Subseries structure shall continue. Whenever there are Subseries, all references herein to a "Series" with respect to transfers, exchanges, Interest Modes, interest rates, credit providers, remarketing agents, Adjustment Dates or other characteristics of a Series shall be deemed to be references to each Subseries.

Section 502. Designation of Substitute Adjustment Date.

(a) The City may designate a Substitute Adjustment Date (i) for any Bank Bonds with Bank Approval, on any Business Day, and (ii) for any Series 2013 Variable Rate Bonds in an Adjustable Long Mode, on any Business Day on which such Series 2013 Variable Rate Bonds can be optionally redeemed at a price of par plus accrued interest as set forth in Section 315(b)(ii) hereof. The Substitute Adjustment Date shall be the next succeeding Adjustment Date for such Series 2013 Variable Rate Bonds for all purposes of this 2013 Series Ordinance.

(b) The City shall evidence each such designation of a Substitute Adjustment Date by giving written notice to the Remarketing Agent, the Bank and the Trustee, which written notice shall be received by the Remarketing Agent and the Trustee not less than one day prior to each such Substitute Adjustment Date for Bank Bonds and not less than 20 days prior to each Substitute Adjustment Date for Series 2013 Variable Rate Bonds in an Adjustable Long Mode, specifying (i) the Interest Mode in which such Series 2013 Variable Rate Bonds shall operate commencing with such Substitute Adjustment Date, and (ii) if such Adjustment Period is to be an Adjustable Long Mode, the duration of the immediately succeeding Adjustment Period for each Series 2013 Variable Rate Bond affected thereby, the Rate Periods therein, the Rate Change Dates and Rate Determination Dates therefor, and the applicable optional redemption provisions determined in accordance with Section 315(b)(ii) hereof; *provided, however*, that clauses (a) and (b) of the proviso of Section 501(b) hereof shall apply to the designation by the City of a Substitute Adjustment Date and the selection of the Rate Change Date or Dates applicable thereto. In addition, if the succeeding Adjustment Period is to be an Adjustable Long Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the Trustee no later than 10:00 a.m., Chicago time, on the Business Day immediately preceding the Substitute Adjustment Date, specifying the interest rate which will be effective commencing on such Substitute Adjustment Date. If the succeeding Adjustment Period is to be a Flexible Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the Trustee, no later than 10:00 a.m., Chicago time, on the Adjustment Date which is the first day of a Flexible Mode, of (i) the duration of the initial Rate Periods during such Flexible Mode and the initial Flexible Rates to be borne by the Series 2013 Variable Rate Bonds designated to operate in a Flexible Mode during such Rate Periods, and (ii) the Rate Change Dates upon which such Rate Periods shall terminate. If the succeeding Adjustment Period is to be a Weekly Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the City and the Trustee, no later than 10:00 a.m., Chicago time, on the Business Day immediately preceding the Substitute Adjustment Date, specifying the interest rate which will be effective commencing on such Substitute Adjustment Date. If the succeeding Adjustment Period is to be a Daily Mode, the Remarketing Agent shall give telephonic or electronic notice (confirmed by telecopy) to the Trustee, no later than 9:30 a.m., Chicago time, on the Substitute Adjustment Date which is the first day of a Daily Mode, of the initial Daily Rate to be borne by the Series 2013 Variable Rate Bonds designated to operate in a Daily Mode during such Rate Period. If the succeeding Adjustment Period is to be a Fixed Mode, the City shall satisfy the requirements of Section 503 hereof.

(c) If the City shall designate a Substitute Adjustment Date for any Series 2013 Variable Rate Bonds, it shall cause to be delivered to the Trustee, the Remarketing Agent and the

Bank, concurrently with the notice described in (b) above, and no such designation of a Substitute Adjustment Date shall take effect without, an Opinion of Bond Counsel to the effect that the designation of such Substitute Adjustment Date (i) is authorized or permitted by this 2013 Series Ordinance, (ii) will not have an adverse effect on the validity or enforceability of any Series 2013 Bond and (iii) will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2013 Bonds. The Substitute Adjustment Date shall not be effective unless prior to 10:00 a.m., Chicago time, on the Substitute Adjustment Date, the Trustee shall have received an opinion of Bond Counsel, dated such Adjustment Date, reaffirming the conclusions of the opinion accompanying the notice delivered as above required.

(d) Any designation by the City pursuant to Section 502(a) of a Substitute Adjustment Date shall be accompanied by (i) a written statement from the Remarketing Agent, addressed to the City, the Bank, and the Trustee, to the effect that the Remarketing Agent has determined that such change satisfies the standards provided in Section 501(a) hereof, or (ii) an Opinion of Bond Counsel to the effect that such approval is not required for the continued validity and enforceability of the Series 2013 Bonds in accordance with their terms, and that such change will not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled.

Section 503. Authority for and Conditions to Conversion to Fixed Rate.

(a) On any Rate Change Date during a Flexible Mode or an Adjustable Long Mode, or on any Business Day during a Daily Mode, a Weekly Mode or a Bank Purchase Mode, or at any time with respect to Bank Bonds in connection with their remarketing, the interest rate to be borne by all or any portion of such Series 2013 Variable Rate Bonds shall be converted to a Fixed Rate, and such Series 2013 Variable Rate Bonds so converted shall thereafter bear interest at such Fixed Rate until payment of the principal or Redemption Price thereof shall have been made or provided for in accordance with the provisions hereof, whether at the Maturity Date, upon redemption or otherwise, upon receipt by the Trustee of (i) a direction from an Authorized Officer specifying a Fixed Rate Conversion Date and the principal amount of Series 2013 Variable Rate Bonds to be converted, (ii) a firm underwriting or purchase contract from a recognized firm of bond underwriters or recognized institutional investors to underwrite or purchase all Series 2013 Variable Rate Bonds which are to be converted on such Fixed Rate Conversion Date at a price of 100 percent of the principal amount thereof, and (iii) an Opinion of Bond Counsel addressed to the City, the Bank and the Trustee to the effect that such conversion (a) is authorized or permitted by this 2013 Series Ordinance, (b) will not have an adverse effect on the validity or enforceability of any Series 2013 Bond, and (c) will not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled, all of which direction, certificates, contract and opinion shall be received not less than 20 days prior to the Fixed Rate Conversion Date. In addition, not later than the 20th day prior to the Fixed Rate Conversion Date, the Trustee must have received written evidence from each Rating Agency then maintaining a rating on the Series 2013 Variable Rate Bonds that the then-current long-term rating on the Series 2013 Variable Rate Bonds will not be reduced or withdrawn due to the conversion of the Series 2013 Variable Rate Bonds to the Fixed Rate, and that the short-term rating on the Series 2013 Variable Rate Bonds not being converted will not be reduced or withdrawn due to a partial Fixed Rate Conversion. The Fixed Rate Conversion of the interest rate borne by Series 2013 Variable Rate

Bonds pursuant to this Section shall not become effective unless prior to 10:00 a.m., Chicago time, on the applicable Fixed Rate Conversion Date the Trustee and the Bank shall have received an Opinion of Bond Counsel, dated the Fixed Rate Conversion Date, reaffirming the conclusions of the opinion accompanying the written direction of the City delivered as above required. Any conversion of the Series 2013 Variable Rate Bonds to the Fixed Rate shall be subject to the last sentence of Section 501(a) hereof.

When a Liquidity Facility is in effect or was in effect when Series 2013 Variable Rate Bonds become Bank Bonds, the Authorized Officer shall be required to give Immediate Notice of the foregoing direction to the Trustee (i) upon failure of the Bank to purchase Series 2013 Variable Rate Bonds in accordance with the terms of the Bank Agreement; (ii) upon expiration or termination of the Liquidity Facility with no substitution therefor (except pursuant to Section 313 hereof); (iii) if Series 2013 Variable Rate Bonds are held as Bank Bonds for 180 days; or (iv) if the City fails to replace the Liquidity Facility when required. When a Letter of Credit is or was in effect, the Authorized Officer shall be required to give Immediate Notice of the foregoing direction to the Trustee if (i) not later than 45 days prior to the Stated Expiration Date, there has been no renewal or replacement of such Letter of Credit and after the Stated Expiration Date the Series 2013 Variable Rate Bonds are required to have the benefit of a Letter of Credit pursuant to Section 311 hereof, or (ii) within 180 days after the occurrence of a default under the Bank Agreement resulting in the Letter of Credit being terminated, an Alternate Letter of Credit has not become effective.

(b) At least 15 days prior to the Fixed Rate Conversion Date, the Trustee shall give or cause the Remarketing Agent to give written notice of such election by the City to DTC and to the Holders of all Series 2013 Variable Rate Bonds to be converted bearing interest at a Daily Rate, a Weekly Rate or a Bank Purchase Rate, which notice shall state (i) the Fixed Rate Conversion Date, and (ii) that such Series 2013 Variable Rate Bonds shall be subject to mandatory purchase on such Fixed Rate Conversion Date. The Trustee shall give written notice by first class mail to the Remarketing Agent and the Bank of the foregoing information.

(c) The Trustee, at the direction of the City, shall deliver replacement Series 2013 Variable Rate Bonds bearing the Fixed Rate for converted Series 2013 Variable Rate Bonds surrendered or deemed surrendered by the Holders thereof. Any such replacement Series 2013 Variable Rate Bonds shall be executed and authenticated as provided in the General Ordinance; *provided, however*, that unless the form of the Series 2013 Variable Rate Bonds is revised pursuant to Section 304 hereof, the Trustee shall affix a legend on the face of each Series 2013 Variable Rate Bond authenticated on or after the Fixed Rate Conversion Date therefor in substantially the following form:

> This Series 2013 Bond bears interest at the Fixed Rate, as defined in this Series 2013 Bond, of ____ percent per annum from and after _____. This Series 2013 Bond is not secured by a Letter of Credit or a Liquidity Facility. This Series 2013 Bond matures on _____.

(d) From the date notice of the proposed establishment of a Fixed Rate with respect to any Series 2013 Variable Rate Bond is received by the Trustee as provided in subsection (a) of

this Section 503 through the Fixed Rate Conversion Date therefor, such Series 2013 Variable Rate Bond shall not be remarketed by the Remarketing Agent except to a buyer who is notified in writing of the mandatory purchase of such Series 2013 Variable Rate Bond on such Fixed Rate Conversion Date.

(e) No Liquidity Facility or Letter of Credit is required for Series 2013 Variable Rate Bonds bearing interest at a Fixed Rate, so the amount of the Liquidity Facility or Letter of Credit, if any, shall be reduced on or after the Fixed Rate Conversion Date with respect to such Series 2013 Variable Rate Bonds subject to a Fixed Rate Conversion as provided in the Liquidity Facility or Letter of Credit, as applicable.

(f) If the conversion of the interest rate on any Series 2013 Variable Rate Bond does not occur for any reason, including in the event that any condition precedent to the conversion shall not occur, (i) such Series 2013 Variable Rate Bond shall bear interest from and after the proposed Fixed Rate Conversion Date in the same Interest Mode as the Interest Mode applicable to such Series 2013 Variable Rate Bond prior to the proposed Fixed Rate Conversion Date, at the interest rate calculated in the manner set forth in Section 303, and, in the case of an Adjustable Long Mode, for a Rate Period of 367 days, and in the case of a Flexible Mode, for a Rate Period of seven days, (ii) if such conversion is being undertaken pursuant to Section 503(a) hereof, the City shall direct the Remarketing Agent to continue to seek to effect such conversion no less frequently than every seven days, and (iii) the City will cause there to be in full force and effect a Liquidity Facility or Letter of Credit providing an Interest Coverage Rate, and number of days of interest coverage, satisfactory to each Rating Agency then maintaining a rating on the Series 2013 Variable Rate Bonds to continue its rating, if any, unless no Liquidity Facility or Letter of Credit is required pursuant to Section 313 hereof.

(g) In the event of a conversion of less than all of the Series 2013 Variable Rate Bonds to the Fixed Mode, Bank Bonds shall be converted first.

(h) The determination of the Fixed Rate for any Series 2013 Variable Rate Bonds shall be conclusive and binding upon the Holders of such Series 2013 Variable Rate Bonds, the City, and the Trustee.

Section 504. Effect of Notices.

Any notice mailed as provided herein shall be conclusively presumed to have been given, whether or not the Holders of the Series 2013 Variable Rate Bonds receive the same.

Section 505. Adjustment of Times Established.

The times set forth in Article III, Article IV, Article V and Article VII of this 2013 Series Ordinance may be adjusted and changed as agreed to by the Trustee, the Bank, the Purchaser, the Remarketing Agent and the City, as applicable, pursuant to a separate written agreement by and between the Trustee, the Bank, the Purchaser, the Remarketing Agent and the City, as applicable. The City Council of the City authorizes the Comptroller, the Chief Financial Officer or any Authorized Officer to execute and deliver any such separate written agreement by and between

the Trustee, the Bank, the Purchaser or the Remarketing Agent, as applicable, as may be necessary or desirable pursuant to this Section 505.

Section 506. Mode Conversion Certificate.

In connection with any conversion of the Series 2013 Variable Rate Bonds (or Subseries thereof) to another Interest Mode, in addition to the applicable requirements from Sections 501 through 503 above, an Authorized Officer is authorized to make such determinations and take such actions in the best interests of the City to effectuate an Interest Mode conversion, the terms of which will be set forth in a Mode Conversion Certificate setting forth the revised terms of the Series 2013 Variable Rate Bonds to take effect in connection with the change in Interest Mode including, but not limited to, the interest rate or rates on the Series 2013 Bonds that bear interest payable currently, or, in the case of Series 2013 Variable Rate Bonds, a description of the method of determining the interest rate to be borne by such Series 2013 Variable Rate Bonds from time to time, the yield to maturity of any capital appreciation bonds, the numbering of the Series 2013 Variable Rate Bonds, the redemption terms for the Series 2013 Variable Rate Bonds, findings with respect to and the identity of any providers of Credit Support Instruments, Reserve Fund Credit Instruments, and Interest Rate Hedge Agreements for the Series 2013 Variable Rate Bonds, findings with respect to and the identity of any providers of Interest Rate Hedge Agreements for Outstanding Bonds identified in the Mode Conversion Certificate for which such agreements are permitted under the General Ordinance, the identity of any remarketing agent or tender agent to be retained in connection with the new Interest Mode for any Series 2013 Variable Rate Bonds (or Subseries thereof), and such other terms as are identified in this 2013 Series Ordinance to be included in the Mode Conversion Certificate.

Article VI

DISPOSITION OF THE PROCEEDS OF THE SERIES 2013 BONDS AND THE TIFIA BOND(S); ACCOUNTS; DEBT SERVICE RESERVE FUND AND DEBT SERVICE FUND DEPOSITS

Section 601. Disposition of Proceeds of the Series 2013 Bonds and the TIFIA Bond(s).

In the Series 2013 Determination Certificate, the Authorized Officer shall determine the disposition of proceeds of sale of the Series 2013 Bonds. The Authorized Officer shall specify (i) the amount to be deposited into the Debt Service Fund as provided in Section 603 hereof, including any amounts to be used to pay capitalized interest on the Series 2013 Bonds or the TIFIA Bond(s), (ii) the amount of Costs of Issuance to be paid in connection with the issuance and delivery of Additional Bonds issued under this 2013 Series Ordinance, (iii) the amounts, if any, to be deposited in the Series 2013 Debt Service Reserve Account and the TIFIA Debt Service Reserve Account as provided in Section 605 hereof, (iv) the amount to be deposited in a separate account or separate accounts established under the Escrow Deposit Agreements to effect the refunding of the Refunded Bonds, and (v) the amount to be deposited into the Series 2013 Project Account established in Section 602 hereof. All amounts received upon the sale of the Series 2013 Bonds are appropriated for the purposes specified in Section 202 hereof and in this Article.

In the TIFIA Loan Agreement, the Authorized Officer executing the same shall determine the disposition of proceeds of the TIFIA Bond(s). Such Authorized Officer shall specify (i) the amount, if any, to be deposited into the TIFIA Bond(s) Account as provided in Section 603 hereof, including any amounts to be used to pay capitalized interest on the TIFIA Bond(s), (ii) the amount, if any, to be paid in connection with the issuance and delivery of the TIFIA Bond(s), (iii) the amount, if any, to be deposited in the TIFIA Debt Service Reserve Account as provided in Section 605 hereof, and (iv) the amount to be used for the purposes of paying costs of or relating to the Riverwalk Expansion Project. All amounts received in connection with the execution and delivery of the TIFIA Loan Agreement and the TIFIA Bond(s) are appropriated for the purposes specified in Section 202 hereof, in this Article and in the TIFIA Loan Agreement.

Section 602. Series 2013 Project Account.

There is created a separate account in the Project Fund and designated as the "Series 2013 Project Account" (the "**Series 2013 Project Account**"). All funds in the Series 2013 Project Account shall be held by the City and shall be paid out on the order of an Authorized Officer for the purposes of (i) paying costs of Project Purposes, (ii) paying the Costs of Issuance of Additional Bonds issued under this 2013 Series Ordinance, and/or (iii) making a deposit to the TIFIA Debt Service Reserve Account.

Within 60 days after (i) completion of the Project Purposes the acquisition and construction of which was financed through the issuance of the Series 2013 Bonds, as evidenced by a certificate of the City Comptroller filed with the Trustee (if the Series 2013 Project is then held by the Trustee) or the City Treasurer (if such Account is then held by the City), and (ii) the payment of all costs with respect to those Project Purposes, any funds remaining in the Series 2013 Project Account shall be transferred by the City (or if such Account is then held by the Trustee, by the Trustee at the direction of the City) either to the Series 2013 Debt Service Reserve Account or, if such account is fully funded, at the direction of the City either to the Series 2013 Bonds Account in the Debt Service Fund or to any other Account in the Debt Service Fund.

Section 603. Series 2013 Bonds Account; TIFIA Bond(s) Account; Deposit Requirements.

(a) There is established as separate accounts in the Debt Service Fund, a Series 2013 Bonds Account (the "**Series 2013 Bonds Account**"), a Series 2013 Letter of Credit Account (the "**Series 2013 Letter of Credit Account**") to relate solely to the Series 2013 Bonds and a TIFIA Bond(s) Account (the " **TIFIA Bond(s) Account**") to relate solely to the TIFIA Bond(s). The Series 2013 Bonds Account shall be used to pay the principal and Redemption Price of and the interest on the Series 2013 Bonds, all pursuant to the General Ordinance and this 2013 Series Ordinance. The TIFIA Bond(s) Account shall be used to pay the principal and Redemption Price of and the interest on the TIFIA Bond(s), all pursuant to the General Ordinance, this 2013 Series Ordinance and the TIFIA Loan Agreement. All moneys drawn by the Trustee under a Letter of Credit pursuant to Article III hereof shall be held uninvested and applied in accordance with Section 312 hereof.

(b) All accrued interest received upon the issuance of the Series 2013 Bonds shall be deposited in the Debt Service Fund to the credit of the Series 2013 Bonds Account and applied to the payment of the first interest falling due on the Series 2013 Bonds.

(c) Any capitalized interest received in connection with the Series 2013 Bonds upon the issuance of the Series 2013 Bonds shall be deposited in the Debt Service Fund to the credit of the Series 2013 Bonds Account and applied as provided in the Series 2013 Determination Certificate.

(d) Any capitalized interest received in connection with the TIFIA Bond(s) upon the issuance of the Series 2013 Bonds shall be deposited in the Debt Service Fund to the credit of the TIFIA Bond(s) Account and applied as provided in the TIFIA Loan Agreement.

(e) Any accrued interest received upon the issuance of the TIFIA Bond(s) shall be deposited in the Debt Service Fund to the credit of the TIFIA Bond(s) Account and applied to the payment of the first interest falling due on the TIFIA Bond(s) or as otherwise provided in the TIFIA Loan Agreement.

(f) Any capitalized interest received in connection with the TIFIA Bond(s) upon the issuance of the TIFIA Bond(s) shall be deposited in the Debt Service Fund to the credit of the TIFIA Bond(s) Account and applied as provided in the TIFIA Loan Agreement.

(g) The following monthly deposit requirements to the Series 2013 Bonds Account for interest on the Series 2013 Bonds (other than interest on Series 2013 Variable Rate Bonds) are established:

(i) For each month prior to the first interest payment date, the City shall deposit into the Series 2013 Bonds Account of the Debt Service Fund an amount equal to the amount of interest coming due on the first interest payment date (minus the amount of accrued interest deposited in the Debt Service Fund upon the issuance and delivery of the Series 2013 Bonds) multiplied by a fraction, the numerator of which shall be one (1) and the denominator of which shall equal the number of full calendar months between the date of delivery of the Series 2013 Bonds and the first interest payment date for the Series 2013 Bonds minus one (1) (*provided, however,* that the denominator may not be less than one), until the full amount of the interest payment is on hand.

(ii) For each month beginning on the first day of the month in which the first interest payment date occurs, the City shall deposit into the Series 2013 Bonds Account of the Debt Service Fund an amount equal to one-fifth of the interest coming due on the next interest payment date until the full amount of the interest payment is on hand.

(h) The monthly deposit requirements for interest with respect to Series 2013 Variable Rate Bonds shall be a percentage as established in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable (not less than 100%) of the Interest Requirement.

(i) The following monthly deposit requirements for principal with respect to the Series 2013 Bonds Account are established for the Series 2013 Bonds:

(i) If the number of full calendar months between the date of delivery of the Series 2013 Bonds and the first principal or mandatory sinking fund payment date is less than twelve, for each full calendar month prior to the first principal or mandatory sinking fund payment date, the City shall deposit into the Series 2013 Bonds Account of the Debt Service Fund an amount equal to the amount of principal coming due on the first principal payment date multiplied by a fraction, the numerator of which shall be one (1) and the denominator of which shall equal the number of full calendar months between the date of delivery of the Series 2013 Bonds and the first principal or mandatory sinking fund payment date minus one (1) (*provided*, that the denominator may not be less than one), until the full amount of the first principal or mandatory sinking fund payment is on hand.

(ii) If the number of full calendar months between the date of delivery of the Series 2013 Bonds and the first principal or mandatory sinking fund payment date is twelve or more, for each month beginning on the first day of the twelfth full calendar month prior to the first principal or mandatory sinking fund payment date, the City shall deposit into the Series 2013 Bonds Account of the Debt Service Fund an amount equal to one-eleventh of the principal coming due on the next principal or mandatory sinking fund payment date, until the full amount of the next principal or mandatory sinking fund payment is on hand.

(iii) For each month beginning on the month of the first day of the month in which the first principal or mandatory sinking fund payment date occurs, the City shall deposit into the Series 2013 Bonds Account of the Debt Service Fund an amount equal to one-eleventh of the principal coming due on the next principal or mandatory sinking fund payment date, until the full amount of the next principal or mandatory sinking fund payment is on hand.

(j) The following monthly deposit requirements to the TIFIA Bond(s) Account for interest on the TIFIA Bond(s) are established:

(i) For each month prior to the first interest payment date, the City shall deposit into the TIFIA Bond(s) Account of the Debt Service Fund an amount equal to the amount of interest coming due on the first interest payment date (minus the amount of accrued interest deposited in the Debt Service Fund upon the issuance and delivery of the TIFIA Bond(s)) multiplied by a fraction, the numerator of which shall be one (1) and the denominator of which shall equal the number of full calendar months between the date of delivery of the TIFIA Bond(s) and the first interest payment date for the TIFIA Bond(s) minus one (1) (*provided*, that the denominator may not be less than one), until the full amount of the interest payment is on hand.

(ii) For each month beginning on the first day of the month in which the first interest payment date occurs, the City shall deposit into the TIFIA Bond(s) Account of

the Debt Service Fund an amount equal to one-fifth of the interest coming due on the next interest payment date until the full amount of the interest payment is on hand.

(k) The following monthly deposit requirements for principal with respect to the TIFIA Bond(s) Account are established for the TIFIA Bond(s):

(i) If the number of full calendar months between the date of delivery of the TIFIA Bond(s) and the first principal payment or mandatory redemption date is less than twelve, for each full calendar month prior to the first principal payment or mandatory redemption date, the City shall deposit into the TIFIA Bond(s) Account of the Debt Service Fund an amount equal to the amount of principal coming due on the first principal payment date multiplied by a fraction, the numerator of which shall be one (1) and the denominator which shall equal the number of full calendar months between the date of delivery of the TIFIA Bond(s) and the first principal payment or mandatory redemption date minus one (1) (*provided,* that the denominator may not be less than one), until the full amount of the first principal payment or mandatory redemption is on hand.

(ii) If the number of full calendar months between the date of delivery of the TIFIA Bond(s) and the first principal payment or mandatory redemption date is twelve or more, for each month beginning on the first day of the twelfth full calendar month prior to the first principal payment or mandatory redemption date, the City shall deposit into the TIFIA Bond(s) Account of the Debt Service Fund an amount equal to one-eleventh of the principal coming due on the next principal payment or mandatory redemption is on hand.

(iii) For each month beginning on the month of the first day of the month in which the first principal payment or mandatory redemption date occurs, the City shall deposit into the TIFIA Bond(s) Account of the Debt Service Fund an amount equal to one-eleventh of the principal coming due on the next principal payment or mandatory redemption payment date, until the full amount of the next principal payment or mandatory redemption is on hand.

Section 604. Custody Account.

(a) *Creation of Custody Account.* There is created a separate and segregated trust account in the Debt Service Fund and designated as the "Series 2013 Custody Account" (the **"Series 2013 Custody Account"**).

(b) *Deposit of Bank Bonds in Custody Account.* If any Series 2013 Variable Rate Bond is purchased by the Trustee pursuant to Sections 401 through 406 hereof with moneys drawn under the Letter of Credit, that Series 2013 Variable Rate Bond shall be delivered to and held by the Trustee (and shall thereafter constitute a Bank Bond until released as provided in this 2013 Series Ordinance), shall be deposited in the Series 2013 Custody Account, and shall be released to the City or its order only upon the following:

(i) electronic, written or telephonic notice to the Bank from the Trustee promptly, in the case of telephonic notice, confirmed by telecopier (with receipt of such telecopy confirmed by the Trustee), that such Series 2013 Variable Rate Bond has been remarketed by the Remarketing Agent;

(ii) evidence that the Trustee has received the proceeds of the remarketing of such Series 2013 Variable Rate Bond and holds such proceeds for the account of the Bank; and

(iii) electronic or written notice from the Bank to the Trustee that the Letter of Credit has been reinstated to cover the principal and applicable interest component of such remarketed Series 2013 Variable Rate Bond, provided that in connection with such reinstatement if such Series 2013 Variable Rate Bond bears interest at a Flexible Rate, such Series 2013 Variable Rate Bond may only be remarketed on an Interest Payment Date.

(c) *Registration of Bank Bonds*. Series 2013 Variable Rate Bonds purchased by the Trustee pursuant to Sections 401 through 406 which, by virtue of subsection (b) of this Section 604, constitute Bank Bonds shall, immediately, upon receipt thereof by the Trustee, be registered in the name of the Trustee (unless the Series 2013 Variable Rate Bonds are then in a Book Entry System) or the Bank or its nominee if so directed by the Bank and held by the Trustee as collateral security for the Bank.

(d) *Deposit of Proceeds of Remarketing in Custody Account*. To the extent of amounts due and owing to the Bank under the applicable Bank Agreement, the proceeds of the remarketing of Series 2013 Variable Rate Bonds held in the Series 2013 Custody Account shall be deposited into the Series 2013 Custody Account and held by the Trustee for the account of, and in trust solely for, the Bank, shall not be commingled with any other moneys held by the Trustee, and shall be paid over immediately to the Bank. The balance of such proceeds shall be deposited in the Series 2013 Bond Account.

(e) *Principal and Interest Payments on Bank Bonds*. On each Interest Payment Date prior to the release of such Bank Bonds to the City or the Remarketing Agent and reinstatement of the Letter of Credit as aforesaid, the Trustee shall apply the moneys in the Series 2013 Bond Account to the payment of principal of, and interest on, the amounts owed to reimburse the Bank for paying a drawing for the purchase price of such Bank Bonds in the manner provided in Article VI of the General Ordinance and Article VI of this 2013 Series Ordinance, but shall not draw on the Letter of Credit or use moneys in the Series 2013 Letter of Credit Account or any other moneys in the Debt Service Fund, except moneys in the Series 2013 Bond Account, for that purpose to any extent whatever; and the Trustee shall receive for the account of the City the interest and principal paid in respect of such Bonds and immediately upon such receipt the Trustee shall pay such interest and principal over to the City; *provided, however*, that if at such time there shall remain any unreimbursed draw on the Letter of Credit with respect to such Bonds, such interest and principal payments shall be paid over to the Bank until the amount of such draw plus interest on such draw as provided in the applicable Bank Agreement shall have been fully reimbursed.

(f) *Cancellation of Bank Bonds upon Redemption*. If, on any date prior to the release of such Bank Bonds from the Custody Account to the City or the Remarketing Agent and reinstatement of the Letter of Credit as aforesaid, all Series 2013 Variable Rate Bonds are called for redemption pursuant to Section 315(b), the Bank Bonds shall be deemed to have been paid and shall thereupon be canceled by the Trustee.

(i) *Custody Subaccounts*. If the Series 2013 Variable Rate Bonds are Outstanding in Subseries with separate letters of credit, the Trustee shall establish a separate Custody Subaccount for each such Subseries and letter of credit. Bank Bonds in each Custody Subaccount shall not be commingled with Bank Bonds in any other Custody Subaccount.

Section 605. Debt Service Reserve Fund Deposit.

There are established as two separate accounts in the Debt Service Reserve Fund (i) a Series 2013 Debt Service Reserve Account (the "**Series 2013 Debt Service Reserve Account**"); and (ii) a TIFIA Debt Service Reserve Account (the "**TIFIA Debt Service Reserve Account**"). From the amount received upon the issuance of the Series 2013 Bonds, (i) a sufficient sum shall be deposited in the Series 2013 Debt Service Reserve Account to establish a balance in the Debt Service Reserve Fund at least equal to the 2013 Reserve Requirement, and (ii) a sufficient sum may also be deposited in the TIFIA Debt Service Reserve Account to establish a balance in the Debt Service Reserve Fund at least equal to the TIFIA Reserve Requirement, to be held and disbursed as provided in the General Ordinance. All or any part of the 2013 Reserve Requirement may be met by deposit in the Series 2013 Debt Service Reserve Account of a Reserve Fund Credit Instrument, to be valued at the Reserve Fund Credit Instrument Amount in accordance with the General Ordinance and this 2013 Series Ordinance.

Upon the issuance of any Additional Bonds pursuant to this 2013 Series Ordinance, the City may deposit a sufficient sum of proceeds from such Additional Bonds or other legally available funds (as shall be specified in the TIFIA Loan Agreement) in the TIFIA Debt Service Reserve Account to establish a balance in the Debt Service Reserve Fund at least equal to the TIFIA Reserve Requirement, to be held and disbursed as provided in the General Ordinance. All or any part of the TIFIA Reserve Requirement may be met by deposit in the TIFIA Debt Service Reserve Account of a Reserve Fund Credit Instrument, to be valued at the Reserve Fund Credit Instrument Amount in accordance with the General Ordinance and this 2013 Series Ordinance.

Section 606. Rebate Account.

There is established as a separate account in the Debt Service Fund a Series 2013 Rebate Account (the "**Series 2013 Rebate Account**") to relate solely to the Series 2013 Bonds. Deposits to, investments of and disbursements from the Series 2013 Rebate Account shall be made in accordance with the General Ordinance and the general tax certificate to be delivered by the City in connection with the issuance of the Series 2013 Bonds.

Article VII

FORM AND EXECUTION OF THE SERIES 2013 BONDS

Section 701. Form of the Series 2013 Bonds.

The Series 2013 Bonds that bear interest currently shall be in substantially the following form:

(Form of Current Interest Series 2013 Bond)

Registered **Registered**
No. _____ **$_____**

UNITED STATES OF AMERICA
STATE OF ILLINOIS

CITY OF CHICAGO
MOTOR FUEL TAX REVENUE BONDS,
SERIES 2013

Interest Rate: _____%	**Maturity Date: _____1, ____**	**Dated Date: _____1, ____**

Registered Owner: Cede & Co. **CUSIP**: _____

Principal Amount:

[1] The City of Chicago, Illinois (the "**City**"), for value received, promises to pay (but only out of the sources identified in this bond) to the Registered Owner identified above, or to registered assigns as provided below, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the date of this bond or from the most recent interest payment date to which interest has been paid at the Interest Rate per year set forth above on January 1 and July 1 of each year, commencing ____ 1, 20__ until the Principal Amount is paid (except as the provisions for redemption, as described in the Ordinances (defined below) may be and become applicable to this bond). No interest shall accrue on this bond after its maturity unless this bond shall have been presented for payment at maturity and shall not then have been paid.

[2] The principal of, redemption price, if any, and interest on this bond are payable in any coin or currency of the United States of America that at the time of payment is legal tender for the payment of public and private debts. The interest payable on this bond on each interest payment date will be paid to the person in whose name this bond is registered at the close of business on the fifteenth day of the month next preceding the interest payment date. The principal of and redemption price, if any, of this bond (and the interest payable on any redemption of this bond other than on an interest payment date) are payable at the designated corporate trust office of_____, as trustee and paying agent (the "**Trustee**").

Interest on this bond on any interest payment date is payable by check mailed by the Trustee to the registered owner of this bond at the owner's address as shown on the registration books of the City maintained by the Bond Registrar.

[3] This bond is one of a duly authorized Series of bonds of the City designated "Motor Fuel Tax Revenue Bonds, Series 2013" (the "**Series 2013 Bonds**"), in the aggregate principal amount of $\$$_____ issued pursuant to the home rule powers of the City and under and pursuant to the Motor Fuel Tax Revenue Bonds General Ordinance of the City duly adopted on November 28, 1990, as amended by the 2003 Series Ordinance duly adopted on March 5, 2003 (as so amended, the "**General Ordinance**"), and a 2013 Series Ordinance for the Series 2013 Bonds adopted on _____, 2013 (the "**2013 Series Ordinance**"). As provided in the General Ordinance, Bonds (as defined below) of the City may be issued from time to time pursuant to Series Ordinances in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates, and, subject to the provisions of the General Ordinance, may otherwise vary. Proceeds derived from the issuance of the Series 2013 Bonds will be used to provide funds to refund all or a portion (such refunded Bonds being hereinafter referred to as the "**Refunded Bonds**") of the City's outstanding Motor Fuel Tax Revenue Bonds, Refunding Series 1993 (the "**Series 1993 Bonds**"), Motor Fuel Tax Revenue Bonds, Series 2003A (the "**Series 2003A Bonds**") and the Motor Fuel Tax Revenue Bonds, Series 2008 (the "**Series 2008 Bonds**"), to pay the costs of acquiring and constructing projects constituting Project Purposes (as defined in the General Ordinance), [pay capitalized interest, if any, on the Series 2013 Bonds, pay the premium for a municipal bond insurance policy and/or a reserve fund credit instrument to secure Additional Bonds issued pursuant to the 2013 Series Ordinance,] pay the costs of one or more of the following, if any, pertaining to the Series 2013 Bonds or any Outstanding Bonds: Qualified Swap Agreements, Qualified Options, Non-Qualified Swap Agreements and Non-Qualified Options, pay certain expenses incurred in connection with the issuance of Additional Bonds issued pursuant to the 2013 Series Ordinance and the refunding of the Refunded Bonds, [pay capitalized interest, if any, on Additional Bonds issued pursuant to the 2013 Series Ordinance, and fund one or more accounts in the Debt Service Reserve Fund for Additional Bonds issued pursuant to the 2013 Series Ordinance].

[4] The General Ordinance and the 2013 Series Ordinance are referred to together as the "**Ordinances.**" Copies of the Ordinances are on file at the office of the City Clerk and at the designated corporate trust office of the Trustee in Chicago, Illinois, and reference to the Ordinances is made for a description of the pledges, assignments, liens, security interests, and covenants securing the Bonds (as defined below), including Series 2013 Bonds, the nature, extent, and manner of enforcement of those pledges, assignments, liens, security interests, and covenants, the rights and remedies of the registered owners of the Bonds, and the terms and conditions upon which Bonds have been, are and may be issued. Except for certain modifications and amendments that are not permitted by the terms of the Ordinances, the provisions of the Ordinances may be modified or amended by the City with the written consent of the holders of at least two-thirds in aggregate principal amount (compound accreted value for certain obligations) of the obligations then outstanding under the General Ordinance, and, if fewer than all of the several Series of Bonds issued under the General Ordinance would be affected by the modification or amendment, with such consent of the holders of at least two-thirds in aggregate principal amount (compound accreted value for certain obligations) of

such affected Series of Bonds then Outstanding. The City may adopt Supplemental Ordinances for certain purposes without the consent of holders of Bonds.

[5] This Series 2013 Bond is a legal, valid and binding limited obligation of the City payable solely from Motor Fuel Tax Revenues which lawfully may be used for the purpose of payment of Municipal Indebtedness (as defined in the General Ordinance), certain Additional City Revenues (as defined in the 2013 Series Ordinance) or from certain other moneys and securities held by the Trustee under the Ordinances. The Series 2013 Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation of indebtedness. Neither the full faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision of the State of Illinois is pledged to the payment of the principal, redemption price, or interest on the Series 2013 Bonds.

[6] The outstanding Series 1993 Bonds, the outstanding Series 2003 Bonds, the outstanding Series 2008 Bonds and the Series 2013 Bonds, together with other Bonds that may be issued in the future under the General Ordinance on a parity with the Series 2013 Bonds (collectively, the "**Bonds**"), are payable as to principal, redemption price, and interest from Motor Fuel Tax Revenues of the City which lawfully may be used for the purpose of payment of Municipal Indebtedness, from certain Additional City Revenues or from certain other moneys and securities held by the Trustee under the Ordinances.

[7] By the General Ordinance, the City has established a Debt Service Fund with respect to Bonds issued under the General Ordinance. The City has established a Series 2013 Bonds Account in that Fund, which is to be used for paying the principal of and interest on the Series 2013 Bonds. The City has also established a Debt Service Reserve Fund under the General Ordinance. [The City has established a Series 2013 Debt Service Reserve Account in the Debt Service Reserve Fund for the sole benefit of the holders of the Series 2013 Bonds.]

[8] The City has assigned to the Trustee for the benefit of the holders from time to time of Bonds all Motor Fuel Tax Revenues received by the City that are to be collected by the Illinois Department of Revenue that may lawfully be used for the payment of Municipal Indebtedness, as well as Additional City Revenues. For the benefit of the holders of Bonds, the City has pledged, assigned and granted to the Trustee a first lien on and first security interest in all Motor Fuel Tax Revenues and Additional City Revenues received that lawfully may be so used for payment in full of principal and redemption price of, and interest on all such Bonds , as such amounts become due and payable, whether by the terms of such Bonds as provided in the General Ordinance or the Series Ordinance applicable to such Bonds. By the 2013 Series Ordinance, the City has provided for deposit requirements in the Series 2013 Bonds Account of the Debt Service Fund. The pledge, assignment and grant of a lien and security interest are subject to the right of the City to apply for its other lawful purposes any amounts which it has on hand and which are not required to remain on deposit in or to be deposited in the Debt Service Fund.

[9] This Series 2013 Bond is transferable, as provided in the Ordinances, only upon the books of the City kept for that purpose at the designated corporate trust office of the Trustee in Chicago, Illinois, by the registered owner of this Series 2013 Bond in person, or by the owner's agent duly authorized in writing. Upon the surrender of this Series 2013 Bond, together

with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the owner's agent authorized in writing, and upon the payment of any charges prescribed in the Ordinances, a new registered Series 2013 Bond, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee as provided in the Ordinances. The City and the Trustee may deem and treat the registered owner as the absolute owner of this Series 2013 Bond (whether or not this Series 2013 Bond shall be overdue) for the purpose of receiving payment of or on account of principal of this Series 2013 Bond and the redemption price, if any, and interest due on this Series 2013 Bond and for all other purposes, and neither the City nor the Trustee shall be affected by any notice to the contrary. Neither the City nor the Trustee shall be obligated to make any exchange or transfer of this Series 2013 Bond during the period from any record date to the next interest payment date on the Series 2013 Bonds or to make any such transfer or exchange of this Series 2013 Bond if this Series 2013 Bond is proposed to be redeemed after its selection by the Trustee for redemption.

[10] The Series 2013 Bonds are issued in fully registered form in the denomination of $5,000 or any integral multiple of $5,000. Subject to the limitations and upon payment of the charges provided in the Ordinances, Series 2013 Bonds in fully registered form may be exchanged for a like aggregate principal amount of Series 2013 Bonds in fully registered form of other authorized denominations.

[11] The Series 2013 Bonds are subject to redemption, in whole or in part, at the option of the City on any date on or after _____ 1, 20__ at a price equal to their principal amount plus accrued interest, if any, to the date of redemption if the redemption date is not an interest payment date, [without redemption premium] [plus a redemption premium equal to _____] [plus, for optional redemptions taking place on or prior to _____, 1, 20__, a redemption premium equal to [the "make-whole" formula].

[12] The Series 2013 Bonds due on and after _____ 1, ____ are subject to redemption prior to maturity at the option of the City, in whole or in part at any time on and after _____ 1, ____, and if in part, from such maturity or maturities as the City may determine, and if less than an entire maturity, in integral multiples of $5,000 selected by the Trustee as provided in the General Ordinance, at the redemption prices (expressed as a percentage of the principal amount to be redeemed) set forth below plus accrued interest to the redemption date:

Redemption Dates (dates inclusive)	**Redemption Prices**

[13] The Series 2013 Bonds maturing on _____ 1, 20___, are subject to mandatory redemption, in integral multiples of $5,000 selected by the Trustee as provided in the General Ordinance, through the application of sinking fund installments, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the redemption date, on _____ 1 of each of the years and in the principal amounts as follows:

Year	**Principal Amount**

[14] Notice of the redemption of any Series 2013 Bonds shall be given by mailing a copy of the notices prepaid to the registered owners of the Series 2013 Bonds that are to be redeemed at their last addresses appearing on the registration books of the City maintained by the Bond Registrar. The notice shall be mailed not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption. The failure of any person to receive the notice shall not affect the validity of the redemption and the failure to mail notice to the registered owner of any Series 2013 Bond shall not affect the validity of the redemption of any other Series 2013 Bond. When any of the Series 2013 Bonds, including this Series 2013 Bond, shall have been called for redemption, and payment made or provided for, interest on that Series 2013 Bond shall cease to accrue from and after the date so specified.

[15] It is certified, recited and declared that all acts, conditions, and things required by law to exist, to have happened, and to have been performed precedent to and in connection with the issuance of this Series 2013 Bond, did exist, have happened, and have been performed in due time, form, and manner as required by law.

[16] This Series 2013 Bond shall not be valid or become obligatory for any purpose until the certificate of authentication on this Series 2013 Bond shall have been executed by the Trustee.

[17] In Witness Whereof, the City of Chicago, Illinois, by the City Council of the City of Chicago, has caused this Series 2013 Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City and its corporate seal (or a facsimile of that seal) to be affixed, imprinted, engraved, or otherwise reproduced on this Series 2013 Bond, all as of the Dated Date identified above.

City of Chicago, Illinois

By: _____
Mayor

(Seal)

Attest:

_____
City Clerk

Date of Authentication: _____, ____

Certificate of Authentication

Trustee and Paying Agent:

_____

This Series 2013 Bond is one of the Series 2013

Bonds described in the Ordinances mentioned in this Series 2013 Bond and is one of the Motor Fuel Tax Revenue Bonds, Series 2013, of the City of Chicago, Illinois.

_____,
as Trustee

By:_____
Authorized Officer

Assignment

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

Unif Gift Min Act - _____ Custodian _____
(Cust)

(Minor)

under Uniform Gifts to Minors

Act _____
(State)

TEN COM -	as tenants in common
TEN ENT -	as tenants by the entireties
JT TEN -	as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

For value received _____ sells, assigns, and transfers unto _____
(Please insert Social Security or other identifying number of Assignee)

_____
(Please print or typewrite name and address of Assignee)

this Bond of the City of Chicago, Illinois and irrevocably constitutes and appoints _____ agent to register the transfer of that Bond on the books kept for its registration.

Dated: _____

Signature Guaranteed:

_____
Notice: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Signature:

_____
Notice: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

The Series 2013 Bonds that are capital appreciation bonds shall be in substantially the following form:

(Form of Capital Appreciation Series 2013 Bond)

Registered
No. _____

$_____
Compound Accreted Value
at Maturity

UNITED STATES OF AMERICA
STATE OF ILLINOIS

CITY OF CHICAGO
MOTOR FUEL TAX REVENUE BONDS,
SERIES 2013

Approximate Yield to Maturity	Maturity Date	Dated Date	Original Principal Amount (Per $5,000 at Maturity)	CUSIP

Registered Owner: Cede & Co. **CUSIP**: _____

Principal Amount:

[1] The City of Chicago, Illinois (the "**City**"), for value received, promises to pay (but only out of the sources identified in this bond) to the Registered Owner identified above, or to registered assigns as provided below, on the Maturity Date identified above, the Compound Accreted Value at Maturity identified above unless this bond shall have been previously called for redemption and payment of the redemption price shall have been duly made or provided for. The amount of interest payable on this bond on the Maturity Date is the amount of interest accrued from the Dated Date specified above on the Original Principal Amount specified above at the Approximate Yield to Maturity set forth above, compounded semiannually on each January 1st and July 1st commencing _____, 2013. The Compound Accreted Value of this bond on January 1st and July 1st of each year commencing _____, 2013, determined by the semiannual compounding described in this paragraph, is as set forth in the Table of Compound Accreted Values attached to this bond.

[2] The Compound Accreted Value of this bond is payable in any coin or currency of the United States of America that at the time of payment is legal tender for the payment of public and private debts. The Compound Accreted Value of this bond is payable upon presentation of this bond at the designated corporate trust office of _____, as trustee and paying agent (the "**Trustee**").

[3] This bond is one of a duly authorized Series of bonds of the City designated "Motor Fuel Tax Revenue Bonds, Series 2013" (the "**Series 2013 Bonds**"), in the aggregate principal amount of $_____ issued pursuant to the home rule powers of the City and under

and pursuant to the Motor Fuel Tax Revenue Bonds General Ordinance of the City duly adopted on November 28, 1990, as amended by the 2003 Series Ordinance duly adopted on March 5, 2003, (as so amended, the "**General Ordinance**"), and a 2013 Series Ordinance for the Series 2013 Bonds adopted on _____, 2013 (the "**2013 Series Ordinance**"). As provided in the General Ordinance, Bonds (as defined below) of the City may be issued from time to time pursuant to Series Ordinances in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates, and, subject to the provisions of the General Ordinance, may otherwise vary. Proceeds derived from the issuance of the Series 2013 Bonds will be used to provide funds to refund all or a portion (such refunded Bonds being hereinafter referred to as the "**Refunded Bonds**") of the City's outstanding Motor Fuel Tax Revenue Bonds, Refunding Series 1993 (the "**Series 1993 Bonds**"), Motor Fuel Tax Revenue Bonds, Series 2003A (the "**Series 2003A Bonds**") and the Motor Fuel Tax Revenue Bonds, Series 2008 (the "**Series 2008 Bonds**"), to pay the costs of acquiring and constructing projects constituting Project Purposes (as defined in the General Ordinance), [pay capitalized interest, if any, on the Series 2013 Bonds, pay the premium for a municipal bond insurance policy and a reserve fund credit instrument to secure Additional Bonds issued pursuant to the 2013 Series Ordinance], pay the costs of one or more of the following, if any, pertaining to the Series 2013 Bonds or any Outstanding Bonds: Qualified Swap Agreements, Qualified Options, Non-Qualified Swap Agreements and Non-Qualified Options, pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Refunded Bonds, [pay capitalized interest, if any, on Additional Bonds issued pursuant to the 2013 Series Ordinance, and fund one or more accounts in the Debt Service Reserve Fund for Additional Bonds issued pursuant to the 2013 Series Ordinance].

[4] The General Ordinance and the 2013 Series Ordinance are referred to together as the "**Ordinances.**" Copies of the Ordinances are on file at the office of the City Clerk and at the designated corporate trust office of the Trustee in Chicago, Illinois, and reference to the Ordinances is made for a description of the pledges, assignments, liens, security interests, and covenants securing the Bonds, including Series 2013 Bonds, the nature, extent, and manner of enforcement of those pledges, assignments, liens, security interests, and covenants, the rights and remedies of the registered owners of the Bonds, and the terms and conditions upon which Bonds have been, are and may be issued. Except for certain modifications and amendments that are not permitted by the terms of the Ordinances, the provisions of the Ordinances may be modified or amended by the City with the written consent of the holders of at least two-thirds in aggregate principal amount (compound accreted value for certain obligations) of the obligations then outstanding under the General Ordinance, and, if fewer than all of the several Series of Bonds issued under the General Ordinance would be affected by the modification or amendment, with such consent of the holders of at least two-thirds in aggregate principal amount (compound accreted value for certain obligations) of such affected Series of Bonds then Outstanding. The City may adopt Supplemental Ordinances for certain purposes without the consent of holders of Bonds.

[5] This Series 2013 Bond is a legal, valid and binding limited obligation of the City payable solely from Motor Fuel Tax Revenues which lawfully may be used for the purpose of payment of Municipal Indebtedness (as defined in the General Ordinance), certain Additional City Revenues (as defined in the 2013 Series Ordinance) or from certain other moneys and securities held by the Trustee under the Ordinances. The Series 2013 Bonds do not constitute an

indebtedness of the City within the meaning of any constitutional or statutory provision or limitation of indebtedness. Neither the full faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision of the State of Illinois is pledged to the payment of the principal or Compound Accreted Value at Maturity of, redemption price, or interest on the Series 2013 Bonds.

[6] The outstanding Series 1993 Bonds, the outstanding Series 2003 Bonds, the outstanding Series 2008 Bonds, and the Series 2013 Bonds, together with other Bonds that may be issued in the future under the General Ordinance on a parity with the Series 2013 Bonds (collectively, the "**Bonds**"), are payable as to principal, redemption price, and interest from Motor Fuel Tax Revenues of the City which lawfully may be used for the purpose of payment of Municipal Indebtedness, certain Additional City Revenues or from certain other moneys and securities held by the Trustee under the Ordinances.

[7] By the General Ordinance, the City has established a Debt Service Fund with respect to Bonds issued under the General Ordinance. The City has established a Series 2013 Bonds Account in that Fund, which is to be used for paying the principal of and interest on the Series 2013 Bonds. The City has also established a Debt Service Reserve Fund under the General Ordinance. [The City has established a Series 2013 Debt Service Reserve Account in the Debt Service Reserve Fund for the sole benefit of the holders of the Series 2013 Bonds.]

[8] The City has assigned to the Trustee for the benefit of the holders from time to time of Bonds all Motor Fuel Tax Revenues received by the City that are to be collected by the Illinois Department of Revenue that may lawfully be used for the payment of Municipal Indebtedness, as well as Additional City Revenues. For the benefit of the holders of Bonds, the City has pledged, assigned and granted to the Trustee a first lien on and first security interest in all Motor Fuel Tax Revenues and Additional City Revenues received that lawfully may be so used for payment in full of principal and redemption price of, and interest on all such Bonds, as such amounts become due and payable, whether by the terms of such Bonds as provided in the General Ordinance or the Series Ordinance applicable to such Bonds. By the 2013 Series Ordinance, the City has provided for deposit requirements in the Series 2013 Bonds Account of the Debt Service Fund. The pledge, assignment and grant of a lien and security interest are subject to the right of the City to apply for its other lawful purposes any amounts which it has on hand and which are not required to remain on deposit in or to be deposited in the Debt Service Fund.

[9] This Series 2013 Bond is transferable, as provided in the Ordinances, only upon the books of the City kept for that purpose at the designated corporate trust office of the Trustee in Chicago, Illinois, by the registered owner of this Series 2013 Bond in person, or by the owner's agent duly authorized in writing. Upon the surrender of this Series 2013 Bond, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the owner's agent authorized in writing, and upon the payment of any charges prescribed in the Ordinances, a new registered Series 2013 Bond, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee as provided in the Ordinances. The City and the Trustee may deem and treat the registered owner as the absolute owner of this Series 2013 Bond (whether or not this Series 2013 Bond shall be overdue) for the purpose of receiving payment of or on account of principal of this Series 2013 Bond and the redemption

price, if any, and interest due on this Series 2013 Bond and for all other purposes, and neither the City nor the Trustee shall be affected by any notice to the contrary. Neither the City nor the Trustee shall be obligated to make any exchange or transfer of this Series 2013 Bond during the period from any record date to the next interest payment date on the Series 2013 Bonds or to make any such transfer or exchange of this Series 2013 Bond if this Series 2013 Bond is proposed to be redeemed after its selection by the Trustee for redemption.

[10] The Series 2013 Bonds are issued in fully registered form in the denomination of $5,000 (for Series 2013 Bonds that pay interest currently) or $5,000 Compound Accreted Value at Maturity (for capital appreciation Series 2013 Bonds) or any integral multiple of such amounts. Subject to the limitations and upon payment of the charges provided in the Ordinances, Series 2013 Bonds in fully registered form may be exchanged for a like aggregate principal amount of Series 2013 Bonds in fully registered form of other authorized denominations.

[11] The Series 2013 Bonds are subject to redemption, in whole or in part, at the option of the City, at a price equal to their Compound Accreted Value on the date of redemption [without redemption premium] [plus a redemption premium equal to _____] [plus, for optional redemptions taking place on or prior to _____ 1, 20__, a redemption premium equal to [the "make-whole" formula].

[12] The Series 2013 Bonds due on and after _____ 1, ____ are subject to redemption prior to maturity at the option of the City, in whole or in part at any time on and after _____ 1, ____, and if in part, from such maturity or maturities as the City may determine, and if less than an entire maturity, in integral multiples of $5,000 Compound Accreted Value at Maturity selected by the Trustee as provided in the General Ordinance, at the redemption prices (expressed as a percentage of the principal amount to be redeemed) set forth below plus accrued interest to the redemption date:

Redemption Dates (dates inclusive)	**Redemption Prices**

[13] The Series 2013 Bonds maturing on _____ 1, 20___, are subject to mandatory redemption, in integral multiples of $5,000 Compound Accreted Value at Maturity selected by the Trustee as provided in the General Ordinance, through the application of sinking fund installments, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the redemption date, on _____ 1 of each of the years and in the principal amounts as follows:

Year	**Principal Amount**

[14] Notice of redemption of any Series 2013 Bonds shall be given by mailing a copy of the notices prepaid to the registered owners of the Series 2013 Bonds that are to be redeemed at their last addresses appearing on the registration books of the City maintained by the Bond Registrar. The notice shall be mailed not less than thirty (30) days nor more than sixty (60) days

prior to the date fixed for redemption. The failure of any person to receive the notice shall not affect the validity of the redemption and the failure to mail notice to the registered owner of any Series 2013 Bond shall not affect the validity of the redemption of any other Series 2013 Bond. When any of the Series 2013 Bonds, including this Series 2013 Bond, shall have been called for redemption, and payment made or provided for, interest on that Series 2013 Bond shall cease to accrue from and after the date so specified.

[15] It is certified, recited and declared that all acts, conditions, and things required by law to exist, to have happened, and to have been performed precedent to and in connection with the issuance of this Series 2013 Bond, did exist, have happened, and have been performed in due time, form, and manner as required by law.

[16] This Series 2013 Bond shall not be valid or become obligatory for any purpose until the certificate of authentication on this Series 2013 Bond shall have been executed by the Trustee.

[17] In Witness Whereof, the City of Chicago, Illinois, by the City Council of the City of Chicago, has caused this Series 2013 Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City and its corporate seal (or a facsimile of that seal) to be affixed, imprinted, engraved, or otherwise reproduced on this Series 2013 Bond, all as of the Dated Date identified above.

CITY OF CHICAGO, ILLINOIS

By: _____
Mayor

(Seal)

Attest:

_____
City Clerk

Date of Authentication: _____, ____

Certificate of Authentication

Trustee and Paying Agent:

_____

This Series 2013 Bond is one of the Series 2013 Bonds described in the Ordinances mentioned in this Series 2013 Bond and is one of the Motor

Fuel Tax Revenue Bonds, Series 2013, of the City of Chicago, Illinois.

_____,
as Trustee

By:_____
Authorized Officer

Assignment

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

Unif Gift Min Act - _____ Custodian _____
(Cust)

(Minor)

under Uniform Gifts to Minors

Act _____
(State)

TEN COM -	as tenants in common
TEN ENT -	as tenants by the entireties
JT TEN -	as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

For value received _____ sells, assigns, and transfers unto _____
(Please insert Social Security or other identifying number of Assignee)

_____
(Please print or typewrite name and address of Assignee)

this Bond of the City of Chicago, Illinois and irrevocably constitutes and appoints _____ agent to register the transfer of that Bond on the books kept for its registration.

Dated: _____

Signature Guaranteed:

_____
Notice: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Signature:

_____
Notice: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

COMPOUND ACCRETED VALUE TABLE

Date ***Amounts***

The Series 2013 Variable Rate Bonds shall be in substantially the following form:

No. R-_____ **$_____**

UNITED STATES OF AMERICA
STATE OF ILLINOIS

CITY OF CHICAGO
VARIABLE RATE DEMAND MOTOR FUEL TAX REVENUE BONDS,
SERIES 2013

Maturity Date **Original Issue Date** **CUSIP No. _____**
_____ 1, 20__ _____, 20___

Current Interest Mode: [Weekly]

Registered Owner: Cede & Co.

Principal Amount: _____ Dollars

AS HEREINAFTER DESCRIBED, UNDER CERTAIN CIRCUMSTANCES ON CERTAIN DATES THIS SERIES 2013 BOND IS PERMITTED TO BE, OR IS REQUIRED TO BE, TENDERED FOR PURCHASE TO THE TRUSTEE OR THE TRUSTEE'S AGENT AT THE PURCHASE PRICE SPECIFIED HEREIN. THE REGISTERED OWNER HEREOF WHO ELECTS TO TENDER THIS SERIES 2013 BOND, OR IS REQUIRED TO TENDER THIS SERIES 2013 BOND, FOR PURCHASE SHALL BE ENTITLED SOLELY TO THE PAYMENT OF SUCH PURCHASE PRICE ON THE APPLICABLE PURCHASE DATE, AND SHALL NOT BE ENTITLED TO THE PAYMENT OF ANY PRINCIPAL HEREOF OR ANY INTEREST ACCRUED HEREON ON OR AFTER SUCH DATE.

The City Of Chicago (the "**City**"), a municipal corporation and home rule unit of local government duly organized and existing under the laws of the State of Illinois, for value received, hereby promises to pay to the Registered Owner identified above, or registered assigns, on the maturity date specified above, unless this Series 2013 Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal sum specified above, and to pay interest on the balance of said principal sum from time to time remaining unpaid from and including the original issue date specified above, or from and including the most recent Interest Payment Date

(as defined in the hereinafter-defined Ordinances) with respect to which interest has been paid or duly provided for, until payment of said principal sum has been made or duly provided for.

This bond is one of a duly authorized Series of bonds of the City designated "Variable Rate Demand Motor Fuel Tax Revenue Bonds, Series 2013" (the "**Series 2013 Bonds**"), in the aggregate principal amount of $\$$_____ issued pursuant to the home rule powers of the City and under and pursuant to the Motor Fuel Tax Revenue Bonds General Ordinance of the City duly adopted on November 28, 1990, as amended by the 2003 Series Ordinance duly adopted on March 5, 2003, (as so amended, the "**General Ordinance**"), and a 2013 Series Ordinance for the Series 2013 Bonds adopted on _____, 2013 (the "**2013 Series Ordinance**"). As provided in the General Ordinance, Bonds (as defined below) of the City may be issued from time to time pursuant to Series Ordinances in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates, and, subject to the provisions of the General Ordinance, may otherwise vary. Proceeds derived from the issuance of the Series 2013 Bonds will be used to provide funds to refund all or a portion (such refunded Bonds being hereinafter referred to as the "**Refunded Bonds**") of the City's outstanding Motor Fuel Tax Revenue Bonds, Refunding Series 1993 (the "**Series 1993 Bonds**"), Motor Fuel Tax Revenue Bonds, Series 2003A (the "**Series 2003A Bonds**") and the Motor Fuel Tax Revenue Bonds, Series 2008 (the **Series 2008 Bonds**"), to pay the costs of acquiring and constructing projects constituting Project Purposes (as defined in the General Ordinance), [pay capitalized interest, if any, on the Series 2013 Bonds, pay the premium for a municipal bond insurance policy and a reserve fund credit instrument to secure the Additional Bonds issued pursuant to the 2013 Series Ordinance], pay the costs of one or more of the following, if any, pertaining to the Series 2013 Bonds or any Outstanding Bonds: Qualified Swap Agreements, Qualified Options, Non-Qualified Swap Agreements and Non-Qualified Options, pay certain expenses incurred in connection with the issuance of the Series 2013 Bonds and the refunding of the Refunded Bonds, [pay capitalized interest, if any, on Additional Bonds issued pursuant to the 2013 Series Ordinance, and fund one or more accounts in the Debt Service Reserve Fund for Additional Bonds issued pursuant to the 2013 Series Ordinance].

The General Ordinance and the 2013 Series Ordinance are referred to together as the "**Ordinances**." Copies of the Ordinances are on file at the office of the City Clerk and at the designated corporate trust office of the _____, as trustee (the "**Trustee**") in Chicago, Illinois, and reference to the Ordinances is made for a description of the pledges, assignments, liens, security interests, and covenants securing the Bonds (as defined below), including Series 2013 Bonds, the nature, extent, and manner of enforcement of those pledges, assignments, liens, security interests, and covenants, the rights and remedies of the registered owners of the Bonds, and the terms and conditions upon which Bonds have been, are and may be issued. Except for certain modifications and amendments that are not permitted by the terms of the Ordinances, the provisions of the Ordinances may be modified or amended by the City with the written consent of the holders of at least two-thirds in aggregate principal amount (compound accreted value for certain obligations) of the obligations then outstanding under the General Ordinance, and, if fewer than all of the several Series of Bonds issued under the General Ordinance would be affected by the modification or amendment, with such consent of the holders of at least two-thirds in aggregate principal amount (compound accreted value for certain obligations) of such affected Series of Bonds then Outstanding. The City may adopt Supplemental Ordinances for certain purposes without the consent of holders of Bonds.

Sources of Payments; Limited Obligation. This Series 2013 Bond is a legal, valid and binding limited obligation of the City payable solely from Motor Fuel Tax Revenues which lawfully may be used for the purpose of payment of Municipal Indebtedness (as defined in the General Ordinance), certain Additional City Revenues (as defined in the 2013 Series Ordinance) or from certain other moneys and securities held by the Trustee under the Ordinances. The Series 2013 Bonds do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation of indebtedness. Neither the full faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision of the State of Illinois is pledged to the payment of the principal, redemption price, or interest on the Series 2013 Bonds.

The outstanding Series 1993 Bonds, the outstanding Series 2003 Bonds, the outstanding Series 2008 Bonds and the Series 2013 Bonds, together with other Bonds that may be issued in the future under the General Ordinance on a parity with the Series 2013 Bonds (collectively, the **"Bonds"**), are payable as to principal, redemption price, and interest from Motor Fuel Tax Revenues of the City which lawfully may be used for the purpose of payment of Municipal Indebtedness, as well as Additional City Revenues.

By the General Ordinance, the City has established a Debt Service Fund with respect to Bonds issued under the General Ordinance. The City has established a Series 2013 Bonds Account in that Fund, which is to be used for paying the principal of and interest on the Series 2013 Bonds. The City has also established a Debt Service Reserve Fund under the General Ordinance. [The City has established a Series 2013 Debt Service Reserve Account in the Debt Service Reserve Fund for the sole benefit of the holders of the Series 2013 Bonds.]

The City has assigned to the Trustee for the benefit of the holders from time to time of Bonds all Motor Fuel Tax Revenues received by the City that are to be collected by the Illinois Department of Revenue that may lawfully be used for the payment of Municipal Indebtedness. For the benefit of the holders of Bonds, the City has pledged, assigned and granted to the Trustee a first lien on and first security interest in all Motor Fuel Tax Revenues received that lawfully may be so used for payment in full of principal and redemption price of, and interest on all such Bonds, as such amounts become due and payable, whether by the terms of such Bonds as provided in the General Ordinance or the Series Ordinance applicable to such Bonds. By the 2013 Series Ordinance, the City has provided for deposit requirements in the Series 2013 Bonds Account of the Debt Service Fund. The pledge, assignment and grant of a lien and security interest are subject to the right of the City to apply for its other lawful purposes any amounts which it has on hand and which are not required to remain on deposit in or to be deposited in the Debt Service Fund.

No recourse shall be had for the payment of the principal of, premium, if any, or interest on any of the Series 2013 Bonds or for any claim based thereon or on the Ordinances, against any past, present or future officer, director, employee or agent, or member of the City, or any successor public body or any person executing the Series 2013 Bonds, either directly or through the City, under any rule of law or equity, statute or constitution or otherwise, and all such liability of any such officers, directors, employees or agents, or members, as such, is expressly waived and released as a condition of and in consideration for the issuance of any of the Series 2013 Bonds.

Payments. The principal of and premium, if any, on Series 2013 Bonds bearing interest at a Bank Rate, a Short Rate or an Adjustable Long Rate shall be payable at the designated corporate trust office of the Trustee, upon presentation and surrender of such Series 2013 Bonds. The principal of and premium, if any, on Series 2013 Bonds bearing interest at a Fixed Rate shall be payable at the designated corporate trust office of the Trustee or, at the option of the Holders, at the designated corporate trust office of any Paying Agent named in any such Series 2013 Bond, upon presentation and surrender of such Series 2013 Bonds. Any payment of the purchase price of a Tendered Bond shall be payable at the designated corporate trust office of the Trustee's Agent (or at such other office as may be designated by the Trustee), upon presentation and surrender of such Tendered Bond as hereinafter described.

Interest on Series 2013 Bonds bearing interest at a Daily Rate, a Weekly Rate, a Bank Purchase Rate, an Adjustable Long Rate or a Fixed Rate shall be paid by check mailed on the Interest Payment Date to the persons appearing on the registration books of the City maintained by the Bond Registrar as the Holders thereof as of the close of business of the Trustee on the Record Date at the address of such Holders as they appear on the registration books of the City maintained by the Bond Registrar or at such other addresses as are furnished to the Trustee in writing by such Holders not later than the Record Date. Payment of interest on Series 2013 Bonds bearing interest at a Flexible Rate shall be made to the persons appearing on the registration books of the City maintained by the Bond Registrar as the Holders thereof as of the close of business of the Trustee on the Record Date, upon presentation and surrender of such Series 2013 Bonds at the designated corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on any Series 2013 Bond shall be made to the Holder of $1,000,000 or more in aggregate principal amount of Series 2013 Bonds as of the close of business of the Trustee on the Record Date for a particular Interest Payment Date by wire transfer to such Holder on such Interest Payment Date upon written notice from such Holder containing the wire transfer address within the United States of America to which such Holder wishes to have such wire directed, which written notice is received not later than the Business Day next preceding the Record Date; *provided* that such wire transfer shall only be made for Series 2013 Bonds bearing interest at a Flexible Rate upon presentation and surrender of such Series 2013 Bonds at the designated corporate trust office of the Trustee on the applicable Interest Payment Date. Payment of interest on Bank Bonds shall be made to the Bank by wire transfer in the manner provided for in the applicable Bank Agreement.

Interest accrued on the Series 2013 Bonds (other than Bank Bonds) during each Rate Period shall be paid in arrears on each Interest Payment Date, and with respect to Bank Bonds, interest shall be paid in accordance with the terms of the applicable Bank Agreement. Interest on the Series 2013 Bonds shall be computed (i) during any Short Mode upon the basis of a 365 or 366-day year, as applicable, for the number of days actually elapsed, (ii) during any Adjustable Long Mode or a Fixed Mode, upon the basis of a 360-day year consisting of twelve 30-day months, and (iii) with respect to Bank Bonds, upon the basis of a 365 or 366-day year, as applicable, and the actual number of days elapsed.

Definitions. Terms used in this Series 2013 Bond shall have the same meanings as set forth in the 2013 Series Ordinance.

Interest Rates. The Series 2013 Bonds shall initially bear interest at the Initial Rate specified in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, for the period specified in the Series 2013 Determination Certificate or Mode Conversion Certificate, as applicable, and thereafter at a Weekly Rate as provided in the 2013 Series Ordinance until and unless any portion thereof is converted to a different Interest Mode as provided in the 2013 Series Ordinance.

Daily Mode. The Remarketing Agent will determine, and is required to give telephonic or electronic notice (confirmed by telecopy) to the Trustee of, the Daily Rate in the manner set forth in the 2013 Series Ordinance. Except on an Adjustment Date, in the event that the Daily Rate for any Rate Period is not determined by the Remarketing Agent, the rate of interest borne by the Series 2013 Bonds bearing interest at a Daily Rate shall be equal to the rate in effect for the immediately preceding Rate Period for which a rate has been set and if the Daily Rate is not determined for two consecutive weeks, the rate shall be equal to 110% of the SIFMA Swap Index, in each case, until the Remarketing Agent next determines the Daily Rate as required under the 2013 Series Ordinance.

Weekly Mode. The Remarketing Agent will determine, and is required to give telephonic or electronic notice (confirmed by telecopy) to the Trustee of, the Weekly Rate in the manner set forth in the 2013 Series Ordinance. Except on an Adjustment Date, in the event that the Weekly Rate for any Rate Period is not determined by the Remarketing Agent on a Rate Determination Date, the rate of interest borne by the Series 2013 Bonds bearing interest at a Weekly Rate shall be equal to the rate in effect for the immediately preceding Rate Period for which a rate has been set and if the Weekly Rate is not determined for two consecutive weeks, the rate shall be equal to 110% of the SIFMA Swap Index, in each case, until the Remarketing Agent next determines the Weekly Rate as required under the 2013 Series Ordinance.

Flexible Mode. The Remarketing Agent will determine, and is required to give telephonic or electronic notice (confirmed by telecopy) to the Trustee of, the duration of the Rate Period and the Flexible Rate in the manner set forth in the 2013 Series Ordinance. Except on an Adjustment Date, in the event that the Flexible Rate for any Series 2013 Bond is not determined by the Remarketing Agent on any Rate Determination Date, such Series 2013 Bond shall bear interest at a Flexible Rate equal to the SIFMA Swap Index for a Rate Period of seven days until the Remarketing Agent next determines the Flexible Rate as required under the 2013 Series Ordinance.

Adjustable Long Mode. The Remarketing Agent will determine, and is required to give telephonic or electronic notice (confirmed by telecopy) to the Trustee of, the Adjustable Long Rate in the manner set forth in the 2013 Series Ordinance. Except on an Adjustment Date, if the Remarketing Agent shall fail to determine an Adjustable Long Rate on a Rate Determination Date for a Rate Period within an Adjustable Long Mode, the Series 2013 Bonds shall automatically convert to a Rate Period of 367 days and shall bear interest at an Adjustable Long Rate equal to 90 percent of the interest rate on United States Treasury obligations with a maturity of one year.

Fixed Mode. From and after the Fixed Rate Conversion Date for a Series 2013 Bond, such Series 2013 Bond shall bear interest at the Fixed Rate with respect thereto established as provided below under "Conversion to a Fixed Rate."

Bank Purchase Mode. From and after the Bank Purchase Conversion Date for a Series 2013 Variable Rate Bond, such Series 2013 Variable Rate Bond shall bear interest at the Bank Purchase Rate.

Bank Rate. Each Bank Bond shall bear interest at the Bank Rate.

Maximum Interest Rate. At no time shall the Series 2013 Bonds (including Bank Bonds) bear interest at a rate higher than the Maximum Interest Rate, and at no time shall Series 2013 Bonds entitled to the benefit of a Liquidity Facility or Letter of Credit, as applicable, bear interest at a rate higher than the Interest Coverage Rate.

Purchase on Demand Date. While a Series 2013 Bond (other than a Bank Bond) bears interest at a Daily Rate, such Series 2013 Bond (or portion thereof in an Authorized Denomination) shall be purchased on a Demand Date therefor upon the demand of the Registered Owner thereof, at a purchase price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to such Demand Date, upon irrevocable telephonic or written notice (which telephonic notice shall be confirmed in writing and which written notice may be given by telecopy) to both the Trustee's Agent and the Remarketing Agent, which notice must be received not later than 10:00 a.m., Chicago time, on a Business Day in order to be effective on that date. Any notice received after 10:00 a.m., Chicago time, on a Business Day shall be deemed given on the next succeeding Business Day. Such notice must specify the principal amount and number of such Series 2013 Bond, the name and the address of such Registered Owner and the taxpayer identification number, if any, of such Registered Owner. While a Series 2013 Bond (other than a Bank Bond) bears interest at a Weekly Rate, such Series 2013 Bond (or portion thereof in an Authorized Denomination) shall be purchased on a Demand Date therefor upon the demand of the Registered Owner thereof, at a purchase price equal to 100 percent of the principal amount thereof plus accrued interest, if any, to such Demand Date, upon irrevocable written notice (which may be given by telecopy) to the Trustee's Agent and the Remarketing Agent, which notice must be received by the Trustee's Agent and the Remarketing Agent not later than 4:00 p.m., Chicago time, on a Business Day in order to be effective on that day (any notice received after 4:00 p.m., Chicago time, on a Business Day shall be deemed given on the next succeeding Business Day). Such notice must specify (i) the principal amount and number of such Series 2013 Bond, the name and the address of such Registered Owner and the taxpayer identification number, if any, of such Registered Owner, and (ii) the Demand Date on which such Series 2013 Bond is to be purchased.

Purchase on Notice of Certain Liquidity Facility Default; Notice of Special Default. During the period a Liquidity Facility is in effect, the Series 2013 Bonds (other than Bank Bonds, Series 2013 Bonds owned by or on behalf of the City and Series 2013 Bonds bearing interest at a Fixed Rate) are subject to mandatory tender by the Registered Owners thereof to the Trustee when the Trustee gives Immediate Notice to the Registered Owners of such Series 2013 Bonds and the Remarketing Agent of the occurrence and continuation of a Liquidity Facility Default. In such case, the Registered Owner of any such Series 2013 Bond required to be

purchased may not elect to retain its Series 2013 Bond, and by the acceptance of such Series 2013 Bond shall be deemed to have agreed to sell such Series 2013 Bond to the Trustee on the date specified pursuant to the 2013 Series Ordinance.

During the period a Liquidity Facility is in effect, upon receipt by the Trustee of a written notice from the Bank of the occurrence of a Special Default under the Bank Agreement, the Trustee shall give Immediate Notice thereof to the Registered Owners of all the Bonds and the Remarketing Agent, which notice shall state that there will be no mandatory purchase of the Bonds as a result of such Special Default and that the Bonds will no longer be entitled to the benefits of a Liquidity Facility or, that the obligation of the Bank to provide funds thereunder is suspended but that the other tender provisions of the 2013 Series Ordinance will remain in effect, as the case may be, and that the Bank Agreement may terminate if such suspension is not cured within the time period specified in the Bank Agreement. If Immediate Notice of a mandatory tender has been given due to receipt by the Trustee of written notice from the Bank of the occurrence of a Liquidity Facility Default, but a Special Default occurs prior to the mandatory tender date, the Series 2013 Bonds (other than Bank Bonds, Series 2013 Bonds owned by or on behalf of the City and Series 2013 Bonds bearing interest at a Fixed Rate) shall remain subject to mandatory tender on such date, although the purchase price thereof will not be payable from amounts drawn under the Bank Agreement.

Purchase on Notice of Certain Events of Default under the Bank Agreement While a Letter of Credit is Required. During the period a Letter of Credit is in effect under the 2013 Series Ordinance, the Series 2013 Bonds (other than Bank Bonds, Series 2013 Bonds owned by or on behalf of the City and Series 2013 Bonds bearing interest at a Fixed Rate) are subject to mandatory tender by the Registered Owners thereof to the Trustee when the Trustee gives Immediate Notice to the Registered Owners of such Bonds and the Remarketing Agent of the occurrence of a default under the Bank Agreement. In such case, the Registered Owner of any such Series 2013 Bond required to be purchased may not elect to retain its Series 2013 Bond, and by the acceptance of such Series 2013 Bond shall be deemed to have agreed to sell such Series 2013 Bond to the Trustee on the date specified pursuant to the 2013 Series Ordinance.

Purchase in Connection with Credit Substitution Date or Liquidity Substitution Date. All Series 2013 Bonds (other than Bank Bonds, Series 2013 Bonds owned by or on behalf of the City and Series 2013 Bonds bearing interest at a Fixed Rate) shall be purchased on the Credit Substitution Date or Liquidity Substitution Date. A purchase of Series 2013 Bonds pursuant to this paragraph shall be at a purchase price for each such Series 2013 Bond equal to the principal amount thereof plus accrued interest, if any, to the purchase date. The Registered Owner of such Series 2013 Bond may not elect to retain its Series 2013 Bond.

Purchase While Series 2013 Bonds Bear Flexible Rate. While any Series 2013 Bond bears interest at a Flexible Rate, such Series 2013 Bond shall be purchased on each Rate Change Date for such Series 2013 Bond, other than the Rate Change Date which is the first day of a Flexible Mode applicable to such Series 2013 Bond, and on the Adjustment Date immediately following the last day of the Flexible Mode, at a purchase price equal to 100 percent of the principal amount thereof. The Registered Owner of such Series 2013 Bond may not elect to retain its Series 2013 Bond.

Purchase Prior to Stated Termination Date When Required Substitute Credit Support Instrument Not in Place, Purchase Prior to Liquidity Facility or Letter of Credit Cancellation Date. During the period a Liquidity Facility or Letter of Credit is required under the 2013 Series Ordinance, all Series 2013 Bonds (other than Bank Bonds, Series 2013 Bonds owned by or on behalf of the City and Series 2013 Bonds bearing interest at a Fixed Rate) shall be purchased on the Business Day prior to each Stated Termination Date of the Liquidity Facility or Letter of Credit, as applicable. If a Liquidity Facility or Letter of Credit is no longer required pursuant to the 2013 Series Ordinance, all Series 2013 Bonds (other than Bank Bonds, Series 2013 Bonds owned by or on behalf of the City and Series 2013 Bonds bearing interest at a Fixed Rate) shall be purchased on the Business Day prior to the date of cancellation of such Liquidity Facility or Letter of Credit, as applicable. A purchase of Series 2013 Bonds pursuant to this paragraph shall be at a purchase price for each such Series 2013 Bond equal to the principal amount thereof plus accrued interest, if any, to the purchase date. The Registered Owner of such Series 2013 Bond may not elect to retain its Series 2013 Bond.

Purchase While Series 2013 Bonds Bear Adjustable Long Rate. While any Series 2013 Bond bears interest at an Adjustable Long Rate, such Series 2013 Bond shall be purchased on each Rate Change Date within an Adjustable Long Mode for such Series 2013 Bond, other than the Rate Change Date which is the first day of an Adjustable Long Mode applicable to such Series 2013 Bond, and on the Adjustment Date immediately following the last day of such Adjustable Long Mode, at a purchase price equal to 100 percent of the principal amount thereof. The Registered Owner of such Series 2013 Bond may not elect to retain its Series 2013 Bond.

Purchase on Adjustment Date. On each Adjustment Date with respect to a Series 2013 Bond (other than a Bank Bond), such Series 2013 Bond shall be purchased at a purchase price equal to 100 percent of the principal amount thereof, except that (i) a Series 2013 Bond which is to be purchased on an Adjustment Date which immediately follows the last day of a Flexible Mode shall be purchased as described under "Purchase While Series 2013 Bonds Bear Flexible Rate" above, and (ii) a Series 2013 Bond which is to be purchased on an Adjustment Date which immediately follows the scheduled final day of an Adjustable Long Mode shall be purchased as described under "Purchase While Series 2013 Bonds Bear Adjustable Long Rate" above. The Registered Owner of such Series 2013 Bond may not elect to retain its Series 2013 Bond.

Payment of Purchase Price. Tendered Bonds remarketed by the Remarketing Agent shall be delivered by the Trustee or the Trustee's Agent as directed by the Remarketing Agent by 11:00 a.m., Chicago time, on the date of purchase against payment therefor. The proceeds of sale by the Remarketing Agent shall be delivered to the Trustee by 10:30 a.m., Chicago time, on the date of purchase. The Trustee's Agent shall pay the purchase price of each Tendered Bond from the sources specified in the 2013 Series Ordinance, to the Registered Owner thereof by 1:30 p.m., Chicago time, on the purchase date; provided that the Trustee's Agent shall have confirmed that such Registered Owner has delivered such Tendered Bond (with any necessary endorsements) to the designated corporate office of the Trustee's Agent no later than 12:00 noon, Chicago time, on such date.

If sufficient moneys are on deposit with the Trustee or the Trustee's Agent to pay the applicable purchase price of any Tendered Bond, such Tendered Bond will be deemed to have been purchased whether or not delivered by the Registered Owner thereof on the date such

Tendered Bond is to be purchased. If any such purchased Tendered Bond is not so delivered, the City will execute and the Trustee will authenticate and deliver a replacement Series 2013 Bond of like date, Maturity Date and denomination as the Tendered Bond and bearing a number not contemporaneously outstanding.

Purchase Price of Bank Bonds. The purchase price of remarketed Bank Bonds shall be 100 percent of the principal amount thereof plus accrued interest, if any, through the Bond Sale Date.

No Remarketing After Certain Defaults. There shall be no remarketing of Tendered Bonds unless consented to in writing by the City and the Remarketing Agent, (a) during the period a Liquidity Facility or Letter of Credit is in effect, and (b) if there shall have occurred and be continuing an Event of Default under the General Ordinance of which an authorized officer in the principal office of the Remarketing Agent or an authorized officer in the designated corporate trust office of the Trustee has actual knowledge. In addition, when a Liquidity Facility is in effect, the Remarketing Agent shall be under no obligation to remarket Bonds upon the occurrence and continuance of a Special Default or Liquidity Facility Default under the 2013 Series Ordinance or the wrongful failure by the Bank to honor a properly presented purchase notice under the Liquidity Facility.

If the Remarketing Agent is unable to remarket the Tendered Bonds upon a tender thereof, and the Bank does not purchase the Tendered Bonds for any reason whatsoever, the City may, but need not, purchase the Tendered Bonds. If the City does not purchase the Tendered Bonds, the Tendered Bonds shall remain Outstanding and shall continue to be owned by the Holders seeking to tender their Tendered Bonds. Such Tendered Bonds shall bear interest at the Failed Tender Rate until funds to purchase such Tendered Bonds are made available to such Holders, at which time such Holders shall be required to deliver such Tendered Bonds as if the failed purchase had not occurred. If such failed purchase occurs in connection with any Adjustment Date, such Tendered Bonds subject to the Adjustment Date shall remain outstanding in the Interest Mode in which they had been and shall bear interest at the Failed Tender Rate as aforesaid.

Conversion to an Adjustable Long Mode or Short Mode. The City may designate a different Interest Mode with respect to any Series 2013 Bond during a Flexible Mode or one or more Adjustable Long Modes on any Rate Change Date, and during a Daily Mode, a Weekly Mode or Bank Purchase Mode on any Business Day, upon compliance with the 2013 Series Ordinance.

If the Remarketing Agent does not determine the interest rate applicable to the initial Rate Period during a new Interest Mode with respect to any Series 2013 Bond or if any relevant opinion required is not delivered, the immediately succeeding Interest Mode with respect to the Series 2013 Bonds in the Interest Mode then ending shall be determined as provided in the 2013 Series Ordinance.

Designation of Substitute Adjustment Date. The City may designate a Substitute Adjustment Date (i) for any Bank Bonds, with Bank Approval, on any Business Day, and (ii) for any Series 2013 Bonds in an Adjustable Long Mode, on any Business Day on which such

Series 2013 Bonds can be optionally redeemed at a price of par plus accrued interest as set forth in the 2013 Series Ordinance. The Substitute Adjustment Date shall be the next succeeding Adjustment Date for such Series 2013 Bonds for all purposes of the 2013 Series Ordinance.

Fixed Rate Conversion. On any Rate Change Date during a Flexible Mode or an Adjustable Long Mode, or on any Business Day during a Daily Mode, a Weekly Mode, a Bank Purchase Mode, or at any time with respect to Bank Bonds in connection with their remarketing, the interest rate to be borne by all or any portion of the Series 2013 Bonds in such Interest Mode shall be converted to a Fixed Rate, and such Series 2013 Bonds so converted shall thereafter bear interest at such Fixed Rate until payment of the principal or redemption price thereof shall have been made or provided for in accordance with the provisions of the 2013 Series Ordinance.

If the conversion of the interest rate of any Series 2013 Bond does not occur for any reason, including in the event that any condition precedent to the Fixed Rate Conversion shall not occur, such Series 2013 Bonds shall bear interest from and after the proposed Fixed Rate Conversion Date as provided in the 2013 Series Ordinance.

Effect of Notices. Any notice mailed as provided herein shall be conclusively presumed to have been given, whether or not the Registered Owner of Series 2013 Bonds receives the notice.

Redemption. The Series 2013 Bonds shall be subject to redemption prior to their Maturity Date in the amounts, at the times and in the manner provided below.

(b) Optional Redemption.

(i) Series 2013 Bonds in a Daily Mode or a Weekly Mode shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day during such Daily Mode or Weekly Mode, as applicable, at a redemption price equal to _____ percent of the principal amount thereof plus accrued interest, if any, to the redemption date.

(ii) Subject to any limitations set forth in the applicable Bank Purchase Rate Agreement, Series 2013 Bonds in the Bank Purchase Rate Mode shall be subject to redemption on any Interest Payment Date, at the direction of the City, in whole or in part, at a redemption price equal to the principal amount of the Series 2013 Bonds to be redeemed plus accrued interest to, but not including, the redemption date plus the applicable redemption premium, if any, as provided in the applicable Bank Purchase Rate Agreement.

(iii) Series 2013 Bonds in an Adjustable Long Mode shall be subject to redemption prior to their Maturity Date, during each Rate Period therein, at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day after the No-Call Period described below, at the following redemption prices (expressed as percentages of the principal amount of Series 2013 Bonds, called for redemption) plus accrued interest, if any, to the redemption date:

Length of Rate Period	No-Call Period	Redemption Price
greater than __ years	__ years from the Rate Change Date	___%, declining __% per 12 months to ___%
Less than or equal to __ years and greater than __ years	until __ years prior to end of Rate Period	___%
Less than or equal to __ years	length of Rate Period	not subject to optional redemption

The City may deliver to the Trustee an alternative redemption schedule to the schedule shown above, if the City delivers to the Bank and the Trustee an Opinion of Bond Counsel to the effect that the alternative schedule of redemption will not adversely affect the validity and enforceability of the Series 2013 Bonds in accordance with their terms and does not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled. After the first Rate Change Date succeeding the delivery of such alternative schedule and Opinion of Bond Counsel, Series 2013 Bonds in an Adjustable Long Mode shall be subject to redemption pursuant to the terms of such alternative schedule.

(iv) Series 2013 Bonds in the Fixed Mode shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day after the No-Call Period described below, at the following redemption prices (expressed as percentages of the principal amount of the Series 2013 Bonds called for redemption) plus accrued interest, if any, to the redemption date:

Length of Maturity	No-Call Period	Redemption Price
greater than __ years	__ years from the Fixed-Rate Conversion Date	___%, declining __% per 12 months to ___%
Less than or equal to __ years and greater than __ years	until __ years prior to the Maturity Date	___%
Less than or equal to __ years	term to the Maturity Date	not subject to optional redemption

The City may deliver to the Trustee an alternative redemption schedule to the schedule shown above, if the City delivers to the Bank and the Trustee an Opinion of Bond Counsel to the effect that the alternative schedule of redemption will not adversely affect the validity and enforceability of the Series 2013 Bonds in accordance with their terms and does not adversely affect the exclusion from gross income for federal income tax purposes to which interest on the Series 2013 Bonds would otherwise be entitled. Series 2013 Bonds which commence bearing interest at a Fixed Rate on or after the delivery of such alternative schedule and Opinion of Bond Counsel shall be subject to redemption in accordance with the provisions of such alternative schedule.

(v) Series 2013 Bonds bearing interest at a Flexible Rate or an Adjustable Long Rate shall be subject to optional redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Rate Change Date therefor, at a redemption price equal to ___ percent of the principal amount thereof plus accrued interest, if any, to the redemption date.

(c) *Optional Redemption of Bank Bonds*. Bank Bonds shall be subject to redemption prior to their Maturity Date at the option of the City, in whole or in part (and, if in part, in an Authorized Denomination) on any Business Day at a redemption price equal to ___ percent of the principal amount thereof plus accrued interest thereon at the Bank Rate, to the redemption date.

(d) *Extraordinary Redemption of Bank Bonds*. Bank Bonds shall be subject to mandatory redemption on the dates and in the amounts specified in the Bank Agreement. Such redemption shall be at a price equal to the principal amount thereof plus accrued interest at the Bank Rate thereon to the redemption date, without premium. Bank Bonds shall be redeemed pursuant to the 2013 Series Ordinance without any notice from or direction by the City.

(e) *Priority of Redemption*. In all events, Bank Bonds shall be redeemed prior to any other Series 2013 Variable Rate Bonds.

(f) *Mandatory Redemption of Series 2013 Bonds*. The Series 2013 Bonds shall be subject to mandatory redemption prior to maturity in the amounts and upon terms as follows:

The Series 2013 Bonds are subject to mandatory redemption prior to maturity at a redemption price equal to ___ percent of the principal amount thereof on _____ 1 of the years and in the amounts set forth below, plus accrued interest to the date fixed for redemption:

Series 2013 Bonds due _____ 1, 20__

Year	Principal Amount	Year	Principal Amount

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* Maturity Amount

The principal amount of the Series 2013 Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemption of such Series 2013 Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the sixtieth day preceding any mandatory redemption date, the Trustee may, and if directed by the City shall, purchase Series 2013 Bonds required to be retired on such mandatory redemption date. Any such Series 2013 Bond so purchased shall be canceled and the

principal amount thereof shall be credited against the payment required on such next mandatory redemption date.

General Provisions Regarding Redemptions. No optional redemption of less than all of the Series 2013 Bonds Outstanding shall be made unless (i) if such redemption is of Series 2013 Bonds bearing interest at a Bank Rate, Short Rate or an Adjustable Long Rate, the aggregate principal amount of Series 2013 Bonds to be redeemed is equal to $100,000 or integral multiples thereof, and (ii) if such redemption is with respect to Series 2013 Bonds bearing interest at a Fixed Rate, the aggregate principal amount of Series 2013 Bonds to be redeemed is equal to $5,000 multiples. Any redemption of less than all of the Series 2013 Bonds Outstanding shall be made in such a manner that all Series 2013 Bonds Outstanding after such redemption are in Authorized Denominations.

(i) Series 2013 Bonds may be called for redemption by the Trustee (A) in the case of Series 2013 Bonds bearing interest at a Short Rate, upon receipt by the Trustee at least 20 days prior to the redemption date of a written request of the City requesting such redemption, or in accordance with the mandatory schedule provided herein, or (B) in the case of Series 2013 Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, upon receipt by the Trustee at least 45 days prior to the redemption date of a written request of the City requesting such redemption, or in accordance with the mandatory schedule provided herein.

(ii) Bank Bonds may be called for redemption by the Trustee upon receipt by the Trustee at least one Business Day prior to the redemption date of a written request of the City requesting such redemption.

Notice of Redemption. Except as otherwise provided with respect to Bank Bonds in the 2013 Series Ordinance, notice of the call for any redemption identifying the Series 2013 Bonds to be redeemed shall be given by first class mail, postage prepaid, with respect to Series 2013 Bonds bearing interest at a Short Rate, not less than 20 or more than 45 days prior to the date fixed for redemption, and shall be given by first class mail, postage prepaid, with respect to Series 2013 Bonds bearing interest at an Adjustable Long Rate or a Fixed Rate, not less than 30 or more than 60 days prior to the date fixed for redemption, to the Registered Owners of Series 2013 Bonds to be redeemed at their addresses as shown on the registration books of the City maintained by the Bond Registrar. Failure to give notice in the manner prescribed with respect to any Series 2013 Bond, or any defect in such notice, shall not affect the validity of the proceedings for redemption for any Series 2013 Bond with respect to which notice was properly given. Upon the happening of the above conditions and if sufficient moneys are on deposit with the Trustee on the applicable redemption date to redeem the Series 2013 Bonds to be redeemed and to pay interest due thereon and premium, if any, the Series 2013 Bonds thus called shall not after the applicable redemption date bear interest, be protected by the Ordinances or be deemed to be Outstanding under the provisions of the Ordinances.

Selection of Series 2013 Bonds to be Redeemed. If less than all the Series 2013 Bonds shall be called for redemption under any provision of the 2013 Series Ordinance permitting such partial redemption, the particular Series 2013 Bonds or portions thereof to be redeemed shall be selected by the City and designated to the Trustee; *provided, however*, that (i) in the case of the

redemption of less than all Series 2013 Bonds which bear interest in the same Interest Mode at the same rates for the same Rate Periods and which in the case of Series 2013 Bonds bearing interest at a Fixed Rate were converted on the same date, such redemption shall be by lot in such manner as the Trustee may determine among such Series 2013 Bonds, and (ii) subject to other applicable provisions of the 2013 Series Ordinance, the portion of any Series 2013 Bond to be redeemed shall be in a principal amount equal to an Authorized Denomination. Any redemption of less than all of the Series 2013 Bonds Outstanding shall be made first from Bank Bonds.

Liquidity Facility or Letter of Credit. The City covenants and agrees that at all times while any Series 2013 Bonds are Outstanding which bear interest at a rate other than the Fixed Rate, the City will maintain either a Liquidity Facility or a Letter of Credit in full force and effect with respect to all Series 2013 Bonds bearing interest at other than a Bank Rate except as otherwise provided in the 2013 Series Ordinance. The City may obtain a Substitute Liquidity Facility at any time in accordance with the terms of the 2013 Series Ordinance, in which event the Series 2013 Bond shall be subject to mandatory tender pursuant to the 2013 Series Ordinance.

Liquidity Facility or Letter of Credit Not Required in Certain Circumstances. Prior to the Fixed Rate Conversion Date therefor, unless the City is serving as a substitute provider of a Liquidity Facility, all the Series 2013 Bonds (other than Bank Bonds and Series 2013 Bonds owned by or on behalf of the City) are required to have the benefit of a Liquidity Facility or a Letter of Credit, except as otherwise provided in the 2013 Series Ordinance.

Registration, Transfer and Exchange. Subject to certain limitations set forth in the 2013 Series Ordinance with respect to Series 2013 Bonds in the Bank Purchase Mode, this Series 2013 Bond is transferable, as provided in the Ordinances, only upon the books of the City kept for that purpose at the designated corporate trust office of the Trustee in Chicago, Illinois, by the registered owner of this Series 2013 Bond in person, or by the owner's agent duly authorized in writing. Upon the surrender of this Series 2013 Bond, together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or the owner's agent authorized in writing, and upon the payment of any charges prescribed in the Ordinances, a new registered Series 2013 Bond, in the same aggregate principal amount and of the same maturity, shall be issued to the transferee as provided in the Ordinances. The City and the Trustee may deem and treat the registered owner as the absolute owner of this Series 2013 Bond (whether or not this Series 2013 Bond shall be overdue) for the purpose of receiving payment of or on account of principal of this Series 2013 Bond and the redemption price, if any, and interest due on this Series 2013 Bond and for all other purposes, and neither the City nor the Trustee shall be affected by any notice to the contrary. Neither the City nor the Trustee shall be obligated to make any exchange or transfer of this Series 2013 Bond during the period from any record date to the next interest payment date on the Series 2013 Bonds or to make any such transfer or exchange of this Series 2013 Bond if this Series 2013 Bond is proposed to be redeemed after its selection by the Trustee for redemption.

The Series 2013 Bonds are issued in fully registered form in the denomination of $100,000 or any integral multiple of $5,000 in excess of that amount. Subject to the limitations and upon payment of the charges provided in the Ordinances, Series 2013 Bonds in fully

registered form may be exchanged for a like aggregate principal amount of Series 2013 Bonds in fully registered form of other authorized denominations.

Defeasance. Provision for payment of all or any portion of the Series 2013 Bonds may be made, and the Ordinances may be discharged, prior to payment of the Series 2013 Bonds in the manner provided in the Ordinances.

Miscellaneous. The Registered Owner of this Series 2013 Bond shall have no right to enforce the provisions of the Ordinances or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Ordinances, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Ordinances.

It Is Hereby Certified, Recited And Declared that all acts and conditions required to be performed precedent to and in the issuance of this Series 2013 Bond have been performed in due time, form and manner as required by law, and that the issuance of this Series 2013 Bond and the Series of which it forms a part does not exceed or violate any constitutional or statutory limitation.

This Series 2013 Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinances unless and until the certificate of authentication hereon shall have been duly executed by the Trustee.

IN WITNESS WHEREOF, the City of Chicago, Illinois, by the City Council of the City of Chicago, has caused this Series 2013 Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City and its corporate seal (or a facsimile of that seal) to be affixed, imprinted, engraved, or otherwise reproduced on this Series 2013 Bond, all as of the Original Issue Date identified above.

CITY OF CHICAGO, ILLINOIS

By: _____
Mayor

(Seal)

Attest:

_____
City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2013 Bonds described in the within-mentioned Ordinances.

Authentication Date: _____

_____, as Trustee

By: _____
Authorized Signatory

ASSIGNMENT

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

UNIF GIFT MIN ACT--

TEN COM	--	as tenants in common	Custodian
TEN ENT	--	as tenants by entity	_____ _____
JT TEN	--	as joint tenants with right of survivorship and not as tenants in common	(Cust) (Minor)

Under Uniform Gift to Minors Act
(State)

Additional abbreviations may also be used
though not in the above list.

For Value Received, the undersigned sells, assigns and transfers unto

[_____]
(Name and Address of Assignee)

this Bond of the City of Chicago and does hereby irrevocably constitute and appoint

[_____]
to transfer said Bond
on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature: _____

Signature guaranteed: _____

Notice: The signature to this assignment must correspond with the name as it appears upon the face of this Bond in every particular, without alteration or enlargement or any change whatever.

NOTICE OF RATE PERIOD

Rate Change Date on which Current Rate Period Commences:

Next Rate Change Date:

Applicable Interest Rate during Current Rate Period:

Applicable Optional Redemption Provisions during Current Rate Period (if Adjustable Long Mode):

_____, as Trustee

By: _____

Section 702. Execution of Series 2013 Bonds.

The Series 2013 Bonds shall be executed by the manual or facsimile signatures of the Mayor of the City and the City Clerk of the City and shall have the corporate seal of the City affixed to them (or a facsimile of that seal printed on them). The Mayor and the City Clerk are each authorized to file or to retain on file with the Illinois Secretary of State their manual signatures certified by them pursuant to the Uniform Facsimile Signature of Public Officials Act, as amended, and the use of their facsimile signatures to execute the Series 2013 Bonds is authorized upon such filing. Each Series 2013 Bond so executed by the facsimile signature of the Mayor and the City Clerk shall be as effective as if executed by the hand of such officer. The validity of any Series 2013 Bond shall remain unimpaired although one or more of the officers executing such Series 2013 Bond shall have ceased to be such officer or officers before delivery of any Series 2013 Bond to its Holder.

No Series 2013 Bond shall be valid for any purpose unless and until a certificate of authentication of that Series 2013 Bond substantially in the form set forth in the form of Series 2013 Bond in Section 701 shall have been duly executed by the Trustee with respect to that Series 2013 Bond. That certificate upon any Series 2013 Bond shall be conclusive evidence that such Series 2013 Bond has been authenticated and delivered under the General Ordinance and this 2013 Series Ordinance. The Trustee's certificate of authentication on any Series 2013 Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Series 2013 Bonds. The Trustee is authorized and directed to cause all Series 2013 Bonds executed by the City to be authenticated in accordance with the provisions of the General Ordinance and this 2013 Series Ordinance.

Article VIII

FORM AND EXECUTION OF THE TIFIA BOND(S)

Section 801. Form of the TIFIA Bond(s).

The TIFIA Bond(s) shall be in substantially the following form:

(Form of TIFIA Bond)

Registered
No. _____

Registered Not to Exceed
$_____

UNITED STATES OF AMERICA
STATE OF ILLINOIS

CITY OF CHICAGO
MOTOR FUEL TAX REVENUE TIFIA BOND

Interest	**Maturity**	**Dated**
Rate: _____%	**Date: _____1, ____**	**Date: _____1, ____**

Registered Owner: UNITED STATES DEPARTMENT OF TRANSPORTATION, acting by and through the Federal Highway Administrator, or its assigns

Maximum Principal Amount:

[1] THE CITY OF CHICAGO, ILLINOIS (the "**City**") for value received, promises to pay to the United States Department of Transportation, acting by and through the Federal Highway Administrator, or its assigns (the "**TIFIA Lender**" and "**Registered Owner**"), the lesser of (x) the Maximum Principal Amount set forth above and (y) the aggregate unpaid principal amount of all disbursements (the "**Disbursements**") made by the TIFIA Lender (such lesser amount, together with any interest that is capitalized in accordance with the provisions of the TIFIA Loan Agreement referred to below, being hereinafter referred to as the "**Outstanding TIFIA Loan Balance**"), together with accrued and unpaid interest (including, if applicable, interest at the TIFIA Default Rate, as defined in the TIFIA Loan Agreement) on the Outstanding TIFIA Loan Balance and all fees, costs and other amounts payable in connection therewith, all as more fully described in the below-referenced TIFIA Loan Agreement. This bond is one of a duly authorized Series of bonds of the City designated "Motor Fuel Tax Revenue TIFIA Bonds" (the "**TIFIA Bond(s)**"), in the aggregate principal amount of $_____ issued pursuant to the home rule powers of the City and under and pursuant to the Motor Fuel Tax Revenue Bonds General Ordinance of the City duly adopted on November 28, 1990, as amended from time to time (the "**General Ordinance**"), and a 2013 Series and Supplemental Ordinance adopted on _____, 2013 (the "**2013 Series Ordinance**" and, together with the General Ordinance, the "**Ordinances**"). As provided in the General Ordinance, Bonds (as defined below) of the City may be issued from time to time pursuant to Series Ordinances in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates, and, subject to the provisions of the General Ordinance, may otherwise vary. Proceeds derived from the

issuance of the TIFIA Bond(s) will be used for the purposes described in the TIFIA Loan Agreement. Each Disbursement made by the TIFIA Lender to the City pursuant to the TIFIA Loan Agreement and each prepayment made on account of the Outstanding TIFIA Loan Balance, shall be recorded by or on behalf of the TIFIA Lender and endorsed on the grid attached hereto as Appendix One in accordance with the terms of the TIFIA Loan Agreement, which is hereby made a part hereof. The principal hereof shall be payable in the manner and at the place provided in the TIFIA Loan Agreement in accordance with Appendix Two, as revised from time to time in accordance with the TIFIA Loan Agreement, until paid in full. Such Appendix Two shall be revised or completed by or on behalf of the TIFIA Lender in accordance with the terms of the TIFIA Loan Agreement. Payments hereon are to be made in accordance with Sections ___ and ___ of the TIFIA Loan Agreement as the same become due. Principal of and interest on this bond shall be paid in funds available on or before the due date and in any lawful coin or currency of the United States of America which at the date of payment is legal tender for the payment of public and private debts.

[2] The TIFIA Bond(s) have been executed under and pursuant to a TIFIA Loan Agreement, dated as of the date hereof, between the TIFIA Lender and the City (the "**TIFIA Loan Agreement**") and is issued to evidence the obligation of the City under the TIFIA Loan Agreement to repay the loan made by the TIFIA Lender and any other payments of any kind required to be paid by the City under the TIFIA Loan Agreement or the other TIFIA Loan Documents referred to therein. Reference is made to the TIFIA Loan Agreement for all details relating to the City's obligations hereunder. All capitalized terms used in this bond and not defined herein shall have the meanings set forth in the TIFIA Loan Agreement and the Ordinances, as applicable.

[3] The TIFIA Bond(s) are issued in fully registered form in the denomination of $5,000 or any integral multiple of $5,000. Subject to the limitations and upon payment of the charges provided in the Ordinances, TIFIA Bond(s) in fully registered form may be exchanged for a like aggregate principal amount of TIFIA Bonds(s) in fully registered form of other Authorized Denominations.

[4] The interest payable on this TIFIA Bond on each interest payment date will be paid to the person in whose name this TIFIA Bond is registered at the close of business on the fifteenth day of the month next preceding the interest payment date. The principal of and redemption price, if any, of and interest on this TIFIA Bond (and the interest payable on any redemption of this TIFIA Bond other than on an interest payment date) are payable in the manner and at the place provided in the TIFIA Loan Agreement.

[5] This TIFIA Bond shall be subject to mandatory redemption in accordance with the TIFIA Loan Agreement.

This TIFIA Bond shall be subject to redemption at the option of the City in whole or in part (and, if in part, the principal installments and amounts thereof to be redeemed are to be determined in accordance with the TIFIA Loan Agreement; provided, however, such redemption shall be at such premium and in such amounts as provided in the TIFIA Loan Agreement.

[6] This TIFIA Bond is a legal, valid and binding limited obligation of the City payable solely from Motor Fuel Tax Revenues which lawfully may be used for the purpose of payment of Municipal Indebtedness (as defined in the General Ordinance), certain Additional City Revenues (as defined in the 2013 Series Ordinance) or from certain other moneys and securities held by the Trustee under the Ordinances. The TIFIA Bond(s) do not constitute an indebtedness of the City within the meaning of any constitutional or statutory provision or limitation of indebtedness. Neither the full faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision of the State of Illinois is pledged to the payment of the principal, redemption price, or interest on the TIFIA Bond(s).

[7] The outstanding Series 1993 Bonds, the outstanding Series 2003 Bonds, the outstanding Series 2008 Bonds and the TIFIA Bond(s), together with other Bonds that may be issued in the future under the General Ordinance on a parity with the TIFIA Bond(s) (collectively, the "**Bonds**"), are payable as to principal, redemption price, and interest from Motor Fuel Tax Revenues of the City which lawfully may be used for the purpose of payment of Municipal Indebtedness, from certain Additional City Revenues or from certain other moneys and securities held by the Trustee under the Ordinances.

Reference to the Ordinances is made for a description of the pledges, assignments, liens, security interests, and covenants securing the Bonds (as defined below), including TIFIA Bond(s), the nature, extent, and manner of enforcement of those pledges, assignments, liens, security interests, and covenants, the rights and remedies of the registered owners of the Bonds, and the terms and conditions upon which Bonds have been, are and may be issued.

Reference is made to the Financing Documents for other covenants and declarations of the City and other terms and conditions upon which this TIFIA Bond has been issued, which terms and conditions shall for all purposes have the same effect as if fully set forth herein. The City unconditionally covenants that it will keep and perform all of the covenants of this TIFIA Bond and the Financing Documents.

[8] Pursuant to the General Ordinance, the City has established a Debt Service Fund and Debt Service Reserve Fund with respect to Bonds issued under the General Ordinance. The City has established a TIFIA Bond(s) Account in the Debt Service Fund, which is to be used for paying the principal of and interest on the TIFIA Bond(s). The City has established a TIFIA Debt Service Reserve Account in the Debt Service Reserve Fund for the sole benefit of the holders of the TIFIA Bond(s).

[9] The City has assigned to the Trustee for the benefit of the holders from time to time of Bonds all Motor Fuel Tax Revenues received by the City that are to be collected by the Illinois Department of Revenue that may lawfully be used for the payment of Municipal Indebtedness, as well as Additional City Revenues. For the benefit of the holders of Bonds, the City has pledged, assigned and granted to the Trustee a first lien on and first security interest in all Motor Fuel Tax Revenues and Additional City Revenues received that lawfully may be so used for payment in full of principal and redemption price of, and interest on all such Bonds , as such amounts become due and payable, whether by the terms of such Bonds as provided in the General Ordinance or the Series Ordinance applicable to such Bonds. Pursuant to the Ordinances and the TIFIA Loan Agreement, the City has provided for deposit requirements in

the TIFIA Bond(s) Account of the Debt Service Fund. The pledge, assignment and grant of a lien and security interest are subject to the right of the City to apply for its other lawful purposes any amounts which it has on hand and which are are not required to remain on deposit in or to be deposited in the Debt Service Fund.

[10] Any delay on the part of the TIFIA Lender in exercising any right hereunder shall not operate as a waiver of any such right, and any waiver granted with respect to one default shall not operate as a waiver in the event of any subsequent default.

[11] It is certified, recited and declared that all acts, conditions, and things required by law to exist, to have happened, and to have been performed precedent to and in connection with the issuance of this TIFIA Bond, did exist, have happened, and have been performed in due time, form, and manner as required by law. [This TIFIA Bond is issued with the intent that the federal laws of the United States of America shall govern its construction to the extent such federal laws are applicable and the internal laws of the State of Illinois shall govern its construction to the extent such federal laws are not applicable.]

[12] This TIFIA Bond shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon has been signed manually by the Trustee.

[13] In Witness Whereof, the City of Chicago, Illinois, by the City Council of the City of Chicago, has caused this TIFIA Bond to be executed in its name by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City and its corporate seal (or a facsimile of that seal) to be affixed, imprinted, engraved, or otherwise reproduced on this TIFIA Bond, all as of the Dated Date identified above.

City of Chicago, Illinois

By: _____
Mayor

(Seal)

Attest:

_____
City Clerk

CERTIFICATE OF AUTHENTICATION

This TIFIA Bond is one of the Bonds described in the within-mentioned Ordinances.

Date of Authentication: _____, ____

_____,
as Trustee [and Paying Agent]

By: _____

Authorized Signatory

Assignment

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

Unif Gift Min Act - _____ Custodian _____
(Cust)

(Minor)

under Uniform Gifts to Minors

Act _____
(State)

TEN COM -	as tenants in common
TEN ENT -	as tenants by the entireties
JT TEN -	as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

For value received _____ sells, assigns, and transfers unto _____
(Please insert Social Security or other identifying number of Assignee)

_____
(Please print or typewrite name and address of Assignee)

this Bond of the City of Chicago, Illinois and irrevocably constitutes and appoints _____ agent to register the transfer of that Bond on the books kept for its registration.

Dated: _____

Signature Guaranteed:

_____

Notice: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Signature:

_____

Notice: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Appendix One

Maximum Principal Sum: $_____ Maturity Date: _____

Borrower: City of Chicago

TIFIA Lender: The United States Department of Transportation, acting by and through the Federal Highway Administrator

DISBURSEMENTS AND PAYMENTS OF PRINCIPAL[1]

Date	Amount of Disbursement	Amount of Principal Paid	Unpaid Principal Sum	Notation Made by

[1] This Grid may be extended if the number of Disbursements, payments and extensions so requires.

Appendix Two
TIFIA Loan Amortization Schedule
Riverwalk Expansion Project

Principal Amount: $			Effective Date:		Interest Rate		%
Date	Beginning Balance	Disbursements	Interest (Capitalized & Accrued)	Interest Paid	Principal Repayment	Accrued Interest Payment	Ending Balance

Notes:
Assumed substantial Completion Date: _____.
[Semiannual Interest and Principal and Semiannual Compounding.]
Interest Calculated Based Upon Actual Days over Actual Days.

Section 802. Execution of TIFIA Bond(s).

The TIFIA Bond(s) shall be executed by the manual or facsimile signatures of the Mayor of the City and the City Clerk of the City and shall have the corporate seal of the City affixed to them (or a facsimile of that seal printed on them). The Mayor and the City Clerk are each authorized to file or to retain on file with the Illinois Secretary of State their manual signatures certified by them pursuant to the Uniform Facsimile Signature of Public Officials Act, as amended, and the use of their facsimile signatures to execute the TIFIA Bond(s) is authorized upon such filing. The TIFIA Bond(s) so executed by the facsimile signature of the Mayor and the City Clerk shall be as effective as if executed by the hand of such officer. The validity of the TIFIA Bond(s) shall remain unimpaired although one or more of the officers executing the TIFIA Bond(s) shall have ceased to be such officer or officers before delivery of any TIFIA Bond(s) to the holder thereof or its designee.

No TIFIA Bond shall be valid for any purpose unless and until a certificate of authentication of that TIFIA Bond substantially in the form set forth in the form of TIFIA Bond attached hereto as Exhibit A shall have been duly executed by the Trustee with respect to that TIFIA Bond. That certificate upon any TIFIA Bond shall be conclusive evidence that such TIFIA Bond has been authenticated and delivered under the General Ordinance and this 2013 Series Ordinance. The Trustee's certificate of authentication on any TIFIA Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the TIFIA Bonds. The Trustee is authorized and directed to cause all TIFIA Bonds executed by the City to be authenticated in accordance with the provisions of the General Ordinance and this 2013 Series Ordinance.

Article IX

AMENDMENTS OF GENERAL ORDINANCE

Section 901. Amendment of Recitals to the General Ordinance. The recitals of the General Ordinance are hereby amended to add the following to the end of the recitals to the General Ordinance (additions are underlined):

> WHEREAS, to further secure the Bonds issued under this Ordinance, the City may from time to time determine to pledge all or a portion of certain revenues of the City which lawfully may be used for the purpose of payment of the Bonds, all as further described in this Ordinance.

Section 902. Amendment of Section 102 of the General Ordinance. Section 102 of the General Ordinance is amended by adding the definitions of "Additional City Revenues," "Additional City Revenues Fund" and "Motor Fuel Tax Revenue Bonds," below (additions are underlined):

> **"Additional City Revenues"** shall have the meaning, if any, given to such term in a Series Ordinance, with respect to the Bonds to which such Series Ordinance relates.
>
> **"Additional City Revenue Fund"** shall mean the Additional City Revenue Fund established in Section 601 of this Ordinance.
>
> **"Motor Fuel Tax Revenue Bonds"** shall mean any bonds, notes or other evidences of an obligation of the City issued by the City pursuant to this Ordinance which are, in whole or in part, secured by and payable from Motor Fuel Tax Revenues and Additional City Revenues.

Section 903. Amendment of Section 204 of the General Ordinance. Section 204 of the General Ordinance is amended to read as follows (additions are underlined):

> **Section 204. Source of Payment; Pledge of Motor Fuel Tax Revenues and Additional City Revenues.**
>
> (1) The Bonds shall be legal, valid and binding limited obligations of the City with a claim for payment solely from Motor Fuel Tax Revenues which may lawfully be used for the purpose of payment of Municipal Indebtedness and from Additional City Revenues, if pledged to the payment of Bonds by the City pursuant to a Series Ordinance, or from certain other moneys and securities held by the Trustee under this Ordinance. If Additional City Revenues are pledged to the payment of Bonds by the City pursuant to a Series Ordinance, the Bonds shall be paid first from such Additional City Revenues and then from Motor Fuel Tax Revenues which may lawfully be used for the purpose of payment of Municipal Indebtedness, or from certain other moneys and securities held by the Trustee under this Ordinance. Neither the full faith and credit nor the taxing power of the City, the State of Illinois or any political subdivision of the State of Illinois is pledged

to the payment of the principal, Redemption and Purchase Prices of, or interest on, the Bonds.

(2) For the benefit of the Holders from time to time of the Bonds, the City pledges, assigns and grants to the Trustee a first lien on and first security interest in all Motor Fuel Tax Revenues and all other moneys and securities held by the Trustee under this Ordinance which lawfully may be used for the purpose of payment of Municipal Indebtedness for payment in full of the principal, Redemption and Purchase Prices of, and interest on the Bonds, as such amounts become due and payable. The City may also, for the benefit of all Holders from time to time of the Bonds issued under this Ordinance, pledge, assign and grant to the Trustee pursuant to any Series Ordinance a first lien on and first security interest in any Additional City Revenues for payment in full of the principal, Redemption and Purchase Prices of, and interest on the Bonds, as such amounts become due and payable. Amounts required to be deposited in any Account of the Debt Service Fund secure and shall be used for only the Bonds with respect to which the Account is established.

This pledge and grant of lien and security interest is subject to the right of the City to apply any amounts not required to be deposited in the Debt Service Fund, or which are paid to the City or at the City's direction pursuant to this Ordinance, for its other lawful purposes.

(3) This pledge, assignment, and grant of lien and security interest shall be valid and binding from and after the date of issuance of any Bonds under this Ordinance; the Motor Fuel Tax Revenues and any Additional City Revenues so pledged, assigned and for which a grant of lien and security interest is made then or thereafter received by the City shall be immediately subject to the lien of such pledge, assignment and grant of lien and security interest without any physical delivery or further act; and the lien of such pledge, assignment and grant of lien and security interest shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the City, irrespective of whether such parties have notice of the lien.

Section 904. Amendment of Section 601 of the General Ordinance. Section 601 of the General Ordinance is amended to read as follows (additions are underlined):

Section 601. Establishment of Motor Fuel Tax Revenue Fund and any Revenue Fund for Additional City Revenues.

A. Motor Fuel Tax Revenue Fund

(1) The Motor Fuel Tax Revenue Fund is established as a separate and distinct fund, to be maintained by the Trustee. While any of the Bonds are outstanding, the City shall pay to the Trustee for deposit in the Motor Fuel Tax Revenue Fund all Motor Fuel Tax Revenues received by the City.

(2) Upon receipt of any amounts paid or deposited in the Motor Fuel Tax Revenue Fund, the Trustee shall determine the percentage of such amount which lawfully

may not be used for payment of Municipal Indebtedness, The Trustee shall make that determination solely on the basis of the most recent City certificate delivered pursuant to Sections 205(3) or 914 of this Ordinance. The amount of each deposit of Motor Fuel Tax Revenues which shall be deemed to be lawfully available for payment of Municipal Indebtedness shall not be greater than the product of the amount deposited and a fraction equal to the percentage identified in such City certificate. The Trustee shall pay the amount which is deemed not to be lawfully available for payment of Municipal Indebtedness to the City, or upon the City's direction. The Trustee shall deposit the remaining amount in the Debt Service Fund, if for any month there shall not be sufficient Additional City Revenues to make the required deposits in full to the Accounts in the Debt Service Fund and the Debt Service Reserve Fund as provided in this Article VI; otherwise, the Trustee shall pay the remaining amount to the City or upon the City's direction.

B. Additional City Revenue Fund

(1) The Additional City Revenue Fund is established as a separate and distinct fund, to be maintained by the Trustee. If any Series Ordinance shall pledge Additional City Revenues to the payment of Bonds, the City shall pay such Additional City Revenues (as defined in such Series Ordinance) to the Trustee for deposit in the Additional City Revenue Fund.

(2) Upon receipt of any Additional City Revenues deposited in the Additional City Revenue Fund, the Trustee shall deposit monthly such amounts in the Debt Service Fund as provided in this General Ordinance.

Section 905. Amendment of Section 602 of the General Ordinance. Section 602 of the General Ordinance is amended to read as follows (additions are underlined and deletions are struck out):

Section 602. Establishment of Debt Service Fund. The Debt Service Fund is established as a separate and distinct fund, to be maintained by the Trustee in trust for the Holders from time to time of the Bonds, and shall be invested and used, all as provided by this Ordinance. This trust shall be irrevocable so long as any of the Bonds are outstanding. ~~All~~ Amounts in the Additional City Revenue Fund shall be deposited by the Trustee in the Debt Service Fund. To the extent that amounts in the Additional City Revenue Fund shall not be sufficient to make the required deposits in the Accounts in the Debt Service Fund and in the Debt Service Reserve Fund as provided in this Article VI, an amount of receipts of Motor Fuel Tax Revenues not paid to the City pursuant to Section 601(2) of this Ordinance shall be deposited by the Trustee in the Debt Service Fund to the extent necessary to remedy such deficiency. Other funds of the City shall be deposited in the Debt Service Fund and the Debt Service Reserve Fund as required by this Ordinance. Amounts in the Debt Service Fund and the Debt Service Reserve Fund shall be used only as provided in this Ordinance and any Series Ordinance.

Section 906. Amendment of Section 604 of the General Ordinance. Section 604(3)(b) of the General Ordinance is amended to read as follows (additions are underlined):

Section 604. Deposits and Credits to the Accounts in the Debt Service Fund.

(3)(b) The amount in respect of principal, except for the first principal payment date for a Series, shall not be less than the product of the principal coming due (whether at maturity or pursuant to Sinking Fund Installments) on the next such principal payment date and a fraction, the numerator of which is one and the denominator of which is the number of months less one from the preceding principal payment date to the next principal payment date; provided, however that the denominator may not be less than one, until the full amount of that principal on the next principal payment date is on deposit. The amount in respect of principal on the first principal payment date shall be the amounts specified in the Series Ordinance for that Series, which shall be sufficient so that the full amount of that principal shall have been provided to have been deposited (based on dates for deposit of Motor Fuel Tax Revenues and Additional City Revenues, if any, as anticipated by the City) not less than 20 days prior to that principal payment date.

Section 907. Amendment of Section 605 of the General Ordinance. Section 605(3) of the General Ordinance is amended to read as follows (additions are underlined):

Section 605. Use and Withdrawal of Money From the Accounts in the Debt Service Fund.

(3) The Trustee shall use, upon the written direction of the Treasurer or other Authorized Officer of the City, amounts in any Account in the Debt Service Fund, other than a Rebate Account, to purchase or redeem Bonds of the Series to which such Account pertains at a price, in the case of purchase, not in excess of the principal amount (or Compound Accreted Value with respect to Bonds sold at a discount in excess of 2%) plus accrued interest to the date of purchase or, in the case of redemption, at the Redemption Price; *provided, however,* that amounts in an Account may be so used only if after any purchase or redemption there shall remain on deposit in such Account an amount equal to the amount which would have been required to have been deposited had the purchased or redeemed Bonds never been Outstanding. The principal amount to the Bonds so purchased or redeemed shall be applied against the Sinking Fund Installments for the Series of Bonds purchased or redeemed as provided in the Series Ordinance authorizing the issuance of that Series.

Section 908. Amendment of Section 903 of the General Ordinance. Section 903 of the General Ordinance is amended to read as follows (additions are underlined):

Section 903. Further Assurance. The City shall, as far as it may be authorized by law to do so, comply with any reasonable request of the Trustee at any time to pass, make, do, execute, acknowledge and deliver, any further resolutions, acts, deeds, pledges, assignments, grants, transfers, filings and assurances as may be necessary or desirable for the better assuring, pledging, assigning, granting a lien on or security interest in and

confirming the pledges, assignments and grants of (i) the Motor Fuel Tax Revenues which lawfully may be used for the purpose of payment of Municipal Indebtedness, (ii) the Additional City Revenues, if any, and (iii) the Funds and Accounts which are or are to be pledged, assigned or granted pursuant to this Ordinance and the Series Ordinances for the benefit of the Holders of the Bonds, or otherwise to provide for the payment of the principal of and interest on the Bonds as such amounts come due (but only from Motor Fuel Tax Revenues which lawfully may be used for the purpose of Municipal Indebtedness and any Additional City Revenues pledged pursuant to any Series Ordinance), and to provide for the compliance with, observance and performance of the obligations of the City under this Ordinance and the Series Ordinances. It will take all necessary steps to cause appropriate officers and agents of the City to pay all Motor Fuel Tax Revenues received or held by the City to the Trustee. It will also take all necessary steps to cause appropriate officers and agents of the City to pay any Additional City Revenues received or held by the City to the Trustee, if such Additional City Revenues are pledged pursuant to any Series Ordinance.

Section 909. Amendment of Section 907 of the General Ordinance. Section 907 of the General Ordinance is amended to read as follows (additions are underlined):

Section 907. Additional Bonds.

(1) The City covenants with the Holders from time to time of all Bonds that it will not issue any Additional Bonds except as provided in this Section.

(2) The City may issue at any time Additional Bonds for any lawful purpose allowed by the Use of Motor Fuel Tax Funds Act if there is then no default in payment of Bonds or in making required deposits to the Debt Service Fund if upon the issuance of the Additional Bonds, the value of each Account in the Debt Service Reserve Fund is not less than the Reserve Requirement for such Account and if the "revenues test" is met, as provided below.

The "revenues test" is met if at the date the contract is made to sell such Additional Bonds, the total amount of the City's Motor Fuel Tax Revenues which lawfully may be used for the purpose of Municipal Indebtedness, together with the total amount of any Additional City Revenues, shall equal or exceed two times the maximum annual debt service requirements for all Bonds to be outstanding following the issuance of the Additional Bonds.

For purposes of this Section, Motor Fuel Tax Revenues and Additional City Revenues shall be equal to the amount of such revenues received by the Trustee and transferred, respectively, from the Motor Fuel Tax Revenue Fund and from the Additional City Revenue Fund into the Debt Service Fund pursuant to this General Ordinance in the immediately preceding 12 months for which information is available. The amount of such revenues shall be certified by the Comptroller.

Maximum annual debt service requirements for these purposes shall be the maximum amount required to be deposited in the Debt Service Fund in the Fiscal Year of the calculation or any subsequent Fiscal Year. With respect to Variable Rate Bonds, the deposits for purposes of this Section shall be calculated in respect of interest as if the Bonds would bear interest at the lower of (i) the maximum rate which those Bonds may bear pursuant to law or (ii) the rate set forth in the applicable Series Ordinance; *provided,* that, if and so long as a Qualified Swap Agreement is in effect with respect to such Variable Rate Bonds, the interest component of Annual Debt Service Requirements shall be computed by reference to Section 206. With respect to Bonds for which there is a purchase, mandatory redemption or similar requirement which is provided to be paid through a Credit Support Instrument, the deposits shall be calculated in respect of principal on the basis of scheduled payments of principal (at maturity or pursuant to Sinking Fund Installments) and not pursuant to the purchase, redemption or similar requirements provided so to be paid through such an Instrument. With respect to Bonds for which the proceeds thereof are disbursed by such Bondholders over a period of time and which accrue interest on the outstanding balance as such disbursements are made to the City, the Annual Debt Service Requirements shall be computed based on an assumed full disbursement of all Bond proceeds as of the date of issuance of such Bonds.

(3) (a) Notwithstanding any other provision of this Section, the City may issue Additional Bonds to pay, purchase, redeem or refund Bonds if there will be in the judgment of the City no money available to make payments of interest on or principal of those Bonds (at maturity or on Sinking Fund Installment dates or pursuant to other mandatory redemption or purchase obligations) as such amounts come due.

(b) In addition to Additional Bonds which may be issued pursuant to paragraph (2) of this Section and subparagraph (a) of this paragraph (3), the City may issue .Additional Bonds to pay, purchase, redeem or refund any Bonds if the total amount of the required deposits in the Debt Service Fund with respect to all Bonds after the issuance of the Additional Bonds will be not in excess of such required deposits for all Bonds Outstanding prior to the issuance of those Additional Bonds in each Fiscal Year in which any of those Bonds Outstanding prior to the issuance are to remain outstanding.

Article X

AMENDMENTS TO MUNICIPAL CODE

Section 1001. New Article XIII and Section 2-32-1300. Chapter 2-32 of the Municipal Code is hereby amended by inserting a new Article XIII and Section 2-32-1300, as follows:

Article XIII. Riverwalk Fund

2-32-1300 Riverwalk fund.

(a) For purposes of this section, the following definitions shall apply:

"Chicago Riverwalk" means the area immediately adjacent and parallel to the south bank of the Chicago River to Wacker Drive and from Lake Street to Lake Shore Drive.

"General Ordinance" means the Motor Fuel Tax Revenue Bonds General Ordinance adopted on November 28, 1990 and published in the Journal of Proceedings of the city council for such date at pages 25555 through 25604, inclusive, as amended by Article VIII of that certain 2003 Series Ordinance, adopted March 5, 2003 and published in the Journal of Proceedings of the city council for such date at pages 104562 through 104665, as further amended by the 2013 Series Ordinance, and as may be further amended from time to time.

"Kiosk" means a free standing, permanent structure (1) located on the sidewalk or other appropriate area on Upper Wacker Drive immediately adjacent to the Chicago Riverwalk or any entrance thereto; and (2) used exclusively or in part to direct people to an entrance from Upper Wacker Drive to the Chicago Riverwalk or to otherwise provide information about the Chicago Riverwalk. Portions of a kiosk not used to provide directions to or information about the Chicago Riverwalk may be used for outdoor advertising pursuant to section 2-32-055. For purposes of this section, the term "kiosk" does not include a bus shelter.

"2013 Series Ordinance" means the Series Ordinance Authorizing the Issuance of City of Chicago Motor Fuel Tax Revenue Bonds, Series 2013, adopted in accordance with the provisions of the General Ordinance, as such 2013 Series Ordinance may be amended from time to time.

(b) All revenues received by the city from the following sources shall be placed in a single appropriate fund designated by the budget director, in consultation with the comptroller, for the purposes set forth in the 2013 Series Ordinance and/or the General Ordinance:

(1) all revenues received by the city from any license agreement, regardless of nomenclature, executed pursuant to section 4-250-080(a) for the licensing of docks for tour boat operations at the following two locations on the main branch of the Chicago River at Michigan Avenue:

Location 1: The area located on the south bank of the Chicago River east of the Michigan Avenue Bridge, as set forth in the license agreement for such location;

Location 2: The area located on the north bank of the Chicago River west of the Michigan Avenue Bridge and the dock at Rush Street, as set forth in the license agreement for such location;

(2) all revenues received by the city from any agreement or contract, regardless of nomenclature, executed pursuant to sections 2-32-055 or 10-28-045 for outdoor advertising on any kiosk as defined in subsection (a) of this section;

(3) all revenues received by the city from any sponsorship agreement, regardless of nomenclature, executed pursuant to section 2-32-055 for the sponsorship of events, programs and initiatives within the Chicago Riverwalk;

(4) all revenues received by the city from any grant, contract or other agreement, regardless of nomenclature, for naming rights with respect to all or any portion of the Chicago Riverwalk;

(5) all revenues received by the city from any lease agreement, regardless of nomenclature, executed for the rental of indoor and outdoor retail space within the Chicago Riverwalk;

(6) all revenues received by the city from any concession agreement, regardless of nomenclature, executed for food, beverages, goods and services within the Chicago Riverwalk;

(7) all revenues received by the city from any use agreement, regardless of nomenclature, executed for the temporary use of space and facilities within the Chicago Riverwalk or for the temporary use of city-owned docks and slips immediately adjacent to the Chicago Riverwalk; and

(8) all revenues received by the city from meters or similar devices installed, operated and maintained for docking or mooring boats and similar vessels at city-owned docks and city-owned slips immediately adjacent to the Chicago Riverwalk.

(c) The requirements of this section shall apply regardless of whether the agreement or activity authorized in connection with the Chicago Riverwalk is entered into by authorized officers of the city or by a designee, agent or contractor approved for such purpose by the city council.

(d) The budget director, in consultation with the chief financial officer, is authorized, at his or her discretion, to place additional legally available revenues, from sources other than those identified in items (1) through (8), inclusive, of subsection (b) of this section, in the single fund required to be designated under subsection (b).

(e) The requirements of this section shall remain in effect until such time that the TIFIA Bond(s), as defined in the 2013 Series Ordinance, is paid in full or is defeased pursuant to the General Ordinance. At such time, the budget director, in consultation with the comptroller, shall determine whether, and in what amount, any or all of the revenues identified in items (1) through (8), inclusive, of subsection (b) of this section shall be placed in the corporate fund or in an appropriate fund(s) designated by the budget director, in consultation with the comptroller, to be used for operation of the Chicago Riverwalk, including (i) operating costs, (ii) routine

maintenance and repairs; (iii) programming; and (iv) improvements (other than routine maintenance and repairs) approved by the city council.

Section 1002. Amendment to Section 4-60-074. Section 4-60-074 of the Municipal Code is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

4-60-074 Riverwalk Venue liquor licenses - Special conditions.

(Omitted text is unaffected by this ordinance)

(m) For purposes of this section:

(Omitted text is unaffected by this ordinance)

"Chicago Riverwalk" ~~means the area running along the south bank of the Chicago River between Lake Street, Lake Shore Drive and Wacker Drive~~ has the meaning ascribed to the term in section 2-32-1300(a).

(Omitted text is unaffected by this ordinance)

Section 1003. Amendment of Section 10-36-145. Section 10-36-145 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through and by inserting the language underscored, as follows:

10-36-145 Chicago Riverwalk - Hours of operation.

(Omitted text is unaffected by this ordinance)

(c) As used in this section:

(Omitted text is unaffected by this ordinance)

"Chicago Riverwalk" ~~means the area running along the south bank of the Chicago River between Lake Street, Lake Shore Drive and Wacker Drive~~ has the meaning ascribed to the term in section 2-32-1300(a).

(Omitted text is unaffected by this ordinance)

Article XI

MISCELLANEOUS

Section 1101. Arbitrage.

The City Council of the City represents, certifies and covenants that so long as any of the Series 2013 Bonds remain Outstanding, moneys on deposit in any fund or account in connection with the Series 2013 Bonds, whether or not such moneys were derived from the proceeds of the sale of the Series 2013 Bonds or from any other sources, will not be used in a manner which will cause the Series 2013 Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code. The City Council of the City reserves the right, however, to make any investment of such moneys permitted by Illinois law if, when and to the extent that said Section 148 or regulations promulgated under that Section shall be repealed or relaxed or shall be held void by final decision of a court of competent jurisdiction, but only if any investment made by virtue of such repeal, relaxation or decision would not, in the opinion of counsel of recognized competence in such matters, adversely affect the federal tax-exempt status of the interest on the Series 2013 Bonds.

The City Council of the City also agrees and covenants with the Initial Purchasers and Holders of the Series 2013 Bonds from time to time Outstanding that the City (i) will take all actions which are necessary to be taken (and avoid any actions which it is necessary to avoid being taken) so that interest on the Series 2013 Bonds will not be or become included in gross income for federal income tax purposes under existing law including, without limitation, the Code, to an extent greater than that contemplated in the Official Statements, and (ii) will take all actions within its power to take which are necessary to be taken (and avoid taking any actions which are within its power to avoid taking and which it is necessary to avoid) so that interest on the Series 2013 Bonds will not be or become included in gross income for federal income tax purposes under the federal income tax laws as in effect from time to time to an extent greater than that contemplated in the Official Statements.

The City Council of the City authorizes each of the Authorized Officers to make such further covenants and certifications as may be necessary to assure that the use of the Series 2013 Bond proceeds will not cause the Series 2013 Bonds to be arbitrage bonds and to assure that the interest on the Series 2013 Bonds will be and will continue to be exempt from federal income taxation. In that connection, the City Council of the City further agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Series 2013 Bonds and to comply with such advice as may be given; (c) to establish a Rebate Account for the Series 2013 Bonds in the Debt Service Fund and to deposit in it for payment to the United States of America, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Series 2013 Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City Council of the City in such compliance.

The covenants in this Section 1101 shall apply only with respect to those Series 2013 Bonds designated in the Series 2013 Determination Certificate as bonds the interest on which is not included in gross income for federal income tax purposes.

Section 1102. Appropriation.

This 2013 Series Ordinance constitutes an appropriation by the City of all Motor Fuel Tax Revenues to be applied as provided in the General Ordinance and this 2013 Series Ordinance for the payment of all installments of principal and Redemption Price of, Purchase Price of, and interest on, the Series 2013 Bonds, and principal of and interest on the TIFIA Bond(s), as such amounts come due.

This 2013 Series Ordinance constitutes an appropriation by the City of the Project Revenues to be applied as provided in the General Ordinance and this 2013 Series Ordinance for the payment of all installments of principal and Redemption Price of, Purchase Price of, and interest on, the Series 2013 Bonds, and principal of and interest on the TIFIA Bond(s), as such amounts come due.

Section 1103. Proxies.

The Mayor, the City Treasurer, the City Comptroller and the Chief Financial Officer may each designate another to act as their respective proxy and to affix their respective signatures to each Series 2013 Bond and the TIFIA Bond(s), whether in temporary or definitive form, and to any other instrument, certificate or document required or permitted to be signed by the Mayor or the Comptroller pursuant to this 2013 Series Ordinance or the General Ordinance. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor or the Comptroller, respectively. A written signature of the Mayor or the Comptroller, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the Journal of the Proceedings of the City Council and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Comptroller is so affixed to an instrument, certificate or document at the direction of the Comptroller, the same, in all respects, shall be as binding on the City as if signed by the Comptroller in person.

Section 1104. Additional Authorization.

The Mayor of the City, the City Treasurer, the City Clerk, the Deputy City Clerk, the Comptroller, the Chief Financial Officer, the Commissioner of Transportation and any other Authorized Officer are each authorized to execute and deliver such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the Series 2013 Bonds and the TIFIA Bond(s), including, but not limited to, the exercise following the delivery date of the Series 2013 Bonds and the TIFIA Bond(s) of any power or authority delegated to such official under this 2013 Series Ordinance with respect to the Series 2013

Bonds and the TIFIA Bond(s) upon original issuance, but subject to any limitations on or restrictions of such power or authority as set forth in this 2013 Series Ordinance. To the extent that authorization to act under this "2013 Series Ordinance" is granted "to the City", without further specification, that authority may be exercised by an Authorized Officer.

Section 1105. Separability.

If any provision of this 2013 Series Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this 2013 Series Ordinance.

Section 1106. Inconsistent Provisions.

Subject to the following sentence, all ordinances, resolutions, motions or orders in conflict with this 2013 Series Ordinance are repealed to the extent of such conflict. In case of any conflict between the provisions of this 2013 Series Ordinance and the General Ordinance, the terms of the General Ordinance shall control. No provision of the Municipal Code or any violation of its provisions shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized by the General Ordinance or this 2013 Series Ordinance or to impair the validity of the General Ordinance, this 2013 Series Ordinance or the documents, instruments and agreements authorized by the General Ordinance or this 2013 Series Ordinance; *provided, however,* that the foregoing shall not affect the availability of or limit any other remedy or penalty for any violation of any provision of the Municipal Code .

Section 1107. Effectiveness; Publication.

Notwithstanding any other provision of Illinois law or the Municipal Code to the contrary, this 2013 Series Ordinance (including the amendments to the Municipal Code made in Article X hereof) and the appropriations made in it shall be in full force and effect immediately upon its adoption, approval and publication. This Section 1107 is included by the City in this 2013 Series Ordinance in the exercise of its powers as a home rule unit of local government under Article 7, Section 6 of the Illinois Constitution and pursuant to Section 10 of the Local Government Debt Reform Act of the State of Illinois, as amended.

This 2013 Series Ordinance shall be published in special pamphlet form by the City Clerk, by causing to be printed at least five (5) copies of this 2013 Series Ordinance, which copies shall be made available in the Office of the City Clerk for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this 2013 Series Ordinance.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Loop Capital Markets LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 111 W. Jackson Boulevard; Suite 1901
Chicago, IL 60604

C. Telephone: 312-356-5009 Fax: 312-922-7137 Email: clarence.bourne@loopcapital.com

D. Name of contact person: Clarence Bourne

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[x] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
James Reynolds, Jr.	Chairman and CEO/Managing Member
Albert R. Grace, Jr.	President/Managing Member
Sandra M. Reynolds	Secretary/Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Loop Capital Holdings LLC	111 W. Jackson Boulevard; Ste 1901	77.05%
Albert R. Grace, Jr.	Chicago, IL 60604	8.90%

SECTION III – BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, Mackay & Serritella	330 North Wabash Avenue Chicago, IL 60611	Underwriter's Counsel	Estimated Fee: $57,750
Tyson Law Group	55 East Monroe Street Suite 3300 Chicago, IL 60603	Underwriter's Counsel	Estimated Fee: $24,750

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Please see Attachment 1.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII – ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Loop Capital Markets LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

James Reynolds, Jr.
(Print or type name of person signing)

Chairman & CEO
(Print or type title of person signing)

Official Seal
Nancy Anne Ziagos
Notary Public, State of Illinois
My Commission Expires 01/27/2015

Signed and sworn to before me on (date) 01/11/2013,
at Cook County, Illinois (state).

NancyAnne Ziagos Notary Public.

Commission expires: 01/27/2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Loop Capital

111 West Jackson Blvd.
Suite 1901
Chicago, IL 60604
T 312.913.4900 F 312.913.4928
Toll Free 888.294.8898
www.loopcapital.com

Attachment 1

City of Chicago
Economic Disclosure Statement

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Alderman Jason Ervin attended Sinai Community Institute Gala 2012 Charitable Event as a guest of Loop Capital Markets LLC, a sponsor of the event. Sinai Health systems is the largest employer in Alderman Ervin's Ward.

The following people attended Loop Capital's Anniversary/Open House Celebration on September 13, 2012:

Felicia Davis (Mayors Office)
Mark Myslinski (City Treasurer)
Rahm Emanuel (Mayors Office)
Danielle Mostert (City Treasurer)

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Loop Capital Holdings LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [x] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Loop Capital Markets LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 111 W. Jackson Boulevard; Suite 1901
Chicago, IL 60604

C. Telephone: 312-913-4900 Fax: 312-922-7137 Email: jim.reynolds@loopcapital.com

D. Name of contact person: James Reynolds, Jr.

E. Federal Employer Identification No. (if you have one): [redacted]

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[x] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [x] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
James Reynolds, Jr.	Manager
Sandra M. Reynolds	Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
James Reynolds, Jr.	111 W. Jackson Boulevard Suite 1901 Chicago, IL 60604	98%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[x] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [x] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Loop Capital Holdings LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

James Reynolds, Jr.
(Print or type name of person signing)

Managing Member
(Print or type title of person signing)

Official Seal
Nancy Anne Ziagos
Notary Public, State of Illinois
My Commission Expires 01/27/2015

Signed and sworn to before me on (date) 01/11/2013,
at Cook County, Illinois (state).

Nancy Anne Ziagos Notary Public.

Commission expires: 01/27/2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Cabrera Capital Markets, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10 South LaSalle, Suite 1050
Chicago, IL 60603

C. Telephone: (312) 236-8888 Fax: (312) 236-8936 Email: raguilar@cabreracapital.com

D. Name of contact person: Robert Aguilar

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Reveue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Martin Cabrera, Jr.	President (Director) / Manager
Robert Libertini	Vice President (Director)
Robert Aguilar	Chief Operating Officer (COO) / Treasurer
Rene LeBran	Board Member
Bruce Foerster	Board Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Cabrera Capital Inc	10 S LaSalle, Ste 1050 Chicago, IL 60603	76.5%
RCF Cabrera Holdings, Inc	155 North Lake Avenue, Suite 826 Pasadena, CA 91101	23.5%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, MacKay & Serritella, P.C	330 N. Wabash Ave, Chicago, IL 60611	Underwriter's Counsel	$57,750*
Tyson Law Group	55 East Monroe St., Suite 330 Chicago, IL 60603	Underwriter's Counsel	$24,750*

*Estimated

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Cabrera Capital Markets, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Robert Aguilar
(Print or type name of person signing)

Chief Operating Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Cabrera Capital , Inc

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10 South LaSalle, Suite 1050
Chicago, IL 60603

C. Telephone: (312) 236-8888 Fax: (312) 236-8936 Email: raguilar@cabreracapital.com

D. Name of contact person: Robert Aguilar

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Reveue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Martin Cabrera, Jr.	President (Director) / Manager
Rose Gonzales	Secretary
Robert Aguilar	Chief Operating Officer (COO) / Treasurer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Martin Cabrera, Jr.	10 S LaSalle, Ste 1050 Chicago, IL 60603	60.0%
Rose Gonzales	100 W Washington, Chicago, IL 60607	37.0%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: **If the Matter is federally funded**, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Cabrera Capital, Inc
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Robert Aguilar
(Print or type name of person signing)

Chief Operating Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

RCF-Cabrera Holdings, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Reveue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Thomas Unterman	President
Renée LaBran	VP, Secretary & Treasurer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Rustic Canyon/Fontis Partners, LP		100%
	155 North Lake Avenue, Suite 826 Pasadena, CA 91101	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

RCF-Cabrera Holdings, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Renée LaBran
(Print or type name of person signing)

Secretary
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at COOK County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Rustic Canyon/Fontis Partners, LP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Reveue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[X] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Rustic Canyon/Fontis Partners GP, LLC	General Partner

*This party does NOT hold 7.5% or more of the applicant named on page 1.

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Please see attached sheet		

* None of these parties hold 7.5% or more of the applicant named on Page 1

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Rustic Canyon/Fontis Partners, LP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Renée LaBran
(Print or type name of person signing)

Authorized Signatory, Rustic Canyon/Fontis Partners GP, LLC, its General Partner
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment for Page 3

Rustic Canyon/Fontis Partners, LP

Investors with 7.5% or More

Company	Address	% Ownership
NXP Partners	c/o Gibson Dunn & Crutcher 2029 Century Park East, Suite 4000 Los Angeles, CA 90067	15.6%
New Mexico State Investment Council Land Grant Permanent Fund	New Mexico State Investment Council 2055 S. Pacheco Street, Suite 100 Santa Fe, NM 87505	12.43%
TMCT II, LLC	c/o Lucas, Horsfall Murphy & Pindroh, LLP 100 East Corson St., Suite 200 Pasadena, CA 91103-3841	15.6%
Capital Link Fund I, LLC	152 West 57th Street 34th Floor New York, NY 10019	13.9%

*None of the parties above hold 7.5% or more in the Applicant named on page 1

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Rustic Canyon/Fontis Partners GP, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): /

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Reveue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Rustic Canyon/Fontis Management, LLC*	Managing Member

* This party does not hold 7.5% or more of the applicant named on Page 1

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Please see attached sheet		

* None of these parties hold 7.5% or more of the applicant named on Page 1

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Rustic Canyon/Fontis Partners GP, LLC
(Print or type name of Disclosing Party)

By: Renée LaBran
(Sign here)

Renée LaBran
(Print or type name of person signing)

Authorized Signatory
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

Nancy Terrones Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment for Page 3

Rustic Canyon/Fontis Partners GP, LLC

Investors with 7.5% or More

Company	Address	% Ownership
Mr. Daniel L. Villanueva	1076 County Club Estates Castle Rock, CO 80108	22.2%
Mr. Daniel D. Villanueva	517 Via Con Dios Camarillo, CA 93010	22.2%
Ms. Gabrielle E. Greene	1650 E. Mountain Street Pasadena, CA 91104	22.2%
RC/F Member, LLC	2425 Olympic Blvd., Suite 6050W Santa Monica, CA 90404	33.3%

*None of the parties above hold 7.5% or more in the Applicant named on page 1

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Rustic Canyon/Fontis Management, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Cabrera Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 155 North Lake Avenue, Suite 826
Pasadena, CA 91101

C. Telephone: 626-744-7799x225 Fax: 626-744-9249 Email: renee@rcfontis.com

D. Name of contact person: Renée LaBran

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Reveue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Renee LaBran*	Managing Member
Gabrielle E. Greene*	Managing Member
Daniel D. Villanueva*	Managing Member
Daniel L. Villanueva*	Managing Member

* None of these parties hold 7.5% or more of the applicant named on Page 1

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Please see attached sheet		

* None of these parties hold 7.5% or more of the applicant named on Page 1

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Rustic Canyon/Fontis Management, LLC
(Print or type name of Disclosing Party)

By: Renée LaBran
(Sign here)

Renée LaBran
(Print or type name of person signing)

Authorized Signatory
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/17/13,
at Cook County, IL (state).

Nancy Terrones Notary Public.

Commission expires: 01/07/14.

OFFICIAL SEAL
NANCY TERRONES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:01/07/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [ ] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment for Page 3

Rustic Canyon/Fontis Management, LLC

Investors with 7.5% or More

Company	Address	% Ownership
Ms. Renee LaBran	5210 Vista Miguel Dr., La Canada, CA 91011	21.40%
Ms. Gabrielle E. Greene	1650 E. Mountain Street Pasadena, CA 91105	28.57%
Mr. Daniel D. Villanueva	517 Via Con Dios Camarillo, CA 93010	14.29%
Mr. Daniel L. Villanueva	1076 Country Club Estates Castle Rock, CO 80108	28.57%

*None of the parties above hold 7.5% or more in the Applicant named on page 1

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

BMO Capital Markets GKST Inc. (d/b/a BMO Capital Markets)

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 115 South LaSalle Street
Chicago, Illinois 60603

C. Telephone: 312-845-2005 Fax: 312-658-4678 Email: marylee.corrigan@bmo.com

D. Name of contact person: Mary Lee Corrigan

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
BMO Financial Corp.	111 W. Monroe Street Chicago, Illinois 60603	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, Mackay & Serritella	330 North Wabash Avenue Chicago, IL 60611	Attorney	est. $57,750
Tyson Law Group	55 East Monroe St., Suite 3300 Chicago, IL 60603	Attorney	est. $24,750

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

BMO Capital Markets GKST Inc.
(Print or type name of Disclosing Party)

By: Mary Lee Corrigan
(Sign here)

Mary Lee Corrigan
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 24, 2013
at Cook County, Illinois (state).

Sharlene R. Chaney Notary Public.

Commission expires:

OFFICIAL SEAL
SHARLENE R. CHANEY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-13-2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

BMO Capital Markets GKST Inc.
(Wholly-owned Subsidiary of BMO Financial Corp.)

Board of Directors

Colleen Campbell	James Fitzgerald
David Casper	Perry Hoffmeister
Mary Lee Corrigan	Lyle McCoy
Patrick Cronin	Lucas Seabrook

Executive Officers

James Fitzgerald	Chief Executive Officer and President
Lyle McCoy	Executive Vice President
Mary Lee Corrigan	Chief Financial Officer, Chief Administrative Officer and Treasurer

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

BMO Financial Corp.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: BMO Capital Markets GKST Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 111 W. Monroe Street
Chicago, Illinois 60603

C. Telephone: 312-461-5643 Fax: 312-765-8281 Email: craig.ingram@harrisbank.com

D. Name of contact person: Craig Ingram

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Bank of Montreal	First Canadian Place	100%
	21st Floor, 100 King Street West	
	Toronto, Ontario M5X 1A1	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

BMO Financial Corp.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Craig T. Ingram
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 24, 2013
at Cook County, Illinois (state).

Sharlene R. Chaney Notary Public.

Commission expires: _____

OFFICIAL SEAL
SHARLENE R. CHANEY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-13-2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

BMO Financial Corp.

Directors

Adela Cepeda
Frank M. Clark
Susan T. Congalton
Ellen Costello
John W. Daniels
Arnold Donald
William A. Downe
Mark F. Furlong
David A. Galloway
David J. Lubar
Jerome A. Peribere
J. Robert Prichard
John Rau
John S. Shiely
Michael Van Handel

Executive Officers

Ann Benschoter	Executive Vice-President, Headquarters, U.S. Personal and Commercial Banking
Terry Bulger	Executive Vice-President, U.S. Risk Management and Chief Risk Officer
David R. Casper	Executive Vice-President, Commercial Banking Division
Ellen Costello	President and Chief Executive Officer, BMO Financial Corp.
Dante DeWitt	Senior Vice-President and Chief Information Officer, Technology and Operations U.S.
Justine Fedak	Senior Vice-President, Head of Marketing and Customer Strategies
Mark Furlong	President and Chief Executive Officer, BMO Harris Bank N.A.
Craig T. Ingram	Senior Vice-President, Business Continuity Planning
Terry A. Jenkins	Executive Vice-President, Head, U.S. Private Banking
Andrew Karp	Senior Vice-President, Chief Regulatory Officer and Deputy General Counsel

Christopher J. McComish	Executive Vice-President of Personal Banking – Illinois, Indiana, Wisconsin and Kansas and Co-Head of North American Specialized Sales
Barry McInerney	Co-CEO Global Asset Management
Cecily Mistarz	Executive Vice-President, Strategy and Implementation, Global Private Banking/ Executive Vice-President, Chief Operating Officer U.S. Private Bank
Eric Moss	Senior Vice-President and Chief Compliance Officer
Gail S. Palac	Senior Vice-President and Chief Auditor, U.S. Operations
Pamela C. Piarowski	Senior Vice-President Finance
Paul Renard	Senior Vice-President, Human Resources
Judith Rice	Senior Vice-President, Community Affairs and Economic Development and Community Reinvestment Act Officer
Russel C. Robertson	Executive Vice-President Business Integration, BMO Financial Group and Vice-Chair of BMO Financial Corp.
Stephen Taylor	Senior Vice-President and Chief Financial Officer

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Bank of Montreal

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: BMO Capital Markets GKST Inc. through BMO Financial Corp.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: First Canadian Place
21st Floor, 100 King Street West
Toronto, Ontario M5X 1A1

C. Telephone: 312-461-5643 Fax: 312-765-8281 Email: craig.ingram@harrisbank.com

D. Name of contact person: Craig Ingram

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Canada

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
CIBC Mellon GSS	320 Bay St., PO Box 1, Toronto, ON M5H 4A6	13.58%
BMO Nesbitt Burns	First Canadian Place, Toronto, ON M5X 1H3	8.78%

Note: The entities listed are registered investment advisors holding an ownership interest beneficially for its third party investors and registered according to the laws of multiple provinces in Canada, including Ontario.

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Bank of Montreal
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Ellen Costello
(Print or type name of person signing)

President & CEO, BMO Financial Corp. & U.S. Country Head
(Print or type title of person signing)

Signed and sworn to before me on (date) January 25, 2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: _____

OFFICIAL SEAL
SHARLENE R. CHANEY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-13-2013

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Bank of Montreal
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Craig T. Ingram
(Print or type name of person signing)

Senior Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 24, 2013
at Cook County, Illinois (state).

Sharlene R. Chaney Notary Public.

Commission expires: _____

OFFICIAL SEAL
SHARLENE R. CHANEY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-13-2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Bank of Montreal

Board of Directors

Robert M. Astley
Jan Babiak
Sophie Brochu
George A. Cope
William A. Downe
Christine A. Edwards
Ronald H. Farmer
Eric R. La Flèche
Bruce H. Mitchell
Philip S. Orsino, O.C., F.C.A.
Dr. Martha C. Piper, O.C., O.B.C.
J. Robert S. Prichard, O.C., O.Ont.
Guylaine Saucier, C.M., F.C.A.
Don M. Wilson III

Executive Officers

William A. Downe	Chief Executive Officer
Jean-Michael Ares	Group Head, Technology and Operations
Simon Fish	Executive Vice President and General Counsel
Thomas Flynn	Executive Vice President and Chief Financial Officer
Mark Furlong	President and Chief Executive Officer, BMO Harris Bank N.A.
Thomas Milroy	Chief Executive Officer – BMO Capital Markets
Gilles Ouellette	President and Chief Executive Officer – Private Client Group
Surjit Rajpal	Executive Vice President and Chief Risk Officer
Richard Rudderham	Executive Vice President and Head of Human Resources
Franklin J. Techar	President and Chief Executive Officer – Personal and Commercial Banking Canada
Douglas Stotz	Executive Vice President and Chief Marketing Officer

BANK OF MONTREAL

Certificate of Incumbency

Name	Office
Ellen Costello	President & CEO, BMO Financial Corp & U.S. Country Head
Craig Ingram	Senior Vice-President, Business Continuity Planning, U.S. & Branch Manager, Chicago, BMO CM

I, Katharine M. Anderson, Assistant Corporate Secretary of BANK OF MONTREAL, do hereby certify that Ellen Costello and Craig Ingram are appointed to the office set opposite their respective names above, are acting in such capacity and are authorized to act for the BANK OF MONTREAL.

DATED the 25th Day of January, 2013.

Katharine M. Anderson
Assistant Corporate Secretary
Bank of Montreal

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

BNY Mellon Capital Markets, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 32 Old Slip, 15th floor
New York, NY 10286

C. Telephone: 412-234-4033 Fax: 412-236-1216 Email: charles.goodwine@bnymellon.com

D. Name of contact person: F. Charles Goodwin

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

State of Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
The Bank of New York Mellon Corporation	One Wall Street New York, NY 10286	100% owner of BNY Capital Markets Holdings, Inc.
BNY Capital Markets Holdings, Inc. (Pls. see ownership chart on the following page.)	One Wall Street New York, NY 10286	100% owner of BNY Mellon Capital Markets, LLC

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

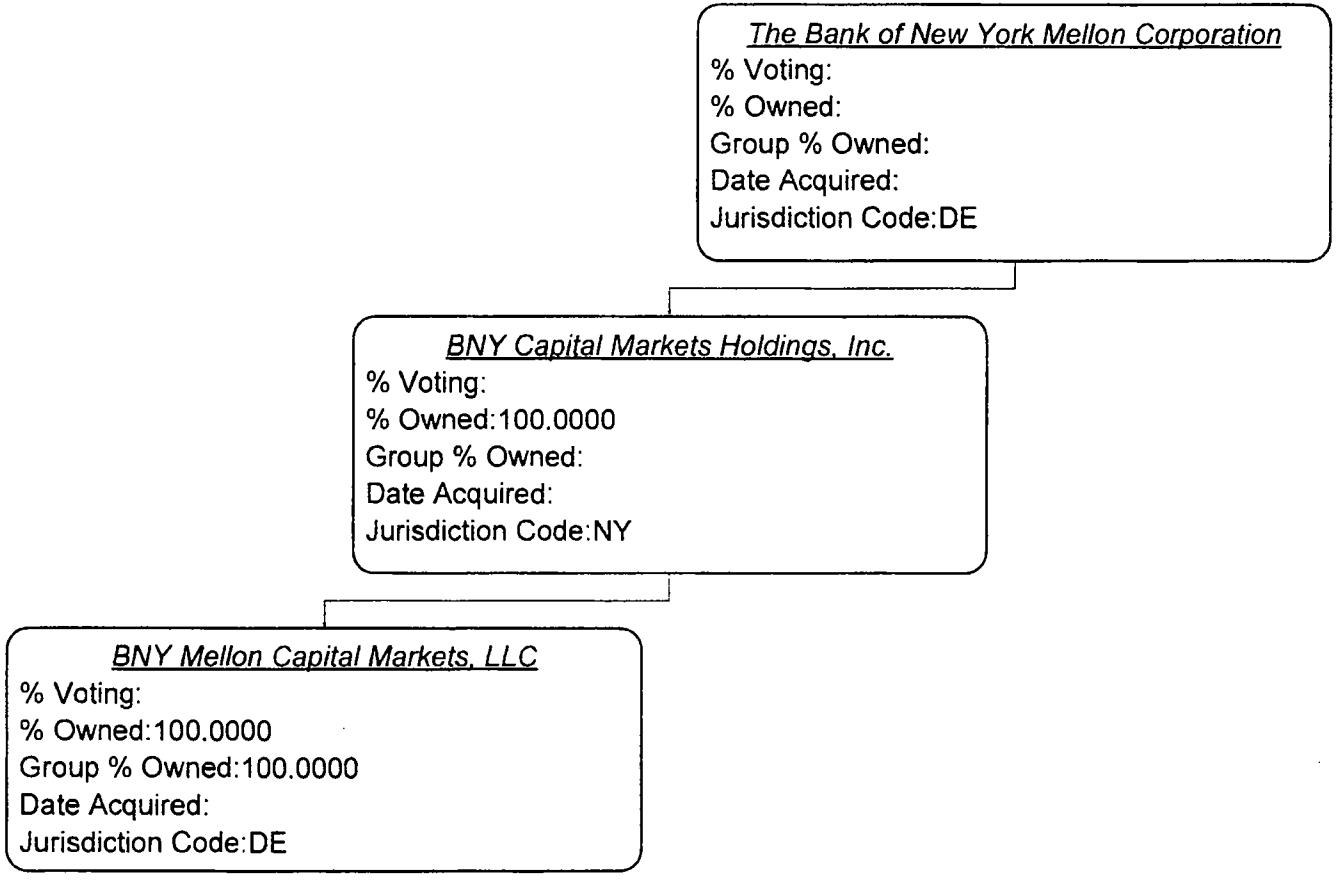
SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

BNY Mellon Capital Markets, LLC - Parents



Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, MacKay & Serritella	330 N. Wabash Ave. 22nd fl, Chicago IL 60611		Est. fees $57,750 - Attorney Anticipated to be retained
Tyson Law Group	55 E. Monroe St, Suite 330 Chicago, IL 60603		Est. fees $24,750 - Attorney Anticipated to be retained

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment A-1.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

_X_2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:
The Disclosing Party is an affiliate of The Bank of New York Mellon which was established in 1784 under the name of The Bank of New York. P/S. See Attachment B for a disclosure statement from the Bank of New York Mellon regarding slavery era business.

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fec, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

BNY Mellon Capital Markets, LLC
(Print or type name of Disclosing Party)

By: F Charles Goodwin
(Sign here)

F. Charles Goodwin
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 23, 2013,
at Allegheny County, Pennsylvania (state).

Mary Jo Schultz Notary Public.

Commission expires: 8/11/2015.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Mary Jo Schultz, Notary Public
City of Pittsburgh, Allegheny County
My Commission Expires Aug. 11, 2015
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Attachment A

BNY MELLON CAPITAL MARKETS, LLC (as of 12/28/2012)		
Board of Managers		
Bragg, Theodore J.	Gardiner, C. Delaney	Share, Warren J.
Casey, Paul F.	Gavin, Jr., John M.	Skirlis, Harold
De Menocal, Daniel C.	Gearhart, Jeffrey S.	Strumeyer, Gary M.
Ford, Stephen P.	Klinger, Daniel	Yosca, Fred S.

Officers	
Type	Appointed Entity
President	Strumeyer, Gary M.
Managing Director/Chief Financial Officer/Chief Administrative Officer	Gavin, Jr., John M.
Managing Director	Bragg, Theodore
Managing Director	Casey, Paul F.
Managing Director	De Menocal, Daniel C.
Managing Director	Ford, Stephen P.
Managing Director	Gardiner, C. Delaney
Managing Director	Gearhart, Jeffrey S.
Managing Director	Klinger, Daniel

Attachment A-1

The Bank of New York Mellon Corporation (the "Corporation"), acting through its subsidiaries, The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A., is trustee on thousands of bond transactions which are secured by mortgages on real property that are held in trust and registered in the name of The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A., as trustee. The mortgages are serviced by third-party service providers who are required to provide the necessary administrative services related to the mortgages, such as paying property taxes and complying with local real estate ordinances. From time to time, the third-party service providers may fail to fulfill their obligations, resulting in fines and judgments. Such fines and judgments may be assessed and entered against The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A. because, as trustee, it is the lien-holder or owner of record. The third-party service provider is obligated to pay such fines and remedy or pay such judgments.

In addition, like all major institutions, the Corporation and/or its subsidiaries are subject to various litigations and proceedings pursuant to which judgments, injunctions or liens may be issued. There have been no judgments, injunctions or liens arising out of such litigations or proceedings in the last five years that would materially impair the Corporation's or its subsidiaries ability to perform the services relating to the Matter. For a description of certain legal proceedings, please see the "Legal Proceedings" section from the Corporations latest 10-Q which is attached on the following pages.

the nature of events that would trigger indemnification or the level of indemnification for a certain event. We believe, however, that the possibility that we will have to make any material payments for these indemnifications is remote. At Sept. 30, 2012 and Dec. 31, 2011, we have not recorded any material liabilities under these arrangements.

Clearing and Settlement Exchanges

We are a minority equity investor in, and member of, several industry clearing or settlement exchanges through which foreign exchange, securities, or other transactions settle. Certain of these industry clearing or settlement exchanges require their members to guarantee their obligations and liabilities or to provide financial support in the event other members do not honor their obligations. We believe the likelihood that a clearing or settlement exchange (of which we are a member) would become insolvent is remote. Additionally, certain settlement exchanges have implemented loss allocation policies which enable the exchange to allocate settlement losses to the members of the exchange. It is not possible to quantify such mark-to-market loss until the loss occurs. In addition, any ancillary costs that occur as a result of any mark-to-market loss cannot be quantified. At Sept. 30, 2012 and Dec. 31, 2011, no material liabilities were recorded under these arrangements.

Legal proceedings

In the ordinary course of business, BNY Mellon and its subsidiaries are routinely named as defendants in or made parties to pending and potential legal actions and regulatory matters. Claims for significant monetary damages are often asserted in many of these legal actions, while claims for disgorgement, penalties and/or other remedial sanctions may be sought in regulatory matters. It is inherently difficult to predict the eventual outcomes of such matters given their complexity and the particular facts and circumstances at issue in each of these matters. However, on the basis of our current knowledge and understanding, we do not believe that judgments or settlements, if any, arising from these matters (either individually or in the aggregate, after giving effect to applicable reserves and insurance coverage) will have a material adverse effect on the consolidated financial position or liquidity of BNY Mellon, although they could have a material effect on net income in a given period.

In view of the inherent unpredictability of outcomes in litigation and regulatory matters, particularly where (i) the damages sought are substantial or indeterminate, (ii) the proceedings are in the early stages, or (iii) the matters involve novel legal theories or a large number of parties, as a matter of course there is considerable uncertainty surrounding the timing or ultimate resolution of litigation and regulatory matters, including a possible eventual loss, fine, penalty or business impact, if any, associated with each such matter. In accordance with applicable accounting guidance, BNY Mellon establishes reserves for litigation and regulatory matters when those matters proceed to a stage where they present loss contingencies that are both probable and reasonably estimable. In such cases, there may be a possible exposure to loss in excess of any amounts accrued. BNY Mellon will continue to monitor such matters for developments that could affect the amount of the reserve, and will adjust the reserve amount as appropriate. If the loss contingency in question is not both probable and reasonably estimable, BNY Mellon does not establish a reserve and the matter will continue to be monitored for any developments that would make the loss contingency both probable and reasonably estimable. BNY Mellon believes that its accruals for legal proceedings are appropriate and, in the aggregate, are not material to the consolidated financial position of BNY Mellon, although future accruals could have a material effect on net income in a given period.

For certain of those matters described herein for which a loss contingency may, in the future, be reasonably possible (whether in excess of a related accrued liability or where there is no accrued liability), BNY Mellon is currently unable to estimate a range of reasonably possible loss. For those matters where BNY Mellon is able to estimate a reasonably possible loss, exclusive of matters described in Note 11 of the Notes to Consolidated Financial Statements, subject to the accounting and reporting requirements of ASC 740 (FASB Interpretation 48), the aggregate range of such reasonably possible loss is up to $750 million in excess of the accrued liability (if any) related to those matters.

The following describes certain judicial, regulatory and arbitration proceedings involving BNY Mellon:

Sentinel Matters

As previously disclosed, on Jan. 18, 2008, The Bank of New York Mellon filed a proof of claim in the Chapter 11 bankruptcy proceeding of Sentinel Management Group, Inc. ("Sentinel") pending in federal court in the Northern District of Illinois, seeking to recover approximately $312 million loaned to Sentinel and secured by securities and cash in an account maintained by Sentinel at The Bank of New York Mellon. On March 3, 2008, the bankruptcy trustee filed an adversary complaint against The Bank of New York Mellon seeking to disallow The Bank of New York Mellon's claim and seeking damages for allegedly aiding and abetting Sentinel insiders in misappropriating customer assets and improperly using those assets as collateral for the loan. In a decision dated Nov. 3, 2010, the court found for The Bank of New York Mellon and against the bankruptcy trustee, holding that The Bank of New York Mellon's loan to Sentinel is valid, fully secured and not subject to equitable subordination. The bankruptcy trustee appealed this decision, and on August 9, 2012, the United States Court of Appeals for the Seventh Circuit issued a decision affirming the trial court's judgment. On September 7, 2012, the bankruptcy trustee filed a petition for rehearing.

As previously disclosed, in November 2009, the Division of Enforcement of the U.S. Commodities Futures Trading Commission ("CFTC") indicated that it is considering a recommendation to the CFTC that it file a civil enforcement action against The Bank of New York Mellon for possible violations of the Commodity Exchange Act and CFTC regulations in connection with its relationship to Sentinel. The Bank of New York Mellon responded in writing to the CFTC on Jan. 29, 2010 and provided an explanation as to why an enforcement action is unwarranted.

Securities Lending Matters

As previously disclosed, BNY Mellon or its affiliates have been named as defendants in a number of lawsuits initiated by participants in BNY Mellon's securities lending program, which is a part of BNY Mellon's Investment Services business. The lawsuits were filed on various dates from December 2008 to 2012, and are currently pending in courts in New York, South Carolina and North Carolina and in commercial court in London. The complaints assert contractual, statutory, and common law claims, including claims for negligence and breach of fiduciary duty. The plaintiffs allege losses in connection with the investment of securities lending collateral, including losses related to investments in Sigma Finance Inc. ("Sigma"), Lehman Brothers Holdings, Inc. and certain asset-backed securities, and seek damages as to those losses. Two of the pending cases seek to proceed as class actions.

On Oct. 25, 2012, the court entered final approval of a previously-announced settlement of the Oklahoma class action lawsuit concerning Sigma losses. Under the terms of the settlement, The Bank of New York Mellon agreed to pay $280 million in exchange for a complete release of claims in the class action.

Matters Relating To Bernard L. Madoff

As previously disclosed, on May 11, 2010, the New York State Attorney General commenced a civil lawsuit against Ivy Asset Management LLC ("Ivy"), a subsidiary of BNY Mellon that manages primarily funds-of-hedge-funds, and two of its former officers in New York state court. The lawsuit alleges that Ivy, in connection with its role as sub-advisor to investment managers whose clients invested with Madoff, did not disclose certain material facts about Madoff. The complaint seeks an accounting of compensation received from January 1997 to the present by the Ivy defendants in connection with the Madoff investments, and unspecified damages, including restitution, disgorgement, costs and attorneys' fees.

As previously disclosed, on Oct. 21, 2010, the U.S. Department of Labor commenced a civil lawsuit against Ivy, two of its former officers, and others in federal court in the Southern District of New York. The lawsuit alleges that Ivy violated the Employee Retirement Income Security Act ("ERISA") by failing to disclose certain material facts about Madoff to investment managers subadvised by Ivy whose clients included employee benefit plan investors. The complaint seeks disgorgement and damages. On Dec. 8, 2010, the Trustee overseeing the Madoff liquidation sued many of the same defendants in bankruptcy court in New York, seeking to avoid withdrawals from Madoff investments made by various funds-of-funds (including six funds-of-funds managed by Ivy).

As previously disclosed, Ivy or its affiliates have been named in a number of civil lawsuits filed beginning Jan. 27, 2009 relating to certain investment funds that allege losses due to the Madoff investments. Ivy acted as a sub-advisor to the investment managers of some of those funds. Plaintiffs assert various causes of action including

securities and common-law fraud. Certain of the cases have been certified as class actions and/or assert derivative claims on behalf of the funds. Most of the cases have been consolidated in two actions in federal court in the Southern District of New York, with certain cases filed in New York State Supreme Court for New York and Nassau counties.

Medical Capital Litigations

As previously disclosed, The Bank of New York Mellon has been named as a defendant in a number of class actions and non-class actions brought by numerous plaintiffs in connection with its role as indenture trustee for debt issued by affiliates of Medical Capital Corporation. The actions, filed in late 2009 and currently pending in federal court in the Central District of California, allege that The Bank of New York Mellon breached its fiduciary and contractual obligations to the holders of the underlying securities, and seek unspecified damages. On June 7, 2012, The Bank of New York Mellon reached a conditional settlement with the Federal Equity Receiver for Medical Capital Corporation and its affiliates. The plaintiffs have opposed the settlement with the Receiver. They challenge the Receiver's authority to bind them to any settlement, and allege that the settlement is inadequate.

Foreign Exchange Matters

As previously disclosed, beginning in December 2009, government authorities have been conducting inquiries seeking information relating primarily to standing instruction foreign exchange transactions in connection with custody services BNY Mellon provides to public pension plans and certain other custody clients. BNY Mellon is cooperating with these inquiries.

In addition, in early 2011, as previously disclosed, the Virginia Attorney General's Office and the Florida Attorney General's Office each filed a Notice of Intervention in a *qui tam* lawsuit pending in its jurisdiction. These offices filed complaints superseding the *qui tam* lawsuits on Aug. 11, 2011. On May 1, 2012, the Virginia court dismissed the lawsuit in its entirety. On July 10, 2012, the Virginia Attorney General's office filed a motion seeking leave of the court to file an amended complaint. On Oct. 4, 2011, the New York Attorney General's Office, the New York City Comptroller and various city pension and benefit funds filed a lawsuit whereby, among other things, the plaintiffs assert claims under the Martin Act and state and city false claims acts. Also, on Oct. 4, 2011, the United States Department of Justice ("DOJ") filed a civil lawsuit seeking civil penalties under 12 U.S.C. Section 1833a and injunctive relief under 18 U.S.C. Section 1345 based on alleged ongoing violations of 18 U.S.C. Sections 1341 and 1343 (mail and wire fraud). On Jan. 17, 2012, the court approved a partial settlement resolving the DOJ's claim for injunctive relief. In October 2011, several political subdivisions of the state of California intervened in a *qui tam* lawsuit pending in California state court, previously under seal, and, on Nov. 28, 2011, BNY Mellon removed the lawsuit to federal district court in California. On March 30, 2012, the court dismissed certain of plaintiffs' claims, including all claims under the California False Claims Act, and provided plaintiffs an opportunity to file a motion seeking leave to replead. Several plaintiffs also had their claims dismissed for improper venue and one refiled on Sept. 5, 2012 in a different California federal district court. On Oct. 26, 2011, the Massachusetts Securities Division filed an Administrative Complaint against BNY Mellon.

BNY Mellon has also been named as a defendant in several putative class action federal lawsuits filed on various dates in 2011. The complaints, which assert varying claims, including breach of contract, and violations of ERISA, state and federal law, all allege that the prices BNY Mellon charged and reported for standing instruction foreign exchange transactions executed in connection with custody services provided by BNY Mellon were improper. In addition, BNY Mellon has been named as a nominal defendant in several derivative lawsuits filed on various dates in 2011 and 2012 in state and federal court in New York. BNY Mellon has also been named as a defendant in a lawsuit filed on March 12, 2012 in Ohio state court, and subsequently removed to federal district court in Ohio, asserting claims including breach of contract and fraud. BNY Mellon was also named in a *qui tam* lawsuit originally filed under seal in October 2009 in Massachusetts state court, but the plaintiff voluntarily dismissed the lawsuit on May 16, 2012. To the extent these lawsuits are pending in federal court, they have been consolidated for pre-trial purposes in federal court in New York.

Lyondell Litigation

As previously disclosed, in an action filed in New York State Supreme Court for New York County, on Sept. 14, 2010, plaintiffs as holders of debt issued by Basell AF in 2005 allege that The Bank of New York Mellon, as indenture trustee, breached its contractual and fiduciary obligations by executing an intercreditor agreement in 2007 in connection with

Basell's acquisition of Lyondell Chemical Company. Plaintiffs are seeking damages for their alleged losses resulting from the execution of the 2007 intercreditor agreement that allowed the company to increase the amount of its senior debt.

Tax Litigation

As previously disclosed, on Aug. 17, 2009, BNY Mellon received a Statutory Notice of Deficiency disallowing tax benefits for the 2001 and 2002 tax years in connection with a 2001 transaction that involved the payment of U.K. corporate income taxes that were credited against BNY Mellon's U.S. corporate income tax liability. On Nov. 10, 2009, BNY Mellon filed a petition with the U.S. Tax Court contesting the disallowance of the benefits. Trial was held from April 16 to May 17, 2012. The aggregate tax benefit for all six years in question is approximately $900 million, including interest. In the event BNY Mellon is unsuccessful in defending its position, the IRS has agreed not to assess underpayment penalties. See Note 11 of the Notes to Consolidated Financial Statements for additional information.

Mortgage-Securitization Trusts Proceeding

As previously disclosed, The Bank of New York Mellon as trustee is the petitioner in a legal proceeding filed in New York State Supreme Court, New York County on June 29, 2011, seeking approval of a proposed settlement involving Bank of America Corporation and bondholders in certain Countrywide residential mortgage-securitization trusts. The New York and Delaware Attorneys General have intervened in this proceeding.

Note 19 – Review of businesses

We have an internal information system that produces performance data along product and service lines for our two principal businesses and the Other segment.

Organization of our business

On Dec. 31, 2011, BNY Mellon sold its Shareowner Services business. In the first quarter of 2012, we reclassified the results of the Shareowner Services business from the Investment Services business to the Other segment. The reclassification did not impact the consolidated results. All prior periods have been restated.

Business accounting principles

Our business data has been determined on an internal management basis of accounting, rather than the generally accepted accounting principles used for consolidated financial reporting. These measurement principles are designed so that reported results of the businesses will track their economic performance.

Business results are subject to reclassification whenever improvements are made in the measurement principles, or when organizational changes are made.

The accounting policies of the businesses are the same as those described in Note 1 of the Notes to Consolidated Financial Statements in BNY Mellon's 2011 Annual Report.

The operations of acquired businesses are integrated with the existing businesses soon after they are completed. As a result of the integration of staff support functions, management of customer relationships, operating processes and the financial impact of funding acquisitions, we cannot precisely determine the impact of acquisitions on income before taxes and therefore do not report it.

ATTACHMENT B
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
FILED BY
THE BANK OF NEW YORK MELLON

The Disclosing Party was established in 1784 under the name The Bank of New York and is now a wholly-owned subsidiary of The Bank of New York Mellon Corporation (the "Corporation"). The Corporation has identified 60 predecessor institutions established before 1866, including The Bank of New York.

There are scattered references in the records of the Corporation's pre-1866 predecessors to clients located in the southern states where slavery was practiced during the slavery era. The Corporation's predecessors provided business services to these southern clients which included: issuing loans to individuals, banks and other institutions; maintaining individual and correspondent banking accounts; providing reciprocal banking services for other banks; and providing bond and stock administration and depositary services on behalf of other banks and municipalities. Some of these predecessors may have also invested in bonds and stocks of southern institutions or bonds issued by southern states. The southern states, municipalities, banks, companies and individuals referenced in the records are: Bank of Baltimore; City Bank of Baltimore; Stephen Duncan; DuPlanty, McCall & Co.; Bank of Kentucky; Bank of Maryland; State of Maryland; Bank of Montgomery; Bank of North Carolina; Bank of South Carolina; New Orleans Canal and Banking Company; City of New Orleans; Commercial Bank of New Orleans; Planters Bank of Mississippi; Simsville Cotton Factory; Southern Life Insurance and Trust Company; Planters Bank of Tennessee; State of Tennessee. The Bank of New York also held one or more bank accounts on behalf of Charles P. Leverich and/or his New York company Charles P. Leverich & Co. ("Leverich & Co."). Leverich was a director of The Bank of New York from 1840 to 1876, and also was a Vice President (1853-1863) and President (1863-1876) of the Bank. Leverich & Co. was a New York cotton broker which had extensive dealings with southern clients from the 1830s through 1879, when the firm was dissolved. Leverich & Co. also acted as a factor for southern planters. It also appears that that Leverich & Co. may have helped manage a plantation -- James Porter's Oak Lawn in Bayou Teche, Louisiana -- for one of its southern clients.

Based on the Corporation's research, there are indications in United States census records for the period 1790 to 1860 that some directors of The Bank of New York and some officers and directors of the Farmer's Bank of the State of Delaware may have owned slaves before, during and/or after their association with such institutions.

A predecessor of the Corporation, the New York Life Insurance and Trust Company ("NYLITC") (which bears no relation to the present New York Life Insurance Company), was founded in 1830 and merged with The Bank of New York in 1922. NYLITC issued life insurance policies to some of its clients, including a few individuals who resided in the southern states where slavery was practiced during the slavery era. There are no indications in the records that NYLITC issued any slaveholder insurance policies.

The records of NYLITC reflect that in 1842, NYLITC loaned a sum of money to the Southern Life Insurance and Trust Company ("Southern Life"). This loan was secured by an assignment to NYLITC of several mortgages originated and held by Southern Life, including a mortgage dated April 1, 1837, on "Hanson's Plantation," located in St. John's County, near St. Augustine, Florida, and owned by John Hanson and Margaret Cook. This Southern Life mortgage included a pledge of 21 named slaves. The names and ages of these slaves are recorded in the NYLITC ledger entry for the loan and are listed in Appendix A to this statement. There are no indications in the records that Southern Life ever defaulted on this loan, or that NYLITC ever foreclosed on any of the assigned mortgages.

APPENDIX A

Slaves Named in 1837 "Hanson's Plantation" Mortgage Originated and Held by Southern Life Insurance and Trust Company and Assigned in 1842 to New York Life Insurance and Trust Company

(italics indicate names that are difficult to decipher from the ledger entry)

Name	Age
Sylvester	32
Peggy	32
Maria	16
Chloe	14
Pomfrey	12
Diana	10
Betty	8
Eve	3
Kathy	30
Sally	14
Abram	12
William	5
Fanny	30
Phoebe	12
Ned	8
Coffy	6
Lewis	30
James	40
Anselmo	17
Antericka	14
George	25

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

BNY Capital Markets Holdings, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: BNY Mellon Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: One Wall Street
New York, NY 10286

C. Telephone: 412-234-4033 Fax: 412-236-1216 Email: charles.goodwin@bnymellon.com

D. Name of contact person: F. Charles Goodwin

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Please see Attachment A.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
The Bank of New York Mellon Corporation	One Wall Street New York, NY 10286	100 %

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

_____

_____

_____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

_____

_____

_____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

X 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

The Disclosing Party is an affiliate of The Bank of New York Mellon which was established in 1784 under the name of The Bank of New York. Please see Attachment B for a disclosure statement from The Bank of New York Mellon regarding slavery era business.

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

BNY Capital Markets Holdings, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Arthur Contosimo
(Print or type name of person signing)

Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 24, 2013,
at New York County, New York (state).

Isabel Felix Notary Public.

Commission expires: June 25, 2016.

Isabel Felix
Notary Public - State of New York
No. 01FE6264024
Qualified in Westchester County
Certificate Filed in New York County
My Commission Expires June 25, 16

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Attachment A

BNY Capital Markets Holdings, Inc.

Directors

Certosimo, Arthur
Gibbons, Thomas P.
Park, John A.

Officers

President	Gibbons, Thomas P.
Vice President	Certosimo, Arthur
Vice President	Sarmasti, Reza
Comptroller	Park, John A.
Secretary	Bicket, Patricia A.
Assistant Secretary	Olinski, Mary Lou
Assistant Secretary	Parrish, Barbara J.
Assistant Secretary	Rice, Cristina M.
Assistant Treasurer	Mulry, William E.
Assistant Treasurer - Tax	Abbs, Gary E.
Assistant Treasurer - Tax	Huber, Joanne S.
Assistant Treasurer - Tax	Orloski, Claudine

Attachment A-1

The Bank of New York Mellon Corporation (the "Corporation"), acting through its subsidiaries, The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A., is trustee on thousands of bond transactions which are secured by mortgages on real property that are held in trust and registered in the name of The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A., as trustee. The mortgages are serviced by third-party service providers who are required to provide the necessary administrative services related to the mortgages, such as paying property taxes and complying with local real estate ordinances. From time to time, the third-party service providers may fail to fulfill their obligations, resulting in fines and judgments. Such fines and judgments may be assessed and entered against The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A. because, as trustee, it is the lien-holder or owner of record. The third-party service provider is obligated to pay such fines and remedy or pay such judgments.

In addition, like all major institutions, the Corporation and/or its subsidiaries are subject to various litigations and proceedings pursuant to which judgments, injunctions or liens may be issued. There have been no judgments, injunctions or liens arising out of such litigations or proceedings in the last five years that would materially impair the Corporation's or its subsidiaries ability to perform the services relating to the Matter. For a description of certain legal proceedings, please see the "Legal Proceedings" section from the Corporations latest 10-Q which is attached on the following pages.

the nature of events that would trigger indemnification or the level of indemnification for a certain event. We believe, however, that the possibility that we will have to make any material payments for these indemnifications is remote. At Sept. 30, 2012 and Dec. 31, 2011, we have not recorded any material liabilities under these arrangements.

Clearing and Settlement Exchanges

We are a minority equity investor in, and member of, several industry clearing or settlement exchanges through which foreign exchange, securities, or other transactions settle. Certain of these industry clearing or settlement exchanges require their members to guarantee their obligations and liabilities or to provide financial support in the event other members do not honor their obligations. We believe the likelihood that a clearing or settlement exchange (of which we are a member) would become insolvent is remote. Additionally, certain settlement exchanges have implemented loss allocation policies which enable the exchange to allocate settlement losses to the members of the exchange. It is not possible to quantify such mark-to-market loss until the loss occurs. In addition, any ancillary costs that occur as a result of any mark-to-market loss cannot be quantified. At Sept. 30, 2012 and Dec. 31, 2011, no material liabilities were recorded under these arrangements.

Legal proceedings

In the ordinary course of business, BNY Mellon and its subsidiaries are routinely named as defendants in or made parties to pending and potential legal actions and regulatory matters. Claims for significant monetary damages are often asserted in many of these legal actions, while claims for disgorgement, penalties and/or other remedial sanctions may be sought in regulatory matters. It is inherently difficult to predict the eventual outcomes of such matters given their complexity and the particular facts and circumstances at issue in each of these matters. However, on the basis of our current knowledge and understanding, we do not believe that judgments or settlements, if any, arising from these matters (either individually or in the aggregate, after giving effect to applicable reserves and insurance coverage) will have a material adverse effect on the consolidated financial position or liquidity of BNY Mellon, although they could have a material effect on net income in a given period.

In view of the inherent unpredictability of outcomes in litigation and regulatory matters, particularly where (i) the damages sought are substantial or indeterminate, (ii) the proceedings are in the early stages, or (iii) the matters involve novel legal theories or a large number of parties, as a matter of course there is considerable uncertainty surrounding the timing or ultimate resolution of litigation and regulatory matters, including a possible eventual loss, fine, penalty or business impact, if any, associated with each such matter. In accordance with applicable accounting guidance, BNY Mellon establishes reserves for litigation and regulatory matters when those matters proceed to a stage where they present loss contingencies that are both probable and reasonably estimable. In such cases, there may be a possible exposure to loss in excess of any amounts accrued. BNY Mellon will continue to monitor such matters for developments that could affect the amount of the reserve, and will adjust the reserve amount as appropriate. If the loss contingency in question is not both probable and reasonably estimable, BNY Mellon does not establish a reserve and the matter will continue to be monitored for any developments that would make the loss contingency both probable and reasonably estimable. BNY Mellon believes that its accruals for legal proceedings are appropriate and, in the aggregate, are not material to the consolidated financial position of BNY Mellon, although future accruals could have a material effect on net income in a given period.

For certain of those matters described herein for which a loss contingency may, in the future, be reasonably possible (whether in excess of a related accrued liability or where there is no accrued liability), BNY Mellon is currently unable to estimate a range of reasonably possible loss. For those matters where BNY Mellon is able to estimate a reasonably possible loss, exclusive of matters described in Note 11 of the Notes to Consolidated Financial Statements, subject to the accounting and reporting requirements of ASC 740 (FASB Interpretation 48), the aggregate range of such reasonably possible loss is up to $750 million in excess of the accrued liability (if any) related to those matters.

The following describes certain judicial, regulatory and arbitration proceedings involving BNY Mellon:

Sentinel Matters

As previously disclosed, on Jan. 18, 2008, The Bank of New York Mellon filed a proof of claim in the Chapter 11 bankruptcy proceeding of Sentinel Management Group, Inc. ("Sentinel") pending in federal court in the Northern District of Illinois, seeking to recover approximately $312 million loaned to Sentinel and secured by securities and cash in an account maintained by Sentinel at The Bank of New York Mellon. On March 3, 2008, the bankruptcy trustee filed an adversary complaint against The Bank of New York Mellon seeking to disallow The Bank of New York Mellon's claim and seeking damages for allegedly aiding and abetting Sentinel insiders in misappropriating customer assets and improperly using those assets as collateral for the loan. In a decision dated Nov. 3, 2010, the court found for The Bank of New York Mellon and against the bankruptcy trustee, holding that The Bank of New York Mellon's loan to Sentinel is valid, fully secured and not subject to equitable subordination. The bankruptcy trustee appealed this decision, and on August 9, 2012, the United States Court of Appeals for the Seventh Circuit issued a decision affirming the trial court's judgment. On September 7, 2012, the bankruptcy trustee filed a petition for rehearing.

As previously disclosed, in November 2009, the Division of Enforcement of the U.S. Commodities Futures Trading Commission ("CFTC") indicated that it is considering a recommendation to the CFTC that it file a civil enforcement action against The Bank of New York Mellon for possible violations of the Commodity Exchange Act and CFTC regulations in connection with its relationship to Sentinel. The Bank of New York Mellon responded in writing to the CFTC on Jan. 29, 2010 and provided an explanation as to why an enforcement action is unwarranted.

Securities Lending Matters

As previously disclosed, BNY Mellon or its affiliates have been named as defendants in a number of lawsuits initiated by participants in BNY Mellon's securities lending program, which is a part of BNY Mellon's Investment Services business. The lawsuits were filed on various dates from December 2008 to 2012, and are currently pending in courts in New York, South Carolina and North Carolina and in commercial court in London. The complaints assert contractual, statutory, and common law claims, including claims for negligence and breach of fiduciary duty. The plaintiffs allege losses in connection with the investment of securities lending collateral, including losses related to investments in Sigma Finance Inc. ("Sigma"), Lehman Brothers Holdings, Inc. and certain asset-backed securities, and seek damages as to those losses. Two of the pending cases seek to proceed as class actions.

On Oct. 25, 2012, the court entered final approval of a previously-announced settlement of the Oklahoma class action lawsuit concerning Sigma losses. Under the terms of the settlement, The Bank of New York Mellon agreed to pay $280 million in exchange for a complete release of claims in the class action.

Matters Relating To Bernard L. Madoff

As previously disclosed, on May 11, 2010, the New York State Attorney General commenced a civil lawsuit against Ivy Asset Management LLC ("Ivy"), a subsidiary of BNY Mellon that manages primarily funds-of-hedge-funds, and two of its former officers in New York state court. The lawsuit alleges that Ivy, in connection with its role as sub-advisor to investment managers whose clients invested with Madoff, did not disclose certain material facts about Madoff. The complaint seeks an accounting of compensation received from January 1997 to the present by the Ivy defendants in connection with the Madoff investments, and unspecified damages, including restitution, disgorgement, costs and attorneys' fees.

As previously disclosed, on Oct. 21, 2010, the U.S. Department of Labor commenced a civil lawsuit against Ivy, two of its former officers, and others in federal court in the Southern District of New York. The lawsuit alleges that Ivy violated the Employee Retirement Income Security Act ("ERISA") by failing to disclose certain material facts about Madoff to investment managers subadvised by Ivy whose clients included employee benefit plan investors. The complaint seeks disgorgement and damages. On Dec. 8, 2010, the Trustee overseeing the Madoff liquidation sued many of the same defendants in bankruptcy court in New York, seeking to avoid withdrawals from Madoff investments made by various funds-of-funds (including six funds-of-funds managed by Ivy).

As previously disclosed, Ivy or its affiliates have been named in a number of civil lawsuits filed beginning Jan. 27, 2009 relating to certain investment funds that allege losses due to the Madoff investments. Ivy acted as a sub-advisor to the investment managers of some of those funds. Plaintiffs assert various causes of action including

securities and common-law fraud. Certain of the cases have been certified as class actions and/or assert derivative claims on behalf of the funds. Most of the cases have been consolidated in two actions in federal court in the Southern District of New York, with certain cases filed in New York State Supreme Court for New York and Nassau counties.

Medical Capital Litigations

As previously disclosed, The Bank of New York Mellon has been named as a defendant in a number of class actions and non-class actions brought by numerous plaintiffs in connection with its role as indenture trustee for debt issued by affiliates of Medical Capital Corporation. The actions, filed in late 2009 and currently pending in federal court in the Central District of California, allege that The Bank of New York Mellon breached its fiduciary and contractual obligations to the holders of the underlying securities, and seek unspecified damages. On June 7, 2012, The Bank of New York Mellon reached a conditional settlement with the Federal Equity Receiver for Medical Capital Corporation and its affiliates. The plaintiffs have opposed the settlement with the Receiver. They challenge the Receiver's authority to bind them to any settlement, and allege that the settlement is inadequate.

Foreign Exchange Matters

As previously disclosed, beginning in December 2009, government authorities have been conducting inquiries seeking information relating primarily to standing instruction foreign exchange transactions in connection with custody services BNY Mellon provides to public pension plans and certain other custody clients. BNY Mellon is cooperating with these inquiries.

In addition, in early 2011, as previously disclosed, the Virginia Attorney General's Office and the Florida Attorney General's Office each filed a Notice of Intervention in a *qui tam* lawsuit pending in its jurisdiction. These offices filed complaints superseding the *qui tam* lawsuits on Aug. 11, 2011. On May 1, 2012, the Virginia court dismissed the lawsuit in its entirety. On July 10, 2012, the Virginia Attorney General's office filed a motion seeking leave of the court to file an amended complaint. On Oct. 4, 2011, the New York Attorney General's Office, the New York City Comptroller and various city pension and benefit funds filed a lawsuit whereby, among other things, the plaintiffs assert claims under the Martin Act and state and city false claims acts. Also, on Oct. 4, 2011, the United States Department of Justice ("DOJ") filed a civil lawsuit seeking civil penalties under 12 U.S.C. Section 1833a and injunctive relief under 18 U.S.C. Section 1345 based on alleged ongoing violations of 18 U.S.C. Sections 1341 and 1343 (mail and wire fraud). On Jan. 17, 2012, the court approved a partial settlement resolving the DOJ's claim for injunctive relief. In October 2011, several political subdivisions of the state of California intervened in a *qui tam* lawsuit pending in California state court, previously under seal, and, on Nov. 28, 2011, BNY Mellon removed the lawsuit to federal district court in California. On March 30, 2012, the court dismissed certain of plaintiffs' claims, including all claims under the California False Claims Act, and provided plaintiffs an opportunity to file a motion seeking leave to replead. Several plaintiffs also had their claims dismissed for improper venue and one refiled on Sept. 5, 2012 in a different California federal district court. On Oct. 26, 2011, the Massachusetts Securities Division filed an Administrative Complaint against BNY Mellon.

BNY Mellon has also been named as a defendant in several putative class action federal lawsuits filed on various dates in 2011. The complaints, which assert varying claims, including breach of contract, and violations of ERISA, state and federal law, all allege that the prices BNY Mellon charged and reported for standing instruction foreign exchange transactions executed in connection with custody services provided by BNY Mellon were improper. In addition, BNY Mellon has been named as a nominal defendant in several derivative lawsuits filed on various dates in 2011 and 2012 in state and federal court in New York. BNY Mellon has also been named as a defendant in a lawsuit filed on March 12, 2012 in Ohio state court, and subsequently removed to federal district court in Ohio, asserting claims including breach of contract and fraud. BNY Mellon was also named in a *qui tam* lawsuit originally filed under seal in October 2009 in Massachusetts state court, but the plaintiff voluntarily dismissed the lawsuit on May 16, 2012. To the extent these lawsuits are pending in federal court, they have been consolidated for pre-trial purposes in federal court in New York.

Lyondell Litigation

As previously disclosed, in an action filed in New York State Supreme Court for New York County, on Sept. 14, 2010, plaintiffs as holders of debt issued by Basell AF in 2005 allege that The Bank of New York Mellon, as indenture trustee, breached its contractual and fiduciary obligations by executing an intercreditor agreement in 2007 in connection with

Basell's acquisition of Lyondell Chemical Company. Plaintiffs are seeking damages for their alleged losses resulting from the execution of the 2007 intercreditor agreement that allowed the company to increase the amount of its senior debt.

Tax Litigation

As previously disclosed, on Aug. 17, 2009, BNY Mellon received a Statutory Notice of Deficiency disallowing tax benefits for the 2001 and 2002 tax years in connection with a 2001 transaction that involved the payment of U.K. corporate income taxes that were credited against BNY Mellon's U.S. corporate income tax liability. On Nov. 10, 2009, BNY Mellon filed a petition with the U.S. Tax Court contesting the disallowance of the benefits. Trial was held from April 16 to May 17, 2012. The aggregate tax benefit for all six years in question is approximately $900 million, including interest. In the event BNY Mellon is unsuccessful in defending its position, the IRS has agreed not to assess underpayment penalties. See Note 11 of the Notes to Consolidated Financial Statements for additional information.

Mortgage-Securitization Trusts Proceeding

As previously disclosed, The Bank of New York Mellon as trustee is the petitioner in a legal proceeding filed in New York State Supreme Court, New York County on June 29, 2011, seeking approval of a proposed settlement involving Bank of America Corporation and bondholders in certain Countrywide residential mortgage-securitization trusts. The New York and Delaware Attorneys General have intervened in this proceeding.

Note 19 – Review of businesses

We have an internal information system that produces performance data along product and service lines for our two principal businesses and the Other segment.

Organization of our business

On Dec. 31, 2011, BNY Mellon sold its Shareowner Services business. In the first quarter of 2012, we reclassified the results of the Shareowner Services business from the Investment Services business to the Other segment. The reclassification did not impact the consolidated results. All prior periods have been restated.

Business accounting principles

Our business data has been determined on an internal management basis of accounting, rather than the generally accepted accounting principles used for consolidated financial reporting. These measurement principles are designed so that reported results of the businesses will track their economic performance.

Business results are subject to reclassification whenever improvements are made in the measurement principles, or when organizational changes are made.

The accounting policies of the businesses are the same as those described in Note 1 of the Notes to Consolidated Financial Statements in BNY Mellon's 2011 Annual Report.

The operations of acquired businesses are integrated with the existing businesses soon after they are completed. As a result of the integration of staff support functions, management of customer relationships, operating processes and the financial impact of funding acquisitions, we cannot precisely determine the impact of acquisitions on income before taxes and therefore do not report it.

ATTACHMENT B
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
FILED BY
THE BANK OF NEW YORK MELLON

The Disclosing Party was established in 1784 under the name The Bank of New York and is now a wholly-owned subsidiary of The Bank of New York Mellon Corporation (the "Corporation"). The Corporation has identified 60 predecessor institutions established before 1866, including The Bank of New York.

There are scattered references in the records of the Corporation's pre-1866 predecessors to clients located in the southern states where slavery was practiced during the slavery era. The Corporation's predecessors provided business services to these southern clients which included: issuing loans to individuals, banks and other institutions; maintaining individual and correspondent banking accounts; providing reciprocal banking services for other banks; and providing bond and stock administration and depositary services on behalf of other banks and municipalities. Some of these predecessors may have also invested in bonds and stocks of southern institutions or bonds issued by southern states. The southern states, municipalities, banks, companies and individuals referenced in the records are: Bank of Baltimore; City Bank of Baltimore; Stephen Duncan; DuPlanty, McCall & Co.; Bank of Kentucky; Bank of Maryland; State of Maryland; Bank of Montgomery; Bank of North Carolina; Bank of South Carolina; New Orleans Canal and Banking Company; City of New Orleans; Commercial Bank of New Orleans; Planters Bank of Mississippi; Simsville Cotton Factory; Southern Life Insurance and Trust Company; Planters Bank of Tennessee; State of Tennessee. The Bank of New York also held one or more bank accounts on behalf of Charles P. Leverich and/or his New York company Charles P. Leverich & Co. ("Leverich & Co."). Leverich was a director of The Bank of New York from 1840 to 1876, and also was a Vice President (1853-1863) and President (1863-1876) of the Bank. Leverich & Co. was a New York cotton broker which had extensive dealings with southern clients from the 1830s through 1879, when the firm was dissolved. Leverich & Co. also acted as a factor for southern planters. It also appears that that Leverich & Co. may have helped manage a plantation -- James Porter's Oak Lawn in Bayou Teche, Louisiana -- for one of its southern clients.

Based on the Corporation's research, there are indications in United States census records for the period 1790 to 1860 that some directors of The Bank of New York and some officers and directors of the Farmer's Bank of the State of Delaware may have owned slaves before, during and/or after their association with such institutions.

A predecessor of the Corporation, the New York Life Insurance and Trust Company ("NYLITC") (which bears no relation to the present New York Life Insurance Company), was founded in 1830 and merged with The Bank of New York in 1922. NYLITC issued life insurance policies to some of its clients, including a few individuals who resided in the southern states where slavery was practiced during the slavery era. There are no indications in the records that NYLITC issued any slaveholder insurance policies.

The records of NYLITC reflect that in 1842, NYLITC loaned a sum of money to the Southern Life Insurance and Trust Company ("Southern Life"). This loan was secured by an assignment to NYLITC of several mortgages originated and held by Southern Life, including a mortgage dated April 1, 1837, on "Hanson's Plantation," located in St. John's County, near St. Augustine, Florida, and owned by John Hanson and Margaret Cook. This Southern Life mortgage included a pledge of 21 named slaves. The names and ages of these slaves are recorded in the NYLITC ledger entry for the loan and are listed in Appendix A to this statement. There are no indications in the records that Southern Life ever defaulted on this loan, or that NYLITC ever foreclosed on any of the assigned mortgages.

APPENDIX A

Slaves Named in 1837 "Hanson's Plantation" Mortgage Originated and Held by Southern Life Insurance and Trust Company and Assigned in 1842 to New York Life Insurance and Trust Company

(italics indicate names that are difficult to decipher from the ledger entry)

Name	Age
Sylvester	32
Peggy	32
Maria	16
Chloe	14
Pomfrey	12
Diana	10
Betty	8
Eve	3
Kathy	30
Sally	14
Abram	12
William	5
Fanny	30
Phoebe	12
Ned	8
Coffy	6
Lewis	30
James	40
Anselmo	17
Anterieka	14
George	25

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

The Bank of New York Mellon Corporation

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: BNY Mellon Capital Markets, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: One Wall Street
New York, New York 10286

C. Telephone: 412-234-4033 Fax: 412-236-1216 Email: charles.goodwin@bnymellon.com

D. Name of contact person: F. Charles Goodwin

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

State of Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See Attachment A.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
N/A		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

See Attachment A-1.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

_X_2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

See Attachment B.

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Bank of New York Mellon Corporation
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Timothy F. Keaney
(Print or type name of person signing)

Vice Chairman, CEO
(Print or type title of person signing)

Signed and sworn to before me on (date) January 25, 2013,
at N.Y. County, N.Y. (state).

_____ Notary Public.

Commission expires: July 18, 2015.

MICHELE P. LEO
Notary Public, State of New York
No. 01-LE6245111
Qualified in Suffolk County
Commission Expires July 18, 2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Attachment A

DIRECTORS OF THE BANK OF NEW YORK MELLON CORPORATION

Ruth E. Bruch
Nicholas M. Donofrio
Gerald L. Hassell
Edmund F. Kelly
Richard J. Kogan
Michael J. Kowalski
John A. Luke, Jr.
Mark A. Nordenberg
Catherine A. Rein
William C. Richardson
Samuel C. Scott III
Wesley W. von Schack

EXECUTIVE OFFICERS OF THE BANK OF NEW YORK MELLON CORPORATION

Gerald L. Hassell - Chairman and Chief Executive Officer
Karen B. Peetz – President
Curtis Y. Arledge- Vice Chairman
Thomas P. Gibbons Vice Chairman, Chief Financial Officer
Thomas F. Keaney - Vice Chairman
James P. Palermo – Vice Chairman
Brian G. Rogan- Vice Chairman, Chief Risk Officer
James Vallone - Chief Auditor

Senior Executive Vice Presidents

Richard Brueckner
Arthur Certosimo
Mitchell E. Harris
Lisa B. Peters
Brian T. Shea
Jane Sherburne
Kurt D. Woetzel

Attachment A-1

The Bank of New York Mellon Corporation (the "Corporation"), acting through its subsidiaries, The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A., is trustee on thousands of bond transactions which are secured by mortgages on real property that are held in trust and registered in the name of The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A., as trustee. The mortgages are serviced by third-party service providers who are required to provide the necessary administrative services related to the mortgages, such as paying property taxes and complying with local real estate ordinances. From time to time, the third-party service providers may fail to fulfill their obligations, resulting in fines and judgments. Such fines and judgments may be assessed and entered against The Bank of New York Mellon or The Bank of New York Mellon Trust Company, N.A. because, as trustee, it is the lien-holder or owner of record. The third-party service provider is obligated to pay such fines and remedy or pay such judgments.

In addition, like all major institutions, the Corporation and/or its subsidiaries are subject to various litigations and proceedings pursuant to which judgments, injunctions or liens may be issued. There have been no judgments, injunctions or liens arising out of such litigations or proceedings in the last five years that would materially impair the Corporation's or its subsidiaries ability to perform the services relating to the Matter. For a description of certain legal proceedings, please see the "Legal Proceedings" section from the Corporations latest 10-Q which is attached on the following pages.

the nature of events that would trigger indemnification or the level of indemnification for a certain event. We believe, however, that the possibility that we will have to make any material payments for these indemnifications is remote. At Sept. 30, 2012 and Dec. 31, 2011, we have not recorded any material liabilities under these arrangements.

Clearing and Settlement Exchanges

We are a minority equity investor in, and member of, several industry clearing or settlement exchanges through which foreign exchange, securities, or other transactions settle. Certain of these industry clearing or settlement exchanges require their members to guarantee their obligations and liabilities or to provide financial support in the event other members do not honor their obligations. We believe the likelihood that a clearing or settlement exchange (of which we are a member) would become insolvent is remote. Additionally, certain settlement exchanges have implemented loss allocation policies which enable the exchange to allocate settlement losses to the members of the exchange. It is not possible to quantify such mark-to-market loss until the loss occurs. In addition, any ancillary costs that occur as a result of any mark-to-market loss cannot be quantified. At Sept. 30, 2012 and Dec. 31, 2011, no material liabilities were recorded under these arrangements.

Legal proceedings

In the ordinary course of business, BNY Mellon and its subsidiaries are routinely named as defendants in or made parties to pending and potential legal actions and regulatory matters. Claims for significant monetary damages are often asserted in many of these legal actions, while claims for disgorgement, penalties and/or other remedial sanctions may be sought in regulatory matters. It is inherently difficult to predict the eventual outcomes of such matters given their complexity and the particular facts and circumstances at issue in each of these matters. However, on the basis of our current knowledge and understanding, we do not believe that judgments or settlements, if any, arising from these matters (either individually or in the aggregate, after giving effect to applicable reserves and insurance coverage) will have a material adverse effect on the consolidated financial position or liquidity of BNY Mellon, although they could have a material effect on net income in a given period.

In view of the inherent unpredictability of outcomes in litigation and regulatory matters, particularly where (i) the damages sought are substantial or indeterminate, (ii) the proceedings are in the early stages, or (iii) the matters involve novel legal theories or a large number of parties, as a matter of course there is considerable uncertainty surrounding the timing or ultimate resolution of litigation and regulatory matters, including a possible eventual loss, fine, penalty or business impact, if any, associated with each such matter. In accordance with applicable accounting guidance, BNY Mellon establishes reserves for litigation and regulatory matters when those matters proceed to a stage where they present loss contingencies that are both probable and reasonably estimable. In such cases, there may be a possible exposure to loss in excess of any amounts accrued. BNY Mellon will continue to monitor such matters for developments that could affect the amount of the reserve, and will adjust the reserve amount as appropriate. If the loss contingency in question is not both probable and reasonably estimable, BNY Mellon does not establish a reserve and the matter will continue to be monitored for any developments that would make the loss contingency both probable and reasonably estimable. BNY Mellon believes that its accruals for legal proceedings are appropriate and, in the aggregate, are not material to the consolidated financial position of BNY Mellon, although future accruals could have a material effect on net income in a given period.

For certain of those matters described herein for which a loss contingency may, in the future, be reasonably possible (whether in excess of a related accrued liability or where there is no accrued liability), BNY Mellon is currently unable to estimate a range of reasonably possible loss. For those matters where BNY Mellon is able to estimate a reasonably possible loss, exclusive of matters described in Note 11 of the Notes to Consolidated Financial Statements, subject to the accounting and reporting requirements of ASC 740 (FASB Interpretation 48), the aggregate range of such reasonably possible loss is up to $750 million in excess of the accrued liability (if any) related to those matters.

The following describes certain judicial, regulatory and arbitration proceedings involving BNY Mellon:

Sentinel Matters

As previously disclosed, on Jan. 18, 2008, The Bank of New York Mellon filed a proof of claim in the Chapter 11 bankruptcy proceeding of Sentinel Management Group, Inc. ("Sentinel") pending in federal court in the Northern District of Illinois, seeking to recover approximately $312 million loaned to Sentinel and secured by securities and cash in an account maintained by Sentinel at The Bank of New York Mellon. On March 3, 2008, the bankruptcy trustee filed an adversary complaint against The Bank of New York Mellon seeking to disallow The Bank of New York Mellon's claim and seeking damages for allegedly aiding and abetting Sentinel insiders in misappropriating customer assets and improperly using those assets as collateral for the loan. In a decision dated Nov. 3, 2010, the court found for The Bank of New York Mellon and against the bankruptcy trustee, holding that The Bank of New York Mellon's loan to Sentinel is valid, fully secured and not subject to equitable subordination. The bankruptcy trustee appealed this decision, and on August 9, 2012, the United States Court of Appeals for the Seventh Circuit issued a decision affirming the trial court's judgment. On September 7, 2012, the bankruptcy trustee filed a petition for rehearing.

As previously disclosed, in November 2009, the Division of Enforcement of the U.S. Commodities Futures Trading Commission ("CFTC") indicated that it is considering a recommendation to the CFTC that it file a civil enforcement action against The Bank of New York Mellon for possible violations of the Commodity Exchange Act and CFTC regulations in connection with its relationship to Sentinel. The Bank of New York Mellon responded in writing to the CFTC on Jan. 29, 2010 and provided an explanation as to why an enforcement action is unwarranted.

Securities Lending Matters

As previously disclosed, BNY Mellon or its affiliates have been named as defendants in a number of lawsuits initiated by participants in BNY Mellon's securities lending program, which is a part of BNY Mellon's Investment Services business. The lawsuits were filed on various dates from December 2008 to 2012, and are currently pending in courts in New York, South Carolina and North Carolina and in commercial court in London. The complaints assert contractual, statutory, and common law claims, including claims for negligence and breach of fiduciary duty. The plaintiffs allege losses in connection with the investment of securities lending collateral, including losses related to investments in Sigma Finance Inc. ("Sigma"), Lehman Brothers Holdings, Inc. and certain asset-backed securities, and seek damages as to those losses. Two of the pending cases seek to proceed as class actions.

On Oct. 25, 2012, the court entered final approval of a previously-announced settlement of the Oklahoma class action lawsuit concerning Sigma losses. Under the terms of the settlement, The Bank of New York Mellon agreed to pay $280 million in exchange for a complete release of claims in the class action.

Matters Relating To Bernard L. Madoff

As previously disclosed, on May 11, 2010, the New York State Attorney General commenced a civil lawsuit against Ivy Asset Management LLC ("Ivy"), a subsidiary of BNY Mellon that manages primarily funds-of-hedge-funds, and two of its former officers in New York state court. The lawsuit alleges that Ivy, in connection with its role as sub-advisor to investment managers whose clients invested with Madoff, did not disclose certain material facts about Madoff. The complaint seeks an accounting of compensation received from January 1997 to the present by the Ivy defendants in connection with the Madoff investments, and unspecified damages, including restitution, disgorgement, costs and attorneys' fees.

As previously disclosed, on Oct. 21, 2010, the U.S. Department of Labor commenced a civil lawsuit against Ivy, two of its former officers, and others in federal court in the Southern District of New York. The lawsuit alleges that Ivy violated the Employee Retirement Income Security Act ("ERISA") by failing to disclose certain material facts about Madoff to investment managers subadvised by Ivy whose clients included employee benefit plan investors. The complaint seeks disgorgement and damages. On Dec. 8, 2010, the Trustee overseeing the Madoff liquidation sued many of the same defendants in bankruptcy court in New York, seeking to avoid withdrawals from Madoff investments made by various funds-of-funds (including six funds-of-funds managed by Ivy).

As previously disclosed, Ivy or its affiliates have been named in a number of civil lawsuits filed beginning Jan. 27, 2009 relating to certain investment funds that allege losses due to the Madoff investments. Ivy acted as a sub-advisor to the investment managers of some of those funds. Plaintiffs assert various causes of action including

securities and common-law fraud. Certain of the cases have been certified as class actions and/or assert derivative claims on behalf of the funds. Most of the cases have been consolidated in two actions in federal court in the Southern District of New York, with certain cases filed in New York State Supreme Court for New York and Nassau counties.

Medical Capital Litigations

As previously disclosed, The Bank of New York Mellon has been named as a defendant in a number of class actions and non-class actions brought by numerous plaintiffs in connection with its role as indenture trustee for debt issued by affiliates of Medical Capital Corporation. The actions, filed in late 2009 and currently pending in federal court in the Central District of California, allege that The Bank of New York Mellon breached its fiduciary and contractual obligations to the holders of the underlying securities, and seek unspecified damages. On June 7, 2012, The Bank of New York Mellon reached a conditional settlement with the Federal Equity Receiver for Medical Capital Corporation and its affiliates. The plaintiffs have opposed the settlement with the Receiver. They challenge the Receiver's authority to bind them to any settlement, and allege that the settlement is inadequate.

Foreign Exchange Matters

As previously disclosed, beginning in December 2009, government authorities have been conducting inquiries seeking information relating primarily to standing instruction foreign exchange transactions in connection with custody services BNY Mellon provides to public pension plans and certain other custody clients. BNY Mellon is cooperating with these inquiries.

In addition, in early 2011, as previously disclosed, the Virginia Attorney General's Office and the Florida Attorney General's Office each filed a Notice of Intervention in a *qui tam* lawsuit pending in its jurisdiction. These offices filed complaints superseding the *qui tam* lawsuits on Aug. 11, 2011. On May 1, 2012, the Virginia court dismissed the lawsuit in its entirety. On July 10, 2012, the Virginia Attorney General's office filed a motion seeking leave of the court to file an amended complaint. On Oct. 4, 2011, the New York Attorney General's Office, the New York City Comptroller and various city pension and benefit funds filed a lawsuit whereby, among other things, the plaintiffs assert claims under the Martin Act and state and city false claims acts. Also, on Oct. 4, 2011, the United States Department of Justice ("DOJ") filed a civil lawsuit seeking civil penalties under 12 U.S.C. Section 1833a and injunctive relief under 18 U.S.C. Section 1345 based on alleged ongoing violations of 18 U.S.C. Sections 1341 and 1343 (mail and wire fraud). On Jan. 17, 2012, the court approved a partial settlement resolving the DOJ's claim for injunctive relief. In October 2011, several political subdivisions of the state of California intervened in a *qui tam* lawsuit pending in California state court, previously under seal, and, on Nov. 28, 2011, BNY Mellon removed the lawsuit to federal district court in California. On March 30, 2012, the court dismissed certain of plaintiffs' claims, including all claims under the California False Claims Act, and provided plaintiffs an opportunity to file a motion seeking leave to replead. Several plaintiffs also had their claims dismissed for improper venue and one refiled on Sept. 5, 2012 in a different California federal district court. On Oct. 26, 2011, the Massachusetts Securities Division filed an Administrative Complaint against BNY Mellon.

BNY Mellon has also been named as a defendant in several putative class action federal lawsuits filed on various dates in 2011. The complaints, which assert varying claims, including breach of contract, and violations of ERISA, state and federal law, all allege that the prices BNY Mellon charged and reported for standing instruction foreign exchange transactions executed in connection with custody services provided by BNY Mellon were improper. In addition, BNY Mellon has been named as a nominal defendant in several derivative lawsuits filed on various dates in 2011 and 2012 in state and federal court in New York. BNY Mellon has also been named as a defendant in a lawsuit filed on March 12, 2012 in Ohio state court, and subsequently removed to federal district court in Ohio, asserting claims including breach of contract and fraud. BNY Mellon was also named in a *qui tam* lawsuit originally filed under seal in October 2009 in Massachusetts state court, but the plaintiff voluntarily dismissed the lawsuit on May 16, 2012. To the extent these lawsuits are pending in federal court, they have been consolidated for pre-trial purposes in federal court in New York.

Lyondell Litigation

As previously disclosed, in an action filed in New York State Supreme Court for New York County, on Sept. 14, 2010, plaintiffs as holders of debt issued by Basell AF in 2005 allege that The Bank of New York Mellon, as indenture trustee, breached its contractual and fiduciary obligations by executing an intercreditor agreement in 2007 in connection with

Basell's acquisition of Lyondell Chemical Company. Plaintiffs are seeking damages for their alleged losses resulting from the execution of the 2007 intercreditor agreement that allowed the company to increase the amount of its senior debt.

Tax Litigation

As previously disclosed, on Aug. 17, 2009, BNY Mellon received a Statutory Notice of Deficiency disallowing tax benefits for the 2001 and 2002 tax years in connection with a 2001 transaction that involved the payment of U.K. corporate income taxes that were credited against BNY Mellon's U.S. corporate income tax liability. On Nov. 10, 2009, BNY Mellon filed a petition with the U.S. Tax Court contesting the disallowance of the benefits. Trial was held from April 16 to May 17, 2012. The aggregate tax benefit for all six years in question is approximately $900 million, including interest. In the event BNY Mellon is unsuccessful in defending its position, the IRS has agreed not to assess underpayment penalties. See Note 11 of the Notes to Consolidated Financial Statements for additional information.

Mortgage-Securitization Trusts Proceeding

As previously disclosed, The Bank of New York Mellon as trustee is the petitioner in a legal proceeding filed in New York State Supreme Court, New York County on June 29, 2011, seeking approval of a proposed settlement involving Bank of America Corporation and bondholders in certain Countrywide residential mortgage-securitization trusts. The New York and Delaware Attorneys General have intervened in this proceeding.

Note 19 – Review of businesses

We have an internal information system that produces performance data along product and service lines for our two principal businesses and the Other segment.

Organization of our business

On Dec. 31, 2011, BNY Mellon sold its Shareowner Services business. In the first quarter of 2012, we reclassified the results of the Shareowner Services business from the Investment Services business to the Other segment. The reclassification did not impact the consolidated results. All prior periods have been restated.

Business accounting principles

Our business data has been determined on an internal management basis of accounting, rather than the generally accepted accounting principles used for consolidated financial reporting. These measurement principles are designed so that reported results of the businesses will track their economic performance.

Business results are subject to reclassification whenever improvements are made in the measurement principles, or when organizational changes are made.

The accounting policies of the businesses are the same as those described in Note 1 of the Notes to Consolidated Financial Statements in BNY Mellon's 2011 Annual Report.

The operations of acquired businesses are integrated with the existing businesses soon after they are completed. As a result of the integration of staff support functions, management of customer relationships, operating processes and the financial impact of funding acquisitions, we cannot precisely determine the impact of acquisitions on income before taxes and therefore do not report it.

ATTACHMENT B
TO
CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
FILED BY
THE BANK OF NEW YORK MELLON

The Disclosing Party was established in 1784 under the name The Bank of New York and is now a wholly-owned subsidiary of The Bank of New York Mellon Corporation (the "Corporation"). The Corporation has identified 60 predecessor institutions established before 1866, including The Bank of New York.

There are scattered references in the records of the Corporation's pre-1866 predecessors to clients located in the southern states where slavery was practiced during the slavery era. The Corporation's predecessors provided business services to these southern clients which included: issuing loans to individuals, banks and other institutions; maintaining individual and correspondent banking accounts; providing reciprocal banking services for other banks; and providing bond and stock administration and depositary services on behalf of other banks and municipalities. Some of these predecessors may have also invested in bonds and stocks of southern institutions or bonds issued by southern states. The southern states, municipalities, banks, companies and individuals referenced in the records are: Bank of Baltimore; City Bank of Baltimore; Stephen Duncan; DuPlanty, McCall & Co.; Bank of Kentucky; Bank of Maryland; State of Maryland; Bank of Montgomery; Bank of North Carolina; Bank of South Carolina; New Orleans Canal and Banking Company; City of New Orleans; Commercial Bank of New Orleans; Planters Bank of Mississippi; Simsville Cotton Factory; Southern Life Insurance and Trust Company; Planters Bank of Tennessee; State of Tennessee. The Bank of New York also held one or more bank accounts on behalf of Charles P. Leverich and/or his New York company Charles P. Leverich & Co. ("Leverich & Co."). Leverich was a director of The Bank of New York from 1840 to 1876, and also was a Vice President (1853-1863) and President (1863-1876) of the Bank. Leverich & Co. was a New York cotton broker which had extensive dealings with southern clients from the 1830s through 1879, when the firm was dissolved. Leverich & Co. also acted as a factor for southern planters. It also appears that that Leverich & Co. may have helped manage a plantation -- James Porter's Oak Lawn in Bayou Teche, Louisiana -- for one of its southern clients.

Based on the Corporation's research, there are indications in United States census records for the period 1790 to 1860 that some directors of The Bank of New York and some officers and directors of the Farmer's Bank of the State of Delaware may have owned slaves before, during and/or after their association with such institutions.

A predecessor of the Corporation, the New York Life Insurance and Trust Company ("NYLITC") (which bears no relation to the present New York Life Insurance Company), was founded in 1830 and merged with The Bank of New York in 1922. NYLITC issued life insurance policies to some of its clients, including a few individuals who resided in the southern states where slavery was practiced during the slavery era. There are no indications in the records that NYLITC issued any slaveholder insurance policies.

The records of NYLITC reflect that in 1842, NYLITC loaned a sum of money to the Southern Life Insurance and Trust Company ("Southern Life"). This loan was secured by an assignment to NYLITC of several mortgages originated and held by Southern Life, including a mortgage dated April 1, 1837, on "Hanson's Plantation," located in St. John's County, near St. Augustine, Florida, and owned by John Hanson and Margaret Cook. This Southern Life mortgage included a pledge of 21 named slaves. The names and ages of these slaves are recorded in the NYLITC ledger entry for the loan and are listed in Appendix A to this statement. There are no indications in the records that Southern Life ever defaulted on this loan, or that NYLITC ever foreclosed on any of the assigned mortgages.

APPENDIX A

Slaves Named in 1837 "Hanson's Plantation" Mortgage Originated and Held by Southern Life Insurance and Trust Company and Assigned in 1842 to New York Life Insurance and Trust Company

(italics indicate names that are difficult to decipher from the ledger entry)

Name	Age
Sylvester	32
Peggy	32
Maria	16
Chloe	14
Pomfrey	12
Diana	10
Betty	8
Eve	3
Kathy	30
Sally	14
Abram	12
William	5
Fanny	30
Phoebe	12
Ned	8
Coffy	6
Lewis	30
James	40
Anselmo	17
Antericka	14
George	25

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Blaylock Robert Van, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 180 North LaSalle Street, Suite 1825
Chicago, IL 60601

C. Telephone: 312.324.0772 Fax: 312-541-1743 Email: management@brv-llc.com
Tobrian@brv-llc.com

D. Name of contact person: Eric V. Standifer / Timothy O'Brian Ydirar@brv-llc.com

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Eric V. Standifer	President
Ronald E. Blaylock	Non-Active Chairman
Frederick Royall	Senior Vice President
David Goeddel	Non-Active Chairman
Carlton Martin	Executive Vice President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Blaylock & Company, Inc.	600 Lexington Avenue, 3rd Avenue, New York, NY 10022	49.5%
Robert Van Securities, Inc.	350 Frank H. Ogawa Plaza, 10th Floor, Oakland, CA 94619	49.5%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, Mackay & Serritella	330 North Wabash Avenue Chicago, IL 60611		$57,750 (estimated)
Tyson Law Group	55 East Monroe St., Suite 3300 Chicago, IL 60603		$24,750 (estimated)

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Blaylock Robert Van, LLC
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Eric V. Standifer
(Print or type name of person signing)

President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 15, 2013,
at Alameda County, California (state).

Sara M. Perez Notary Public.

Commission expires: November 30, 2014.

SARA M. PEREZ
COMM. #1911879
Notary Public - California
Alameda County
My Comm. Expires Nov. 30, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Blaylock & Company, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Blaylock & Company, Inc.
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 600 Lexington Avenue, 3rd Floor
New York, NY 10022

C. Telephone: 212.715.6600 Fax: 212.715.3300 Email: RBlaylock@brv-llc.com

D. Name of contact person: Ronald E. Blaylock

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Ronald E. Blaylock	Principal
Frederick Royall	Senior Vice President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Blaylock & Company, Inc.
(Print or type name of Disclosing Party)

By: X _____
(Sign here)

Ronald E. Blaylock
(Print or type name of person signing)

Principal
(Print or type title of person signing)

Signed and sworn to before me on (date) Jan 11, 2013,
at New York County, New York (state).

_____, Notary Public.

Commission expires: May 10, 2014.

CHRISTINE A HOLLY
NOTARY PUBLIC-STATE OF NEW YORK
No. 01HO6221697
Qualified In New York County
My Commission Expires May 10, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Robert Van Securities, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Blaylock Robert Van, LLC
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 350 Frank H. Ogawa Plaza, 10th Floor
Oakland, CA 94612

C. Telephone: 510.208.6100 Fax: 510.625.1065 Email: management@brv-llc.com
Tobrian@brv-llc.com

D. Name of contact person: Eric V. Standifer Ydirar@brv-llc.com

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Eric V. Standifer	President
David Goeddel	Non-Active Chairman
Carlton Martin	Executive Vice President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X_ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Robert Van Securities, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Eric V. Standifer
(Print or type name of person signing)

President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 15, 2013,
at Alameda County, California (state).

Sara M. Perez Notary Public.

SARA M. PEREZ
COMM. #1911879
Notary Public - California
Alameda County
My Comm. Expires Nov. 30, 2014

Commission expires: November 30, 2014.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Mischler Financial Group, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal cntity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 1111 Bayside Drive, Suite 100
Corona del Mar, CA 92625

C. Telephone: (949) 720-0640 Fax: (949) 720-0229 Email: skersh@mischlerfinancial.com

D. Name of contact person: Scott C. Kersh

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds.

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
C- Corporation

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

California

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Walter M. Mischler	Chairman
Dean A. Chamberlain	CEO
Doyle L. Holmes	President

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Walter M. Mischler	1111 Bayside Drive., Ste 100, Corona del Mar, CA 92625	51%
Dean A. Chamberlain	One Stamford Landing, 62 Southfield Ave., Ste 104, Stamford, CT 06902	33%
Doyle L. Holmes	1111 Bayside Drive., Ste 100, Corona del Mar, CA 92625	16%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, Mackay & Serritella	330 North Wabash Avenue Chicago, IL 60611		$57,750 (est.)
Tyson Law Group	55 East Monroe St., Suite 3300 Chicago, IL 60603		$24,750 (est.)

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Mischler Financial Group, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Doyle L. Holmes
(Print or type name of person signing)

President
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013,
at Orange County, California (state).

_____ Notary Public.

Commission expires: June 10, 2014.

SHERYL A. URTUSUASTEGUI
Commission # 1892183
Notary Public - California
Orange County
My Comm. Expires Jun 10, 2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Oppenheimer & Co. Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. {X} the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: Public Finance Department
4717 Grand Avenue, Suite 700 Kansas City, Mo 64112

C. Telephone: (816) 932-7157 Fax: (816) 561-9537 Email: jack.holland@opco.com

D. Name of contact person: Jack Holland

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel TAx Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

State of New York

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title	
A.G. Lowenthal Chairman & CEO	William Ehrhardt	Barton Winberg
E.K. Roberts President & Treasurer	Michael Keehner	
D.P. McNamara Secretary	Kenneth McArthur	
Richard Crystal	Winn Oughtred	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Oppenheimer & Co. Inc. is publically-held corporation whose shares trade on the New York Stock Exchange and are widely-held by the general public.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, Mackay& Serritella	330 N. Wabash Ave, Chicago Il 60611	Underwriters Counsel	Est. $57,750
Tyson Law Group	55 E. Monroe St., Suite 3300 Chicago, Il	Underwriters Counsel	Est. $24,750

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Oppenheimer & Co. Inc.
(Print or type name of Disclosing Party)

By: J.M. Holland
(Sign here)

Jack Holland
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-14-2013,
at Jackson County, Missouri (state).

Linda M. Schieber Notary Public.

Commission expires: April 15, 2013.

NOTARY PUBLIC NOTARY SEAL STATE OF MISSOURI

LINDA M. SCHIEBER
My Commission Expires
April 15, 2013
Jackson County
Commission #09771674

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Robert W. Baird & Co.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 300 East Fifth Avenue, Suite 200
Naperville, Illinois 60563

C. Telephone: 630-848-6400 Fax: 630-848-6450 Email: tgavin@rwbaird.com

D. Name of contact person: Thomas J. Gavin

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[x] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Wisconsin

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[x] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity.
NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party.
NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached list of Baird's Executive Officers and Director.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, Mackay & Serritella	330 North Wabash Avenue, Chicago, IL 60611		$57,750 (est.)
Tyson Law Group	55 East Monroe St, Suite 3300 Chicago, IL 60603		$24,750 (est.)

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[x] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Robert W. Baird & Co.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Thomas J. Gavin
(Print or type name of person signing)

Managing Director
(Print or type title of person signing)

Signed and sworn to before me on (date) January 11, 2013,
at DuPage County, Illinois (state).

Magdalena Welkomer Notary Public.

Commission expires: June 9, 2015.

OFFICIAL SEAL
MAGDALENA WELKOMER
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:06/09/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

ROBERT W. BAIRD & CO. INCORPORATED

2013 OFFICERS & DIRECTORS

Address of all officers/directors:

777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Directors

Paul E. Purcell
Steven G. Booth
Patrick S. Lawton
William W. Mahler
Michael J. Schroeder
Mary Ellen Stanek
Robert J. Venable

Officers/Titles

Paul E. Purcell	Chairman, President & CEO
Steven G. Booth	Managing Director
Patrick S. Lawton	Managing Director
William W. Mahler	Managing Director
Gordon Pan	Managing Director
Michael J. Schroeder	Managing Director
Mary Ellen Stanek	Managing Director
Robert J. Venable	Managing Director
Dominick P. Zarcone	Managing Director & CFO
Glen F. Hackmann	Managing Director & Secretary
Dawn M. DeCicco	Vice President & Assistant Secretary

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Rockfleet Financial Services, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 1218 W. Northwest Highway
Palatine, IL 60067

C. Telephone: 312-583-7490 Fax: 212-320-0501 Email: rfp@rockfleetfinancial.com

D. Name of contact person: Catherine Corrigan

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # n/a and Contract # n/a

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[✓] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Catherine Corrigan	President & CEO

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Catherine Corrigan	45 Rockefeller Plaza, Suite 2000, New York, NY 10111	55.99%
Eileen Corrigan	n/a	21.23%
Annmarie Corrigan	n/a	8.35%
Bridget Corrigan	n/a	7.52%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Burke, Warren, Mackay & Serritella	330 North Wabash Avenue, Chicago, IL 60611		est. $57,750
Tyson Law Group	55 East Monroe St., Suite 3300, Chicago, IL 60603		est. $24,750

(Add sheets if necessary)

☐ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes ☑ No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

n/a

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

n/a

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

n/a

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[✓] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

n/a

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
	n/a	

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

☑ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

☐ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

n/a

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Rockfleet Financial Services, Inc.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Catherine M. Corrigan
(Print or type name of person signing)

President & CEO
(Print or type title of person signing)

Signed and sworn to before me on (date) 14th day of January, 2013
at NEw York County, NEw York (state).

_____ Notary Public.

Commission expires: BETTY MARINO Notary Public, State of New York No. 01MA6234784 Qualified in Nassau County Commission Expires January 24, 2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Ice Miller LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 200 W. Madison Street, Suite 3500
Chicago, Illinois 60606

C. Telephone: 312-726-7142 Fax: 312-726-2693 Email: steven.washington@icemiller.com

D. Name of contact person: Steven L. Washington

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Bond Counsel for City of Chicago - Motor Fuel Tax Revenue Refunding Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[X] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Indiana

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Phillip L. Bayt	Chief Managing Partner

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
N/A		

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Ice Miller LLP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Steven L. Washington
(Print or type name of person signing)

Partner
(Print or type title of person signing)

Signed and sworn to before me on (date) January 17, 2013
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: _____.

"OFFICIAL SEAL"
VELDA R. WILLIS
Notary Public, State of Illinois
My Commission Expires Mar. 9, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Quintairos, Prieto, Wood & Boyer, P.A.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 180 N. Stetson Avenue, Suite 4525
Chicago, Illinois 60601

C. Telephone: (312) 566-0040 Fax: (312) 566-0040 Email: twright@qpwblaw.com

D. Name of contact person: Timothy W. Wright, III

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Bonds, Series 2013

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
Professional Association

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Florida

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Eric W. Boyer	President, Director, Managing Partner
Edward C. Prieto	Secretary, Director
George F. Quintairos	Director
Deborah L. Moskowitz	Director

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Eric W. Boyer	9300 S. Dadeland Ave., 4th Fl., Miami, FL 33156	31.15%
Edward C. Prieto	9300 S. Dadeland Ave., 4th Fl., Miami, FL 33156	31.15%
George F. Quintairos	9300 S. Dadeland Ave., 4th Fl., Miami, FL 33156	31.15%

SECTION III -- BUSINESS RELATION SHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

_X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [X] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [X] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [X] No

If you checked "No" to question 1. or 2. above, please provide an explanation:
Project not federally funded so not applicable

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERM ANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Quintairos, Prieto, Wood & Boyer, P.A.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Timothy W. Wright, III
(Print or type name of person signing)

Managing Partner, Operations
(Print or type title of person signing)

Signed and sworn to before me on (date) January 11, 2013,
at Cook County, Illinois (state).

_____ Notary Public.

DARRYL TOM
OFFICIAL SEAL
Notary Public - State of Illinois
My Commission Expires
June 18, 2016

Commission expires: _____.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Burke, Warren, MacKay & Serritella, P.C.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 330 N. Wabash Avenue, Suite 2200
Chicago, IL 60611

C. Telephone: (312) 840-7000 Fax: (312) 840-7900 Email: cmanning@burkelaw.com

D. Name of contact person: Richard W. Burke

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City of Chicago, Chicago Motor Fuel Tax Revenue Bonds

G. Which City agency or department is requesting this EDS? Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[X] Other (please specify)
Professional Corporation

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Jeffrey D. Warren	President and Manager
Douglas E. Wambach	Vice President and Manager
James A. Serritella	Vice President and Manager
Edward J. Lesniak	Vice President, Secretary and Director

See attached list for additional names

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
N/A		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

N/A

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations. N/A

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Burke, Warren, MacKay & Serritella, P.C.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Douglas E. Wambach
(Print or type name of person signing)

Vice President and Manager
(Print or type title of person signing)

Signed and sworn to before me on (date) January 11, 2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 04/26/15.

OFFICIAL SEAL
MICHELLE G HAYNES
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:04/26/15

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

DISCLOSURE AFFIDAVIT
SCHEDULE OF DIRECTORS
AND SHAREHOLDERS
OF APPLICANT

Bruks, Patrick J.*
Burke, Richard W.
Carlson, Patricia B.
Collado, Victoria R.
Darrow, John A.*
Denby, Stephanie H.*
Dobrutsky, Jay S.
Flaherty, Nora E.
Geoly, James C.*
Horner, Susan M.
Kelly, William H., Jr.*
Klapman, Daniel S.
Kobus, John J., Jr.*
LaMar, Andrew D.
LaPointe, Martin*
Lesniak, Edward J.*
Levin, Ira M.*
Lieberman, Richard L.
Lynch, George J.*
MacKay, Karen K.*
Manning, Christopher R.*
Marks, Alex D.
McCrohon, Craig*
McWilliams, Mary K.
Meinertzhagen, Stephen R.
Mendelsohn, Frederic A.*
Michael, Jonathan*
Nelson, Christina Y.
Pope, LeAnn Pedersen*
Richman, Kenneth H.*
Ring, Gerard D.*
Roddy, Joseph P.
Ryan, Martin*
Serritella, James A.*
Shifrin, Shana A.
Stanton, Aaron H.
Statland, Jay L.*
Stephens, John P.*
Stern, Mark O.
Szukala, Danielle
Thompson, Patrick D.*
Virgil, Michael S.*
von Meier, Joseph E.
Voris, Stephen C.*
Wambach, Douglas E.*
Warren, Jeffrey D.*
Wonroy, Rachel D.
Winters, Gregory M.
Witt, Melanie

*Denotes Shareholder as well as Director; all Shareholders currently own 4.166% of outstanding shares
The Business address for all persons listed is: 330 N. Wabash Ave., Suite 2200, Chicago, IL 60611

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

The Tyson Law Group, LLC

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 55 East Monroe Street, Ste. 3300
Chicago, IL 60603

C. Telephone: 312-201-3868 Fax: 312-277-2909 Email: ltyson@ttlglaw.com

D. Name of contact person: Lance Tyson

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[X] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Lance C. Tyson	Managing Member

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Lance C. Tyson	55 E. Monroe St, Ste. 3300, Chicago, IL 60603	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

none

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

none

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

XX 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

___2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Tyson Law Group, LLC
(Print or type name of Disclosing ~~Party~~)

By: _____
(Sign here)

Lance C. Tyson
(Print or type name of person signing)

managing member
(Print or type title of person signing)

Signed and sworn to before me on (date) 1/11/2013,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 2/23/2013.

OFFICIAL SEAL
BRENDA J MACON
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES.02/23/13

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

PHOENIX CAPITAL PARTNERS, LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: AON CENTER - 200 EAST RANDOLPH ST, SUITE 5100
CHICAGO, IL 60601

C. Telephone: (312) 577-7599 Fax: (312) 233-0063 Email: mjones@phoenix-capitalpartners.com

D. Name of contact person: MICHAEL JONES

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

MOTOR FUEL TAX REVENUE BONDS SERIES 2013

G. Which City agency or department is requesting this EDS? FINANCE DEPARTMENT

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[✓] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

PENNSYLVANIA

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[✓] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
MICHAEL E. JONES	PRINCIPAL
ANDEE ALLEN	PRINCIPAL

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
ANDRE ALLEN	1528 WALNUT ST., SUITE 703 PHILADELPHIA, PA 19102	50%
MICHAEL E. JONES	1725 I ST., N.W., SUITE 300 WASHINGTON DC. 20006	50%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
NONE			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

NONE

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

PHOENIX CAPITAL PARTNERS, LLP
(Print or type name of Disclosing Party)

By: _____
(Sign here)

MICHAEL E. JONES
(Print or type name of person signing)

PRINCIPAL
(Print or type title of person signing)

Signed and sworn to before me on (date) 18th day of January, 2013
at Bethesda County, Montgomery State, MD.

_____ Notary Public.

MEJTAB BELEGU
NOTARY PUBLIC
MONTGOMERY COUNTY
MARYLAND
MY COMMISSION Expires Jan. 20, 2015

Commission expires: _____.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Amalgamated Bank of Chicago

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: One West Monroe Street
Chicago, IL 60603

C. Telephone: (312) 822-3188 Fax: (312) 267-8770 Email: lryan@aboc.com

D. Name of contact person: Laura D. Ryan

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached sheet.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Amalgamated Investments Company		
	One West Monroe Street	
	Chicago, IL 60603	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

See attached Exhibit.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Amalgamated Bank of Chicago
(Print or type name of Disclosing Party)

By: _____
(Sign here)

James T. Landenberger
(Print or type name of person signing)

Executive Vice President and General Counsel
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-2013,
at Cook County, IL (state).

Carolyn D Whiteurst Notary Public.

Commission expires: 03-15-2013.

"OFFICIAL SEAL"
CAROLYN D. WHITEURST
Notary Public, State of Illinois
My Commission Expires 03/15/2013

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

EXHIBIT SECTION II. B. 1

AMALGAMATED
Bank of Chicago

DIRECTORS

Steven Cisco
John Coli
Miriam L. Fitzgerald
Robert B. Flannery, Jr.
David E. Knopp
Avis LaVelle Sampson
Frank Libby
Ronald E. Powell
Robert M. Wrobel

OFFICERS

Robert M. Wrobel, President and Chief Executive Officer

David E. Knopp, Senior Executive Vice President and Chief Operating Officer

James T. Landenberger, Executive Vice President and General Counsel

Scott A. Rupp, Executive Vice President and Chief Financial Officer

AMALGAMATED BANK OF CHICAGO

EXHIBIT SECTION V. B. 9

List of Gifts (entertainment)
during preceding 12 months

Recipient	Date	Amount
Melanie Shaker, Deputy CFO Chicago Board of Education	Jan 24, 2012	$33.30 (lunch)
Pam Jurgenson, Chicago Board of Education	Feb 13, 2012	$25.94 (lunch)
Pam Jurgenson, Chicago Board of Education	Dec 7, 2012	$13.60 (refreshments)

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Amalgamated Investments Company

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Amalgamated Bank of Chicago
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: One West Monroe Street
Chicago, IL 60603

C. Telephone: (312) 822-3188 Fax: (312) 267-8770 Email: lryan@aboc.com

D. Name of contact person: Laura D. Ryan

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Motor Fuel Tax Revenue Refunding Bonds

G. Which City agency or department is requesting this EDS? Department of Finance

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
See attached sheet.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
See Attached Exhibit.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[X] is [ ] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Amalgamated Investments Company
(Print or type name of Disclosing Party)

By: _____
(Sign here)

James T. Landenberger
(Print or type name of person signing)

Secretary
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-18-2013,
at Cook County, IL (state).

Carolyn D Whiteurst Notary Public.

"OFFICIAL SEAL"
CAROLYN D. WHITEURST
Notary Public, State of Illinois
My Commission Expires 03/15/2013

Commission expires: 03-15-2013.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

EXHIBIT SECTION II. B. 1

AMALGAMATED
Investments Company

DIRECTORS

Steven Cisco

John T. Coli

Robert B. Flannery, Jr.

Robert M. Wrobel

OFFICERS

Robert M. Wrobel	Chairman of the Board and President of the Company
David E. Knopp	Vice President
Scott A. Rupp	Vice President & Chief Financial Officer
James T. Landenberger	Secretary
William J. Dunn	Assistant Secretary

AMALGAMATED INVESTMENTS COMPANY

EXHIBIT SECTION II. B. 2.

Name	Business Address	Percentage Interest in the Disclosing Party
Eugene P. Heytow Trust dated 3/23/1988, as amended	c/o Richard F. Levy, as Trustee Jenner & Block 353 North Clark St Chicago, Illinois 60654	57.50%
Miriam S. Lutwak individually and as Trustee	1764 Lake Ave Highland Park, Illinois 60035	11.03%

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:
Richard F. Levy, or his successors in trust, not individually, but as trustee of the Eugene P. Heytow Trust, dated 3/23/1988, as amended.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: AMALGAMATED BANK OF CHICAGO
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: JENNER & BLOCK LLP, 353 N. CLARK STREET
CHICAGO, IL 60654

C. Telephone: (312) 923-2648 Fax: (312) 923-2748 Email: RLEVY@JENNER.COM

D. Name of contact person: RICHARD F. LEVY

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

MOTOR FUEL TAX REVENUE REFUNDING BONDS

G. Which City agency or department is requesting this EDS? DEPARTMENT OF FINANCE

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[X] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

IRREVOCABLE TRUST GOVERNED BY NEVADA LAW.

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
RICHARD F. LEVY	TRUSTEE

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
See Attached Exhibit.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

NONE.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

NONE.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Richard F. Levy, or his successors in trust, not individually,
but as trustee of the Eugene P. Heytow Trust, dated 03/23/1988, as amended.
(Print or type name of Disclosing Party)

By: _____
(Sign here)

RICHARD F. LEVY
(Print or type name of person signing)

TRUSTEE
(Print or type title of person signing)

Signed and sworn to before me on (date) January 18, 2013
at New York County, NY (state).

_____ Notary Public.

Commission expires: Dec. 21, 2014.

SHAY CRAWFORD
Notary Public, State of New York
No. 01CR5017957
Qualified in Westchester County
Commission Expires December 21, 20 14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

EXHIBIT SECTION II. B. 2.

Name	Business Address	Percentage Interest in the Disclosing Party
Andrew Heytow	25775 St Mary's Road, Libertyville, IL 60048	*
Pamela Krugman	300 Gold Hill Road, Breckenridge, CO 80424	*
Robert Lehman	2961 1st Ave, San Diego, CA 92103	*

*: These persons are beneficiaries or contingent beneficiaries of the Trust for which claims may exist.

Office of the City Clerk

O2013-835

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Grant of General Obligation Bond proceeds for SOS Children's Villages to acquire properties at 1232, 1238, 1252, 1302, 1320, 1336 and 1348 W Washburne Ave to construct and operate at least two foster care facilities on each acquired property
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing a grant of general obligation bond proceeds for SOS Children's Village.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, as a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (the "City") has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants; and

WHEREAS, SOS Children's Villages, Illinois, an Illinois not-for-profit corporation (or an affiliate thereof) (the "Grantee") intends to acquire some or all of the properties located at 1232, 1238, 1252, 1302, 1320, 1336, and 1348 West Washburne Avenue, Chicago, Illinois 60608 (collectively or any subset thereof, the "Property"), and construct and operate up to two foster care facilities on each acquired property (collectively the "Facility") thereon (the construction of the Facility on the Property shall be known herein as the "Project"); and

WHEREAS, the City agrees to grant an amount not to exceed $1,900,000 (the "Grant") to the Grantee for the costs of the Project; and

WHEREAS, the Grant shall be funded from a portion of the proceeds of its $547,590 General Obligation Bonds Project and Refunding Series 2007A (the "2007 Bonds") issued pursuant to an ordinance adopted by the City Council on April 11, 2007 and published at pages 101765 through 101804 in the Journal of the Proceedings of the City Council (the "Journal") of such date (the "2007 Bond Ordinance") and its $388,001,650 General Obligation Bonds Project and Refunding Series 2008C (together with the 2007 Bonds, the "Bonds") issued pursuant to an ordinance adopted by the City Council on May 5, 2008 and published at pages 42735 through 42769 in the Journal of such date (together with the 2007 Bond Ordinance, the "Bond Ordinance"); and

WHEREAS, pursuant to the Bond Ordinance, the proceeds of the Bonds may be used to finance, among other things, grants to not-for-profit or for-profit organizations doing business or seeking to do business in the City for the purpose of the enhancement of economic development within the City; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Commissioner of HED (the "Commissioner") and a designee of the Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Grant. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Grant which do not substantially modify the terms of the Grant described herein. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Grant to the Grantee.

SECTION 3. Section 2-45-110 of the Municipal Code of Chicago shall not apply to the Project or the Property.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance shall be effective as of the date of its passage and approval.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

SOS Children's Villages, Illinois

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 216 W. Jackson Blvd., Suite 925
Chicago, IL 60606

C. Telephone: (312) 372-8200 Fax: (312) 372-8202 Email: tmccormick@sosillinois.org

D. Name of contact person: Timothy McCormick, CEO
Attorney: Mara Georges - (312) 726-8797

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

1232, 1238, 1252, 1302, 1320, 1336, and 1348 W. Washburne Ave. - Grant / Ordinance

G. Which City agency or department is requesting this EDS? DHED

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[x] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[x] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [x] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Timothy McCormick	CEO
Dina Tsourdinis	CFO
Millie Adan	CHRO
Tita Yutuc	COO

See also attached exhibit listing the corporation's Board of Directors

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Mara Georges	Daley and Georges, Ltd. 20 S. Clark St., #400 Chicago, IL 60603	Attorney	$5,000 (estimated)

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V – CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

(A member of the Board of Directors, Rosemarie Andolino, is the Commissioner of Aviation of the City of Chicago.)

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

This section is not applicable; the matter is not federally funded.

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

SOS Children's Villages, Illinois
(Print or type name of Disclosing Party)

By: Tim McCormick
(Sign here)

Tim McCormick
(Print or type name of person signing)

Chief Executive Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) February 1, 2013,
at Cook County, Illinois (state).

Christina Bernabe Notary Public.

Commission expires: 3/8/15.

Official Seal
Christina Bernabe
Notary Public State of Illinois
My Commission Expires 03/08/2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

N/A

SOS CHILDREN'S VILLAGES ILLINOIS

Exhibit A

Board of Directors
2012

Name	Professional Affiliations
Rosemarie Andolino Executive Board Member	Commissioner, Chicago Department of Aviation
Lee Benish Board Member	Principal, Benish Consulting & Facilitation
Don Biemacki Board Member	Senior Vice President, Related Midwest
Rosie Burke Board Member	Vice President of External Relations, Anixter Center
Darren Collier Board Member	Vice President, McGuire Woods Consulting
Steven Davis Executive Board Member	Special Assistant to the Sheriff, Cook County
David L. Hoffman Board Member	Executive Vice President, Morse Diesel International, Retired
Laurie Holmes Executive Board Member, Secretary	Attorney, Drinker Biddle & Reath
Maureen McKeough Executive Board Member	Instructional Coordinator, School District 54, Retired
Kathleen Nelson Board Member	Attorney, Cushman & Wakefield
Sheila O'Grady Executive Board Member, President	Consultant, SpencerStuart
Jeff Riemer Board Member	Executive Vice Pres., Lend Lease
Paul Thompson Board Member	Partner, Quest Development Group LLC
John Trotta Board Member	Senior Vice President, Parsons Brinckerhoff
Ted Weldon Board Member	WeeksWeldon Development Company, LLC, Principal
Jim Wolfe Executive Board Member, Treasurer	President and CEO, Knight Engineers & Architects

Office of the City Clerk

O2013-838

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Grant of Obligation Bond proceeds for SOS Children's Villages to acquire properties at 7612, 7619 and 7620 S Parnell Ave for rehabilitated buildings as foster care facilities and construct and operate facilities at 7654, 7656 and 7655 S Parnell Ave for muti-unit foster care facilities
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing a grant of general obligation bond proceeds for SOS Children's Village.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, as a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (the "City") has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants; and

WHEREAS, SOS Children's Villages, Illinois, an Illinois not-for-profit corporation (or an affiliate thereof) (the "Grantee") intends to (1) acquire some or all of the properties located at 7612, 7619 and 7620 South Parnell Avenue, Chicago, Illinois 60620, and/or other properties also located in Residential-Business Planned Development Number 849 (collectively or any subset thereof, the "Rehabilitation Property"), and rehabilitate the existing buildings thereon and operate the rehabilitated buildings as foster care facilities (collectively the "Rehabilitation Facility") thereon (the acquisition and rehabilitation of the Rehabilitation Facility on the Rehabilitation Property shall be known herein as the "Rehabilitation Project"), and/or (2) construct and operate multi-unit foster care facilities (collectively the "Construction Facility") on the properties located at 7654, 7656 and 7655 South Parnell Avenue, Chicago, Illinois 60620 (collectively or any subset thereof, the "Construction Property") (the construction of the Construction Facility on the Construction Property shall be known herein as the "Construction Project") (the Rehabilitation Project, the Construction Project or some combination thereof, as determined by the hereinafter defined Authorized Officer pursuant to Section 2 hereof, shall be known herein as the "Project"); and

WHEREAS, the City agrees to grant an amount not to exceed $800,000 (the "Grant") to the Grantee for the costs of the Project; and

WHEREAS, the Grant shall be funded from a portion of the proceeds of its $547,590 General Obligation Bonds Project and Refunding Series 2007A (the "2007 Bonds") issued pursuant to an ordinance adopted by the City Council on April 11, 2007 and published at pages 101765 through 101804 in the Journal of the Proceedings of the City Council (the "Journal") of such date (the "2007 Bond Ordinance") and its $388,001,650 General Obligation Bonds Project and Refunding Series 2008C (together with the 2007 Bonds, the "Bonds") issued pursuant to an ordinance adopted by the City Council on May 5, 2008 and published at pages 42735 through 42769 in the Journal of such date (together with the 2007 Bond Ordinance, the "Bond Ordinance"); and

WHEREAS, pursuant to the Bond Ordinance, the proceeds of the Bonds may be used to finance, among other things, grants to not-for-profit or for-profit organizations doing business or seeking to do business in the City for the purpose of the enhancement of economic development within the City; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Commissioner of HED (the "Commissioner") and a designee of the Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Grant. The Authorized Officer is authorized to determine whether the

Rehabilitation Project, the Construction Project or some combination thereof shall be the Project for purposes of the Grant. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Grant which do not substantially modify the terms of the Grant described herein. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Grant to the Grantee.

SECTION 3. Section 2-45-110 of the Municipal Code of Chicago shall not apply to the Project or the Property.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance shall be effective as of the date of its passage and approval.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

SOS Children's Villages, Illinois

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 216 W. Jackson Blvd., Suite 925
Chicago, IL 60606

C. Telephone: (312) 372-8200 Fax: (312) 372-8202 Email: tmccormick@sosillinois.org

D. Name of contact person: Timothy McCormick, CEO
Attorney: Mara Georges - (312) 726-8797

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Properties in PD 849 (76th & Parnell) - Grant / Ordinance

G. Which City agency or department is requesting this EDS? DHED

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[x] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[x] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [x] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Timothy McCormick	CEO
Dina Tsourdinis	CFO
Millie Adan	CHRO
Tita Yutuc	COO

See also attached exhibit listing the corporation's Board of Directors

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [x] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Mara Georges	Daley and Georges, Ltd.	Attorney	$5,000 (estimated)
	20 S. Clark St., #400		
	Chicago, IL 60603		

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

(A member of the Board of Directors, Rosemarie Andolino, is the Commissioner of Aviation of the City of Chicago.)

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [x] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [x] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [x] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

This section is not applicable; the matter is not federally funded.

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

SOS Children's Villages, Illinois
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Tim McCormick
(Print or type name of person signing)

Chief Executive Officer
(Print or type title of person signing)

Signed and sworn to before me on (date) February 1, 2013,
at Cook County, Illinois (state).

Christina Bemabe Notary Public.

Commission expires: 3/8/15.

Official Seal
Christina Bemabe
Notary Public State of Illinois
My Commission Expires 03/08/2015

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

N/A

SOS CHILDREN'S VILLAGES ILLINOIS

Exhibit A

Board of Directors
2012

Name	Professional Affiliations
Rosemarie Andolino Executive Board Member	Commissioner, Chicago Department of Aviation
Lee Benish Board Member	Principal, Benish Consulting & Facilitation
Don Biernacki Board Member	Senior Vice President, Related Midwest
Rosie Burke Board Member	Vice President of External Relations, Anixter Center
Darren Collier Board Member	Vice President, McGuire Woods Consulting
Steven Davis Executive Board Member	Special Assistant to the Sheriff, Cook County
David L. Hoffman Board Member	Executive Vice President, Morse Diesel International, Retired
Laurie Holmes Executive Board Member, Secretary	Attorney, Drinker Biddle & Reath
Maureen McKeough Executive Board Member	Instructional Coordinator, School District 54, Retired
Kathleen Nelson Board Member	Attorney, Cushman & Wakefield
Shella O'Grady Executive Board Member, President	Consultant, SpencerStuart
Jeff Riemer Board Member	Executive Vice Pres., Lend Lease
Paul Thompson Board Member	Partner, Quest Development Group LLC
John Trotta Board Member	Senior Vice President, Parsons Brinckerhoff
Ted Weldon Board Member	WeeksWeldon Development Company, LLC, Principal
Jim Wolfe Executive Board Member, Treasurer	President and CEO, Knight Engineers & Architects

Office of the City Clerk

O2013-873

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City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Expenditure of open space impact fee funds for Armstrong Elementary School and Hearst Elementary School for creation of school gardens
Committee(s) Assignment:	Committee on Special Events, Cultural Affairs and Recreation

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OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the expenditure of Open Space Impact Fee Funds.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is authorized under its home rule powers to regulate the use and development of land; and

WHEREAS, it is a reasonable condition of development approval to ensure that adequate open space and recreational facilities exist within the City; and

WHEREAS, on April 1, 1998, the City Council of the City (the "City Council") adopted the Open Space Impact Fee Ordinance codified at Chapter 18 of Title 16 (the "Open Space Ordinance") of the Municipal Code of Chicago (the "Code") to address the need for additional public space and recreational facilities for the benefit of the residents of newly created residential developments in the City; and

WHEREAS, the Open Space Ordinance authorizes, among other things, the collection of fees from residential developments that create new dwelling units without contributing a proportionate share of open space and recreational facilities for the benefit of their residents as part of the overall development (the "Fee-Paying Developments"); and

WHEREAS, pursuant to the Open Space Ordinance, the Department of Revenue ("DOR") has collected fees derived from the Fee-Paying Developments (the "Open Space Fees") and has deposited those fees in separate funds, each fund corresponding to the Community Area (as defined in the Open Space Ordinance), in which each of the Fee-Paying Developments is located and from which the Open Space Fees were collected; and

WHEREAS, the Department of Housing and Economic Development ("HED") has determined that the Fee-Paying Developments built in the Community Areas listed on Exhibit A attached hereto have deepened the already significant deficit of open space in those Community Areas, which deficit was documented in the comprehensive plan entitled "The CitySpace Plan," adopted by the Chicago Plan Commission on September 11, 1997 and adopted by the City Council on May 20, 1998 pursuant to an ordinance published at pages 69309-69311 of the Journal of the Proceedings of the City Council (the "Journal") of the same date; and

WHEREAS, the Public Building Commission of Chicago (the "PBC') is the owner of parcels of land on the campuses of Armstrong Elementary School and Hearst Elementary School, as described on Exhibit A hereto (collectively, the "Property");

WHEREAS, Openlands, a 501(C)(3) Illinois not-for-profit corporation, is dedicated to preserving and creating open space;

WHEREAS, the City and Openlands desire to create school gardens at the above mentioned schools (the "Project") for the benefit and use of the above mentioned school and the respective Community Area in which it is located; and

WHEREAS, the City desires to grant Openlands impact fee funds to pay for construction costs associated with building the gardens at the Property; and

WHEREAS, HED desires to provide to Openlands Open Space Fees in an amount not to exceed $313,423 (the "Grant") for the Project; and to create open spaces and recreational facilities in the Community Areas listed on Exhibit A; and

WHEREAS, the Open Space Ordinance requires that the Open Space Fees be used for open space acquisition and capital improvements, which provide a direct and material benefit to the new development from which the fees are collected; and

WHEREAS, the Open Space Ordinance requires that the Open Space Fees be expended within the same or a contiguous Community Area from which they were collected after a legislative finding by the City Council that the expenditure of the Open Space Fees will directly and materially benefit the developments from which the Open Space Fees were collected; and

WHEREAS, HED has determined that the use of the Open Space Fees to fund the Project will provide a direct and material benefit to each of the Fee-Paying Developments from which the Open Space Fees were collected; and

WHEREAS, HED has determined that Open Space Fees to be used for the purposes set forth herein have come from the specific fund set up by DOR for the corresponding Community Area in which a Fee-Paying Development is located and from which the Open Space Fees were collected; and

WHEREAS, HED has recommended that the City Council approve the use of the Open Space Fees for the purposes set forth herein and on Exhibit A through this ordinance; and

WHEREAS, HED has recommended that the City Council make a finding that the expenditure of the Open Space Fees as described herein will directly and materially benefit the Fee-Paying Developments from which the Open Space Fees were collected; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are expressly incorporated in and made part of this ordinance as though fully set forth herein.

SECTION 2. The City Council hereby finds that the expenditure of the Open Space Fees will directly and materially benefit the residents of those Fee-Paying Developments from which the Open Space Fees were collected and approves the use of the Open Space Fees for the purposes described herein.

SECTION 3. The Commissioner of HED (the "Commissioner") or a designee of the Commissioner are each hereby authorized, subject to the approval of the Corporation Counsel to enter into an grant agreement with Openlands in connection with the Project, in substantially the form attached hereto as Exhibit B and to provide Open Space Fees proceeds to the Openlands in an amount not to exceed $313,423 from the corresponding funds to pay for expenses permitted under the Open Space Ordinance.

SECTION 4. Open Space Fees in the amounts on Exhibit A from the Community Areas' Open Space Fees Funds are hereby appropriated for the purposes described herein.

SECTION 5. To the extent that any ordinance, resolution, rule, order or provision of the Code, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 6. This ordinance shall be in full force and effect from and after the date of its passage.

EXHIBIT A

DESCRIPTION OF PROJECT

School Garden Projects

Armstrong Elementary School Project

Address:	2110 W. Greenleaf Chicago, Illinois 60645 (the "Property")
Community Area:	Rogers Park
Description of Project:	Asphalt removal, installation of fencing, installation of plant material and art
Amount of Open Space Fees:	$150,000

Hearst Elementary School Project

Address:	4640 S. Lamon Chicago, Illinois 60638 (the "Property")
Community Area:	Garfield Ridge
Description of Project:	Asphalt removal, installation of fencing, installation of plant material and art
Amount of Open Space Fees:	$163,423

EXHIBIT B

GRANT AGREEMENT

GRANT AGREEMENT

This Grant Agreement (this "Agreement") is entered into as of_____, 2013 (the "Closing Date"), between the City of Chicago (the "City"), an Illinois municipal corporation, acting through its Department of Housing and Economic Development ("HED"), and Openlands, an Illinois not-for-profit corporation ("Grantee"). Grantee and the City are sometimes referred to herein as the "Parties."

RECITALS

WHEREAS, the Open Space Impact Fee Ordinance, Chapter 18 of Title 16 of the Municipal Code of Chicago (the "Code"), authorizes the collection of fees (the "Open Space Fees") as a condition of issuance of a building permit for proposed new dwelling units to ensure that adequate open space and recreational facilities are available to serve residents of new developments in the City; and

WHEREAS, the Department of Revenue has collected Open Space Fees (the "Rogers Park Open Space Fees Proceeds") for new dwelling units built in the Community of Rogers Park ("the Rogers Park Community") and has deposited such Open Space Fees Proceeds in a separate fund identified by CAPS Code PS01 131 54 5001 2604; and

WHEREAS, the Department of Revenue has collected Open Space Fees (the "Garfield Ridge Open Space Fees Proceeds") for new dwelling units built in the Community of Garfield Ridge ("the Garfield Ridge Community") and has deposited such Open Space Fees Proceeds in a separate fund identified by CAPS Code PS56 131 54 5056 2604; and

WHEREAS, the Public Building Commission ("PBC") is the owner of parcels of land on the campuses of Armstrong Elementary School and Hearst Elementary School, respectively, which are described on Exhibit A hereto (the "Property");

WHEREAS, the City and Grantee desire to create school gardens at each of the above mentioned schools (the "Project") for the benefit and use of the above mentioned schools and their respective community areas;

WHEREAS, the Grantee is a not-for-profit agency dedicated to preserving and creating open space;

WHEREAS, HED desires to provide to Grantee Open Space Fees Proceeds, in an amount not to exceed $313,423 (the "Grant") for reimbursement costs associated with the Project; and

WHEREAS, on _____, the City Council of the City adopted an ordinance published in the Journal of the Proceedings of the City Council for said date at pages _____ to _____, finding, among other things, that the Project would provide a direct and material benefit to the residents of the new developments originating the Open Space Fees and authorizing the Grant subject to certain terms and conditions (the "Authorizing Ordinance"); and

WHEREAS, under the terms and conditions hereof, the City agrees to make the Grant available to Grantee; and

WHEREAS, the City and Grantee have among their powers the authority to contract with each other to perform the undertakings described herein;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, the above recitals which are made a contractual part of this Agreement, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the City and Grantee agree as follows:

SECTION 1. THE GRANT

1.1. Subject to the provisions set forth in this Agreement, the City will disburse the Grant to reimburse Grantee for all or part of the cost of completing the Project in accordance with the budget attached to this Agreement as Exhibit B (the "Budget"), which budget is hereby approved by HED, and only after Grantee has submitted Certificate(s) of Expenditure to HED (as defined below) along with such supporting documentation as the City may reasonably require.

1.2 Grantee may request that certificate(s) of expenditure substantially in the form attached hereto ("Certificates of Expenditure") as Exhibit E be processed and executed periodically. The City will not execute Certificates of Expenditure in the aggregate in excess of the actual cost of the Project. Prior to each execution of a Certificate of Expenditure by the City, Grantee must submit documentation regarding the applicable expenditures to HED. Delivery by Grantee to HED of any request for execution by the City of a Certificate of Expenditure hereunder will, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that,

(a) the total amount of the request for the Certificates of Expenditure represents the actual amount payable to (or paid to) the general contractor, subcontractors, and other parties who have performed work on or otherwise provided goods or services in connection with the Project, and/or their payees;

(b) all amounts shown as previous payments on the current request for a Certificate of Expenditure have been paid to parties entitled to such payment;

(c) Grantee has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Drawings (hereinafter defined); and

(d) Grantee is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or the Grantee as related thereto.

1.3. Grantee hereby acknowledges and agrees that the Grant must be used exclusively for the Project. If the Grant should exceed the costs of the Project, Grantee must repay to the City any such excess Grant funds received by Grantee.

1.4. Grantee is solely responsible for any fees, costs and expenses of the Project in excess of the amount of the Grant and will hold the City harmless from all such excess fees, costs and expenses. Notwithstanding anything to the contrary in this Agreement, in no event will the City or Grantee be responsible for any cost or expenses of the Project exceeding the Budget. In the

event that either party believes that the Budget may not provide sufficient funds for the construction of the Project, such party must notify the other party and the parties must cooperate to modify the Project so that it can be completed in accordance with the Budget.

1.5. The source of funds for the City's obligations under this Agreement are funds identified by CAPS Codes: PS01 131 54 5001 2604 (Armstrong) and PS56 131 54 5026 2604 (Hearst). Grantee hereby acknowledges and agrees that the City's obligations hereunder are subject in every respect to the availability of funds as described in and limited by this Section 1.5. If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for disbursements of the Grant, then the City will notify Grantee in writing of that occurrence, and Grantee will have the right, but not the obligation to terminate this Agreement by written notice to the City.

SECTION 2. DEVELOPMENT AND CONSTRUCTION OF THE PROJECT

A. **Title Commitment and Insurance; Survey**. Grantee must be responsible for obtaining, at its own expense, any title commitment or title policy and survey with respect to the Property that it deems necessary.

B. **Construction Documents and Landscape Plan**. Grantee has developed the construction documents and a plan for the Project (the "Drawings") as shown on Exhibit C. No material deviation from the Drawings will be made without the prior written approval of HED, which approval will not be unreasonably withheld, conditioned or delayed. The approval of the Drawings by HED are for the purposes of this Agreement only and other than as set forth in the Drawings, no structures or improvements are to be constructed on the Property by Grantee without the prior written approval of HED, which approval will not be unreasonably withheld, conditioned or delayed and will not constitute the approval required by the City's Department of Buildings, or any other Department of the City.

C. **Schedule**. Grantee has prepared a preliminary schedule for the development and construction of the Project as set forth on Exhibit D (the "Schedule"). No material deviation from the Schedule will be made without the prior written approval of HED, which approval will not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, in no event will the approval of HED be required for any changes to the Schedule required because of the City's failure to approve and pay any Certificate of Expenditure, or required in connection with any force majeure event.

D. **Use**. The Project must be utilized as open space for use by the public for and on behalf of the City. This Agreement does not confer any special rights upon Grantee or any other person or entity to use the Project for private parties or events. The use of alcohol on the Property by any person or entity is strictly prohibited.

E. **Certification.** Grantee must submit a payment certification form as attached as Exhibit E prior to any Grant funds being released.

SECTION 3. TERM OF AGREEMENT

Term of Agreement. The term of this Agreement will commence as of the Closing Date and, unless otherwise terminated as provided in this Agreement, will expire on the second anniversary of the Closing Date. Notwithstanding the foregoing, if Grantee modifies the Schedule pursuant to Section 2(c) of this Agreement and such modification extends beyond the term, the term will be adjusted accordingly.

SECTION 4. COVENANTS AND REPRESENTATIONS

Grantee hereby warrants, represents and/or covenants to the City that:

4.1. Grantee will use the Grant solely for the Project and to pay for eligible costs as determined in the sole discretion of the City and outlined on Exhibit B.

4.2. Grantee will comply with all applicable federal, state, and local statutes, laws, ordinances, rules, regulations and executive orders that are in effect from time to time that pertain to or affect the Project, Grantee, or the Grant. Upon the City's request, Grantee will provide evidence of such compliance satisfactory to the City.

4.3. Grantee agrees that provisions required to be inserted in this Agreement by laws, ordinances, rules, regulations or executive orders are deemed inserted whether or not they appear in this Agreement and that in no event will the failure to insert such provisions prevent the enforcement of this Agreement.

4.4. Grantee has full power and authority to enter into and perform its obligations under this Agreement, and the signing and delivery of this Agreement and the performance of its obligations under this Agreement have been duly authorized by all requisite corporate action.

4.5. Signing, delivery and performance by Grantee of this Agreement does not violate its bylaws, articles of incorporation, resolutions or any applicable provision of law, or constitute a material breach of, default under or require any consent under, any agreement, instrument or document, including any related to borrowing monies, to which Grantee is party or by which it is bound.

4.6. There are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting Grantee that would materially impair its ability to perform under this Agreement.

4.7. Grantee is not in default on any loan or borrowing that may materially affect its ability to perform under this Agreement.

4.8. If the Grant, or a portion thereof, is used for construction, Grantee and all its contractors and subcontractors must meet labor standards and prevailing wage standards required by federal, state and City laws, regulations and ordinances.

4.9. Grantee must maintain and keep in force, at its sole cost and expense, at all times during the term of this Agreement, insurance in such amounts and of such type as set forth in Section 6 below.

4.10. Grantee must at all times perform its work in fulfilling its corporate mission with the utmost care, skill and diligence in accordance with the applicable standards currently recognized in the community.

4.11. Grantee is an Illinois not-for-profit corporation exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986; and has provided the City a copy of the Internal Revenue Service Determination Letter evidencing such exemption. Grantee must at all times during the term of this Agreement maintain such tax-exempt status.

4.12. Grantee must comply with all policies issued by the City relating to Illinois not-for-profit corporations and federal tax-exempt entities, as such policies may be modified, amended or supplemented from time to time.

4.13. The Parties agree that the PBC will maintain the Project improvements on the Property in a condition and manner acceptable to the City.

4.14. It is the duty of Grantee and any bidder, proposer, subcontractor and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of Grantee and any such bidder, proposer, subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Grantee represents that it understands and will abide by all provisions of Chapter 2-56 of the Municipal Code and that it will inform all contractors and subcontractors hired by Grantee in connection with this Agreement of this provision in writing and require their compliance.

It is the duty of the Grantee and any bidder, proposer, subcontractor and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of Grantee and any such bidder, proposer, subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-55 of the Municipal Code. Grantee represents that it understands and will abide by all provisions of Chapter 2-55 of the Municipal Code and that it will inform all contractors and subcontractors hired by Grantee in connection with this Agreement of this provision in writing and require their compliance.

4.15 Failure by Grantee or any controlling person (as defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code will be grounds for termination of this Agreement and the transactions contemplated hereby.

4.16 Independent Contractor

(a) The Grantee shall perform under this Agreement as an independent contractor to the City and not as a representative, employee, agent or partner of the City.

(b) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "**Shakman Accord**") and June 24, 2011 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the Shakman Accord

and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(c) Grantee is aware that City policy prohibits City employees from directing any individual to apply for a position with Grantee, either as an employee or as a subcontractor, and from directing Grantee to hire an individual as an employee or as a subcontractor. Accordingly, Grantee must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Grantee under this Agreement are employees or subcontractors of Grantee, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Grantee.

(d) Grantee will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(e) In the event of any communication to Grantee by a City employee or City official in violation of Section (c) above, or advocating a violation of Section (d) above, Grantee will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight") and also to the head of HED. Grantee will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to this Agreement.

4.17 FOIA and Local Records Act Compliance

(a) FOIA. Grantee acknowledges that the City is subject to the Illinois Freedom of Information Act, 5ILCS 140/1 et. seq., as amended (**"FOIA"**). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If Grantee receives a request from the City to produce records within the scope of FOIA, then Grantee covenants to comply with such request within 48 hours of the date of such request. Failure by Grantee to timely comply with such request will be a breach of this Agreement.

(b) Exempt Information. Documents that Grantee submits to the City during the term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by Grantee to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Grantee mark any such documents as "proprietary, privileged or confidential." If Grantee marks a document as "proprietary, privileged and confidential", then HED will evaluate whether such document may be withheld under the FOIA. HED, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. Grantee acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "**Local Records Act**"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, Grantee covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act concerning records arising under or in connection with this Agreement and the transactions contemplated in the Agreement.

SECTION 5. ENVIRONMENTAL MATTERS

5.1. It will be the responsibility of Grantee to investigate and determine the soil and environmental condition of the Property, if deemed necessary, including obtaining phase I and, if applicable, phase II environmental audits for the Property. The City makes no covenant, representation or warranty as to the environmental condition of the Property or the suitability of the Property for any use whatsoever.

5.2. Grantee agrees to carefully inspect the Property and all easements or other agreements recorded against the Property prior to commencement of any activity on the Property to ensure that such activity will not damage surrounding property, structures, utility lines or any subsurface lines or cables. Grantee must be solely responsible for the safety and protection of the public on the portions of the Property affected by the Project, until the portion of the Project on each portion of the Property is completed. The City reserves the right to inspect the work being done on the Property. Grantee agrees to keep the Property free from all liens and encumbrances arising out of any work performed, materials supplied or obligations incurred by or for Grantee.

5.3. Prior to inspecting the Property, Grantee or its subcontractors, if any, must obtain insurance in accordance with Section 6 below, all necessary permits and, if applicable, a right of entry.

SECTION 6. INSURANCE

6.1. Grantee must provide and maintain at Grantee's own expense, or cause to be provided during the term of this Agreement, the insurance coverages and requirements specified below, as applicable, insuring all operations related to this Agreement.

INSURANCE TO BE PROVIDED

6.1.1. Workers Compensation and Employers Liability. Workers Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than $100,000 each accident or illness.

6.1.2. Commercial General Liability (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than $2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work or services.

Subcontractors performing work or services for Grantee must maintain limits of not less than $1,000,000 with the same terms in this subsection.

6.1.3. Automobile Liability (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with the services to be performed, Grantee must provide or cause to be provided, Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence for bodily injury and property damage. The City is to be named as an additional insured on a primary, non-contributory basis.

6.1.4. Professional Liability. When any architects, engineers, project managers, administrators or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained or caused to be maintained, with limits of not less than $1,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

6.1.5 Valuable Papers. When any designs, drawings, media, data, records, reports and other documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

6.1.6 Contractors Pollution Liability. When any remediation work is performed which may cause a pollution exposure, Contractors Pollution Liability must be provided or cause to be provided, covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of services with limits of not less than $1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting of two (2) years. The City is to be named as an additional insured on a primary, non-contributory basis.

6.2. **ADDITIONAL REQUIREMENTS.** Grantee must furnish the City of Chicago, Department of Housing and Economic Development, 121 N. LaSalle Street, Room 1101, Chicago, Illinois 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Grantee must submit evidence of insurance on the City's Insurance Certificate Form (copy attached as Exhibit F) or equivalent prior to execution of the Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Grantee is not a waiver by the City of any requirements for Grantee to obtain and maintain the specified coverages. Grantee must advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance does not relieve Grantee of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

The insurance must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any deductibles or self insured retentions on referenced insurance coverages must be borne by Grantee.

Grantee agrees that insurers waive their rights of subrogation against the City, its employees, elected officials, agents, or representatives.

The coverages and limits furnished by Grantee in no way limit Grantee's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Grantee under this Agreement.

The required insurance to be carried out is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Grantee is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Grantee must require all subcontractors to provide insurance required in this Agreement, or Grantee may provide the coverages for subcontractors. All subcontractors are subject to the same insurance requirements of Grantee unless otherwise specified in this Agreement.

If Grantee or its subcontractors desire additional coverages, the party desiring additional coverages is responsible for the acquisition and cost.

Notwithstanding any provision in the Agreement to the contrary, the City's Risk Management Department maintains the right to modify, delete, alter or change these requirements.

SECTION 7. INDEMNIFICATION

Grantee will indemnify and defend the City, its officials, agents and employees (the "City Indemnitees") against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, attorneys' and expert witnesses' fees and court costs) the City Indemnitees suffer or incur arising from or in connection with the actions or omissions of Grantee and/or any contractors or subcontractors in implementing the Project, if any, or Grantee's breach of this Agreement. This defense and indemnification obligation survives any termination or expiration of this Agreement.

SECTION 8. NO LIABILITY OF OFFICIALS

No elected or appointed official or member or employee or agent of the City will be charged personally by Grantee or by an assignee or subcontractor, with any liability or expenses of defense or be held personally liable under any term or provision of this Agreement because of their execution or attempted execution or because of any breach hereof.

SECTION 9. DEFAULT AND REMEDIES

9.1. If Grantee, without the City's written consent (which consent will not be unreasonably withheld, conditioned or delayed) defaults by failing to perform any of its obligations under this Agreement then the City may terminate this Agreement if such default is not cured as provided in Section 9.2 below. If the City so terminates this Agreement, Grantee must repay the City promptly any amounts received pursuant to this Agreement and not yet applied to the Project.

9.2. Prior to termination, the City will give Grantee 30 days' advance written notice of the City's intent to terminate stating the nature of the default. If Grantee does not cure the default within the 30-day period, the termination will become effective at the end of the period. With respect to those defaults that are not capable of being cured within the 30-day period, Grantee will not be deemed to be in default if it has begun to cure the default within the 30-day period and thereafter diligently and continuously prosecutes the cure of the default until cured.

9.3. Either Party may, in any court of competent jurisdiction, by any proceeding at law or in equity, seek the specific performance of this Agreement, or damages for failure of performance, or both.

SECTION 10. NO BUSINESS RELATIONSHIPS WITH ELECTED OFFICIALS

10.1. Pursuant to Section 2-156-030(b) of the Code, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a business relationship, or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship. Violation of Section 2-156-030(b) by any elected official with respect to this Agreement will be grounds for termination of this Agreement. The term business relationship is defined in Section 2-156-080 of the Code.

10.2. Section 2-156-080 of the Code defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of $2,500 or more in a calendar year; provided, however, a financial interest will not include: (i) any ownership through purchase at fair market value or inheritance of less than 1 percent of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an

insurance company. A "contractual or other private business dealing" will not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

SECTION 11. GENERAL CONDITIONS

11.1. Assignment. This Agreement, or any portion thereof, will not be assigned by either Party without the express prior written consent of the other Party which consent will not be unreasonably withheld, conditioned or delayed.

11.2. Construction of Words. As used in this Agreement, the singular of any word will include the plural, and vice versa. Masculine, feminine and neuter pronouns will be fully interchangeable, where the context so requires.

11.3. Counterparts. This Agreement may be executed in counterparts and by different Parties in separate counterparts, with the same effect as if all Parties had signed the same document. All such counterparts will be deemed an original, will be construed together and will constitute one and the same instrument.

11.4. Entire Agreement. This Agreement contains the entire agreement between the City and Grantee and supersedes all prior agreements, negotiation and discussion between them with respect to the Project.

11.5. Exhibits. Any exhibits to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same had been set forth verbatim herein.

11.6. Governing Law, Venue and Consent to Jurisdiction. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its principles of conflicts of law. If there is a lawsuit under this Agreement, each Party agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

11.7. Inspection and Records. Grantee must provide the City with reasonable access to its books and records relating to the Project and the Grant as will be required by the City and necessary to reflect and disclose fully the amount and disposition of the Grant. Any duly authorized representative of the City will, at all reasonable times, have access to all such books and records which right of access will continue until the date that is five years after the expiration or termination of this Agreement .

11.8. Modification. This Agreement may not be modified or amended except by an agreement in writing signed by both Parties.

11.9. Notice. Any notice, demand or communication required or permitted to be given hereunder will be given in writing at the address set forth below by any of the following means: (a) personal service; (b) electronic communication, whether by electronic mail or fax; (c) overnight courier; or (d) registered or certified first class mail postage prepaid, return receipt requested.

To the City: City of Chicago
Department of Housing and Economic Development

Attention: Commissioner
121 N. LaSalle Street, Room 1000
Chicago, Illinois 60602
(312) 744-4190
(312) 744-2271 (Fax)

With copies to: Department of Law
City of Chicago
Attention: Finance and Economic Development Division
121 N. LaSalle Street, Room 600
Chicago, Illinois 60602
(312) 744-0200
(312) 744-8538 (Fax)

To Grantee: Grantee
25 E. Washington Street
Suite 1650
Chicago, Illinois 60602
(312) 838-6250
(312) 863-6251 (Fax)
Attention: Gerald W. Adelmann

with copies to: Drinker Biddle & Reath LLP
191 North Wacker Drive, Suite 3700
Chicago, Illinois 60606
(312) 569-1219
(312) 569-3219 (fax)
Attention: Katie Cunningham

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof will be deemed received upon such personal service or upon dispatch by electronic means, respectively. Any notice, demand or communication given pursuant to clause (c) hereof will be deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication given pursuant to clause (d) hereof will be deemed received three business days after mailing. The Parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications will be given.

11.10. Parties' Interest / No Third Party Beneficiaries. The terms and provisions of this Agreement will be binding upon and inure to the benefit of, and be enforceable by, the respective successors and permitted assigns of the Parties. This Agreement will not run to the benefit of, or be enforceable by, any person or entity other than a Party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right. Nothing contained in this Agreement, nor any act of the City or Grantee will be deemed or construed by any of the Parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or Grantee .

11.11. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, will be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other

persons, places and circumstances will remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms will provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

11.12. Titles and Headings. Titles and headings in this Agreement are inserted for convenience and are not intended to be part of or affect the meaning or interpretation of this Agreement.

11.13. Waiver. Waiver by either party with respect to the breach of this Agreement will not be considered or treated as a waiver of the rights of such party with respect to any other default or with respect to any particular default except to the extent specifically waived by such party in writing.

11.14. Foreign Assets Control Lists. Neither Grantee , nor any affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For the purposes of this paragraph "Affiliate," when used to indicate a relationship with a specified person or entity, will mean a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity will be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

11.15. Further Actions. Grantee and the City agree to do, execute, acknowledge and deliver all agreements and other documents and to take all actions reasonably necessary or desirable to comply with the provisions of this Agreement and the intent thereof.

[The remainder of this page is intentionally blank.
Signatures appear on the following page.]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered as of the Closing Date.

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Housing and Economic Development

By:_____
Andrew J. Mooney
Commissioner

GRANTEE, an Illinois not-for-profit corporation

By:_____
President

EXHIBIT A

Property Description

Armstrong Elementary School

Property Address:	2110 W. Greenleaf Chicago, Illinois 60645
Community Area:	Rogers Park

Hearst Elementary School

Property Address:	4640 S. Lamon Chicago, Illinois 60638
Community Area:	Garfield Ridge

EXHIBIT B

Budget and Eligible Costs

TOTAL:$313,463

Armstrong Elementary School: $150,000

Cost	Item
$ 99,250.00	design, hardscape, fencing and plant material
$ 28,500.00	project management
$ 9,000.00	art
$ 8,188.00	asphalt removal
$ 5,062.00	construction variance

Hearst Elementary School: $163,423

Cost	Item
$ 99,950.00	design, hardscape, fencing and plant material
$ 31,050.00	project management
$ 15,000.00	art
$ 8,500.00	asphalt removal
$ 8,923.00	construction variance

EXHIBIT C

Drawings

[To be attached at Closing]

EXHIBIT D

Project Schedule

[To be attached at Closing]

EXHIBIT E

Certificate of Expenditure

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiant, Openlands, an Illinois not-for-profit corporation, hereby certifies that with respect to that certain Agreement between Grantee and the City of Chicago dated _____, ____ (the "Agreement"):

A. Expenditures for the Project, in the total amount of $_____, have been made:

B. This paragraph B sets forth and is a true and complete statement of all costs of Open Space Impact Fee-Funded Improvements for the Project reimbursed by the City to date: $_____

C. Grantee requests reimbursement for the following cost of Open Space Impact Fee-Funded Improvements: $_____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the City.

E. Grantee hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and Grantee is in compliance with all applicable covenants contained herein.

2. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute a Default, exists or has occurred.

3. Grantee has approved all work and materials for the current request for a Certificate of Expenditure, and such work and materials conform to the Plans and Specifications.

4. Grantee is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, all as may be in effect from time to time, pertaining to or affecting the Project or Grantee as related thereto.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

By: _____
Name
Title: _____

Subscribed and sworn before me this ___ day of _____, _____.

My commission expires:_____

Agreed and accepted:

_____
Name
Title: _____
City of Chicago
Department of Housing
and Economic Development

Meg Gustafson
Department of Housing and
Economic Development
City Hall, Room 1101
312.744.0524

EXHIBIT F

Insurance Form

[To be attached at Closing]

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Openlands

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [x] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 25 E. Washington, Suite 1650
Chicago, IL 60602

C. Telephone: 312.863.6250 Fax: 312.863.6251 Email: jzaplatosch@openlands.org

D. Name of contact person: Jaime Zaplatosch

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Armstrong and Hearst School Gardens

G. Which City agency or department is requesting this EDS? Dept. of Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A and Contract # N/A

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[X] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
No members.	
See Attached list of Officers and Directors.	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
N/A		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Christy Webber Landscapes		Subcontractor	$200,000.00
2900 W. Ferdinand St.			
Chicago, IL 60612			

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [X] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [X] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__X__ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations. N/A

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Openlands
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Gerald W. Adelmann
(Print or type name of person signing)

President & CEO
(Print or type title of person signing)

Signed and sworn to before me on (date) 10th of Dec, 2013
at Cook County, IL (state).

_____ Notary Public.

Commission expires: April 5, 2016

DIANE SOTIROS
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
April 05, 2016

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

Economic Disclosure Statement
Armstrong/Hearst School Gardens

Attachment
Section II, Question B, 1

Board of Directors
Jill Allread – Chair
Steven M. Ricchio – Treasurer
Carrie C. McNally – Secretary
John Tyler Anthony – Director
Adrienne Archia – Director
Paul L. Becker – Director
Alan Bell – Director
Shaun C. Block – Director
Richard J. Carlson, PhD – Director
George W. Davis – Director
Garrett Handley Dee – Director
Susan B. DePree – Director
Victoria C. Drake – Director
Josephine F. Elting – Director
Joseph M. Flavin – Director
Hugh D. Frisbie – Director
John M. Haight, III – Director
Jonathan C. Hamill – Director
Scott Jamieson – Director
Iris Krieg – Director
Janis W. Notz – Director
Andrew Otting – Director
J. Timothy Ritchie – Director
Charles Saltzman – Director
Patrick Shaw – Director
Nancy W. Sutherland – Director
Randall G. Vickery – Director

Openlands Staff
Gerald W. Adelmann – President & CEO
Robert Megquier – Chief Operating Officer

Office of the City Clerk

O2013-1376

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Sale of property at various locations within 47th/Halsted Parcels for expansion of existing 47th Street Intermodal Railroad Facility
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago (the "City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, pursuant to ordinances adopted by the City Council of the City (the "City Council") on June 27, 2001, and published in the Journal of the Proceedings of the City Council (the "Journal") of such date, (i) a certain redevelopment plan and project (the "Englewood Redevelopment Plan") for the Englewood Neighborhood Tax Increment Financing Redevelopment Project Area (the "Englewood Redevelopment Area"), was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); (ii) the Englewood Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and (iii) tax increment financing was adopted pursuant to the Act as a means of financing certain Englewood Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Englewood Redevelopment Plan; and

WHEREAS, pursuant to an ordinances adopted by the City Council on May 29, 2002, and published in the Journal of such date, (i) a certain redevelopment plan and project (the "47th/Halsted Redevelopment Plan") for the 47th/Halsted Tax Increment Financing Redevelopment Project Area (the "47th/Halsted Redevelopment Area"), was approved pursuant to the Act; (ii) the 47th/Halsted Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and (iii) tax increment financing was adopted pursuant to the Act as a means of financing certain 47th/Halsted Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the 47th/Halsted Redevelopment Plan; and

WHEREAS, the Englewood Redevelopment Plan and the 47th/Halsted Redevelopment Plan and the use of tax increment financing provide a mechanism to support new growth through leveraging private investment, and helping to finance land acquisition, demolition, remediation, site preparation and infrastructure for new development in the Englewood Redevelopment Area and the 47th/Halsted Redevelopment Area, respectively; and

WHEREAS, the City owns the real property in the vicinity of West 59th Street and South Normal Boulevard, Chicago, Illinois 60621, and legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, certain parcels of the Property are located within the Englewood Redevelopment Area and are identified in Exhibit B attached hereto (such parcels, the "Englewood Parcels"); and

WHEREAS, certain parcels of the Property are located within the 47th/Halsted Redevelopment Area and are identified in Exhibit C attached hereto (such parcels, the "47th/Halsted Parcels"); and

WHEREAS, Norfolk Southern Railway Company, a Virginia corporation (the "Developer"), has offered to purchase the Property for the sum of One Million One Hundred Seven Thousand Two Hundred Fifty Dollars ($1,107,250); and

WHEREAS, the Developer intends to use the Property for an expansion of its existing 47th Street Intermodal Railroad Facility (the "Project"); and

WHEREAS, the use of the Englewood Parcels for the Project is consistent with the Englewood Redevelopment Plan; and

WHEREAS, the use of the 47th/Halsted Parcels for the Project is consistent with the 47th/Halsted Redevelopment Plan; and

WHEREAS, by Resolution No. 12-042-21, adopted by the Plan Commission of the City of Chicago (the "Plan Commission") on July 19, 2012, the Plan Commission recommended the sale of the Property; and

WHEREAS, by Resolution No. 12-CDC-25 adopted on July 10, 2012, the Community Development Commission recommended the sale of the Property to the Developer; and

WHEREAS, public notices advertising the intent of the City's Department of Housing and Economic Development (the "Department") to enter into a negotiated sale with the Developer and requesting alternative proposals appeared in the Chicago Sun-Times on July 16 and 27, and August 6, 2012; and

WHEREAS, no alternative proposals have been received by the deadline indicated in the aforesaid notices; and

WHEREAS, the Developer has offered to pay the City an amount in the sum of Three Million Dollars ($3,000,000) for the sole purposes of (i) providing compensation for the increased wear during the construction phase on the streets and other public infrastructure within the corporate limits of the City, (ii) supporting the maintenance and further development of the roadway infrastructure within the corporate limits of the City, (iii) infrastructure improvements and enhancements, and (iv) furthering industrial development opportunities (e.g., warehousing, distribution or light manufacturing) within the area between the Property and the Dan Ryan Expressway to the east; ***now, therefore,***

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The sale of the Property to the Developer in the amount of One Million One Hundred Seven Thousand Two Hundred Fifty Dollars ($1,107,250) is hereby approved. This approval is expressly conditioned upon the City entering into a redevelopment agreement with the

Developer substantially in the form attached hereto as Exhibit D and made a part hereof (the "Redevelopment Agreement"). The Commissioner of the Department ("Commissioner") or a designee of the Commissioner is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Redevelopment Agreement, including the Neighborhood Investment Fund Agreement that is attached to the Redevelopment Agreement as Exhibit G and sets forth the terms relating to the Neighborhood Investment Fund, and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

SECTION 3. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, one or more quitclaim deeds conveying the Property to the Developer, or to a land trust of which the Developer is the sole beneficiary, or to an entity of which the Developer is the sole owner and the controlling party, subject to those covenants, conditions and restrictions set forth in the Redevelopment Agreement.

SECTION 4. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 5. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance shall take effect immediately upon its passage and approval.

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY
(Subject to Title Commitment and Final Survey)

[Attached]

EXHIBIT A

PARCEL 1:

THE EAST 10 FEET OF LOT 9, AND ALL OF LOTS 10, 11, 12, 13, 14, 32, 38, 59, 62, 63, 64, 65, 66, 67 AND THE NORTH 75 FEET OF LOTS 70, 71 AND 72 IN BLOCK 1; AND LOTS 1, 2, 3, 4, 33, 38, 42, 52, 53, 55, 57, 58, 59, 60, 65 AND 66 IN BLOCK 2, ALL IN MILLER AND RIGDON'S SUBDIVISION OF OUTLOT OR BLOCK 29 (EXCEPT THE NORTH 134 FEET THEREOF) IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
525, 531, 535 and 537 West Garfield Boulevard 518 and 532 West 56th Street Chicago, Illinois 60621	20-16-104-005 20-16-104-008 20-16-104-006 20-16-104-021 20-16-104-007 20-16-104-027
416, 430 and 440 West 56th Street 453 West Garfield Boulevard Chicago, Illinois 60621	20-16-105-026 20-16-105-030 20-16-105-035 20-16-105-044
503, 515, 519, 521, 523, 527 and 535 West 56th Street Chicago, Illinois 60621	20-16-106-006 20-16-106-012 20-16-106-009 20-16-106-013 20-16-106-010 20-16-106-015 20-16-106-011
413, 415, 427, 431, 433, 435, 439, 445 and 447 West 56th Street Chicago, Illinois 60621	20-16-107-005 20-16-107-012 20-16-107-006 20-16-107-013 20-16-107-008 20-16-107-018 20-16-107-010 20-16-107-019 20-16-107-011

PARCEL 2:

LOTS 3, 4, 10, 11, 12 AND 17 IN BLOCK 1; LOT 14 IN BLOCK 2; LOTS 8 AND 9 IN BLOCK 3; AND LOTS 9 AND 12 IN BLOCK 4, ALL IN H. C. MOREY'S SUBDIVISION OF THE NORTH ½ OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
536 West Tremont Avenue Chicago, Illinois 60621	20-16-106-022
402, 404, 418, 422, 424 and 436 W. Tremont Avenue Chicago, Illinois 60621	20-16-107-030 20-16-107-037 20-16-107-035 20-16-107-043 20-16-107-036 20-16-107-044
521 and 523 West Tremont Avenue 520 West 56th Place Chicago, Illinois 60621	20-16-108-010 20-16-108-019 20-16-108-020
421 and 425 West Tremont Avenue Chicago, Illinois 60621	20-16-109-012 20-16-109-015

PARCEL 3:

THE EAST ½ OF LOT 15, THE EAST ½ OF LOT 16, AND ALL OF LOT 17 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH ½ OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
520, 524, 530 and 532 West 57th Street Chicago, Illinois 60621	20-16-110-028 20-16-110-029 20-16-110-031 20-16-110-033

PARCEL 4:

LOT 2 IN HANSON'S SUBDIVISION OF LOT 12 AND THE EAST ½ OF LOT 13 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH 1/2 OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
5668 South Normal Boulevard Chicago, Illinois 60621	20-16-110-038

PARCEL 5:

LOTS 3, 4, 11, 14, 15 AND 19 IN B. F. JACOB'S RESUBDIVISION OF THE NORTH ½ OF BLOCK 2 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH ½ OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
5655 South Normal Boulevard 405, 407, 423, 431 and 433 West 56th Place Chicago, Illinois 60621	20-16-111-001 20-16-111-013 20-16-111-009 20-16-111-020 20-16-111-010 20-16-111-021

PARCEL 6:

THE SOUTH 50 FEET OF LOT 12, THE EAST ½ OF LOT 19, AND ALL OF LOTS 20 AND 21 IN BLOCK 2 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH 1/2 OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
5675 South Normal Boulevard 406 and 412 West 57th Street Chicago, Illinois 60621	20-16-111-025 20-16-111-039 20-16-111-043

PARCEL 7:

THE WEST 60 FEET OF THE EAST 90 FEET OF LOT 4, THE NORTH 30 FEET OF THE SOUTH 60 FEET OF LOT 5 (EXCEPT THAT PART TAKEN FOR STREET), THE NORTH 45 FEET OF THE WEST 4/5 OF LOT 6 (EXCEPT THAT PART TAKEN FOR STREET), THE WEST 24 FEET OF LOT 7, THE EAST ½ OF THE EAST ½ OF LOT 8, LOT 9 (EXCEPT THE EAST 49 FEET THEREOF), THE EAST 25 FEET OF THE WEST 75 FEET OF LOT 14, LOT 15 (EXCEPT THE NORTH 97 FEET AND THE EAST 33 FEET THEREOF), THE WEST 20 ¾ FEET OF LOT 24, ALL OF LOT 25, AND THE WEST 30 FEET OF LOT 32 IN EMMA ROSENMERKEL'S SUBDIVISION OF LOT 31 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
425, 519, 521 and 539 West 57th Street 5700 and 5720 South Normal Boulevard 514 West 57th Place Chicago, Illinois 60621	20-16-116-009 20-16-116-010 20-16-116-015 20-16-116-028 20-16-116-034 20-16-116-035 20-16-116-037
5707 South Normal Boulevard 439 and 443 West 57th Street Chicago, Illinois 60621	20-16-117-003 20-16-117-006 20-16-117-007
542 West 58th Place Chicago, Illinois 60621	20-16-118-015
5725 and 5735 South Normal Boulevard Chicago, Illinois 60621	20-16-119-001 20-16-119-002

PARCEL 8:

LOT 5 IN WALDRON'S SUBDIVISION OF LOT 23 IN EMMA ROSENMERKEL'S SUBDIVISION OF LOT 31 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
435 West 57th Place Chicago, Illinois 60621	20-16-119-007

PARCEL 9:

LOTS 4, 5, 6, 7 AND 8, AND THAT PART OF LOTS 2 AND 3 DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWESTERLY CORNER OF SAID LOT 3, THENCE SOUTHWARDLY ALONG THE WESTERLY LINE OF SAID LOT 3 TO THE SOUTHWESTERLY CORNER OF SAID LOT 3, THENCE NORTHEASTWARDLY TO A POINT IN THE EASTERLY LINE OF SAID LOT 3, THENCE NORTHEASTWARDLY 87 FEET SOUTH OF THE NORTHEASTERLY CORNER OF SAID LOT 3, THENCE NORTHEASTWARDLY TO THE NORTHEASTERLY CORNER OF SAID LOT 2, THENCE WESTERWARDLY ALONG THE NORTHERLY LINE OF SAID LOTS 2 AND 3 TO THE POINT OF BEGINNING, IN BLOCK 1 IN WARDER'S SUBDIVISION OF OUTLOT 32 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND ALL OF LOTS 3, 4, 5, 6, 7, 8 AND 9 (EXCEPT THE WEST 25 FEET THEREOF), AND THAT PART OF LOT 14 LYING WEST OF A LINE DRAWN FROM A POINT ON THE NORTH LINE OF SAID LOT 14, 51 FEET 8 INCHES EAST OF THE NORTHWEST CORNER THEREOF TO A POINT ON THE SOUTH LINE OF SAID LOT 14, 51 FEET 6 ½ INCHES EAST OF THE SOUTHWEST CORNER OF SAID LOT 14 IN BLOCK 3 IN WARDER'S SUBDIVISION OF OUTLOT 32 AFORESAID.

Addresses	PINs
411, 427, 435 and 439 West 58th Street Chicago, Illinois 60621	20-16-125-002 20-16-125-003 20-16-125-004 20-16-125-010
513, 519 and 547 West 58th Place 538 West 59th Street Chicago, Illinois 60621	20-16-126-002 20-16-126-003 20-16-126-004 20-16-126-012

PARCEL 10:

LOTS 8 AND 12 IN FREDERICK B. CLARKE'S SUBDIVISION OF LOTS 11 TO 15 IN BLOCK 4 IN WARDER'S SUBDIVISION OF OUTLOT 32 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
426 and 436 West 59th Street Chicago, Illinois 60621	20-16-127-010 20-16-127-014

PARCEL 11:

ALL THAT TRIANGULAR SHAPED PARCEL OF LAND SITUATED IN THE CITY OF CHICAGO, COUNTY OF COOK AND STATE OF ILLINOIS, BEING PARTS OF LOTS 1 TO 11, INCLUSIVE, IN BLOCK 1 OF WRIGHT, EMBREE ANY AYERS' SUBDIVISION OF OUTLOT OR BLOCK 33 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUND AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE EASTERLY LINE OF AN ALLEY, 18 FEET WIDE, MEETS THE SOUTHERLY LINEOF 59TH STREET, 66 FEET WIDE, SAID BEGINNING POINT BEING ALSO WHERE THE SOUTHWESTERLY LINE OF THE RELOCATED PORTION OF STEWART AVENUE, 33 FEET WIDE, MEETS SAID SOUTHERLY LINE OF 59TH STREET; EXTENDING FROM SAID BEGINNING POINT THE FOLLOWING THREE COURSES AND DISTANCES: (1) SOUTHEASTWARDLY, ALONG SAID SOUTHWESTERLY LINE OF THE RELOCATED PORTION OF STEWART AVENUE, 279.5 FEET TO AN ANGLE POINT IN SAID STEWART AVENUE, BEING IN THE SOUTHERLY LINE OF SAID LOT 11; (2) WESTWARDLY ALONG SAID SOUTHERLY LINE OF LOT 11, A DISTANCE OF 91 FEET TO SAID EASTERLY LINE OF ALLEY; AND (3) NORTHWARDLY ALONG THE SAME, 264 FEET TO THE PLACE OF BEGINNING;

ALSO

LOT 13 (EXCEPT THE EAST 33 FEET THEREOF), THE WEST 91 FEET OF LOT 20, LOT 24, THE NORTH 6 FEET OF LOT 36, LOT 37, THE NORTH 18 FEET OF LOT 39, THE SOUTH 14 FEET OF LOT 40, ALL OF LOTS 44, 46, 48 AND 50 IN BLOCK 1; THE WEST 99 FEET OF LOTS 1 TO 4, THE SOUTH 12 FEET 10 INCHES OF LOT 7, THE NORTH 12 FEET OF LOT 8, THE SOUTH 12 FEET OF LOT 9, ALL OF LOTS 10, 11 AND 12, THE NORTH 6 FEET OF LOT 13, THE SOUTH 11 FEET OF LOT 23, AND ALL OF LOTS 24, 25, 26 AND 40 IN BLOCK 2; THE SOUTH 3 FEET OF LOT 7, ALL OF LOT 8, THE SOUTH 3 FEET OF LOT 12, ALL OF LOT 13, THE NORTH 6 FEET OF LOT 14, ALL OF LOT 48, AND THE SOUTH 4 FEET OF LOT 49 IN BLOCK 3; AND LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9 AND THE NORTH 24 FEET OF LOT 10 IN BLOCK 4, ALL IN WRIGHT, EMBREE ANY AYERS' SUBDIVISION OF OUTLOT OR BLOCK 33 OF SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
5900, 5916, 5918 and 5920 South Parnell Avenue Chicago, Illinois 60621	20-16-303-003 20-16-303-004 20-16-303-005 20-16-303-006
5911 South Parnell Avenue 5916 and 5926 South Normal Boulevard Chicago, Illinois 60621	20-16-304-006 20-16-304-028 20-16-304-032
5931 South Normal Boulevard 425 West 59th Street 5916, 5920, 5924, 5926, 5954 and 5960 South Eggleston Avenue Chicago, Illinois 60621	20-16-305-012 20-16-305-031 20-16-305-023 20-16-305-032 20-16-305-028 20-16-305-040 20-16-305-030 20-16-305-041
5907, 5911, 5915, 5921, 5931 and 5939 South Eggleston Avenue 5910, 5928, 5946 and 5954 South Stewart Avenue Chicago, Illinois 60621	20-16-306-002 20-16-306-014 20-16-306-004 20-16-306-032 20-16-306-006 20-16-306-039 20-16-306-008 20-16-306-043 20-16-306-012 20-16-306-049

PARCEL 12:

LOTS 1 AND 2 IN KESSLER BROTHERS' RESUBDIVISION OF LOTS 27, 28, 29, 30, 31, 32 AND 33 IN SUBDIVISION OF BLOCK 2 IN THE SUBDIVISION OF OUTLOT 33 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
446 West 60th Street Chicago, Illinois 60621	20-16-305-022

PARCEL 13:

LOTS 36, 46 AND 47 (EXCEPT THAT PART OF LOT 47 CONVEYED TO LUCIAN L. GILBERT, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 47, THENCE WEST ON THE LINE OF ALLEY 8 ½ FEET; THENCE SOUTHERLY ON A CURVE TO THE LEFT RADIUS OF 851 3/10

FEET FROM A TANGENT 33 FEET WEST OF AND PARALLEL WITH STEWART AVENUE TO THE SOUTHEAST CORNER OF LOT 47, THENCE NORTH ON THE WEST LINE OF LOT 48 TO THE PLACE OF BEGINNING) IN GUNN'S SUBDIVISION OF BLOCK 1 IN CLOUGH AND BARNEY'S SUBDIVISION OF LOTS 34 AND 35 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
402 and 428 West 60th Place Chicago, Illinois 60621	20-16-312-028 20-16-312-036

PARCEL 14:

LOT 3 AND THE EAST ½ OF LOT 4 IN H. A. HURLBUT'S SUBDIVISION OF BLOCKS 3 AND 4 IN CLOUGH AND BARNEY'S SUBDIVISION OF OUTLOTS OR BLOCKS 34 AND 35 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
407 West 60th Place Chicago, Illinois 60621	20-16-314-016

EXHIBIT B

LEGAL DESCRIPTION OF ENGLEWOOD PARCELS (A SUBSET OF THE PROPERTY)
(Subject to Title Commitment and Final Survey)

[Attached]

Exhibit B

PARCEL 1:

ALL THAT TRIANGULAR SHAPED PARCEL OF LAND SITUATED IN THE CITY OF CHICAGO, COUNTY OF COOK AND STATE OF ILLINOIS, BEING PARTS OF LOTS I TO 11, INCLUSIVE, IN BLOCK 1 OF WRIGHT, EMBREE ANY AYERS' SUBDIVISION OF OUTLOT OR BLOCK 33 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUND AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE EASTERLY LINE OF AN ALLEY, 18 FEET WIDE, MEETS THE SOUTHERLY LINE OF 59TH STREET, 66 FEET WIDE, SAID BEGINNING POINT BEING ALSO WHERE THE SOUTHWESTERLY LINE OF THE RELOCATED PORTION OF STEWART AVENUE, 33 FEET WIDE, MEETS SAID SOUTHERLY LINE OF 59TH STREET; EXTENDING FROM SAID BEGINNING POINT THE FOLLOWING THREE COURSES AND DISTANCES: (1) SOUTHEASTWARDLY, ALONG SAID SOUTHWESTERLY LINE OF THE RELOCATED PORTION OF STEWART AVENUE, 279.5 FEET TO AN ANGLE POINT IN SAID STEWART AVENUE, BEING IN THE SOUTHERLY LINE OF SAID LOT 11; (2) WESTWARDLY ALONG SAID SOUTHERLY LINE OF LOT 11, A DISTANCE OF 91 FEET TO SAID EASTERLY LINE OF ALLEY; AND (3) NORTHWARDLY ALONG THE SAME, 264 FEET TO THE PLACE OF BEGINNING;

ALSO

LOT 13 (EXCEPT THE EAST 33 FEET THEREOF), THE WEST 91 FEET OF LOT 20, LOT 24, THE NORTH 6 FEET OF LOT 36, LOT 37, THE NORTH 18 FEET OF LOT 39, THE SOUTH 14 FEET OF LOT 40, ALL OF LOTS 44, 46, 48 AND 50 IN BLOCK 1; THE WEST 99 FEET OF LOTS 1 TO 4, THE SOUTH 12 FEET 10 INCHES OF LOT 7, THE NORTH 12 FEET OF LOT 8, THE SOUTH 12 FEET OF LOT 9, ALL OF LOTS 10, 11 AND 12, THE NORTH 6 FEET OF LOT 13, THE SOUTH 11 FEET OF LOT 23, AND ALL OF LOTS 24, 25, 26 AND 40 IN BLOCK 2; THE SOUTH 3 FEET OF LOT 7, ALL OF LOT 8, THE SOUTH 3 FEET OF LOT 12, ALL OF LOT 13, THE NORTH 6 FEET OF LOT 14, ALL OF LOT 48, AND THE SOUTH 4 FEET OF LOT 49 IN BLOCK 3; AND LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9 AND THE NORTH 24 FEET OF LOT 10 IN BLOCK 4, ALL IN WRIGHT, EMBREE ANY AYERS' SUBDIVISION OF OUTLOT OR BLOCK 33 OF SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
5900, 5916, 5918 and 5920 South Parnell Avenue Chicago, Illinois 60621	20-16-303-003 20-16-303-004 20-16-303-005 20-16-303-006
5911 South Parnell Avenue 5916 and 5926 South Normal Boulevard Chicago, Illinois 60621	20-16-304-006 20-16-304-028 20-16-304-032
5931 South Normal Boulevard 425 West 59th Street 5916, 5920, 5924, 5926, 5954 and 5960 South Eggleston Avenue Chicago, Illinois 60621	20-16-305-012 20-16-305-031 20-16-305-023 20-16-305-032 20-16-305-028 20-16-305-040 20-16-305-030 20-16-305-041
5907, 5911, 5915, 5921, 5931 and 5939 South Eggleston Avenue 5910, 5928, 5946 and 5954 South Stewart Avenue Chicago, Illinois 60621	20-16-306-002 20-16-306-014 20-16-306-004 20-16-306-032 20-16-306-006 20-16-306-039 20-16-306-008 20-16-306-043 20-16-306-012 20-16-306-049

PARCEL 2:

LOTS 1 AND 2 IN KESSLER BROTHERS' RESUBDIVISION OF LOTS 27, 28, 29, 30, 31, 32 AND 33 IN SUBDIVISION OF BLOCK 2 IN THE SUBDIVISION OF OUTLOT 33 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
446 West 60th Street Chicago, Illinois 60621	20-16-305-022

PARCEL 3:

LOTS 36, 46 AND 47 (EXCEPT THAT PART OF LOT 47 CONVEYED TO LUCIAN L. GILBERT, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 47, THENCE WEST ON THE LINE OF ALLEY 8 ½ FEET; THENCE SOUTHERLY ON A CURVE TO THE LEFT RADIUS OF 851 3/10

FEET FROM A TANGENT 33 FEET WEST OF AND PARALLEL WITH STEWART AVENUE TO THE SOUTHEAST CORNER OF LOT 47, THENCE NORTH ON THE WEST LINE OF LOT 48 TO THE PLACE OF BEGINNING) IN GUNN'S SUBDIVISION OF BLOCK 1 IN CLOUGH AND BARNEY'S SUBDIVISION OF LOTS 34 AND 35 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
402 and 428 West 60th Place Chicago, Illinois 60621	20-16-312-028 20-16-312-036

PARCEL 4:

LOT 3 AND THE EAST ½ OF LOT 4 IN H. A. HURLBUT'S SUBDIVISION OF BLOCKS 3 AND 4 IN CLOUGH AND BARNEY'S SUBDIVISION OF OUTLOTS OR BLOCKS 34 AND 35 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
407 West 60th Place Chicago, Illinois 60621	20-16-314-016

EXHIBIT C

LEGAL DESCRIPTION OF 47TH/HALSTED PARCELS (A SUBSET OF THE PROPERTY)
(Subject to Title Commitment and Final Survey)

THE EAST 10 FEET OF LOT 9, AND ALL OF LOTS 10, 11, 12, 13, AND 14 IN BLOCK 1; AND LOTS 1, 2, 3 AND 4 IN BLOCK 2, ALL IN MILLER AND RIGDON'S SUBDIVISION OF OUTLOT OR BLOCK 29 (EXCEPT THE NORTH 134 FEET THEREOF) IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
525, 531, 535 and 537 West Garfield Blvd. Chicago, Illinois 60621	20-16-104-005 20-16-104-006 20-16-104-007 20-16-104-008
453 West Garfield Boulevard Chicago, Illinois 60621	20-16-105-044

EXHIBIT D

REDEVELOPMENT AGREEMENT

[Attached]

AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND

(The Above Space for Recorder's Use Only)

This **AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND** ("Agreement") is made on or as of the ___ day of _____, 20__ (the "Effective Date"), by and between the **CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of local government ("City"), acting by and through its Department of Housing and Economic Development (together with any successor department thereto, "DHED"), having its principal offices at City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602 and **NORFOLK SOUTHERN RAILWAY COMPANY**, a Virginia corporation ("Developer"), whose offices are located at 1200 Peachtree Street, N.E., 12th Floor, Atlanta, GA 30309.

RECITALS

WHEREAS, pursuant to an ordinance adopted by the City Council of the City (the "City Council") on June 27, 2001, and published at pages 61850 through 62030, in the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Englewood Neighborhood TIF Plan") for the Englewood Neighborhood Redevelopment Project Area (the "Englewood Neighborhood TIF Area"), was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act");

WHEREAS, pursuant to an ordinance adopted by the City Council on June 27, 2001, and published at pages 62031 through 62042 in the Journal of such date, the Englewood Neighborhood TIF Area was designated as a redevelopment project area pursuant to the Act;

WHEREAS, pursuant to an ordinance adopted by the City Council on June 27, 2001, and published at page 62042 through 62055 in the Journal of such date, tax increment financing was adopted pursuant to the Act as a means of financing certain Englewood Neighborhood TIF Area redevelopment project costs (as defined in the Act) incurred pursuant to the Englewood Neighborhood TIF Plan;

WHEREAS, pursuant to an ordinance adopted by the City Council on May 29, 2002, and published at pages 85676 through 85871, in the Journal of such date, a certain redevelopment plan and project (the "47th/Halsted TIF Plan") for the 47th/Halsted Redevelopment Project Area (the "47th/Halsted TIF Area"), was approved pursuant to the Act;

WHEREAS, pursuant to an ordinance adopted by the City Council on May 29, 2002, and published at pages 85872 through 85888 in the Journal of such date, the 47th/Halsted TIF Area was designated as a redevelopment project area pursuant to the Act;

WHEREAS, pursuant to an ordinance adopted by the City Council on May 29, 2002, and published at page 85889 through 85904 in the Journal of such date, tax increment financing was adopted pursuant to the Act as a means of financing certain 47th/Halsted TIF Area redevelopment project costs (as defined in the Act) incurred pursuant to the 47th/Halsted TIF Plan;

WHEREAS, the Englewood Neighborhood TIF Plan and the 47th/Halsted TIF Plan and the use of tax increment financing provide a mechanism to support new growth through leveraging private investment, and helping to finance land acquisition, demolition, remediation, site preparation and infrastructure for new development in the Englewood Neighborhood TIF Area and the 47th/Halsted TIF Area, respectively;

WHEREAS, the Developer desires to purchase from the City the real property which is legally described on Exhibit A attached hereto (the "City Parcels");

WHEREAS, certain City parcels are located within the Englewood Neighborhood TIF Area or the 47th/Halsted TIF Area, as identified in Exhibit A;

WHEREAS, the Developer owns certain real property located adjacent to or in the vicinity of the City Parcels, which is identified in Exhibit B attached hereto (the "Developer Parcels");

WHEREAS, with respect to any Developer Parcels not yet acquired by the Developer, the Developer shall obtain title to those not-yet-acquired parcels pursuant to condemnation only if the Developer is unable to obtain title pursuant to a negotiated sale;

WHEREAS, on December 17, 2012, the Developer closed on its purchase, for the sum of Ten Million One Hundred Fifty-Seven Thousand Five Hundred Dollars ($10,157,500), from the Chicago Housing Authority, an Illinois municipal corporation (the "CHA"), of certain real property located adjacent to or in the vicinity of the City Parcels, which is legally described in Exhibit C attached hereto (the "CHA Parcels");

WHEREAS, the Developer intends to develop, in phases, on the City Parcels, Developer Parcels and CHA Parcels (the City Parcels, Developer Parcels and CHA Parcels, collectively, the "Property") an intermodal railroad facility, as more fully described on Exhibit D attached hereto (the "Project");

WHEREAS, the Project is consistent with the Englewood Neighborhood TIF Plan and the 47th/Halsted TIF Plan;

WHEREAS, the appraised fair market value of the City Parcels is One Million One Hundred Seven Thousand Two Hundred Fifty Dollars ($1,107,250);

WHEREAS, the City is willing to sell the City Parcels to the Developer for One Million One Hundred Seven Thousand Two Hundred Fifty Dollars ($1,107,250), subject to the terms and conditions of this Agreement; and

WHEREAS, the City Council, pursuant to an ordinance (the "Project Ordinance") adopted on _____, 2013, and published at pages _____ through ____ in the Journal of such date, authorized the sale of the City Parcels to the Developer, subject to the execution, delivery and recording of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. INCORPORATION OF RECITALS.

The foregoing recitals (the "Recitals") constitute an integral part of this Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

SECTION 2. DEFINITIONS.

For purposes of this Agreement, in addition to the terms defined in the foregoing Recitals, the following terms shall have the meanings set forth below:

"47th/Halsted TIF Area" has the meaning set forth in the Recitals.

"47th/Halsted TIF Plan" has the meaning set forth in the Recitals.

"Affiliate" has the meaning set forth in Section 28.

"Agent" means any contractor, subcontractor or other agent, entity or individual acting under the control or at the request of the Developer or the Developer's contractors.

"Budget" has the meaning set forth in Section 9.

"CHA Parcels" has the meaning set forth in the Recitals.

"City Parties" means the City, and its officers, employees and agents.

"City Parcels" has the meaning set forth in the Recitals.

"Closing" means the closing of the transaction contemplated by this Agreement

"Closing Date" has the meaning set forth in Section 5.

"Construction Program" has the meaning set forth in Section 24.3(a).

"Corporation Counsel" means the City's Office of Corporation Counsel.

"Deed" has the meaning set forth in Section 6.1.

"Developer Parcels" has the meaning set forth in the Recitals.

"Developer Parties" means the Developer and its current and former officers, directors, employees, Agents, attorneys, predecessors, successors and assigns.

"Earnest Money" has the meaning set forth in Section 4.1.

"Effective Date" means the date set forth in the Preamble.

"Employer(s)" has the meaning set forth in Section 24.1.

"Englewood Neighborhood TIF Area" has the meaning set forth in the Recitals.

"Englewood Neighborhood TIF Plan" has the meaning set forth in the Recitals.

"Environmental Laws" means any and all Laws relating to the regulation and protection of human health, safety, the environment and natural resources now or hereafter in effect, as amended or supplemented from time to time, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S.C. § 5101 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136 et seq., the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., any and all regulations promulgated under such Laws, and all analogous state and local counterparts or equivalents of such Laws, including, without limitation, the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq., and the common law, including, without limitation, trespass and nuisance.

"Equity" means funds of the Developer (not including any funds borrowed by the Developer from lenders) irrevocably available for the Project.

"Event of Default" has the meaning set forth in Section 20.2.

"First Phase" has the meaning set forth in Section 8.

"First Phase Effective Date" has the meaning set forth in Section 8.

"First Phase Project Area" has the meaning set forth in Section 9.

"First Phase Certificate of Completion" has the meaning set forth in Section 14.

"Governmental Approvals" has the meaning set forth in Section 8.

"Hazardous Substances" means any substance or material, in any form, which at any time is listed as hazardous or toxic in or regulated under any Environmental Law or which has been or shall be determined at any time by any governmental agency or court to be a hazardous or toxic substance regulated under any Environmental Law., including without limitation polychlorinated biphenyls (PCBs), petroleum or any petroleum-based or petroleum-derived products, lead paint, asbestos or asbestos-containing materials, urea formaldehyde, radioactive materials and mold.

"Human Rights Ordinance" has the meaning set forth in Section 24.1(a).

"Laws" means all applicable federal, state, local or other laws (including common law), statutes, codes, ordinances, rules, regulations or other requirements, now or hereafter in effect, as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof, including any applicable judicial or administrative orders, consent decrees or judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code of Chicago relating to waste disposal.

"Losses" means any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs and expenses (including, without limitation, Remediation Costs, reasonable attorney's fees and expenses, consultants' fees and expenses and court costs).

"M/WBE Certificate of Completion" has the meaning set forth in Section 14.

"MBE/WBE Program" has the meaning set forth in Section 24.3(a).

"Outside Closing Date" has the meaning set forth in Section 5.

"Performance Deposit" has the meaning set forth in Section 4.2.

"Plans" has the meaning set forth in Section 11.1.

"Preliminary Project Budget" has the meaning set forth in Section 9.

"Procurement Program" has the meaning set forth in Section 24.3(a).

"Project" has the meaning set forth in the Recitals, as more fully described in Exhibit D.

"Project Ordinance" has the meaning set forth in the Recitals.

"Purchase Price" has the meaning set forth in Section 3.

"Released Claims" has the meaning set forth in Section 23.3.

"Remediation Costs" means response costs incurred by a governmental or regulatory body, natural resource damages, and the costs of any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the City Parcels or any improvements, facilities or operations located or formerly located thereon.

"TIF Plan" has the meaning set forth in the Recitals.

"Title Company" means Wheatland Title Guaranty Company.

"Title Commitment" means a commitment(s) for an owner's policy of title insurance for the City Parcels, Order Nos. _____, with an effective date(s) of _____, issued by the Title Company.

"Title Policy" means a title insurance policy issued by the Title Company in the most recently revised ALTA or equivalent form, showing the Developer as the named insured with respect to the Property, noting the recording of this Agreement as an encumbrance against the Property.

SECTION 3. PURCHASE PRICE.

The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the City Parcels, for the sum of One Million One Hundred Seven Thousand Two Hundred Fifty Dollars ($1,107,250) ("Purchase Price"), which amount equals the appraised fair market value of the City Parcels, to be paid to the City at the Closing in cash or by certified or cashier's check or electronic funds transfer, but in any event good funds available for immediate disbursement on the Closing Date. The Developer shall pay all escrow fees and other title insurance fees and closing costs.

SECTION 4. EARNEST MONEY AND PERFORMANCE DEPOSIT.

4.1 Earnest Money. Not later than the earlier of (a) _____, 2013 or such later date as determined by the Commissioner of DHED (the "Commissioner") and (b) the date on which the Developer executes this Agreement, the Developer shall deposit with the City the amount of Fifty-Two Thousand and 00/100 Dollars ($52,000) ("Earnest Money"), which shall be applied to the Purchase Price at the Closing.

4.2 Performance Deposit. At the Closing, the Developer shall deposit with the City the amount of Fifty-Two Thousand and 00/100 Dollars ($52,000), as security for the performance of its obligations under this Agreement ("Performance Deposit"), which the City will retain until the City issues the MBE/WBE Certificate of Completion. Upon the Developer's receipt of the MBE/WBE Certificate of Completion, the Developer shall submit a request for a return of the Performance Deposit, and the City shall promptly return the Performance Deposit after receiving such request.

4.3 Interest. The City will pay no interest to the Developer on the Earnest Money or Performance Deposit.

SECTION 5. CLOSING.

The Closing shall take place at the downtown offices of Matthewson Right of Way Company, 30 North LaSalle Street, Suite 1726, Chicago, IL 60602, within thirty (30) days after the Developer has satisfied all conditions precedent set forth in Section 10 hereof, unless DHED, in its sole discretion, waives any one or more of such conditions (the "Closing Date"); provided, however, in no event shall the Closing occur any later than June 1, 2013 (the "Outside Closing Date"), unless DHED, in its sole discretion, extends such Outside Closing Date. On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement.

SECTION 6. CONVEYANCE OF TITLE.

6.1 Form of City Deed. The City shall convey the City Parcels to the Developer by one or more quitclaim deeds (each, a "Deed"), subject to the terms of this Agreement and, without limiting the quitclaim nature of the Deed(s), the following:

(a) the 47th/Halsted TIF Plan for the 47th/Halsted TIF Area or the Englewood Neighborhood TIF Plan for the Englewood Neighborhood TIF Area, as applicable;

(b) the standard exceptions in an ALTA title insurance policy;

(c) general real estate taxes and any special assessments or other taxes;

(d) all easements, encroachments, covenants and restrictions of record and not shown of record;

(e) such other title defects as may exist; and

(f) any and all exceptions caused by the acts of the Developer or its Agents.

6.2 Recording Costs. The Developer shall pay to record the Deed(s), this Agreement, and any other documents incident to the conveyance of the City Parcels to the Developer.

SECTION 7. TITLE AND SURVEY.

The Developer has obtained at its sole expense and has provided the City one or more Title Commitments for the City Parcels. The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitments or obtaining a new title commitment for the City Parcels (including all search, continuation and later-date fees), and obtaining the Title Policy for the City Parcels and any endorsements it deems necessary. The Developer elects not to have any surveys performed. If the Developer subsequently has any survey(s) performed, it shall be responsible for and shall pay all costs associated therewith. The City shall have no obligation to cure title defects; provided, however, if there are exceptions for general real estate tax liens attributable to taxes due and payable prior to the Closing Date with respect to the City Parcels, the City shall submit to the county a tax abatement letter and/or file a certificate of error application with the Cook County Assessor's office, tax injunction complaint in the Circuit Court of Cook County or motion to vacate a tax sale in the Circuit Court of Cook County, seeking the exemption or waiver of such pre-closing tax liabilities, but shall have no further duties with respect to any such taxes. If, after taking the foregoing actions, the City Parcels remains subject to any tax liens, or if the City Parcels are encumbered with any other exceptions that would adversely affect the use and insurability of the City Parcels for the development of the Project, the Developer shall have the option to do one of the following: (a) accept title to the City Parcels subject to the exceptions, without reduction in the Purchase Price; or (b) terminate this Agreement by delivery of written notice to the City prior to the Closing, in which event the City shall return the Earnest Money and Performance Deposit to the Developer, this Agreement shall be null and void and, except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement as aforesaid, the Developer agrees to accept title subject to all exceptions. The Developer shall be responsible for all taxes accruing after the Closing.

SECTION 8. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.

The First Phase (as defined in Section 9 below and described in Exhibit D) will be constructed within the area depicted in Exhibit D-1 of this Agreement (such area, the "First

Phase Project Area"). The Developer shall apply for all necessary building permits and other required permits and approvals, except to the extent preempted by federal law ("Governmental Approvals") for the First Phase (as defined in Section 9 below) within three (3) months after the Developer has (i) completed its acquisition of all parcels within the First Phase Project Area and (ii) recorded street and alley vacation ordinances and the associated plats of vacation for the streets and alleys within the First Phase Project Area (such streets and alleys are a subset of the street and alleys identified in Exhibit E of this Agreement and correspond to those streets and alleys identified in Exhibit D of the Neighborhood Investment Agreement, the form of which is attached to this Agreement as Exhibit G) (the date on which the Developer completes the later of (i) and (ii), the "First Phase Effective Date"), unless DHED, in its sole discretion, extends such application date, and shall pursue such Governmental Approvals in good faith and with all due diligence. The Developer shall apply for and obtain all Governmental Approvals applicable to any subsequent phase of the Project, in advance of commencing construction on such phase.

SECTION 9. BUDGET.

The Developer has furnished to DHED, and DHED has approved, a preliminary budget showing total costs for the construction of the first phase of the Project, which is described in Exhibit D (the "First Phase") in the amount of Seventeen Million Six Hundred Fifty Thousand Dollars ($17,650,000) (the "Preliminary Project Budget"). The Developer hereby certifies to the City that the Preliminary Project Budget is true, correct and complete in all material respects. Not less than fourteen (14) days prior to the Closing Date, the Developer shall submit to DHED for approval a final budget for the First Phase that is materially consistent with the Preliminary Project Budget ("Budget"). The Developer shall submit to DHED a budget for each subsequent phase of the Project, in advance of commencing such phase.

SECTION 10. CONDITIONS TO THE CITY'S OBLIGATIONS.

The obligations of the City under this Agreement are contingent upon the delivery or satisfaction of each of the following items (unless waived by DHED in its sole discretion) set forth in Sections 10.1 through 10.14 at least fourteen (14) days prior to the Closing Date, unless another time period is specified below:

10.1 Final Governmental Approvals. The Developer has submitted to DHED, and DHED has approved, evidence that it has applied for all Governmental Approvals to complete the First Phase.

10.2 Budget. The Developer has submitted to DHED, and DHED has approved, the Budget in accordance with the provisions of Section 9 hereof.

10.3 Plans. The Developer has submitted to DHED, and DHED has approved, the Plans in accordance with the provisions of Section 11.1 hereof.

10.4 Insurance. The Developer has submitted to the City evidence of self-insurance .

10.5 Legal Opinion. The Developer has submitted to the Corporation Counsel, and the Corporation Counsel has approved, a legal opinion in a form reasonably acceptable to the City.

10.6 Due Diligence. The Developer has submitted to the Corporation Counsel due diligence searches in its name (UCC liens, state and federal tax liens, pending litigation and judgments in Cook County and the U.S. District for the Northern District of Illinois, and bankruptcy), showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the Corporation Counsel.

10.7 Organization and Authority Documents. The Developer has submitted to the Corporation Counsel its articles of incorporation, including all amendments thereto, as furnished and certified by the Illinois Secretary of State, and copies of its by-laws, as certified by its corporate secretary. The Developer has submitted to the Corporation Counsel resolutions authorizing it to execute and deliver this Agreement and any other documents required to complete the transaction contemplated by this Agreement and to perform its obligations under this Agreement; a certificate of good standing from the Illinois Secretary of State dated no more than thirty (30) days prior to the Closing; and such other corporate authority and organizational documents as the City may reasonably request.

10.8 Economic Disclosure Statement. The Developer has provided to the Corporation Counsel an Economic Disclosure Statement, on the City's then current form, dated as of the Closing Date.

10.9 MBE/WBE and City Resident Hiring Compliance Plan. The Developer and the Developer's general contractor and all major subcontractors have met with staff from DHED regarding compliance with the MBE/WBE, city resident hiring and other requirements set forth in Section 24, and DHED has approved the Developer's compliance plan in accordance with Section 24.4.

10.10 Title. The Developer has furnished the City with title commitments for the City Parcels.

10.11 Representations and Warranties. On the Closing Date, each of the representations and warranties of the Developer in Section 25 and elsewhere in this Agreement shall be true and correct.

10.12 Developer / CHA Closing. On or prior to the Closing Date, the Developer and CHA shall have closed on the conveyance of the CHA Parcels.

10.13 Neighborhood Investment Agreement. On or prior to the Closing Date, the Developer and the City shall have executed a Neighborhood Investment Agreement in substantially the form attached hereto as Exhibit H.

10.14 Other Obligations. On the Closing Date, the Developer shall have performed all of the other obligations required to be performed by the Developer under this Agreement as and when required under this Agreement.

If any of the conditions in this Sections 10.1 through 10.14 have not been satisfied to DHED's reasonable satisfaction within the time periods provided for herein, DHED may, at its option, upon thirty (30) days' prior written notice to Developer, terminate this Agreement at any time after the expiration of the applicable time period, in which event this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder; provided, however, that if within said thirty (30) day notice

period Developer satisfies said condition(s), then the termination notice shall be deemed to have been withdrawn. Any forbearance by DHED in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

SECTION 11. CONSTRUCTION REQUIREMENTS.

11.1 Plans and Permits. The Developer shall construct the First Phase on the Property materially in accordance with the site plan prepared by the Developer and attached hereto as Exhibit D-1, and the final plans and specifications prepared by the Developer dated _____, which have been approved by DHED and which are incorporated herein by this reference ("Plans"). The plans for the future phases (i.e., subsequent to the First Phase) of the Project that are attached to Exhibit F are conceptual. Prior to commencing any subsequent phase of the Project, the Developer shall submit updated site plans to DHED for approval. The term "Plans" as used herein shall refer to the updated plans and specifications upon DHED's written approval of the same. No material deviation from the Plans may be made without the prior written approval of DHED. The Plans shall at all times conform to the Englewood Neighborhood TIF Plan or the 47th/Halsted TIF Plan, as applicable, and all applicable Laws.

11.2 Relocation of Utilities, Curb Cuts and Driveways. The Developer shall be solely responsible for and shall pay all costs associated with: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination or relocation of existing water or other utility services if any of this work is required for the Project or is required by the City in connection with the vacation by the City of any streets or alleys described in Exhibit E. Except to the extent preempted by federal law, the City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

11.3 City's Right to Inspect Property. For the period commencing on the Closing Date and continuing through the date the Developer completes the Project, any duly authorized representative of the City shall have access to the Property at all reasonable times for the purpose of determining whether the Developer is constructing the Project in accordance with the terms of this Agreement and all applicable Laws; provided that anyone entering the Property must abide by all reasonable safety requirements of the Developer when exercising such rights.

11.4 Barricades and Signs. The Developer shall, at its sole cost and expense, erect and maintain such signs as the City may reasonably require during the Project, identifying the site as a City redevelopment project. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications. Prior to the commencement of any construction activity requiring barricades, the Developer shall install barricades of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. Except to the extent preempted by federal law, DHED shall have the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades. The Developer shall erect all signs and barricades so as not to interfere with or affect any bus stop or train station in the vicinity of the Property.

SECTION 12. LIMITED APPLICABILITY.

Any approval given by DHED pursuant to this Agreement is for the purpose of this Agreement only and does not constitute the approval required by the City's Department of Buildings or any other City department, nor does such approval constitute an approval of the quality, structural soundness or safety of any improvements located or to be located on the Property, or the compliance of said improvements with any Laws, private covenants, restrictions of record, or any agreement affecting the Property or any part thereof.

SECTION 13. COMMENCEMENT AND COMPLETION OF CONSTRUCTION.

The Developer shall commence construction of the First Phase within (3) months following the issuance of the Governmental Approvals described in Section 8, and shall complete the First Phase (as evidenced by the issuance of the First Phase Certificate of Completion) no later than two (2) years from the commencement thereof. DHED, in its sole discretion, may extend the construction commencement and completion dates for good cause by issuing a written extension letter. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall submit to the City anticipated commencement and completion dates for the construction of subsequent phases of the Project, in advance of commencing such phases. The Developer shall construct the Project in accordance with the Plans and all applicable Laws, except to the extent preempted by federal law, and covenants and restrictions of record.

SECTION 14. CERTIFICATES OF COMPLETION.

A. The Developer shall request from the City a certificate of completion ("First Phase Certificate of Completion") upon the completion of the First Phase in accordance with this Agreement. Within forty-five (45) days after receipt of a written request by the Developer for a First Phase Certificate of Completion, the City shall provide the Developer with either the First Phase Certificate of Completion or a written statement indicating in adequate detail how the Developer has failed to complete the First Phase in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the sole opinion of the City, for the Developer to take or perform in order to obtain the First Phase Certificate of Completion. If the City requires additional measures or acts to assure compliance, the Developer shall resubmit a written request for the First Phase Certificate of Completion upon compliance with the City's response. The First Phase Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement and the Deed with respect to the Developer's obligations to construct the First Phase. The First Phase Certificate of Completion shall not, however, constitute evidence that the Developer has complied with any Laws relating to the construction of the First Phase or the Project, and shall not serve as any "guaranty" as to the quality of the construction. Nor shall the First Phase Certificate of Completion release the Developer from its obligation to comply with the other terms, covenants and conditions of this Agreement.

B. The Developer shall request from the City a certificate of completion ("M/WBE Certificate of Completion") upon the Developer's satisfaction of the Employment Obligations set forth in Section 24 of this Agreement. The Developer's request must include a copy of the compliance letter issued by DHED evidencing the Developer's compliance with such requirements. Within forty-five (45) days after receipt of a written request by the Developer for

an M/WBE Certificate of Completion, the City shall provide the Developer with either the M/WBE Certificate of Completion or a written statement indicating in adequate detail how the Developer has failed to satisfy the Employment Obligations set forth in Section 24, or is otherwise in default, and what measures or acts will be necessary, in the sole opinion of the City, for the Developer to take or perform in order to obtain the M/WBE Certificate of Completion. If the City requires additional measures or acts to assure compliance, the Developer shall resubmit a written request for the M/WBE Certificate of Completion upon compliance with the City's response. The M/WBE Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement and the Deed with respect to the Developer's obligations to comply with the Employment Obligations set forth in Section 24 of this Agreement. The M/WBE Certificate of Completion shall not, however, constitute evidence that the Developer has complied with any Laws relating to the construction of the Project, and shall not serve as any "guaranty" as to the quality of the construction. Nor shall the M/WBE Certificate of Completion release the Developer from its obligation to comply with the other terms, covenants and conditions of this Agreement.

SECTION 15. RESTRICTIONS ON USE.

The Developer, for itself and its successors and assigns, agrees as follows:

15.1 The Developer shall (a) use the City Parcels located within the Englewood Neighborhood TIF Area in compliance with the Englewood Neighborhood TIF Plan and (b) use the City Parcels located within the 47th/Halsted TIF Area in compliance with the 47th/Halsted TIF Plan, as applicable.

15.2 The Developer shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the sale, lease, rental, use or occupancy of the Property or the Project or any part thereof.

15.3 The Developer shall construct the First Phase in accordance with this Agreement, the Plans, all applicable Laws and covenants, and restrictions of record.

The Developer, for itself and its successors and assigns, acknowledges and agrees that the development and use restrictions set forth in this Section 15 constitute material, bargained-for consideration for the City and are intended to further the public policies set forth in the Englewood Neighborhood TIF Plan and the 47th/Halsted TIF Plan, as applicable.

SECTION 16. PROHIBITION AGAINST SALE OR TRANSFER OF CITY PARCELS PRIOR TO ISSUANCE OF THE M/WBE CERTIFICATE OF COMPLETION.

Prior to the issuance of the M/WBE Certificate of Completion, the Developer may not, without the prior written consent of DHED, which consent shall be in DHED's sole discretion: (a) directly or indirectly sell, transfer or otherwise dispose of the City Parcels or any part thereof or any interest therein or the Developer's controlling interests therein (including, without limitation, a transfer by assignment of any beneficial interest under a land trust); or (b) directly or indirectly assign this Agreement. The Developer acknowledges and agrees that DHED may withhold its consent under (a) or (b) above if, among other reasons, the proposed purchaser, transferee or assignee (or such entity's principal officers or directors) is in violation of any Laws,

or if the Developer fails to submit sufficient evidence of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee. If the Developer is a business entity, no principal party of the Developer (e.g., a general partner, member, manager or shareholder) may sell, transfer or assign any of its interest in the entity prior to the expiration of the Compliance Period to anyone other than another principal party, without the prior written consent of DHED, which consent shall be in DHED's sole discretion. The Developer must disclose the identity of all limited partners to the City at the time such limited partners obtain an interest in the Developer.

SECTION 17. LIMITATION UPON ENCUMBRANCE OF CITY PARCELS PRIOR TO ISSUANCE OF M/WBE CERTIFICATE OF COMPLETION.

Prior to the issuance of the M/WBE Certificate of Completion for the Project, the Developer shall not, without DHED's prior written consent, which shall be in DHED's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the City Parcels.

SECTION 18. MORTGAGEES NOT OBLIGATED TO CONSTRUCT.

[Intentionally omitted.]

SECTION 19. COVENANTS RUNNING WITH THE LAND.

The parties agree, and the Deed shall so expressly provide, that the covenants, agreements, releases and other terms and provisions contained in Section 13 (Commencement and Completion of Project), Section 15 (Restrictions on Use), Section 16 (Prohibition Against Sale or Transfer of Property), Section 17 (Limitation Upon Encumbrance of Property), and Section 23.4 (Release for Environmental Conditions) touch and concern and shall be appurtenant to and shall run with the Property. Such covenants, agreements, releases and other terms and provisions shall be binding on the Developer and its successors and assigns to the fullest extent permitted by law and equity for the benefit and in favor of the City, and shall be enforceable by the City. Such covenants, agreements, releases and other terms and provisions shall terminate as follows: Sections 13, 15.3 and 17 upon the issuance of the M/WBE Certificate of Completion; Section 15.1(a) upon the expiration of the Englewood Neighborhood TIF Plan; Section 15.1(b) upon the expiration of the 47th/Halsted TIF Plan; Section 16 upon the issuance of the M/WBE Certificate of Completion; and Sections 15.2 and 23.4 with no limitation as to time.

SECTION 20. PERFORMANCE AND BREACH.

20.1 Time of the Essence. Time is of the essence in the Developer's performance of its obligations under this Agreement.

20.2 Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Agreement:

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement;

(b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;

(c) the making or furnishing by the Developer of any warranty, representation, statement, certification, schedule or report to the City (whether in this Agreement, an Economic Disclosure Statement or another document) which is untrue or misleading in any material respect;

(d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, or the making or any attempt to make any levy, seizure or attachment thereof;

(e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing, for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for the Developer for the Project, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;

(g) the entry of any judgment or order against the Developer which is related to the Property and remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

(h) the dissolution of the Developer; and

(i) the occurrence of a material and adverse change in the Developer's financial condition or operations.

20.3 Cure. If the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have ninety (90) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the Developer promptly commences such cure and thereafter diligently pursues such cure to completion (so long as continuation of the default does not create material risk to

the Project or to persons using the Project). Notwithstanding the foregoing or any other provision of this Agreement to the contrary:

(a) there shall be no notice requirement with respect to Events of Default described in Section 5 (with respect to Outside Closing Date);

(b) there shall be no notice requirement or cure period with respect to Events of Default described in Section 13 (Commencement and Completion of Project), Section 16 (Prohibition Against Transfer of Property) and Section 17 (Limitation Upon Encumbrance of Property); and

20.4 Event of Default Prior to Closing. If an Event of Default occurs prior to the Closing, and the default is not cured in the time period provided for in Section 20.3 above, the City may terminate this Agreement, institute any action or proceeding at law or in equity against the Developer, and retain the Earnest Money and Performance Deposit as liquidated damages.

20.5 Event of Default After Closing but Before Commencement of Construction. If an Event of Default occurs after the Closing, but before commencement of construction of the Project, and the default is not cured in the time period provided for in Section 20.3 above, the City may retain the Performance Deposit, terminate this Agreement and exercise any and all remedies available to it at law or in equity.

20.6 Event of Default After Closing and Commencement of Construction but Before Issuance of the M/WBE Certificate of Completion. If an Event of Default occurs after the Closing and commencement of construction, but prior to the issuance of the M/WBE Certificate of Completion, and the default is not cured in the time period provided for in Section 20.3 above, the City may retain the Performance Deposit, terminate this Agreement and exercise any and all remedies available to it at law or in equity.

20.7 Event of Default After Issuance of the M/WBE Certificate of Completion. If subsequent to the City's issuance of the M/WBE Certificate of Completion an Event of Default occurs, the City may exercise any and all remedies available to it at law or in equity, other than the right to re-enter the Property and revest title to the City. This Section 20.2 shall not limit or amend the covenants running with the Property as set forth in Section 19.

SECTION 21. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

The Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in the Developer, this Agreement, the Property or the Project, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, association or other entity in which he or she is directly or indirectly interested. No agent, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer or successor or with respect to any commitment or obligation of the City under the terms of this Agreement.

SECTION 22. INDEMNIFICATION.

The Developer agrees to indemnify, defend and hold the City harmless from and against any Losses suffered or incurred by the City arising from or in connection with: (a) the failure of the Developer to perform its obligations under this Agreement; (b) the failure of the Developer or any Agent to pay contractors, subcontractors or material suppliers in connection with the construction and management of the Project; (c) any misrepresentation or omission made by the Developer or any Agent; (d) the failure of the Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (e) any activity undertaken by the Developer or any Agent on the Property prior to or after the Closing. This indemnification shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 23. ENVIRONMENTAL MATTERS.

23.1 "AS IS" SALE. THE DEVELOPER ACKNOWLEDGES THAT IT HAS HAD ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE CITY PARCELS AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE CITY PARCELS. THE DEVELOPER AGREES TO ACCEPT THE CITY PARCELS IN THEIR "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO ANY MATTERS CONCERNING THE CITY PARCELS, INCLUDING WITHOUT LIMITATION: (a) THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE CITY PARCELS; (b) THE SUITABILITY OF THE CITY PARCELS FOR ANY PURPOSE WHATSOEVER; (c) THE CONDITION OF SOILS, GEOLOGY, AND GROUNDWATER; (d) THE COMPLIANCE OF THE CITY PARCELS WITH ANY APPLICABLE ENVIRONMENTAL LAW; OR (e) THE PRESENCE OR REMOVAL OF HAZARDOUS SUBSTANCES ON, UNDER, OR ABOUT THE CITY PARCELS OR ADJACENT PROPERTY. THE DEVELOPER ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. THE DEVELOPER AGREES THAT IT IS THE DEVELOPER'S SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY ENVIRONMENTAL REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE CITY PARCELS IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

23.2 Right of Entry. The Developer's obligation to purchase the City Parcels is conditioned upon the Developer being satisfied with the condition of the City Parcels for the construction, development and operation of the Project. Upon the Developer's request, the City shall grant the Developer the right, at the Developer's sole cost and expense, to enter the City Parcels, pursuant to an access agreement reasonably acceptable to the City, to inspect the same, perform surveys, environmental assessments, soil tests and any other due diligence the Developer deems necessary or desirable to satisfy itself as to the condition of the City Parcels. If the Developer determines that it is not satisfied, in its sole discretion, with the condition of the City Parcels, the Developer may terminate this Agreement by written notice to the City any time prior to the Closing Date, whereupon the City shall return the Earnest Money and Performance Deposit to the Developer and this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder. If

the Developer elects not to terminate this Agreement pursuant to this Section 23.2, the Developer shall be deemed satisfied with the condition of the City Parcels.

23.3 Release and Indemnification. The Developer, on behalf of itself and the other Developer Parties, or anyone claiming by, through, or under the Developer Parties, hereby releases, relinquishes and forever discharges the City Parties from and against any and all claims for Losses which the Developer or any of the Developer Parties ever had, now have, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, arising out of or in any way connected with, directly or indirectly (a) any environmental contamination, pollution or hazards associated with the City Parcels or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Substances, or threatened release, emission or discharge of Hazardous Substances; (b) the structural, physical or environmental condition of the City Parcels, including, without limitation, the presence or suspected presence of Hazardous Substances in, on, under or about the City Parcels or the migration of Hazardous Substances from or to other property; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any Losses arising under CERCLA, and (d) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the City Parcels or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, after the Closing, the Developer shall defend, indemnify, and hold the City Parties harmless from and against any and all Losses which may be made or asserted by any third parties arising out of or in any way connected with, directly or indirectly, any of the Released Claims. The foregoing covenant of release and indemnification shall run with the City Parcels, and shall be binding upon all successors and assigns of the Developer with respect to the City Parcels, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the City Parcels under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release and indemnification constitutes a material inducement to the City to enter into this Agreement, and that, but for such release and indemnification, the City would not have agreed to convey the City Parcels to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer, or any of the Developer Parties, arise or be alleged to arise in connection with any environmental, soil or other condition of the City Parcels, neither the Developer, nor any of the Developer Parties, will assert that those obligations must be satisfied in whole or in part by the City because this Section 23.3 contains a full, complete and final release of all such claims.

23.4 Release Runs with the Land. The covenant of release in Section 23.3 shall run with the City Parcels, and shall be binding upon all successors and assigns of the Developer with respect to the City Parcels, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or possessing any portion of the City Parcels under or through the Developer following the date of the Deed. The Developer acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the City Parcels to the Developer. It is expressly agreed and understood by and between the Developer and the City that, should any future obligation of the Developer, or any of the Developer Parties, arise or be alleged to arise in

connection with any environmental, soil or other condition of the City Parcels, neither the Developer, nor any of the Developer Parties, will assert that those obligations must be satisfied in whole or in part by the City because Section 23.3 contains a full, complete and final release of all such claims.

23.5 Rehabilitation Work and Removal of Materials from the City Parcels. The Developer shall: (a) perform all rehabilitation work in accordance with all applicable Environmental Laws, (b) dispose of all materials in accordance with all applicable Environmental Laws, (c) maintain documentation evidencing that such disposal was in accordance with all applicable Environmental Laws, and (d) provide copies of such documentation to the City upon request.

23.6 Survival. This Section 23 shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 24. DEVELOPER'S EMPLOYMENT OBLIGATIONS.

24.1 Employment Opportunity. The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any Affiliate of the Developer operating on the Property (collectively, the "Employers" and individually, an "Employer") to agree, that with respect to the provision of services in connection with the construction of the Project:

(a) Neither the Developer nor any Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Section 2-160-010 et seq. of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"). The Developer and each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, and are treated in a non-discriminatory manner with regard to all job-related matters, including, without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer and each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Developer and each Employer, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

(b) To the greatest extent feasible, the Developer and each Employer shall (i) present opportunities for training and employment of low and moderate income residents of the City, and (ii) provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the City.

(c) The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance and the Illinois Human Rights Act, 775

ILCS 5/1-101 et seq. (1993), both as amended from time to time, and any regulations promulgated thereunder.

(d) The Developer, in order to demonstrate compliance with the terms of this Section 24.1, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) The Developer and each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the construction of the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 24.1 shall be a basis for the City to pursue remedies under the provisions of Section 20.

24.2 City Resident Employment Requirement.

(a) The Developer agrees, and shall contractually obligate each Employer to agree, that during the construction of the Project, the Developer and each Employer shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 2-92-330 of the Municipal Code of Chicago (at least fifty percent); provided, however, that in addition to complying with this percentage, the Developer and each Employer shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

(b) The Developer and the Employers may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the chief procurement officer of the City of Chicago.

(c) "Actual residents of the City of Chicago" shall mean persons domiciled within the City of Chicago. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

(d) The Developer and the Employers shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the construction of the Project. The Developer and the Employers shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

(e) The Developer and the Employers shall submit weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) to DHED in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date

that the Developer or Employer hired the employee should be written in after the employee's name.

(f) The Developer and the Employers shall provide full access to their employment records to the chief procurement officer, DHED, the Superintendent of the Chicago Police Department, the inspector general, or any duly authorized representative thereof. The Developer and the Employers shall maintain all relevant personnel data and records for a period of at least three (3) years after the issuance of the M/WBE Certificate of Completion.

(g) At the direction of DHED, the Developer and the Employers shall provide affidavits and other supporting documentation to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

(h) Good faith efforts on the part of the Developer and the Employers to provide work for actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the chief procurement officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section 24.2 concerning the worker hours performed by actual Chicago residents.

(i) If the City determines that the Developer or an Employer failed to ensure the fulfillment of the requirements of this Section 24.2 concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section 24.2. If such non-compliance is not remedied in accordance with the breach and cure provisions of Section 20.3, the parties agree that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Budget shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer and/or the other Employers or employees to prosecution.

(j) Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement.

(k) The Developer shall cause or require the provisions of this Section 24.2 to be included in all construction contracts and subcontracts related to the construction of the Project.

24.3 Developer's MBE/WBE Commitment. The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the general contractor to agree, that during the construction of the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 24.3, during the course of construction of the Project, at least 24% of the aggregate hard construction costs set forth in the budget attached hereto as Exhibit G (such budget, the "MBE/WBE Budget") shall be expended for contract participation by minority-owned businesses and at least 4% of the aggregate hard construction costs set forth in the MBE/WBE Budget shall be expended for contract participation by women-owned businesses.

(b) For purposes of this Section 24.3 only:

(i) The Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(ii) The term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(iii) The term "women-owned business" or "WBE" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed on the Project by the MBE or WBE); by the Developer utilizing a MBE or a WBE as the general contractor (but only to the extent of any actual work performed on the Project by the general contractor); by subcontracting or causing the general contractor to subcontract a portion of the construction of the Project to one or more MBEs or WBEs; by the purchase of materials or services used in the construction of the Project from one or more MBEs or WBEs; or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE

commitment as described in this Section 24.3. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE general contractor or subcontractor without the prior written approval of DHED.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the construction of the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or the general contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the construction of the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the construction of the Project for at least five (5) years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on prior notice of at least five (5) business days, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the construction of the Project.

(e) Upon the disqualification of any MBE or WBE general contractor or subcontractor, if the disqualified party misrepresented such status, the Developer shall be obligated to discharge or cause to be discharged the disqualified general contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 24.3 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

24.4 Pre-Construction Conference and Post-Closing Compliance Requirements. Not less than fourteen (14) days prior to the Closing Date, the Developer and the Developer's general contractor and all major subcontractors shall meet with DHED monitoring staff regarding compliance with all Section 24 requirements. During this pre-construction meeting, the Developer shall present its plan to achieve its obligations under this Section 24, the sufficiency of which the City's monitoring staff shall approve as a precondition to the Closing. During the construction of the Project, the Developer shall submit all documentation required by this Section 24 to the City's monitoring staff, including, without limitation, the following: (a) subcontractor's activity report; (b) contractor's certification concerning labor standards and prevailing wage requirements; (c) contractor letter of understanding; (d) monthly utilization report; (e) authorization for payroll agent; (f) certified payroll; (g) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (h) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 24, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in

this Agreement, the City may: (x) issue a written demand to the Developer to halt construction of the Project, (y) withhold any further payment of any City funds to the Developer or the general contractor, or (z) seek any other remedies against the Developer available at law or in equity.

SECTION 25. REPRESENTATIONS AND WARRANTIES.

25.1 Representations and Warranties of the Developer. To induce the City to execute this Agreement and perform its obligations hereunder, the Developer represents, warrants and covenants to the City that as of the Effective Date and as of the Closing Date the following shall be true, accurate and complete in all respects:

(a) The Developer is a Virginia corporation, validly existing and in good standing under the laws of the State of Virginia and the State of Illinois, with full power and authority to acquire, own and redevelop the Property, and the persons signing this Agreement on behalf of the Developer have the authority to do so.

(b) All certifications and statements contained in the Economic Disclosure Statements submitted to the City by the Developer (and any legal entity holding an interest in the Developer) are true, accurate and complete.

(c) The Developer's execution, delivery and performance of this Agreement and all instruments and agreements contemplated hereby will not, upon the giving of notice or lapse of time, or both, result in a breach or violation of, or constitute a default under, any other agreement to which the Developer, or any party affiliated with the Developer, is a party or by which the Developer or the Property is bound.

(d) No action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer, or any party affiliated with the Developer, by or before any court, governmental commission, board, bureau or any other administrative agency, and the Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (i) affect the ability of the Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of the Developer.

(e) The Developer is now and for the term of the Agreement shall remain solvent and able to pay its debts as they mature.

(f) The Developer has and shall maintain all Governmental Approvals (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project.

(g) The Developer is not in default with respect to any indenture, loan agreement, mortgage, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound.

(h) The Project will not violate: (i) any applicable Laws, including, without limitation, any zoning and building codes and Environmental Laws; or (ii) any applicable building permit, restriction of record or other agreement affecting the Property.

(i) The Developer will complete the Project using only Equity, and not any third-party financing.

25.2 Representations and Warranties of the City. To induce the Developer to execute this Agreement and perform its obligations hereunder, the City hereby represents and warrants to the Developer that the City has authority under its home rule powers to execute and deliver this Agreement and perform the terms and obligations contained herein.

25.3 Survival of Representations and Warranties. Each of the parties agrees that all warranties, representations, covenants and agreements contained in this Section 25 and elsewhere in this Agreement are true, accurate and complete as of the Effective Date and shall survive the Effective Date and be in effect throughout the term of the Agreement.

SECTION 26. NOTICES.

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City:	City of Chicago Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attn: Commissioner
With a copy to:	City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attn: Real Estate and Land Use Division
If to the Developer:	Norfolk Southern Railway Company 1200 Peachtree Street, N.E. 12th Floor Atlanta, GA 30309 Attn: Linda V. Hill
With a copy to:	Thomas J. Murphy PC 111 W Washington Street Suite 1920 Chicago, IL 60602-2719

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the

business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 26 shall constitute delivery.

SECTION 27. BUSINESS RELATIONSHIPS.

The Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (b) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 28. PATRIOT ACT CERTIFICATION.

The Developer represents and warrants that neither the Developer nor any Affiliate (as hereafter defined) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this Section 28 only, an "Affiliate" shall be deemed to be a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the Developer, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

SECTION 29. PROHIBITION ON CERTAIN CONTRIBUTIONS PURSUANT TO MAYORAL EXECUTIVE ORDER NO. 2011-4.

29.1 The Developer agrees that the Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in the Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, the Developer's contractors (i.e., any person or entity in direct contractual privity with the Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and

spouses and domestic partners of such Sub-owners (the Developer and all the other preceding classes of persons and entities are together the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (a) after execution of this Agreement by the Developer, (b) while this Agreement or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Agreement or any Other Contract, or (d) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

29.2 The Developer represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached the Developer, or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

29.3 The Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

29.4 The Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

29.5 Notwithstanding anything to the contrary contained herein, the Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 29 or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Agreement, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

29.6 If the Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the Closing, the City may elect to decline to close the transaction contemplated by this Agreement.

29.7 For purposes of this provision:

(a) "Bundle" means to collect contributions from more than one source, which contributions are then delivered by one person to the Mayor or to his political fundraising committee.

(b) "Other Contract" means any other agreement with the City to which the Developer is a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council.

(c) "Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

(d) Individuals are "domestic partners" if they satisfy the following criteria:

(i) they are each other's sole domestic partner, responsible for each other's common welfare; and

(ii) neither party is married; and

(iii) the partners are not related by blood closer than would bar marriage in the State of Illinois; and

(iv) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and

(v) two of the following four conditions exist for the partners:

(1) The partners have been residing together for at least 12 months.

(2) The partners have common or joint ownership of a residence.

(3) The partners have at least two of the following arrangements:

(A) joint ownership of a motor vehicle;
(B) joint credit account;
(C) a joint checking account;
(D) a lease for a residence identifying both domestic partners as tenants.

(4) Each partner identifies the other partner as a primary beneficiary in a will.

(e) "Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

SECTION 30. MISCELLANEOUS.

The following general provisions govern this Agreement:

30.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

30.2 Cumulative Remedies. The remedies of any party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such party or hereafter existing at law or in equity, unless specifically so provided herein.

30.3 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

30.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the parties hereto. No term of this Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefitted by such term.

30.5 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

30.6 Force Majeure. Neither the City nor the Developer shall be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder, including, without limitation, fires, floods, strikes, shortages of material and unusually severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the party relying on this section requests an extension in writing within twenty (20) days after the beginning of any such delay.

30.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

30.8 Headings. The headings of the various sections and subsections of this Agreement have been inserted for convenience of reference only and shall not in any manner be construed as modifying, amending or affecting in any way the express terms and provisions hereof.

30.9 No Merger. The terms of this Agreement shall not be merged with the Deed, and the delivery of the Deed shall not be deemed to affect or impair the terms of this Agreement.

30.10 No Waiver. No waiver by the City with respect to any specific default by the Developer shall be deemed to be a waiver of the rights of the City with respect to any other defaults of the Developer, nor shall any forbearance by the City to seek a remedy for any breach or default be deemed a waiver of its rights and remedies with respect to such breach or default, nor shall the City be deemed to have waived any of its rights and remedies unless such waiver is in writing.

30.11 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

30.12 Successors and Assigns. Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties.

SECTION 31. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

Failure by Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of the Agreement and the transactions contemplated thereby. Developer shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

SECTION 32. INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL.

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City's Legislative Inspector General and with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and 2-56, respectively, of the Municipal Code of Chicago. The Developer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

SECTION 33. SHAKMAN

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with Developer, either as an employee or as a subcontractor, and from directing Developer to hire an individual as an employee or as a subcontractor. Accordingly, Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Developer under this Agreement are employees or subcontractors of Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Developer.

(iii) Developer will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Developer by a City employee or City official in violation of Section 33(ii) above, or advocating a violation of Section 33)(iii) above, Developer

will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Agreement. Developer will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

(*Signature Page Follows*)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on or as of the date first above written.

CITY OF CHICAGO, an Illinois municipal corporation

By:_____
Andrew J. Mooney
Commissioner of the Department of Housing and Economic Development

NORFOLK SOUTHERN RAILWAY COMPANY,
A Virginia corporation

By:_____
Name: _____
Its: _____

THIS INSTRUMENT PREPARED BY, AND
AFTER RECORDING, PLEASE RETURN TO:

Arthur Dolinsky
Senior Counsel
City of Chicago, Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
(312) 744-0200

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew J. Mooney, Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that, as said Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 20__.

_____
NOTARY PUBLIC

STATE OF GEORGIA)
) SS.
COUNTY OF FULTON)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, the _____ of Norfolk Southern Railway Company, a Virginia for-profit corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that s/he signed and delivered the foregoing instrument pursuant to authority given by said corporation, as her/his free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 20__.

_____
NOTARY PUBLIC

(sub) EXHIBIT A to Redevelopment Agreement

LEGAL DESCRIPTION OF CITY PARCELS

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

[Attached]

EXHIBIT A

PARCEL 1:

THE EAST 10 FEET OF LOT 9, AND ALL OF LOTS 10, 11, 12, 13, 14, 32, 38, 59, 62, 63, 64, 65, 66, 67 AND THE NORTH 75 FEET OF LOTS 70, 71 AND 72 IN BLOCK 1; AND LOTS 1, 2, 3, 4, 33, 38, 42, 52, 53, 55, 57, 58, 59, 60, 65 AND 66 IN BLOCK 2, ALL IN MILLER AND RIGDON'S SUBDIVISION OF OUTLOT OR BLOCK 29 (EXCEPT THE NORTH 134 FEET THEREOF) IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
525, 531, 535 and 537 West Garfield Boulevard 518 and 532 West 56th Street Chicago, Illinois 60621	20-16-104-005 20-16-104-008 20-16-104-006 20-16-104-021 20-16-104-007 20-16-104-027
416, 430 and 440 West 56th Street 453 West Garfield Boulevard Chicago, Illinois 60621	20-16-105-026 20-16-105-030 20-16-105-035 20-16-105-044
503, 515, 519, 521, 523, 527 and 535 West 56th Street Chicago, Illinois 60621	20-16-106-006 20-16-106-012 20-16-106-009 20-16-106-013 20-16-106-010 20-16-106-015 20-16-106-011
413, 415, 427, 431, 433, 435, 439, 445 and 447 West 56th Street Chicago, Illinois 60621	20-16-107-005 20-16-107-012 20-16-107-006 20-16-107-013 20-16-107-008 20-16-107-018 20-16-107-010 20-16-107-019 20-16-107-011

PARCEL 2:

LOTS 3, 4, 10, 11, 12 AND 17 IN BLOCK 1; LOT 14 IN BLOCK 2; LOTS 8 AND 9 IN BLOCK 3; AND LOTS 9 AND 12 IN BLOCK 4, ALL IN H. C. MOREY'S SUBDIVISION OF THE NORTH ½ OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
536 West Tremont Avenue Chicago, Illinois 60621	20-16-106-022
402, 404, 418, 422, 424 and 436 W. Tremont Avenue Chicago, Illinois 60621	20-16-107-030 20-16-107-037 20-16-107-035 20-16-107-043 20-16-107-036 20-16-107-044
521 and 523 West Tremont Avenue 520 West 56th Place Chicago, Illinois 60621	20-16-108-010 20-16-108-019 20-16-108-020
421 and 425 West Tremont Avenue Chicago, Illinois 60621	20-16-109-012 20-16-109-015

PARCEL 3:

THE EAST ½ OF LOT 15, THE EAST ½ OF LOT 16, AND ALL OF LOT 17 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH ½ OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
520, 524, 530 and 532 West 57th Street Chicago, Illinois 60621	20-16-110-028 20-16-110-029 20-16-110-031 20-16-110-033

PARCEL 4:

LOT 2 IN HANSON'S SUBDIVISION OF LOT 12 AND THE EAST ½ OF LOT 13 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH 1/2 OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
5668 South Normal Boulevard Chicago, Illinois 60621	20-16-110-038

PARCEL 5:

LOTS 3, 4, 11, 14, 15 AND 19 IN B. F. JACOB'S RESUBDIVISION OF THE NORTH ½ OF BLOCK 2 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH ½ OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
5655 South Normal Boulevard 405, 407, 423, 431 and 433 West 56th Place Chicago, Illinois 60621	20-16-111-001 20-16-111-013 20-16-111-009 20-16-111-020 20-16-111-010 20-16-111-021

PARCEL 6:

THE SOUTH 50 FEET OF LOT 12, THE EAST ½ OF LOT 19, AND ALL OF LOTS 20 AND 21 IN BLOCK 2 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH 1/2 OF LOT 30 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
5675 South Normal Boulevard 406 and 412 West 57th Street Chicago, Illinois 60621	20-16-111-025 20-16-111-039 20-16-111-043

PARCEL 7:

THE WEST 60 FEET OF THE EAST 90 FEET OF LOT 4, THE NORTH 30 FEET OF THE SOUTH 60 FEET OF LOT 5 (EXCEPT THAT PART TAKEN FOR STREET), THE NORTH 45 FEET OF THE WEST 4/5 OF LOT 6 (EXCEPT THAT PART TAKEN FOR STREET), THE WEST 24 FEET OF LOT 7, THE EAST ½ OF THE EAST ½ OF LOT 8, LOT 9 (EXCEPT THE EAST 49 FEET THEREOF), THE EAST 25 FEET OF THE WEST 75 FEET OF LOT 14, LOT 15 (EXCEPT THE NORTH 97 FEET AND THE EAST 33 FEET THEREOF), THE WEST 20 ¾ FEET OF LOT 24, ALL OF LOT 25, AND THE WEST 30 FEET OF LOT 32 IN EMMA ROSENMERKEL'S SUBDIVISION OF LOT 31 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
425, 519, 521 and 539 West 57th Street 5700 and 5720 South Normal Boulevard 514 West 57th Place Chicago, Illinois 60621	20-16-116-009 20-16-116-010 20-16-116-015 20-16-116-028 20-16-116-034 20-16-116-035 20-16-116-037
5707 South Normal Boulevard 439 and 443 West 57th Street Chicago, Illinois 60621	20-16-117-003 20-16-117-006 20-16-117-007
542 West 58th Place Chicago, Illinois 60621	20-16-118-015
5725 and 5735 South Normal Boulevard Chicago, Illinois 60621	20-16-119-001 20-16-119-002

PARCEL 8:

LOT 5 IN WALDRON'S SUBDIVISION OF LOT 23 IN EMMA ROSENMERKEL'S SUBDIVISION OF LOT 31 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
435 West 57th Place Chicago, Illinois 60621	20-16-119-007

PARCEL 9:

LOTS 4, 5, 6, 7 AND 8, AND THAT PART OF LOTS 2 AND 3 DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWESTERLY CORNER OF SAID LOT 3, THENCE SOUTHWARDLY ALONG THE WESTERLY LINE OF SAID LOT 3 TO THE SOUTHWESTERLY CORNER OF SAID LOT 3, THENCE NORTHEASTWARDLY TO A POINT IN THE EASTERLY LINE OF SAID LOT 3, THENCE NORTHEASTWARDLY 87 FEET SOUTH OF THE NORTHEASTERLY CORNER OF SAID LOT 3, THENCE NORTHEASTWARDLY TO THE NORTHEASTERLY CORNER OF SAID LOT 2, THENCE WESTERWARDLY ALONG THE NORTHERLY LINE OF SAID LOTS 2 AND 3 TO THE POINT OF BEGINNING, IN BLOCK 1 IN WARDER'S SUBDIVISION OF OUTLOT 32 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, AND ALL OF LOTS 3, 4, 5, 6, 7, 8 AND 9 (EXCEPT THE WEST 25 FEET THEREOF), AND THAT PART OF LOT 14 LYING WEST OF A LINE DRAWN FROM A POINT ON THE NORTH LINE OF SAID LOT 14, 51 FEET 8 INCHES EAST OF THE NORTHWEST CORNER THEREOF TO A POINT ON THE SOUTH LINE OF SAID LOT 14, 51 FEET 6 ½ INCHES EAST OF THE SOUTHWEST CORNER OF SAID LOT 14 IN BLOCK 3 IN WARDER'S SUBDIVISION OF OUTLOT 32 AFORESAID.

Addresses	PINs
411, 427, 435 and 439 West 58th Street Chicago, Illinois 60621	20-16-125-002 20-16-125-003 20-16-125-004 20-16-125-010
513, 519 and 547 West 58th Place 538 West 59th Street Chicago, Illinois 60621	20-16-126-002 20-16-126-003 20-16-126-004 20-16-126-012

PARCEL 10:

LOTS 8 AND 12 IN FREDERICK B. CLARKE'S SUBDIVISION OF LOTS 11 TO 15 IN BLOCK 4 IN WARDER'S SUBDIVISION OF OUTLOT 32 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
426 and 436 West 59th Street Chicago, Illinois 60621	20-16-127-010 20-16-127-014

PARCEL 11:

ALL THAT TRIANGULAR SHAPED PARCEL OF LAND SITUATED IN THE CITY OF CHICAGO, COUNTY OF COOK AND STATE OF ILLINOIS, BEING PARTS OF LOTS 1 TO 11, INCLUSIVE, IN BLOCK 1 OF WRIGHT, EMBREE ANY AYERS' SUBDIVISION OF OUTLOT OR BLOCK 33 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUND AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE EASTERLY LINE OF AN ALLEY, 18 FEET WIDE, MEETS THE SOUTHERLY LINEOF 59TH STREET, 66 FEET WIDE, SAID BEGINNING POINT BEING ALSO WHERE THE SOUTHWESTERLY LINE OF THE RELOCATED PORTION OF STEWART AVENUE, 33 FEET WIDE, MEETS SAID SOUTHERLY LINE OF 59TH STREET; EXTENDING FROM SAID BEGINNING POINT THE FOLLOWING THREE COURSES AND DISTANCES: (1) SOUTHEASTWARDLY, ALONG SAID SOUTHWESTERLY LINE OF THE RELOCATED PORTION OF STEWART AVENUE, 279.5 FEET TO AN ANGLE POINT IN SAID STEWART AVENUE, BEING IN THE SOUTHERLY LINE OF SAID LOT 11; (2) WESTWARDLY ALONG SAID SOUTHERLY LINE OF LOT 11, A DISTANCE OF 91 FEET TO SAID EASTERLY LINE OF ALLEY; AND (3) NORTHWARDLY ALONG THE SAME, 264 FEET TO THE PLACE OF BEGINNING;

ALSO

LOT 13 (EXCEPT THE EAST 33 FEET THEREOF), THE WEST 91 FEET OF LOT 20, LOT 24, THE NORTH 6 FEET OF LOT 36, LOT 37, THE NORTH 18 FEET OF LOT 39, THE SOUTH 14 FEET OF LOT 40, ALL OF LOTS 44, 46, 48 AND 50 IN BLOCK 1; THE WEST 99 FEET OF LOTS 1 TO 4, THE SOUTH 12 FEET 10 INCHES OF LOT 7, THE NORTH 12 FEET OF LOT 8, THE SOUTH 12 FEET OF LOT 9, ALL OF LOTS 10, 11 AND 12, THE NORTH 6 FEET OF LOT 13, THE SOUTH 11 FEET OF LOT 23, AND ALL OF LOTS 24, 25, 26 AND 40 IN BLOCK 2; THE SOUTH 3 FEET OF LOT 7, ALL OF LOT 8, THE SOUTH 3 FEET OF LOT 12, ALL OF LOT 13, THE NORTH 6 FEET OF LOT 14, ALL OF LOT 48, AND THE SOUTH 4 FEET OF LOT 49 IN BLOCK 3; AND LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9 AND THE NORTH 24 FEET OF LOT 10 IN BLOCK 4, ALL IN WRIGHT, EMBREE ANY AYERS' SUBDIVISION OF OUTLOT OR BLOCK 33 OF SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
5900, 5916, 5918 and 5920 South Parnell Avenue Chicago, Illinois 60621	20-16-303-003 20-16-303-004 20-16-303-005 20-16-303-006
5911 South Parnell Avenue 5916 and 5926 South Normal Boulevard Chicago, Illinois 60621	20-16-304-006 20-16-304-028 20-16-304-032
5931 South Normal Boulevard 425 West 59th Street 5916, 5920, 5924, 5926, 5954 and 5960 South Eggleston Avenue Chicago, Illinois 60621	20-16-305-012 20-16-305-031 20-16-305-023 20-16-305-032 20-16-305-028 20-16-305-040 20-16-305-030 20-16-305-041
5907, 5911, 5915, 5921, 5931 and 5939 South Eggleston Avenue 5910, 5928, 5946 and 5954 South Stewart Avenue Chicago, Illinois 60621	20-16-306-002 20-16-306-014 20-16-306-004 20-16-306-032 20-16-306-006 20-16-306-039 20-16-306-008 20-16-306-043 20-16-306-012 20-16-306-049

PARCEL 12:

LOTS 1 AND 2 IN KESSLER BROTHERS' RESUBDIVISION OF LOTS 27, 28, 29, 30, 31, 32 AND 33 IN SUBDIVISION OF BLOCK 2 IN THE SUBDIVISION OF OUTLOT 33 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
446 West 60th Street Chicago, Illinois 60621	20-16-305-022

PARCEL 13:

LOTS 36, 46 AND 47 (EXCEPT THAT PART OF LOT 47 CONVEYED TO LUCIAN L. GILBERT, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 47, THENCE WEST ON THE LINE OF ALLEY 8 ½ FEET; THENCE SOUTHERLY ON A CURVE TO THE LEFT RADIUS OF 851 3/10

FEET FROM A TANGENT 33 FEET WEST OF AND PARALLEL WITH STEWART AVENUE TO THE SOUTHEAST CORNER OF LOT 47, THENCE NORTH ON THE WEST LINE OF LOT 48 TO THE PLACE OF BEGINNING) IN GUNN'S SUBDIVISION OF BLOCK 1 IN CLOUGH AND BARNEY'S SUBDIVISION OF LOTS 34 AND 35 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Addresses	PINs
402 and 428 West 60th Place Chicago, Illinois 60621	20-16-312-028 20-16-312-036

PARCEL 14:

LOT 3 AND THE EAST ½ OF LOT 4 IN H. A. HURLBUT'S SUBDIVISION OF BLOCKS 3 AND 4 IN CLOUGH AND BARNEY'S SUBDIVISION OF OUTLOTS OR BLOCKS 34 AND 35 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address	PIN
407 West 60th Place Chicago, Illinois 60621	20-16-314-016

(sub) EXHIBIT B to Redevelopment Agreement

PROPERTY INDEX NUMBERS OF DEVELOPER PARCELS

AND

MAP IDENTIFYING DEVELOPER PARCELS

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

[Attached]

PIN	Address
20-16-104-002	545 West Garfield Boulevard
20-16-104-003	543 West Garfield Boulevard
20-16-104-004	541 West Garfield Boulevard
20-16-104-009	523 West Garfield Boulevard
20-16-104-010	519 West Garfield Boulevard
20-16-104-011	517 West Garfield Boulevard
20-16-104-012	511-13 West Garfield Boulevard
20-16-104-013	509 West Garfield Boulevard
20-16-104-014	507 West Garfield Boulevard
20-16-104-015	501 West Garfield Boulevard
20-16-104-017	546 West 56th Street
20-16-104-018	542 West 56th Street
20-16-104-019	536 West 56th Street
20-16-104-020	536 West 56th Street
20-16-104-022	530 West 56th Street
20-16-104-023	528 West 56th Street
20-16-104-024	524 West 56th Street
20-16-104-025	522 West 56th Street
20-16-104-026	520 West 56th Street
20-16-104-028	514 West 56th Street
20-16-104-029	512 West 56th Street
20-16-104-030	510 West 56th Street
20-16-104-031	508 West 56th Street
20-16-104-032	506 West 56th Street
20-16-104-033	500 West 56th Street
20-16-104-034	Rail
20-16-104-035	553 West Garfield Boulevard
20-16-104-036	Rail
20-16-104-037	546 West 56th Street
20-16-105-003	445 West Garfield Boulevard
20-16-105-004	443 West Garfield Boulevard
20-16-105-005	441 West Garfield Boulevard
20-16-105-006	439 West Garfield Boulevard
20-16-105-007	435 West Garfield Boulevard
20-16-105-008	433 West Garfield Boulevard
20-16-105-009	431 West Garfield Boulevard
20-16-105-010	427 West Garfield Boulevard
20-16-105-011	425 West Garfield Boulevard
20-16-105-012	423 West Garfield Boulevard
20-16-105-013	421 West Garfield Boulevard
20-16-105-014	419 West Garfield Boulevard
20-16-105-015	415 West Garfield Boulevard
20-16-105-016	413 West Garfield Boulevard
20-16-105-017	407 West Garfield Boulevard
20-16-105-018	409 West Garfield Boulevard
20-16-105-019	405 West Garfield Boulevard
20-16-105-020	403 West Garfield Boulevard
20-16-105-023	446 West 56th Street
20-16-105-024	444 West 56th Street
20-16-105-025	442 West 56th Street
20-16-105-027	436 West 56th Street

PIN	Address
20-16-105-031	426 West 56th Street
20-16-105-032	424 West 56th Street
20-16-105-033	424 West 56th Street
20-16-105-034	420 West 56th Street
20-16-105-036	412 West 56th Street
20-16-105-037	412 West 56th Street
20-16-105-038	410 West 56th Street
20-16-105-039	406 West 56th Street
20-16-105-040	404 West 56th Street
20-16-105-041	402 West 56th Street
20-16-105-042	400 West 56th Street
20-16-105-043	400 West 56th Street
20-16-105-046	434 West 56th Street
20-16-105-047	432 West 56th Street
20-16-105-048	450 West 56th Street
20-16-105-049	5525 South Normal Avenue
20-16-106-001	547 West 56th Street
20-16-106-002	543 West 56th Street
20-16-106-003	541 West 56th Street
20-16-106-004	539 West 56th Street
20-16-106-005	537 West 56th Street
20-16-106-007	531 West 56th Street
20-16-106-008	529 West 56th Street
20-16-106-016	5608 South Normal Avenue
20-16-106-017	5614 South Normal Avenue
20-16-106-019	544 West Tremont Street
20-16-106-020	540 West Tremont Street
20-16-106-021	538 West Tremont Street
20-16-106-023	532 West Tremont Street
20-16-106-024	530 West Tremont Street
20-16-106-025	528 West Tremont Street
20-16-106-026	524 West Tremont Street
20-16-106-027	522 West Tremont Street
20-16-106-028	520 West Tremont Street
20-16-106-029	518 West Tremont Street
20-16-106-030	514 West Tremont Street
20-16-106-031	5616 South Normal Avenue
20-16-106-032	5620 South Normal Avenue
20-16-106-033	508 West Tremont Street
20-16-106-034	511 West 56th Street
20-16-106-035	509 West 56th Street
20-16-106-036	Rail
20-16-106-037	545 West 56th Street
20-16-106-038	Rail
20-16-106-039	5621 South Wallace Street
20-16-107-002	5607 South Normal Avenue
20-16-107-003	5609 South Normal Avenue
20-16-107-004	5611 South Normal Avenue
20-16-107-007	443 West 56th Street
20-16-107-009	437 West 56th Street
20-16-107-014	425 West 56th Street

PIN	Address
20-16-107-015	423 West 56th Street
20-16-107-016	421 West 56th Street
20-16-107-017	417 West 56th Street
20-16-107-020	411 West 56th Street
20-16-107-021	407 West 56th Street
20-16-107-022	405 West 56th Street
20-16-107-023	403 West 56th Street
20-16-107-024	401 West 56th Street
20-16-107-027	5621 South Normal Avenue
20-16-107-028	444 West Tremont Street
20-16-107-029	440 West Tremont Street
20-16-107-031	434 West Tremont Street
20-16-107-032	432 West Tremont Street
20-16-107-033	430 West Tremont Street
20-16-107-034	426 West Tremont Street
20-16-107-038	416 West Tremont Street
20-16-107-039	414 West Tremont Street
20-16-107-040	412 West Tremont Street
20-16-107-041	410 West Tremont Street
20-16-107-042	406 West Tremont Street
20-16-107-045	400 West Tremont Street
20-16-107-046	5601 South Normal Avenue
20-16-107-047	5605 South Normal Avenue
20-16-107-048	400 West 56th Street
20-16-107-049	401 West Tremont Street
20-16-107-051	5617 South Normal Avenue
20-16-107-052	5619 South Normal Avenue
20-16-108-002	543 West Tremont Street
20-16-108-003	541 West Tremont Street
20-16-108-004	539 West Tremont Street
20-16-108-005	537 West Tremont Street
20-16-108-006	535 West Tremont Street
20-16-108-007	531 West Tremont Street
20-16-108-008	529 West Tremont Street
20-16-108-009	525 West Tremont Street
20-16-108-012	519 West Tremont Street
20-16-108-013	515 West Tremont Street
20-16-108-015	5642 South Normal Avenue
20-16-108-017	510 West 56th Place
20-16-108-018	5646 South Normal Avenue
20-16-108-021	Rail
20-16-108-022	5631 South Wallace Street
20-16-108-023	5638 South Normal Avenue
20-16-108-024	511 West Tremont Street
20-16-109-003	5645 South Normal Avenue
20-16-109-004	5649 South Normal Avenue
20-16-109-005	5653 South Normal Avenue
20-16-109-006	441 West Tremont Street
20-16-109-007	439 West Tremont Street
20-16-109-008	435 West Tremont Street
20-16-109-009	433 West Tremont Street

PIN	Address
20-16-109-010	431 West Tremont Street
20-16-109-011	427 West Tremont Street
20-16-109-013	423 West Tremont Street
20-16-109-014	423 West Tremont Street
20-16-109-016	415 West Tremont Street
20-16-109-017	413 West Tremont Street
20-16-109-018	411 West Tremont Street
20-16-109-019	407 West Tremont Street
20-16-109-020	405 West Tremont Street
20-16-109-021	403 West Tremont Street
20-16-109-023	401 West Tremont Street
20-16-109-025	5637 South Normal Avenue
20-16-109-026	5641 South Normal Avenue
20-16-109-028	401 West Tremont Street
20-16-110-018	5658 South Normal Avenue
20-16-110-019	5660 South Normal Avenue
20-16-110-020	5662 South Normal Avenue
20-16-110-022	548 West 57th Street
20-16-110-023	544 West 57th Street
20-16-110-024	542 West 57th Street
20-16-110-025	540 West 57th Street
20-16-110-026	538 West 57th Street
20-16-110-027	534 West 57th Street
20-16-110-030	526 West 57th Street
20-16-110-032	522 West 57th Street
20-16-110-034	516 West 57th Street
20-16-110-035	514 West 57th Street
20-16-110-036	512 West 57th Street
20-16-110-037	5666 South Normal Avenue
20-16-110-039	5672 South Normal Avenue
20-16-110-040	5674 South Normal Avenue
20-16-110-041	5676 South Normal Avenue
20-16-110-043	539 West 56th Place
20-16-110-044	525 West 56th Place
20-16-110-045	5654 South Normal Avenue
20-16-110-046	Rail
20-16-110-047	551 West 56th Place
20-16-110-048	Rail
20-16-110-049	552 West 57th Street
20-16-111-002	5657 South Normal Avenue
20-16-111-003	5659 South Normal Avenue
20-16-111-004	5661 South Normal Avenue
20-16-111-005	5663 South Normal Avenue
20-16-111-006	445 West 56th Place
20-16-111-007	437 West 56th Place
20-16-111-008	435 West 56th Place
20-16-111-011	429 West 56th Place
20-16-111-012	425 West 56th Place
20-16-111-014	421 West 56th Place
20-16-111-015	417 West 56th Place
20-16-111-016	415 West 56th Place

PIN	Address
20-16-111-017	413 West 56th Place
20-16-111-018	411 West 56th Place
20-16-111-019	407 West 56th Place
20-16-111-023	5667 South Normal Avenue
20-16-111-024	5671 South Normal Avenue
20-16-111-026	444 West 57th Street
20-16-111-027	438 West 57th Street
20-16-111-028	434 West 57th Street
20-16-111-029	430 West 57th Street
20-16-111-030	428 West 57th Street
20-16-111-031	424 West 57th Street
20-16-111-032	416 West 57th Street
20-16-111-033	414 West 57th Street
20-16-111-041	401 West 56th Place
20-16-111-042	400 West 57th Street
20-16-111-046	401 West 56th Place
20-16-111-047	400 West 57th Street
20-16-116-004	537 West 57th Street
20-16-116-005	533 West 57th Street
20-16-116-006	531 West 57th Street
20-16-116-007	527 West 57th Street
20-16-116-008	525 West 57th Street
20-16-116-011	517 West 57th Street
20-16-116-012	515 West 57th Street
20-16-116-013	513 West 57th Street
20-16-116-014	509 West 57th Street
20-16-116-016	5704 South Normal Avenue
20-16-116-017	5708 South Normal Avenue
20-16-116-018	542 West 57th Place
20-16-116-019	540 West 57th Place
20-16-116-020	536 West 57th Place
20-16-116-021	534 West 57th Place
20-16-116-022	530 West 57th Place
20-16-116-023	528 West 57th Place
20-16-116-024	524 West 57th Place
20-16-116-025	522 West 57th Place
20-16-116-026	518 West 57th Place
20-16-116-027	516 West 57th Place
20-16-116-029	512 West 57th Place
20-16-116-030	5712 South Normal Avenue
20-16-116-031	5714 South Normal Avenue
20-16-116-032	5716 South Normal Avenue
20-16-116-033	5718 South Normal Avenue
20-16-116-038	5706 South Normal Avenue
20-16-116-039	Rail
20-16-116-040	546 West 57th Street
20-16-117-001	5701 South Normal Avenue
20-16-117-002	5703 South Normal Avenue
20-16-117-004	5709 South Normal Avenue
20-16-117-005	445 West 57th Street
20-16-117-008	437 West 57th Street

PIN	Address
20-16-117-016	401 West 57th Street
20-16-117-018	5719 South Normal Avenue
20-16-117-019	5723 South Normal Avenue
20-16-117-020	444 West 57th Place
20-16-117-021	442 West 57th Place
20-16-117-022	438 West 57th Place
20-16-117-029	414 West 57th Place
20-16-117-030	410 West 57th Place
20-16-117-031	406 West 57th Place
20-16-117-032	402 West 57th Place
20-16-117-033	407 West 57th Place
20-16-117-034	424 West 57th Place
20-16-117-035	415 West 57th Place
20-16-117-036	401 West 57th Place
20-16-117-037	400 West 57th Place
20-16-117-038	5713 South Normal Avenue
20-16-117-039	5717 South Normal Avenue
20-16-118-002	543 West 57th Place
20-16-118-003	541 West 57th Place
20-16-118-004	539 West 57th Place
20-16-118-005	537 West 57th Place
20-16-118-006	535 West 57th Place
20-16-118-007	531 West 57th Place
20-16-118-008	529 West 57th Place
20-16-118-009	525 West 57th Place
20-16-118-010	523 West 57th Place
20-16-118-011	519 West 57th Place
20-16-118-012	515 West 57th Place
20-16-118-016	540 West 58th Street
20-16-118-017	538 West 58th Street
20-16-118-018	534 West 58th Street
20-16-118-019	530 West 58th Street
20-16-118-020	524 West 58th Street
20-16-118-021	528 West 58th Street
20-16-118-022	522 West 58th Street
20-16-118-023	518 West 58th Street
20-16-118-024	516 West 58th Street
20-16-118-025	512 West 58th Street
20-16-118-026	510 West 58th Street
20-16-118-028	502 West 58th Street
20-16-118-029	5746 South Normal Avenue
20-16-118-030	5748 South Normal Avenue
20-16-118-031	5732 South Normal Avenue
20-16-118-032	5736 South Normal Avenue
20-16-118-033	5738 South Normal Avenue

PIN	Address
20-16-118-034	5742 South Normal Avenue
20-16-118-035	Rail
20-16-118-036	5747 South Wallace Street
20-16-119-003	443 West 57th Place
20-16-119-004	441 West 57th Place
20-16-119-005	439 West 57th Place
20-16-119-006	437 West 57th Place
20-16-119-008	431 West 57th Place
20-16-119-009	429 West 57th Place
20-16-119-010	427 West 57th Place
20-16-119-011	425 West 57th Place
20-16-119-012	411 West 58th Street
20-16-119-013	401 West 58th Street
20-16-119-014	5745 South Normal Avenue
20-16-119-015	5747 South Normal Avenue
20-16-119-016	5749 South Normal Avenue
20-16-119-017	5751 South Normal Avenue
20-16-119-018	442 West 58th Street
20-16-119-019	440 West 58th Street
20-16-119-020	436 West 58th Street
20-16-119-021	432 West 58th Street
20-16-119-022	430 West 58th Street
20-16-119-023	428 West 58th Street
20-16-119-024	424 West 58th Street
20-16-119-025	422 West 58th Street
20-16-119-026	410 West 58th Street
20-16-119-027	402 West 58th Street
20-16-119-028	400 West 58th Street
20-16-124-002	547 West 58th Place
20-16-124-003	513 West 58th Place
20-16-124-004	501 West 58th Place
20-16-124-005	Rail
20-16-124-006	526 West 58th Place
20-16-125-001	447 West 58th Place
20-16-125-014	Crossover
20-16-126-005	5834 South Normal Avenue
20-16-126-006	5846 South Normal Avenue
20-16-126-007	552 West 59th Street
20-16-126-008	548 West 59th Street
20-16-126-010	512 West 59th Street
20-16-126-011	500 West 59th Street
20-16-126-013	532 West 59th Street
20-16-126-014	Rail
20-16-126-015	554 West 58th Place
20-16-127-003	5849 South Normal Avenue
20-16-127-004	5853 South Normal Avenue
20-16-127-005	5855 South Normal Avenue
20-16-127-006	5857 South Normal Avenue
20-16-127-007	5859 South Normal Avenue
20-16-127-008	442 West 59th Street

PIN	Address
20-16-127-009	438 West 59th Street
20-16-127-011	434 West 59th Street
20-16-127-012	432 West 59th Street
20-16-127-013	428 West 59th Street
20-16-127-015	424 West 59th Street
20-16-127-016	420 West 59th Street
20-16-127-022	Crossover
20-16-304-001	525 West 59th Street
20-16-304-002	521 West 59th Street
20-16-304-003	519 West 59th Street
20-16-304-004	515 West 59th Street
20-16-304-005	5907 South Parnell Avenue
20-16-304-007	5915 South Parnell Avenue
20-16-304-008	5919 South Parnell Avenue
20-16-304-009	5921 South Parnell Avenue
20-16-304-010	5923 South Parnell Avenue
20-16-304-011	5925 South Parnell Avenue
20-16-304-012	5927 South Parnell Avenue
20-16-304-013	5931 South Parnell Avenue
20-16-304-014	5933 South Parnell Avenue
20-16-304-015	5935 South Parnell Avenue
20-16-304-016	5939 South Parnell Avenue
20-16-304-017	5943 South Parnell Avenue
20-16-304-018	5945 South Parnell Avenue
20-16-304-019	5947 South Parnell Avenue
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20-16-304-025	5908 South Normal Avenue
20-16-304-026	5912 South Normal Avenue
20-16-304-027	5914 South Normal Avenue
20-16-304-029	5918 South Normal Avenue
20-16-304-030	5922 South Normal Avenue
20-16-304-031	5924 South Normal Avenue
20-16-304-033	5932 South Normal Avenue
20-16-304-034	5936 South Normal Avenue
20-16-304-035	5938 South Nomal Boulevard
20-16-304-036	5942 South Normal Avenue
20-16-304-037	5946 South Normal Avenue
20-16-304-038	5950 South Normal Avenue
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20-16-304-040	5958 South Normal Avenue
20-16-304-041	5903 South Normal Avenue
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20-16-305-008	5921 South Normal Avenue
20-16-305-009	5923 South Normal Avenue

PIN	Address
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20-16-305-014	5935 South Normal Avenue
20-16-305-015	5937 South Normal Avenue
20-16-305-016	5941 South Normal Avenue
20-16-305-017	5943 South Normal Avenue
20-16-305-018	5947 South Normal Avenue
20-16-305-019	5949 South Normal Avenue
20-16-305-020	454 West 60th Street
20-16-305-021	452 West 60th Street
20-16-305-024	431 West 59th Street
20-16-305-025	5908 South Eggleston Avenue
20-16-305-026	5910 South Eggleston Avenue
20-16-305-027	5914 South Eggleston Avenue
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20-16-305-033	5930 South Eggleston Avenue
20-16-305-034	5934 South Eggleston Avenue
20-16-305-035	5936 South Eggleston Avenue
20-16-305-036	5940 South Eggleston Avenue
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20-16-305-038	5946 South Eggleston Avenue
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20-16-306-011	5927 South Eggleston Avenue
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20-16-306-017	5947 South Eggleston Avenue
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20-16-306-022	412 West 60th Street
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20-16-306-042	5952 South Stewart Avenue
20-16-306-044	5956 South Stewart Avenue

PIN	Address
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20-16-306-046	5901 South Eggleston Avenue
20-16-306-047	5903 South Eggleston Avenue
20-16-306-048	400 West 60th Street
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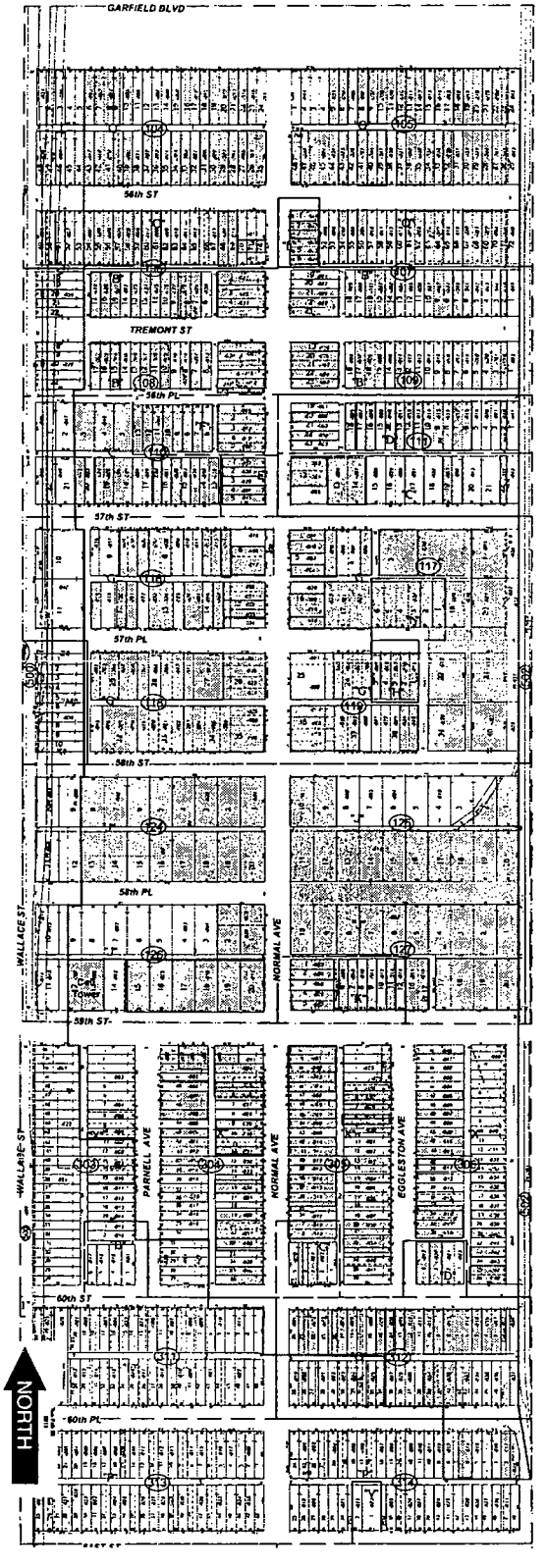
20-16-312-013	415 West 60th Street
20-16-312-014	411 West 60th Street
20-16-312-015	407 West 60th Street
20-16-312-016	405 West 60th Street
20-16-312-017	403 West 60th Street
20-16-312-018	403 West 60th Street
20-16-312-027	430 West 60th Place
20-16-312-031	418 West 60th Place
20-16-312-032	416 West 60th Place
20-16-312-033	410 West 60th Place
20-16-312-034	408 West 60th Place
20-16-312-035	404 West 60th Place
20-16-312-037	400 West 60th Place
20-16-312-038	401 West 60th Street
20-16-312-039	424 West 60th Place
20-16-314-013	417 West 60th Place
20-16-314-014	413 West 60th Place
20-16-314-015	409 West 60th Place
20-16-314-017	403 West 60th Place
20-16-314-034	Road


GARFIELD BLVD
56th ST
TREMONT ST
56th PL
57th ST
57th PL
58th ST
58th PL
59th ST
WALLACE ST
NORMAL AVE
PARNELL AVE
EGGLESTON AVE
60th ST
60th PL
NORTH

(sub) EXHIBIT C to Redevelopment Agreement

LEGAL DESCRIPTION OF CHA PARCELS

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

MAM-200900-6010.0

THE WEST HALF OF LOT 3 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO THE EAST HALF OF LOT 3 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO THE WEST HALF OF LOT 4 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO THE EAST HALF OF LOT 4 IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO THE WEST HALF OF LOT 5 IN BLOCK 1 IN SPRINGER AND PIERCES SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO EAST HALF (E.112) OF LOT FIVE (5) IN BLOCK ONE (1) IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH HALF (S.1/2) OF THE OUT LOT THIRTY (30) IN THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION SIXTEEN (16), TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FOURTEEN (14), EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-110-043

MAM-2009C0-6011.0

LOT 6 IN PIERCES RESUBDIVISION OF LOTS 6 TO 11 INCLUSIVE IN BLOCK 1 IN SPRINGER AND PIERCES SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

AND LOT 7 IN PIERCES RESUBDIVISION OF LOTS 6 TO 11 INCLUSIVE IN BLOCK 1 IN SPRINGER AND PIERCES SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

AND LOTS 8 AND 9 IN PIERCE'S SUBDIVISION OF LOTS 6 TO 11 INCLUSIVE, IN BLOCK 1 IN SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH HALF OF LOT 30 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

AND LOTS NUMBERED TEN (10) ELEVEN (11) TWELVE (12) AND THIRTEEN (13) IN PIERCE'S RE-SUBDIVISION OF LOTS SIX (6) TO ELEVEN (11) INCLUSIVE IN BLOCK ONE (1) OF SPRINGER AND PIERCE'S SUBDIVISION OF THE SOUTH HALF (S 1/2) OF LOT THIRTY (30) IN THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION SIXTEEN (16) IN TOWNSHIP THIRTY-EIGHT (38) NORTH, RANGE FOURTEEN (14) EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-110-044

MAM-2009C0-6055.0

THE EAST 50 FEET OF LOT 19 IN SUBDIVISION OF LOT 31 OF THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-117-029

MAM-2009C0-6056.0

ALL THAT PART OF THE VACATED ALLEY LYING WEST OF AND ADJACENT TO LOTS ONE (1) AND TWENTY (20) IN EMMA ROSENMERKEL'S SUBDIVISION OF BLOCK THIRTY-ONE (31) IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION (16) TOWNSHIP 38 N., RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-117-030

MAM-2009C0-6057.0

LOT 20 (EXCEPT THE EAST 33 FEET MORE OR LESS) IN SUBDIVISION OF LOT 31 OF THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-117-031; 20-16-117-032

MAM-2009C0-6059.0

LOT 1 (EXCEPT THE EAST 33 FEET THEREOF) IN SUBDIVISION OF LOT 31 OF THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-117-033; 20-1 6-1 17-016

MAM-2009C0-6060.0

LOTS 1, 2, 3, 4, 5 AND 6 IN H. WALLACE CARTER'S RESUBDIVISION OF LOT 18, LOT 19 (EXCEPT THE EAST 50 FEET) IN EMMA ROSENMERKEL'S SUBDIVISION OF LOT 31 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-117-034

MAM-2009C0-6061.0

LOT 2 IN SUBDIVISION OF LOT 31 OF THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO LOT 3 (EXCEPT THE WEST 20 FEET DEDICATED FOR ROADWAY) IN SUBDIVISION OF LOT 31 AND OF THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO ALL THAT PART OF THE VACATED ALLEY LYING SOUTH OF AND ADJACENT TO THE ABOVE PARCELS TAKEN AS A TRACT. SITUATED IN THE COUNTY OF COOK AND STATE OF ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-117-035

MAM-2009C0-6064.0

LOT 22 (EXCEPT THE WEST 25 FEET THEREOF DEDICATED FOR ROADWAY) IN SUBDIVISION OF LOT 31 OF THE SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO ALL THAT PART OF THE NORTH 1/2 OF THE VACATED ALLEY LYING SOUTH OF AND ADJACENT TO THE ABOVE DESCRIBED PARCEL.

ALSO ALL THAT PART OF VACATED 57TH PLACE LYING NORTH OF AND ADJACENT TO SAID LOT 22, EXCEPT THE WESTERLY 25 FEET THEREOF.

SITUATED IN THE COUNTY OF COOK AND STATE OF ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-119-012-0000

MAM-2009C0-6065.0

LOT 21, EXCEPT THE EAST 33 FEET, +/-, THEREOF, IN EMMA ROSENMERKEL'S SUBDIVISION OF LOT 31 IN SCHOOL TRUSTEES' SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO ALL THAT PART OF THE VACATED ALLEY LYING WEST OF AND ADJACENT TO SAID LOT 21.

ALSO ALL THAT PART OF VACATED 57TH PLACE LYING NORTH OF AND ADJACENT TO SAID LOT 21 AND THE VACATED ALLEY LYING WEST OF LOT 21.

SITUATED IN THE COUNTY OF COOK AND STATE OF ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-119-013-0000

MAM-2009C0-6066.0

LOT 39 (EXCEPT THE WESTERLY 25 FEET THEREOF DEDICATED FOR ROADWAY) IN SUBDIVISION OF LOT 31 OF THE SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO ALL THAT PART OF THE SOUTH 1/2 OF THE VACATED ALLEY LYING NORTH OF AND ADJACENT TO THE ABOVE DESCRIBED PARCEL.

SITUATED IN THE COUNTY OF COOK AND STATE OF ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-119-026

MAM-2009C0-6067.0

LOT 40 (EXCEPT THE EASTERLY 33 FEET THEREOF) IN EMMA ROSENMERKEL'S SUBDIVISION OF LOT 31 IN SCHOOL TRUSTEE'S SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

ALSO ALL THAT PART OF THE VACATED ALLEY LYING WEST OF AND ADJACENT TO LOT 40.

SITUATED IN THE COUNTY OF COOK AND STATE OF ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-119-027-0000

MAM-2009C0-6068.0

LOTS 6, 7 AND 8 IN BLOCK 2 IN WARDER'S SUBDIVISION OF LOT 32 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-124-002-0000

MAM-2009C0-6069.0

LOTS 2, 3, 4, AND 5 IN BLOCK 2 IN WARDER'S SUBDIVISION OF LOT 32 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-124-003-0000

MAM-2009C0-6070.0

LOT 1 IN BLOCK 2 IN WARDER'S SUBDIVISION OF LOT 32 IN SCHOOL TRUSTEES SUBDIVISION OF SECTION 16, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PERMANENT TAX NUMBER(S): 20-16-124-004-0000

(sub) EXHIBIT D to Redevelopment Agreement

NARRATIVE DESCRIPTION OF PROJECT

The Developer will utilize the Property for an expansion to its existing intermodal facility and for other related railroad facilities. The Project will occupy approximately 84 acres between W. Garfield Blvd. and W. 60th Street and will include: the demolition of acquired structures, construction of trailer and container parking lots, addition of tracks and related appurtenances, construction of new and rehabilitation of existing street overpasses, construction of buildings and a truck entrance/exit. It is anticipated that the Project will take approximately 10 years to complete.

The First Phase consists generally of grading, paving, and other work to build approximately 330 trailer and container parking spots linked to Developer's existing intermodal facility via an existing bridge over W. Garfield Blvd. The First Phase also includes the construction of a new connection track between the Developer's main tracks and a Developer track located adjacent to the METRA main tracks by using an existing rail bridge over S. Normal Blvd., and the construction of a new wye track leading between the new connection track and Developer's main tracks.

Phase 2 of the Project consist generally of grading, paving, and other work necessary to build additional trailer and container parking spots between W. Garfield Blvd. and W. 59th Street.

Phase 3 of the Project consists generally of a further parking expansion (to the south and east of the Phase 2 parking area), the construction of new loading and unloading tracks south of W. Garfield Blvd., the installation of a supplemental intermodal facility truck entrance / exit off of W. 59th Street, and the construction of new track and road bridges over W. Garfield Blvd. and W. 59th Street. The relocation of the connection track and wye track built in the First Phase may also be necessary.

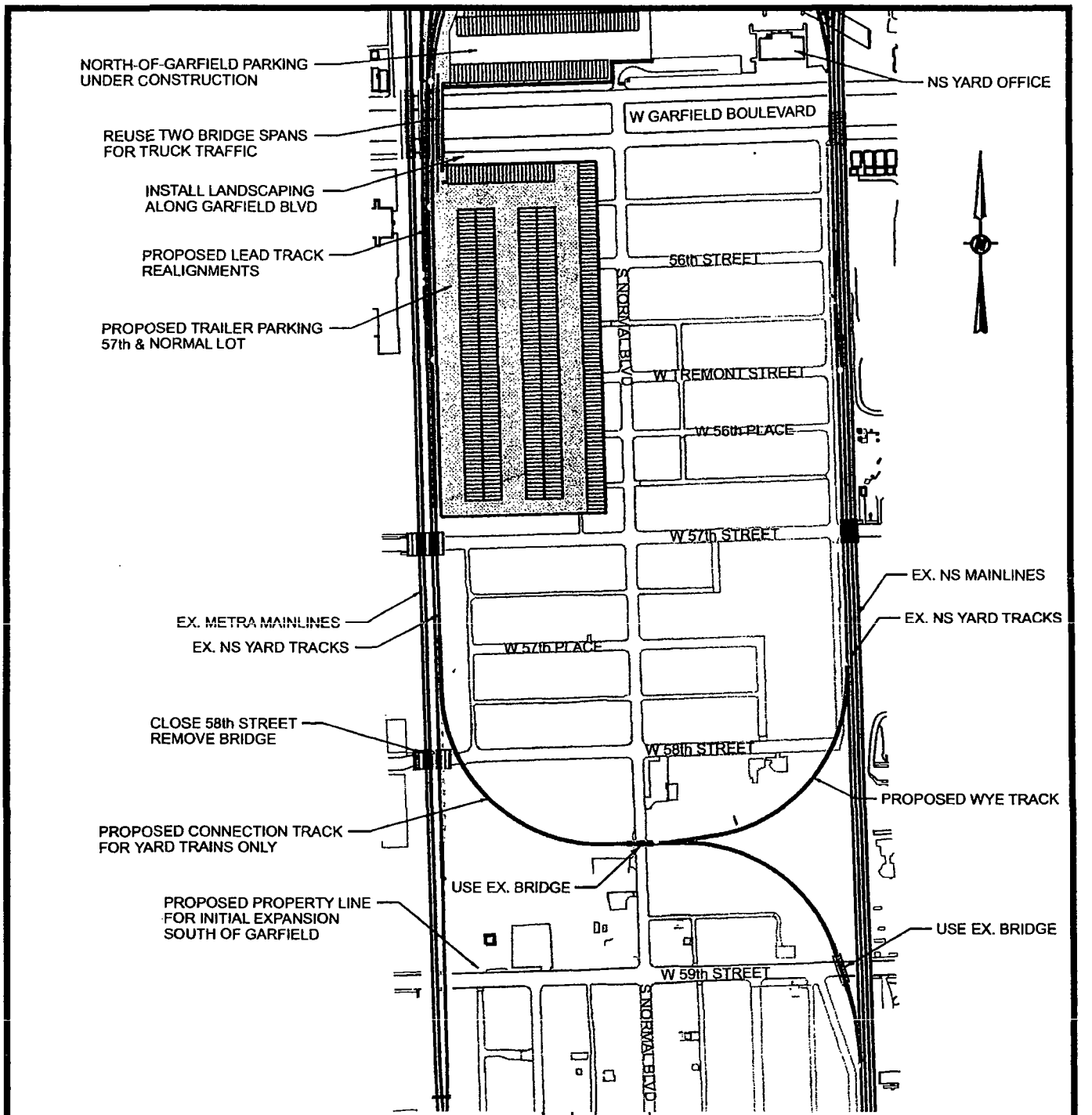
The design plans for Phases 2 and 3 are in a conceptual stage, and are subject to revision based on commercial needs, funding availability, and engineering considerations.

(sub) EXHIBIT D-1 to Redevelopment Agreement

FIRST PHASE PROJECT AREA

[Attached]

Exhibit D-1



REV	BY	DATE	DESCRIPTION
R1	JSM	05/31/12	MISC. UPDATES.

NORFOLK SOUTHERN

NORFOLK SOUTHERN RAILWAY CO.
OWNING COMPANY
DEARBORN DIVISION
OPERATING DIVISION
OFFICE OF THE CHIEF ENGINEER - DESIGN AND CONSTRUCTION - ATLANTA, GA.

LOCATION: CHICAGO, IL

TITLE: 47th STREET INTERMODAL FACILITY - SOUTH OF GARFIELD
First PHASE OF SITE DEVELOPMENT

DGN	JSM	PID NO. D1605	VPN 3202057	MILE POST	CD-516
DWN	JSM	FILE NO. BLD0006882		DRAWING NUMBER	TA-2012-05 R1
CHK		DATE 05/22/12			

CADD FILE:

SHEET 1 OF 1

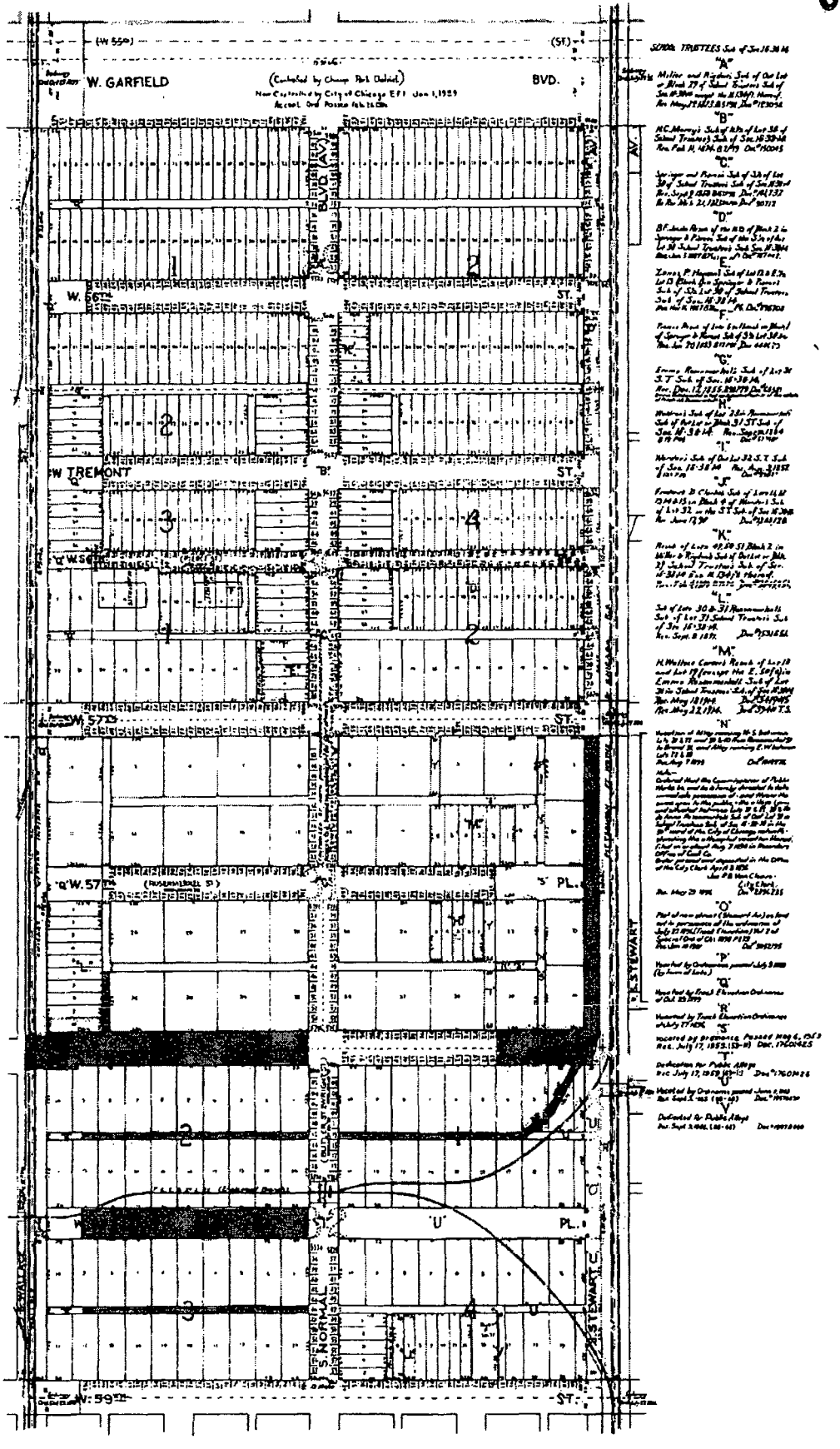
(sub) EXHIBIT E to Redevelopment Agreement

STREETS AND ALLEYS TO BE VACATED

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

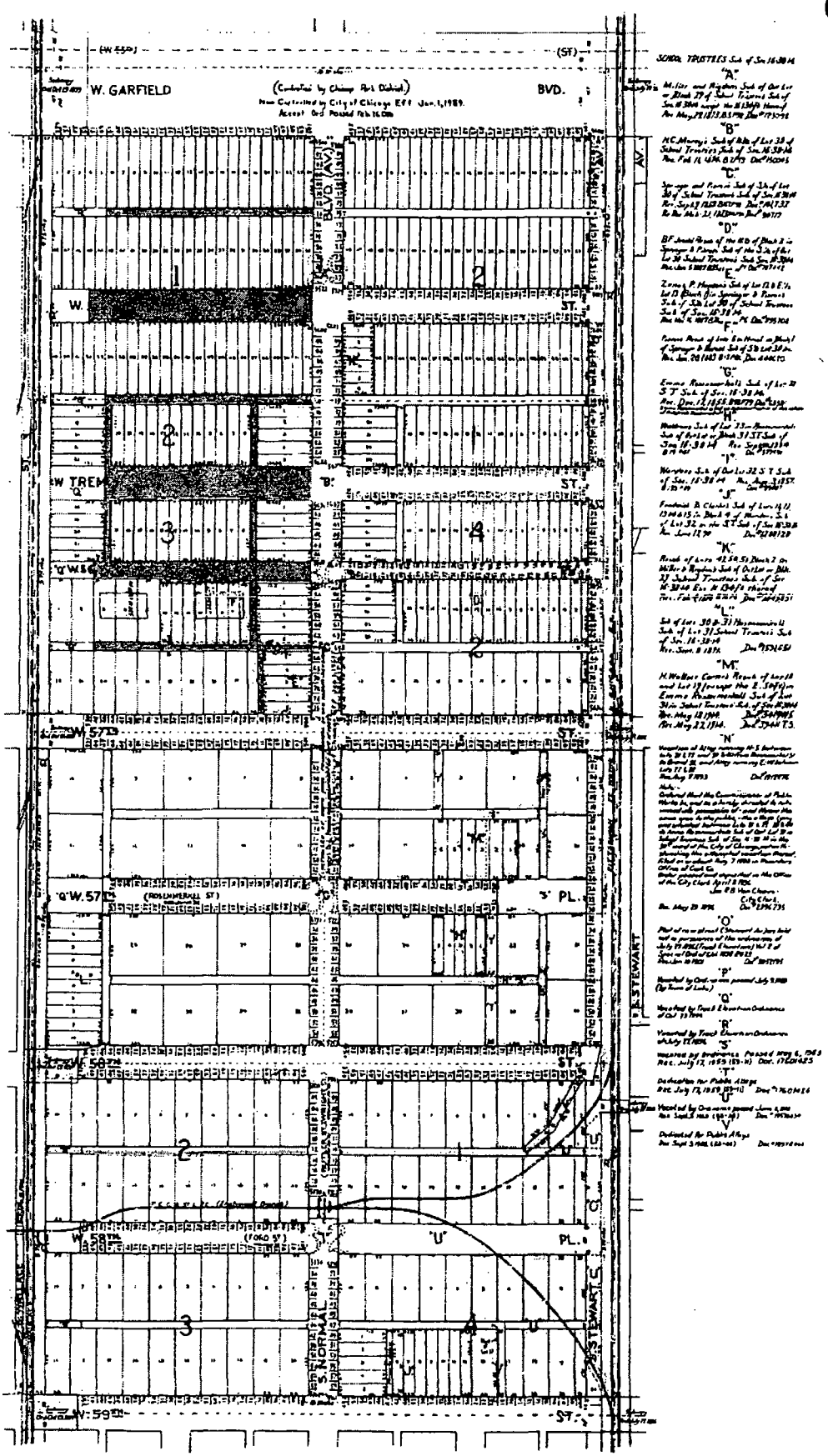
[To come]

E.½ N.W.¼ SEC. 16·38·14.



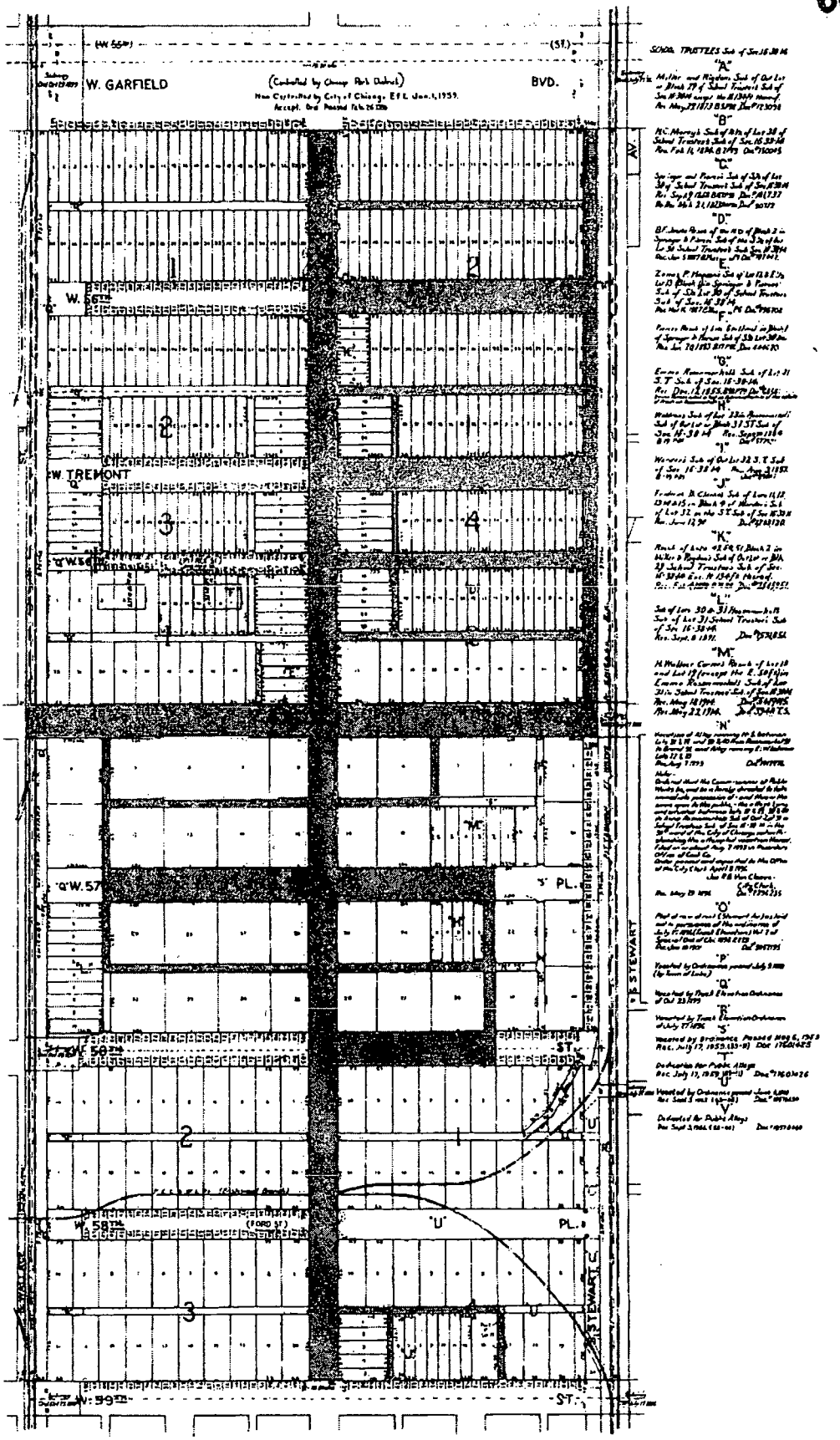
Town of Lake / Page 66

E.½ N.W.¼ SEC. 16-38-14.

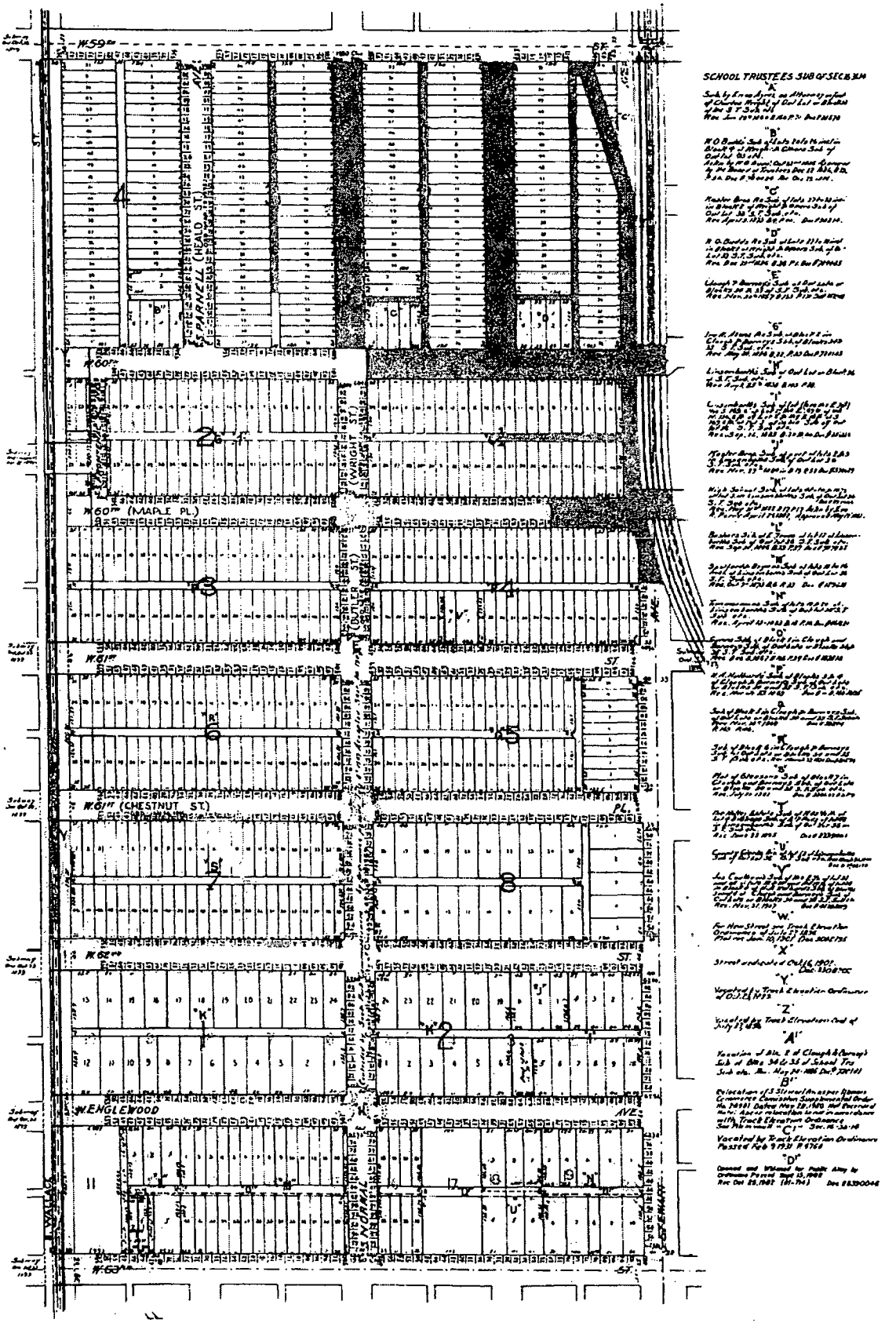


Town of Lake / Page 66

E.½ N.W.¼ SEC. 16-38-14.



Town of Lake / Page 66

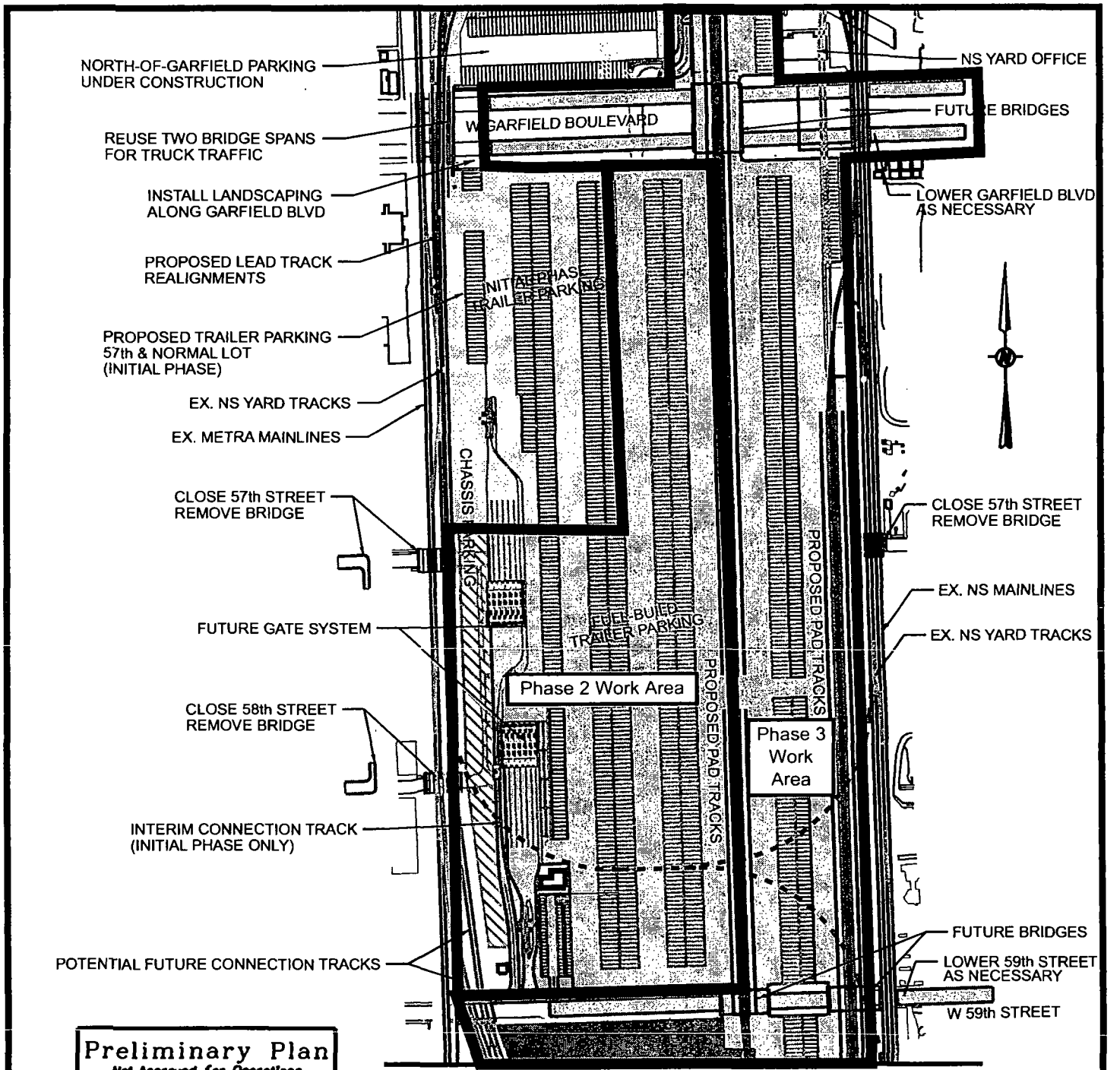


Town of Lake 1 Page 70

(sub) EXHIBIT F to Redevelopment Agreement

CONCEPTUAL PLANS FOR FUTURE PHASES

(ATTACHED)



Preliminary Plan
Not Approved for Operations

Conceptual Plan
Drawing Subject to Survey

CONCEPTUAL PLAN - SUBJECT TO CHANGE

200 0 400 800

SCALE :1"=400' DO NOT SCALE THIS DRAWING FOR DIMENSIONS NOT GIVEN

REV	BY	DATE	DESCRIPTION

NORFOLK SOUTHERN

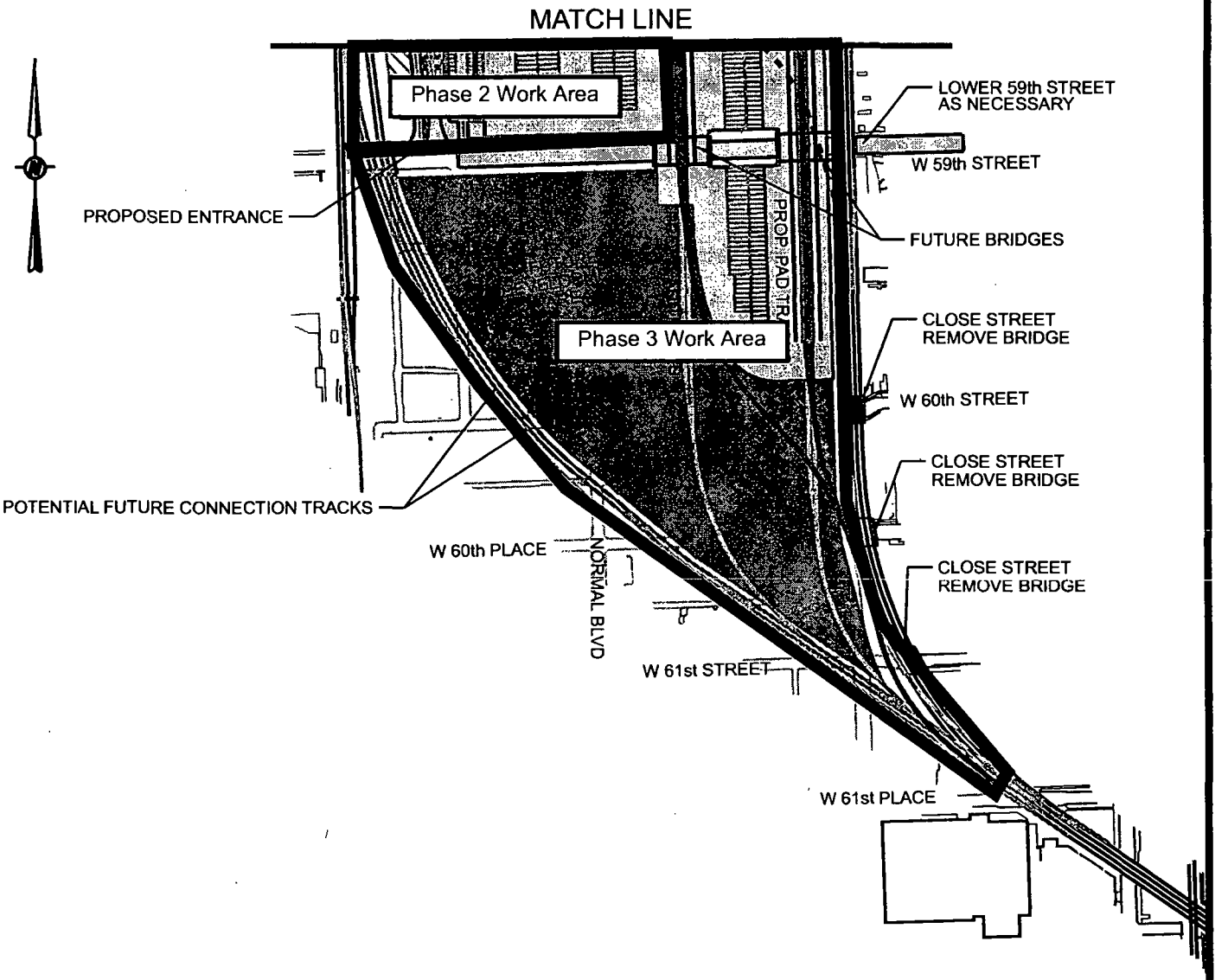
NORFOLK SOUTHERN RAILWAY CO.
OWNING COMPANY
DEARBORN DIVISION
OPERATING DIVISION
OFFICE OF THE CHIEF ENGINEER - DESIGN AND CONSTRUCTION - ATLANTA, GA.

LOCATION: CHICAGO, IL

TITLE: 47th STREET INTERMODAL FACILITY - SOUTH OF GARFIELD
POTENTIAL FULL-BUILD SITE DEVELOPMENT
GARFIELD BLVD. TO 59th STREET

DGN	JSM	PID NO. D1605	VRN 3202057	MILE POST	CD-516
DWN	JSM	FILE NO. BLD0006882		DRAWING NUMBER	TA-2012-06
CHK		DATE 05/31/12			

CADD FILE:



Preliminary Plan
Not Approved for Operations

Conceptual Plan
Drawing Subject to Survey

CONCEPTUAL PLAN - SUBJECT TO CHANGE

200 0 400 800

SCALE :1"=400' DO NOT SCALE THIS DRAWING FOR DIMENSIONS NOT GIVEN

REV	BY	DATE	DESCRIPTION

NORFOLK SOUTHERN

NORFOLK SOUTHERN RAILWAY CO.
OWNING COMPANY
DEARBORN DIVISION
OPERATING DIVISION
OFFICE OF THE CHIEF ENGINEER - DESIGN AND CONSTRUCTION - ATLANTA, GA.

LOCATION: CHICAGO, IL

TITLE: 47th STREET INTERMODAL FACILITY - SOUTH OF GARFIELD
POTENTIAL FULL-BUILD SITE DEVELOPMENT
SOUTH OF 59th STREET

DGN	JSM	PID NO. D1605	VRN 3202057	MILE POST	CD-516
DWN	JSM	FILE No. BLD0006882		DRAWING NUMBER	TA-2012-06
CHK		DATE 05/31/12			

CADD FILE:

(sub) EXHIBIT G to Redevelopment Agreement

MBE/WBE BUDGET

(ATTACHED)

47th Street Intermodal Facility - South of Garfield Expansion

MBE/WBE Project Budget Summary: (Millions)

	Cost Description:	Phase 1:	Phase 2:**	Phase 3:**	Total:
M/WBE APPLICABLE COSTS	Building Demolition	$ -	$ 1.440	$ -	$ 1.440
	Clearing & Site Prep	$ 0.350	$ 2.600	$ 0.750	$ 3.700
	Erosion Control	$ 0.180	$ 0.400	$ 0.250	$ 0.830
	Grading	$ 4.210	$ 10.500	$ 8.410	$ 23.120
	Drainage	$ 0.800	$ 3.000	$ 2.570	$ 6.370
	Electrical/Lighting	$ 0.670	$ 1.350	$ 2.525	$ 4.545
	Paving	$ 3.700	$ 8.750	$ 10.700	$ 23.150
	Retaining Walls & Structures	$ 1.850	$ 3.510	$ 3.510	$ 8.870
	Fencing & Barriers	$ 0.375	$ 1.000	$ 0.500	$ 1.875
	Landscaping	$ 0.600	$ 0.400	$ 0.100	$ 1.100
	TOTAL:	**$ 12.735**	**$ 32.950**	**$ 29.315**	**$ 75.000**
OTHER COSTS	Utility Relocations	$ 1.500	$ 2.500	$ 1.500	$ 5.500
	Engineering	$ 0.700	$ 3.500	$ 1.700	$ 5.900
	Trackwork (Railroad Forces)	$ 1.935	$ -	$ 3.725	$ 5.660
	Constr. Management	$ 0.780	$ 2.300	$ 1.860	$ 4.940
	SUBTOTAL:	**$ 4.915**	**$ 8.300**	**$ 8.785**	**$ 22.000**
	TOTAL:	**$ 17.65**	**$ 41.25**	**$ 38.10**	**$ 97.00**

MBE/WBE Expenditure Goals:

Description:	Phase 1:	Phase 2:**	Phase 3:**	Total:
Total Applicable Hard Costs	$ 12.735	$ 32.950	$ 29.315	$ 75.000
MBE Expenditures (24%) *	$ 3.06	$ 7.91	$ 7.04	$ 18.00
WBE Expenditures (4%) *	$ 0.51	$ 1.32	$ 1.17	$ 3.00

* With respect to the MBE/WBE expenditures, the Developer may reduce the subsequent phase amounts by the amount actually expended by the Developer in Phase 1 that is in excess of the Phase 1 amount so long as the Total Amount expended at the conclusion of Phase 2 or 3 equals or exceeds the total amount specified in this exhibit for both MBE and WBE.

**The Developer's obligations to comply with the M/WBE Expenditure Goals set forth above for Phases 2 and 3 become effective upon the Developer's commencing construction of Phase 2 and 3, respectively. If the Developer anticipates that its expenditures for M/WBE Applicable Hard Costs will exceed the dollar amounts set forth above by more than ten percent (10%), the Developer shall work cooperatively with the City to negotiate additional M/WBE compliance.

(sub) EXHIBIT H to Redevelopment Agreement

NEIGHBORHOOD INVESTMENT AGREEMENT

(ATTACHED)

NEIGHBORHOOD INVESTMENT FUND AGREEMENT

This **NEIGHBORHOOD INVESTMENT FUND AGREEMENT** ("Agreement") is made on or as of the ___ day of _____, 20__ (the "Effective Date"), by and between the **CITY OF CHICAGO**, an Illinois municipal corporation and home rule unit of local government ("City"), acting by and through its Department of Housing and Economic Development (together with any successor department thereto, "DHED"), having its principal offices at City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602 and **NORFOLK SOUTHERN RAILWAY COMPANY**, a Virginia corporation ("Developer"), whose offices are located at 1200 Peachtree Street, N.E., 12th Floor, Atlanta, GA 30309.

RECITALS

WHEREAS, Developer intends to develop, in phases, on certain land to be acquired from the City and certain land owned or to be acquired by Developer, all in the area generally bounded by Garfield Boulevard on the north, West 60th Place on the south, South Wallace Street on the west, and South Shields Avenue on the east, as depicted on Exhibit A attached hereto (the "Project Area"), an expansion to Developer's existing 47th Street Intermodal Railroad Facility, as more fully described on Exhibit B attached hereto (the "Project"); and

WHEREAS, Developer has offered to contribute to the City the sum of Three Million Dollars ($3,000,000) for the sole purposes of (i) providing compensation for the increased wear during the construction phase on the streets and other public infrastructure within the corporate limits of the City, (ii) supporting the maintenance and further development of the roadway infrastructure within the corporate limits of the City, (iii) infrastructure improvements and enhancements, and (iv) furthering industrial development opportunities (e.g., warehousing, distribution or light manufacturing) within the area between the Property and the Dan Ryan Expressway to the east, as depicted on Exhibit C attached hereto (such area, the "Greater Project Area"); and

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. INCORPORATION OF RECITALS.

The foregoing recitals constitute an integral part of this Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

SECTION 2. DEVELOPER'S PAYMENTS TO THE CITY.

Developer's Three Million Dollar ($3,000,000) contribution to the City shall be paid to the City as follows:

1. Two Million Dollars ($2,000,000) upon the City's conveyance of at least ninety-seven (97) lots within the Project Area; and

2. Two Hundred Fifty Thousand Dollars ($250,000) at least five (5) days in advance of the Developer's first recording of a street or alley vacation ordinance and associated plat of vacation, for any street or alley within the Project Area that is depicted in Exhibit D attached hereto.

3. Two Hundred Fifty Thousand Dollars ($250,000) at least five (5) days in advance of the Developer's first recording of a street or alley vacation ordinance and associated plat of vacation, for any street or alley within the Project Area that is depicted in Exhibit D-1 attached hereto.

4. Two Hundred Fifty Thousand Dollars ($250,000) at least five (5) days in advance of the Developer's first recording of a street or alley vacation ordinance and associated plat of vacation, for any street or alley within the Project Area that is depicted in Exhibit D-2 attached hereto.

5. Two Hundred Fifty Thousand Dollars ($250,000) at least five (5) days in advance of the Developer's first recording of a street or alley vacation ordinance and associated plat of vacation, for any street or alley within the Project Area that is depicted in Exhibit D-3 attached hereto.

Subject to the Developer's making payments to the City in accordance with Section 2 of this Agreement, the Developer shall not be required to make any payments under the Commercial Vacation Program for the City's vacation of the streets and alleys described in Exhibits D through D-3 hereof, other than the payment of application fees and recording costs.

SECTION 3. ADDITIONAL OBLIGATIONS OF THE DEVELOPER.

The Developer covenants that it shall:

1. At such time as intermodal operations commence on any of the properties within the Project Area, Developer shall use its best efforts to insure that any new lift equipment to be acquired for its 47th Street intermodal operations will contain Tier 4 emissions controls on the diesel engines.

2. Developer shall continue to work with the local aldermen to alert her/him of potential hiring opportunities and conduct within the city limits of the City at least two (2) job fairs per calendar year.

3. In acquiring properties within the Project Area, Developer shall use condemnation against owner-occupants only when negotiations to reach an amicable settlement have broken down. Such residents shall be treated fairly, and shall be offered relocation benefits in accord with the Uniform Relocation Act, as required by law. With respect to such condemnation proceedings, the City agrees to provide statements of support for the Project and testimony in court as to the public benefits that the Project is expected to generate.

4. The Developer shall provide regular maintenance of its property, including its retaining walls, along Garfield Boulevard, from South Princeton Avenue to South Normal Avenue, including prompt graffiti removal.

SECTION 4. OBLIGATIONS OF THE CITY.

The City covenants that beginning on the Effective Date and ending December 31, 2022:

1. To facilitate industrial development opportunities, DHED shall use its best efforts to use rezoning, possible property acquisitions, the expansion of TIF Districts, and other tools at its disposal to encourage industrial development opportunities (e.g., warehousing, distribution, & light manufacturing) within the Greater Project Area. Developer acknowledges and agrees that the City has not committed to and is not obligated to provided any funding, TIF or otherwise, for any Developer expenses, including, but not limited to, Developer's expenses relating to changes in the grade of its facilities (e.g., new bridges).

2. The City commits to closing and vacating the streets as indicated on the plans attached hereto as Exhibits D, D-1, D-2 and D-3. Streets and alleys shall be closed at such point as they are no longer needed to support occupied residences, or when reasonably equivalent alternate access remains available. The lands thus vacated shall be conveyed at no cost to Developer. The cost of any required utility relocations shall be borne by Developer. No ordinance authorizing a street or alley vacation shall be recorded until Developer has acquired the lands on either side of the applicable street or alley segment to be vacated. DHED agrees to work cooperatively with Developer on all street vacations, including using its best efforts to expedite utility coordination and ultimate closure.

3. The City shall work with Developer on issues related to City foreclosure of certain demolition liens and with potential tax sales within the Project Area, with the goal of facilitating the conveyance of affected properties to Developer.

4. The City shall work cooperatively with Developer regarding landscaping plan reviews, traffic studies, stormwater plans, drainage plans, underground utility studies, and other reviews related to the Project, with the objective of expediting the process wherever possible. In as much as development of the Project is to occur in stages, it is expressly understood that the City shall waive landscaping requirements for incremental stages of development along streets that are ultimately to be vacated. Notwithstanding the above, if the development of the Project is Interstate Commerce Commission Transportation Act of 1995, P.L. 104-88, exempt, Developer is not subject to the landscaping requirements of the City.

5. To the extent required, the City shall support the erection of bridge structures crossing Garfield Blvd. and 59th Street at proceedings before the Illinois Commerce Commission. The proposed crossings may also require changes in grade of the roadways passing beneath. The Garfield Blvd. crossing(s) each may consist of two bridges spanning the travel lanes and earthen embankment over the median. The City approval of any such changes shall not be unreasonably withheld.

6. The City shall continue to support CREATE Program and its component projects, including Grand Crossing Project P4, per the Final Feasibility Plan as amended. For purposes of this Agreement, any reference to the City's obligation to "support", specifically excludes financial support. The City will also duly consider support any future efforts by Developer to pursue public funding in order to cover a portion of the total construction costs of phased expansion segments which will become part of the 47th Street Intermodal Facility, as well as the incorporation of new technologies and equipment at the facility.

7. The City acknowledges that as of the Effective Date the Interstate Commerce Commission Termination Act preempts local zoning authority in the Project Area provided that: (i) the Project Area is used for the construction, acquisition, operation, abandonment or discontinuance of Developer's intermodal facility (the "Activities"), (ii) Developer uses such facility solely for the interstate transportation of passengers or property, and (iii) the Surface Transportation Board has exclusive jurisdiction over the Activities.

8. To the extent that public hearings or meetings may be required in conjunction with property acquisitions, DHED shall work with Developer in facilitating any public statements or news releases, and shall be supportive of the Project.

9. The City shall work cooperatively with the Developer regarding the Developer's proposals relating to the development of tractor-trailer access to and from the Project Area in the vicinity of 59th & Parnell Streets.

SECTION 4. DEFAULT.

If Developer fails to timely make a payment in accordance with Section 2 above or fails to comply with its other obligations as set forth in Section 3 above, and if such default is not cured within ninety (90) days of written notice from the City to Developer, the City may terminate this Agreement, and exercise any and all remedies available to it at law or in equity.

SECTION 5. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in Developer, this Agreement, the Property or the Project, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, association or other entity in which he or she is directly or indirectly interested. No agent, official or employee of the City shall be personally liable to Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Developer or successor or with respect to any commitment or obligation of the City under the terms of this Agreement.

SECTION 6. INDEMNIFICATION.

Developer agrees to indemnify, defend and hold the City harmless from and against any Losses suffered or incurred by the City arising from or in connection with: (a) the failure of Developer to perform its obligations under this Agreement; (b) any misrepresentation or omission made by Developer or any Developer agent; and (c) the failure of Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto. This indemnification shall survive any termination of this Agreement (regardless of the reason for such termination).

SECTION 7. REPRESENTATIONS AND WARRANTIES.

7.1 Representations and Warranties of Developer. To induce the City to execute this Agreement and perform its obligations hereunder, Developer represents, warrants and

covenants to the City that as of the Effective Date and as of the Closing Date the following shall be true, accurate and complete in all respects:

(a) Developer is a Virginia corporation, validly existing and in good standing under the laws of the State of Virginia and the State of Illinois, with full power and authority to acquire, own and redevelop the Property, and the persons signing this Agreement on behalf of Developer have the authority to do so.

(b) All certifications and statements contained in the Economic Disclosure Statements submitted to the City by Developer (and any legal entity holding an interest in Developer) are true, accurate and complete.

(c) Developer's execution, delivery and performance of this Agreement and all instruments and agreements contemplated hereby will not, upon the giving of notice or lapse of time, or both, result in a breach or violation of, or constitute a default under, any other agreement to which Developer, or any party affiliated with Developer, is a party or by which Developer or the Property is bound.

(d) No action, litigation, investigation or proceeding of any kind is pending or anticipated to be filed against Developer, or any party affiliated with Developer, by or before any court, governmental commission, board, bureau or any other administrative agency, and Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (i) affect the ability of Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of Developer.

(e) Developer is now and for the term of the Agreement shall remain solvent and able to pay its debts as they mature.

(f) Developer is not in default with respect to any indenture, loan agreement, mortgage, note or any other agreement or instrument related to the borrowing of money to which Developer is a party or by which Developer is bound.

7.2 Representations and Warranties of the City. To induce Developer to execute this Agreement and perform its obligations hereunder, the City hereby represents and warrants to Developer that the City has authority under its home rule powers to execute and deliver this Agreement and perform the terms and obligations contained herein.

7.3 Survival of Representations and Warranties. Each of the parties agrees that all warranties, representations, covenants and agreements contained in this Section 7 and elsewhere in this Agreement are true, accurate and complete as of the Effective Date and shall survive the Effective Date and be in effect throughout the term of the Agreement.

SECTION 8. NOTICES.

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City:	City of Chicago Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attn: Commissioner
With a copy to:	City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attn: Real Estate and Land Use Division
If to Developer:	Norfolk Southern Railway Company 1200 Peachtree Street, N.E. 12th Floor Atlanta, GA 30309 Attn: Linda V. Hill
With a copy to:	Thomas J. Murphy PC 111 W Washington St. Suite 1920 Chicago, IL 60602-2719

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 8 shall constitute delivery.

SECTION 9. BUSINESS RELATIONSHIPS.

Developer acknowledges (a) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (b) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this

Agreement, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. Developer hereby represents and warrants that no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 10. PATRIOT ACT CERTIFICATION.

Developer represents and warrants that neither Developer nor any Affiliate (as hereafter defined) thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable Laws: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this Section 10 only, an "Affiliate" shall be deemed to be a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Developer, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

SECTION 11. PROHIBITION ON CERTAIN CONTRIBUTIONS PURSUANT TO MAYORAL EXECUTIVE ORDER NO. 2011-4.

Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (a) after execution of this Agreement by Developer, (b) while this Agreement or any Other Contract (as hereinafter defined) is executory, (c) during the term of this Agreement or any Other Contract, or (d) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated. This provision shall not apply to contributions made prior to May 16, 2011, the effective date of Executive Order 2011-4.

Developer represents and warrants that from the later of (a) May 16, 2011, or (b) the date the City approached Developer, or the date Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Notwithstanding anything to the contrary contained herein, Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this Section 11 or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including, without limitation, termination for default) under this Agreement, and under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the Closing, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

(a) "Bundle" means to collect contributions from more than one source, which contributions are then delivered by one person to the Mayor or to his political fundraising committee.

(b) "Other Contract" means any other agreement with the City to which Developer is a party that is (i) formed under the authority of Chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council.

(c) "Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

(d) Individuals are "domestic partners" if they satisfy the following criteria:

a. they are each other's sole domestic partner, responsible for each other's common welfare; and

b. neither party is married; and

c. the partners are not related by blood closer than would bar marriage in the State of Illinois; and

d. each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and

e. two of the following four conditions exist for the partners:

1. The partners have been residing together for at least 12 months.

2. The partners have common or joint ownership of a residence.

3. The partners have at least two of the following arrangements:

   (A) joint ownership of a motor vehicle;
   (B) joint credit account;
   (C) a joint checking account;
   (D) a lease for a residence identifying both domestic partners as tenants.

4. Each partner identifies the other partner as a primary beneficiary in a will.

(e) "Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

SECTION 12. MISCELLANEOUS.

The following general provisions govern this Agreement:

12.1 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute a single, integrated instrument.

12.2 Cumulative Remedies. The remedies of any party hereunder are cumulative and the exercise of any one or more of such remedies shall not be construed as a waiver of any other remedy herein conferred upon such party or hereafter existing at law or in equity, unless specifically so provided herein.

12.3 Date for Performance. If the final date of any time period set forth herein falls on a Saturday, Sunday or legal holiday under the laws of Illinois or the United States of America, then such time period shall be automatically extended to the next business day.

12.4 Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreements, negotiations and discussions. This Agreement may not be modified or amended in any manner without the prior written consent of the parties hereto. No term of this Agreement may be waived or discharged orally or by any course of dealing, but only by an instrument in writing signed by the party benefitted by such term.

12.5 Exhibits. All exhibits referred to herein and attached hereto shall be deemed part of this Agreement.

12.6 Force Majeure. Neither the City nor Developer shall be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder, including, without limitation, fires,

floods, strikes, shortages of material and unusually severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the party relying on this section requests an extension in writing within twenty (20) days after the beginning of any such delay.

12.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to choice of laws.

12.8 Headings. The headings of the various sections and subsections of this Agreement have been inserted for convenience of reference only and shall not in any manner be construed as modifying, amending or affecting in any way the express terms and provisions hereof.

12.9 No Merger. The terms of this Agreement shall not be merged with the Deed, and the delivery of the Deed shall not be deemed to affect or impair the terms of this Agreement.

12.10 No Waiver. No waiver by the City with respect to any specific default by Developer shall be deemed to be a waiver of the rights of the City with respect to any other defaults of Developer, nor shall any forbearance by the City to seek a remedy for any breach or default be deemed a waiver of its rights and remedies with respect to such breach or default, nor shall the City be deemed to have waived any of its rights and remedies unless such waiver is in writing.

12.11 Severability. If any term of this Agreement or any application thereof is held invalid or unenforceable, the remainder of this Agreement shall be construed as if such invalid part were never included herein and this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

12.12 Successors and Assigns. Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties.

SECTION 13. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

Failure by Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of the Agreement and the transactions contemplated thereby. Developer shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

SECTION 14. INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL.

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City's Legislative Inspector General and with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and 2-56, respectively, of the Municipal Code of Chicago. Developer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

SECTION 15. SHAKMAN.

15.1 The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

15.2 Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with Developer, either as an employee or as a subcontractor, and from directing Developer to hire an individual as an employee or as a subcontractor. Accordingly, Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Developer under this Agreement are employees or subcontractors of Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Developer.

15.3 Developer will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

15.4 In the event of any communication to Developer by a City employee or City official in violation of Section 15.2 above, or advocating a violation of Section 15.3 above, Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Agreement. Developer will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

(*Signature Page Follows*)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on or as of the date first above written.

CITY OF CHICAGO, an Illinois municipal corporation

By:_____
Andrew J. Mooney
Commissioner of the Department of Housing and Economic Development

NORFOLK SOUTHERN RAILWAY COMPANY,
A Virginia corporation

By:_____
Name: _____
Its: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew J. Mooney, Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that, as said Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 20__.

_____
NOTARY PUBLIC

STATE OF GEORGIA)
) SS.
COUNTY OF FULTON)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, the _____ of Norfolk Southern Railway Company, a Virginia for-profit corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that s/he signed and delivered the foregoing instrument pursuant to authority given by said corporation, as her/his free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 20__.

_____
NOTARY PUBLIC

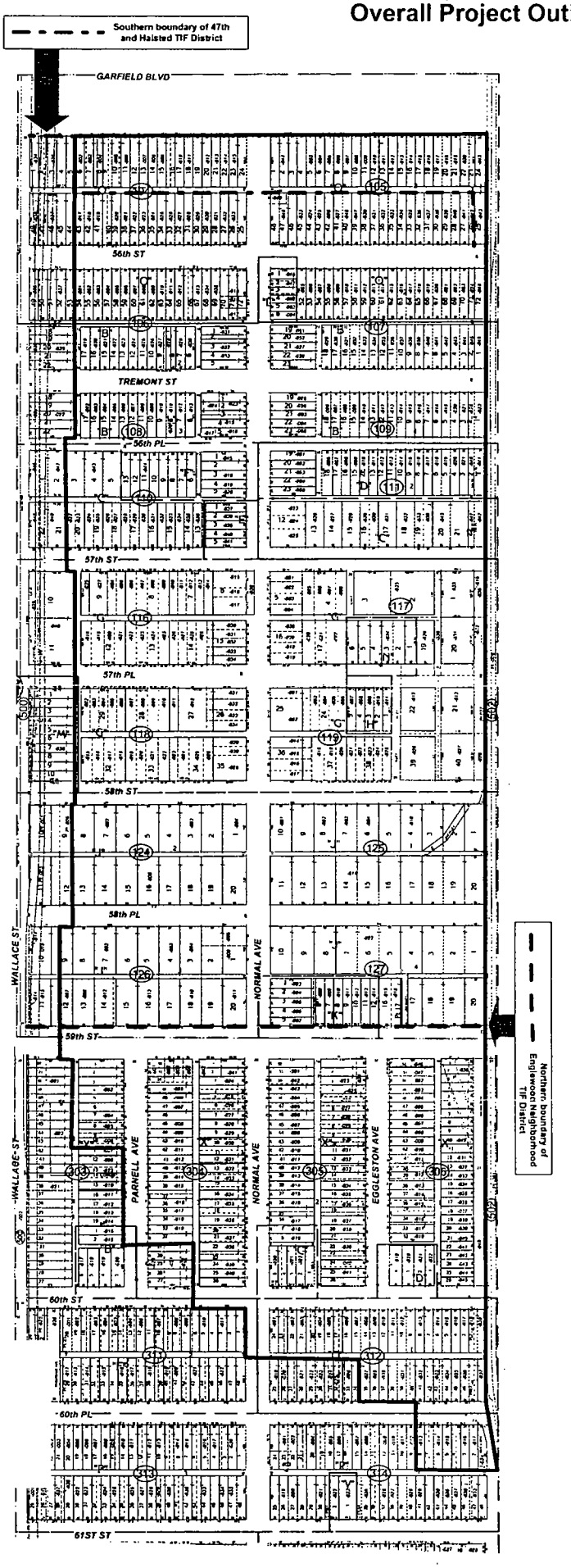
(sub) Exhibit A to Neighborhood Investment Fund Agreement

Depiction of Project Area

[Attached]

(sub)EXHIBIT A

Overall Project Outline



(sub) Exhibit B to Neighborhood Investment Fund Agreement

Project

The Developer will utilize the Property for an expansion to its existing intermodal facility and for other related railroad facilities. The Project will occupy approximately 84 acres between W. Garfield Blvd. and W. 60th Street and will include: the demolition of acquired structures, construction of trailer and container parking lots, addition of tracks and related appurtenances, construction of new and rehabilitation of existing street overpasses, construction of buildings and a truck entrance/exit. It is anticipated that the Project will take approximately 10 years to complete.

The First Phase consists generally of grading, paving, and other work to build approximately 330 trailer and container parking spots linked to Developer's existing intermodal facility via an existing bridge over W. Garfield Blvd. The First Phase also includes the construction of a new connection track between the Developer's main tracks and a Developer track located adjacent to the METRA main tracks by using an existing rail bridge over S. Normal Blvd., and the construction of a new wye track leading between the new connection track and Developer's main tracks.

Phase 2 of the Project consist generally of grading, paving, and other work necessary to build additional trailer and container parking spots between W. Garfield Blvd. and W. 59th Street.

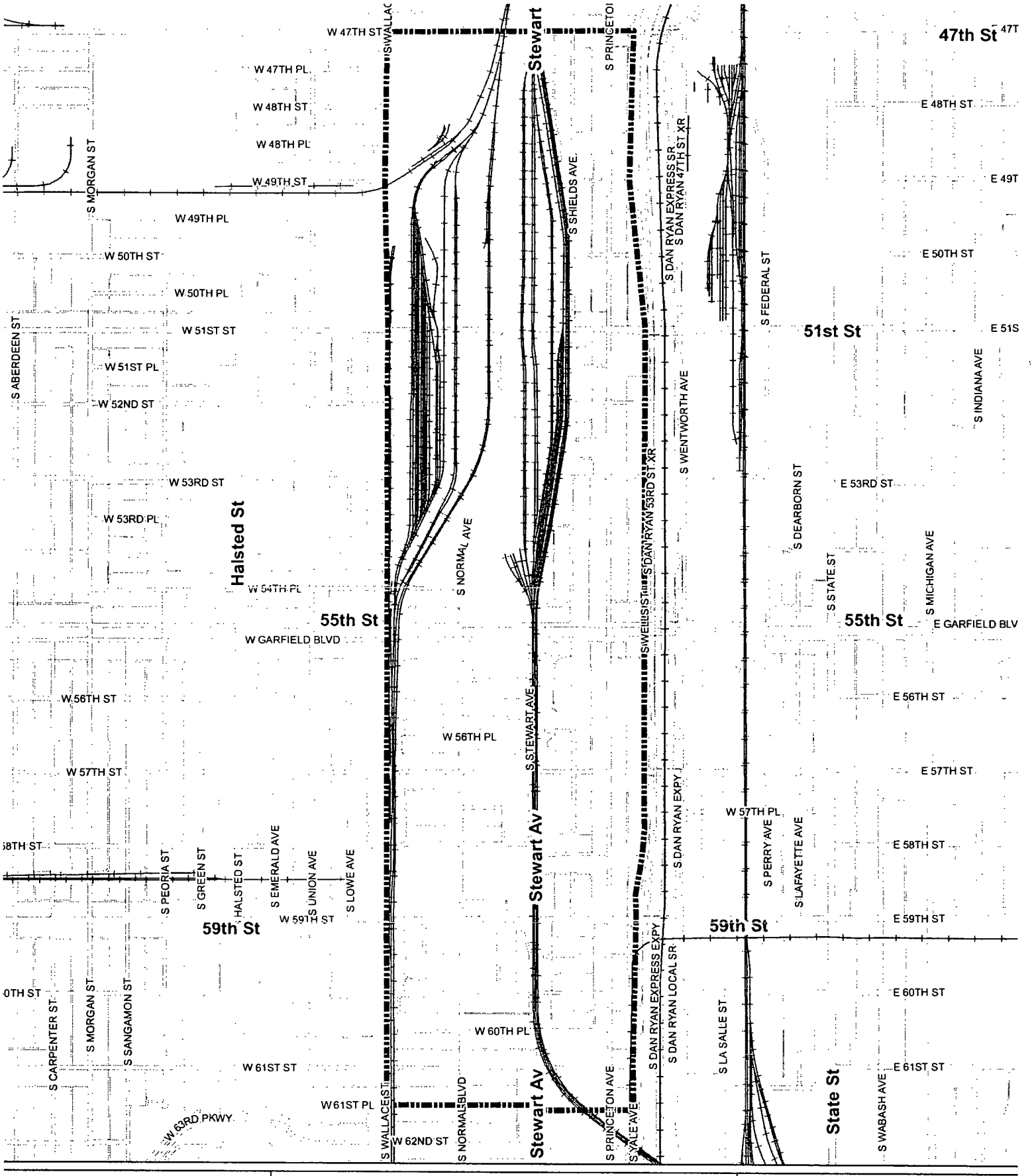
Phase 3 of the Project consists generally of a further parking expansion (to the south and east of the Phase 2 parking area), the construction of new loading and unloading tracks south of W. Garfield Blvd., the installation of a supplemental intermodal facility truck entrance / exit off of W. 59th Street, and the construction of new track and road bridges over W. Garfield Blvd. and W. 59th Street. The relocation of the connection track and wye track built in the First Phase may also be necessary.

The design plans for Phases 2 and 3 are in a conceptual stage, and are subject to revision based on commercial needs, funding availability, and engineering considerations.

(sub) Exhibit C to Neighborhood Investment Fund Agreement

Depiction of Greater Project Area

[Attached]



Chicago Department of HOUSING and ECONOMIC DEVELOPMENT

Greater Project Area

Railroad Tracks

Date Saved: 1/31/2013 4:36:29 PM

0 375 750 1,500 Feet

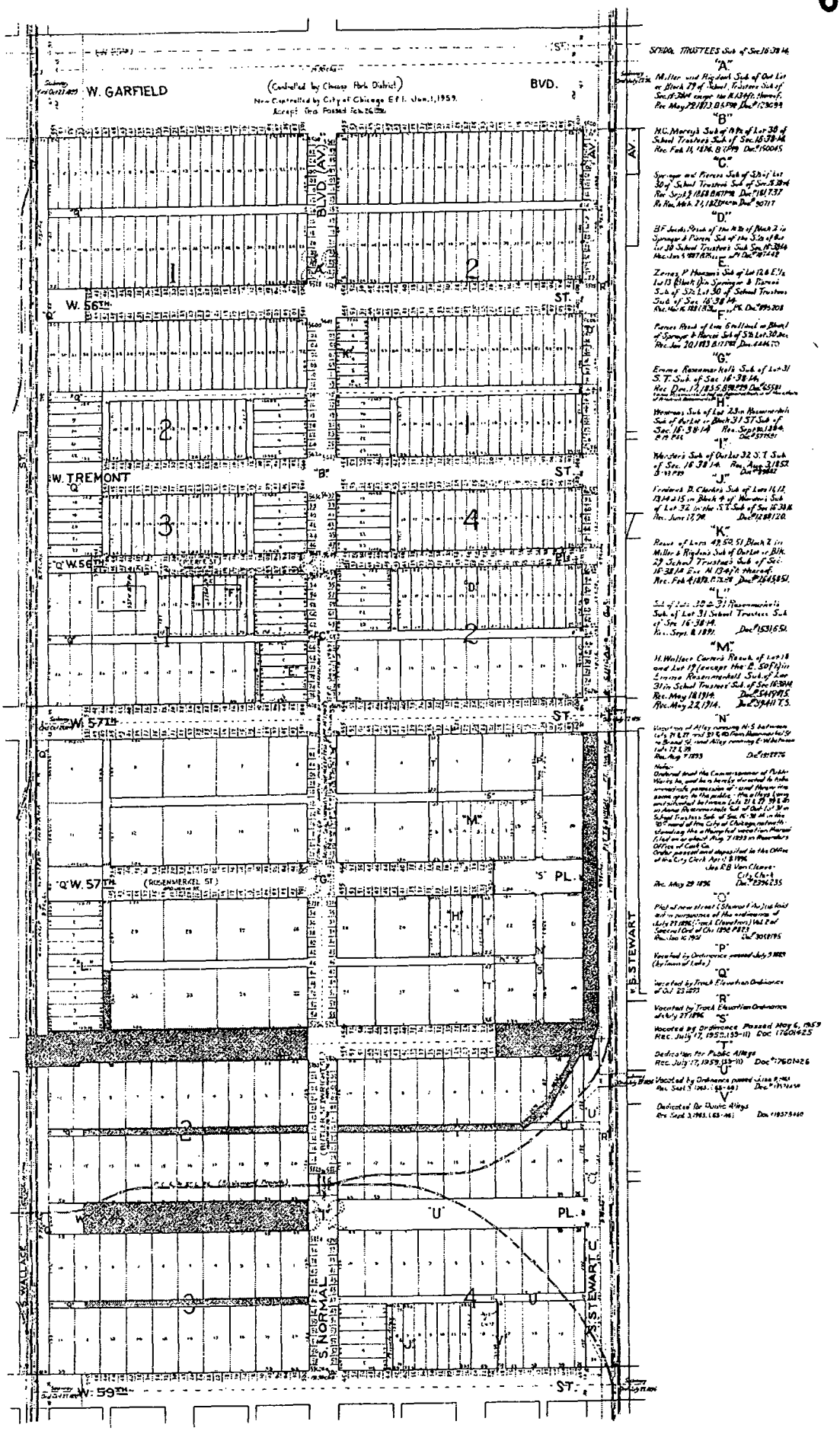
* For reference purposes only.

* 2013 City of Chicago. All Rights Reserved

(sub) Exhibit D to Neighborhood Investment Fund Agreement

Section 2.2. - Streets and Alleys to be Vacated

[Attached]



SCHOOL TRUSTEES Sub of Sec 16-38-14.

"A" Miller and Rigdons Sub of Out Lot in Block 29 of School Trustees Sub of Sec 16-38-14 except the N 1344 ft thereof. Rec May 29, 1873. Doc 79099

"B" H.C. Murrays Sub of N½ of Lot 30 of School Trustees Sub of Sec 16-38-14. Rec Feb 11, 1874. Doc 150045

"C" Sprague and Pierces Sub of S½ of Lot 30 of School Trustees Sub of Sec 16-38-14 Rec Sept 9, 1873 Doc 79717 Re Rec Mch 21, 1874 Doc 90717

"D" BF Jacobs Resub of the N½ of Block 2 in Sprague & Pierces Sub of the S½ of Out Lot 30 School Trustees Sub Sec 16-38-14 Rec Jan 5, 1877 Doc 107442

"E" Zerneys 1st Hausens Sub of Lot 12 & E½ Lot 13 Block 1 in Sprague & Pierces Sub of S½ Lot 30 of School Trustees Sub of Sec 16-38-14 Rec Mch 16, 1883 Doc 199208

"F" Pierces Resub of Lots 6 to 11 incl in Block of Sprague & Pierces Sub of S½ Lot 30 Rec Jan 20, 1883 Doc 444670

"G" Emma Rosenmerkels Sub of Lot 31 S.T. Sub of Sec 16-38-14. Rec Dec 1, 1855 Doc 6521

"H" Hausens Sub of Lot 23 in Rosenmerkels Sub of Out Lot in Block 31 ST Sub of Sec 16-38-14 Rec Sept 10, 1864. Doc 37150

"I" Wheelers Sub of Out Lot 32 S.T. Sub of Sec 16-38-14. Rec Aug 3, 1852 Doc 3882

"J" Frederick B. Clarkes Sub of Lots 11, 12, 13 & 14 & 15 in Block 4 of Wheelers Sub of Lot 32 in the S.T. Sub of Sec 16-38-14 Rec June 17, 1870 Doc 12881120.

"K" Resub of Lots 49, 50, 51 Block 2 in Miller & Rigdons Sub of Out Lot in Blk 29 School Trustees Sub of Sec 16-38-14 Exc N 1344 ft thereof. Rec Feb 4, 1873. Doc 84585

"L" Sub of Lots 30 & 31 Rosenmerkels Sub of Lot 31 School Trustees Sub of Sec 16-38-14. Rec Sept 8, 1891. Doc 1531651

"M" H. Wallace Carters Resub of Lot 18 and Lot 19 (except the E. 50 ft) in Emma Rosenmerkels Sub of Lot 31 in School Trustees Sub of Sec 16-38-14 Rec May 18, 1914. Doc 5149975 Rec May 22, 1914. Doc 5154117 T.S.

"N" Vacation of Alley lying N-S between Lots 29 & 31 and 30 & 32 in Rosenmerkel's Sub of S. and Alley running E-W between Lots 12 & 29 Rec Aug 7, 1893 Doc 1611776

Notice: Ordered that the Commissioner of Public Works be, and he is hereby directed to make or cause to be made, a map or plat of the vacated alley, as aforesaid, between Lots 21 & 29 and 22 & 28 and also the vacated N. half of Out Lot 30 in School Trustees Sub. of Sec 16-38-14, in the 20th ward of the City of Chicago, and with the map of the City of Chicago, and with the vacating ordinance passed on the 7th day of August 1893 in Recorder's Office of Cook Co. Ill. and when so made and completed to file the same, so certified, in the office of the City Clerk April 8 1896

Jas R.B. Van Cleave City Clerk

Rec May 29 1896 Doc 2296235

"O" Plat of new street (Showing the land dedicated in pursuance of the ordinance of July 27 1896 (Frank Chamberlain) Vol 2 of General Ord of Chi 1896 P813 Rec Jan 10 1901 Doc 3018795

"P" Vacated by Ordinance passed July 5 1887 (by town of Lake)

"Q" Vacated by Frank Elsworth Ordinance of Oct 23 1893

"R" Vacated by Frank Elsworth Ordinance of July 27 1896

"S" Vacated by Ordinance Passed May 6, 1959 Rec. July 17, 1959 (59-11) Doc 17601425

"T" Dedication for Public Alleys Rec July 17, 1959 (59-11) Doc 17601426

"U" Vacated by Ordinance passed June 8 1961 Rec Sept 5 1961 (61-69) Doc 18175660

"V" Dedicated for Public Alleys Rec Sept 5, 1961 (61-46) Doc 18175660

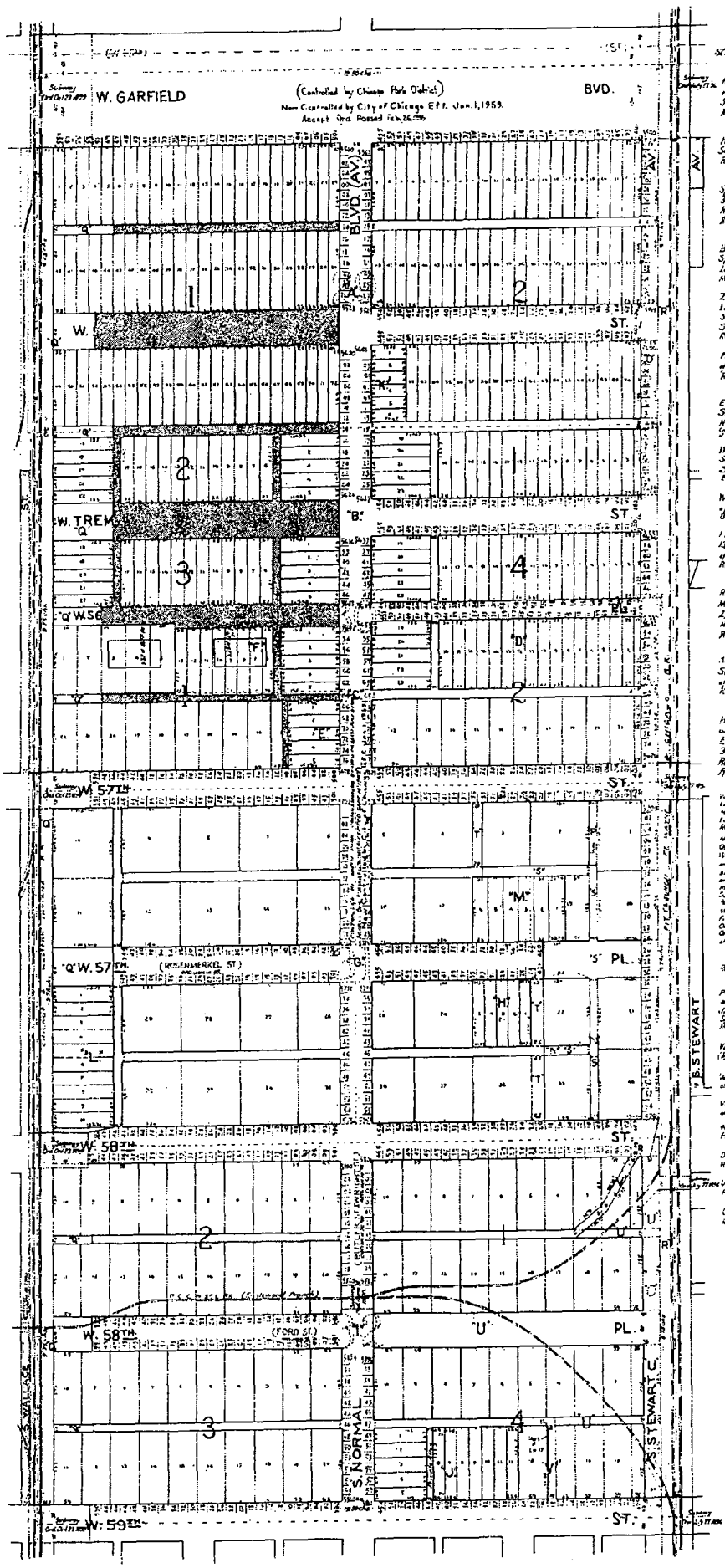
(sub) Exhibit D-1 to Neighborhood Investment Fund Agreement

Section 2.3 - Streets and Alleys to be Vacated

[Attached]

E.½ N.W.¼ SEC. 16-38-14.

Exhibit D-1



SCHOOL TRUSTEES Sub of Sec 16-38-14

"A" Miller and Hoyland's Sub of Out Lot or Block 29 of School Trustees Sub of Sec 16-38-14 except the N. 134 ft. thereof. Rec. May 29, 1883 B.5 P.78 Doc. # 123698

"B" H.G. Murray's Sub of 9th of Lot 30 of School Trustees Sub of Sec. 16-38-14. Rec. Feb 11, 1874. B. 1 P. 99 Doc. # 150045

"C" Sprague and Parrens Sub of S.½ of Lot 30 of School Trustees Sub of Sec. 16-38-14. Rec. Sept. 5, 1868 B. 1 P. 98 Doc. # 181737. Re-Rec. March 24, 1873 in Book 90717

"D" W.F. Jacks Resub of the N.½ of Block 2 in Sprague & Parrens Sub of the S.½ of Lot 30 of School Trustees Sub. Sec. 16-38-14. Rec. Jan 5, 1887 B.24 ... Doc. # 847442

"E" Zenas P. Hansons Sub of Lot 12 & E.½ Lot 13 Block 1 in Sprague & Parrens Sub of S.½ Lot 30 of School Trustees Sub of Sec. 16-38-14. Rec. Mar. 6, 1888 B. ... P. 15 Doc. # 895208

"F" Parrens Resub of Lots 6 to 11 incl. in Block 1 of Sprague & Parrens Sub of S.½ Lot 30 Sec. 16-38-14. Rec. Jan. 20, 1883 B. 11 P. 98 Doc. # 446[illegible]

"G" Emma Rosenmerkel's Sub of Lot 31 S. T. Sub. of Sec. 16-38-14. Rec. Dec. 17, 1855 B. 29 P. 29 Doc. # 55591

"H" Hansons Sub of Lot 23 in Rosenmerkels Sub of Out Lot in Block 31 S.T. Sub of Sec. 16-38-14. Rec. Sept. 3, 1884. B. 19 P. 96 Doc. # 537600

"I" Masters Sub of Out Lot 32 S. T. Sub of Sec. 16-38-14. Rec. Aug. 3, 1857. B. 11 P. 99 Doc. # [illegible]

"J" Frederick B. Clarke's Sub of Lots 11, 12, 13 & 14 in Block 4 of Hansons Sub of Lot 32 in the S.T. Sub of Sec. 16-38-14. Rec. June 17, 98 Doc. # 1288120

"K" Resub of Lots 49, 50, 51 Block 2 in Miller & Higbees Sub of Out Lot in Blk. 29 School Trustees Sub of Sec. 16-38-14 E. of N. 134 ft. thereof. Rec. Feb 4, 1870. P. 75-98 Doc. # 1245851.

"L" Sub of Lots 30 & 31 Rosenmerkels Sub of Lot 31 School Trustees S. A of Sec. 16-38-14. Rec. ... Sept. 8, 1880. Doc. # 1531651

"M" H. Wallace Corners Resub. of Lot 18 and Lot 19 (except the E. 50 ft.) in Emma Rosenmerkels Sub. of Lot 31 in School Trustees Sub. of Sec. 16-38-14. Rec. May 18, 1906 Doc. # 5410915. Rec. May 22, 1914. Doc. # 5784117 T.S.

"N" Vacation of Alley running N.S. between Lots 21 & 22 and 39 & 40 Rosenmerkel's Sub. to Broad St. and Alley running E. & W. between Lots 37 & 38 Rec. Aug. 7, 1893 Doc. # 1917876

Order: Ordered that the Commissioner of Public Works be and he is hereby directed to refer the communication presented to the Council therein upon to the public ... Alley ... and subsequent ordinance Lots 21 & 22 39 & 40 in Rosenmerkels Sub. of Out Lot 31 in School Trustees Sub. of Sec. 16-38-14 in the 12th ward of the City of Chicago and that the ... vacating the ... Alley ... Passed ... Filed on or about Aug. 7, 1893 in Recorders Office of Cook Co. Order passed and deposited in the Office of the City Clerk Apr. 8, 1896

Jas. R.B. Van Cleave, City Clerk

Rec. May 29, 1896 Doc. # 2354235

"O" Plat of new street (Stewart Ave.) dedicated and in pursuance of the ordinance of July 27, 1896 (Type 4 Elevation) Ref. 2nd Subdivision (2nd of Chi. 1896 P.123 Rec. Jan. 10, 1901 Doc. # 3051795

"P" Vacated by Ordinance passed July 7, 1869 (by Town of Lake)

"Q" Vacated by Town & Elevation Ordinance of July 22, 1896

"R" Vacated by Track Elevation Ordinance of July 27, 1896

"S" Vacated by Ordinance Passed May 6, 1953 Rec. July 17, 1953 (53-11) Doc. 17601425

"T" Dedication for Public Alleys Rec. July 17, 1959 (53-11) Doc. # 17601426

"U" Tracks Vacated by Ordinance passed ... 6, 1961 Rec. Sept. 5, 1961 (61-181) Doc. # 18374496

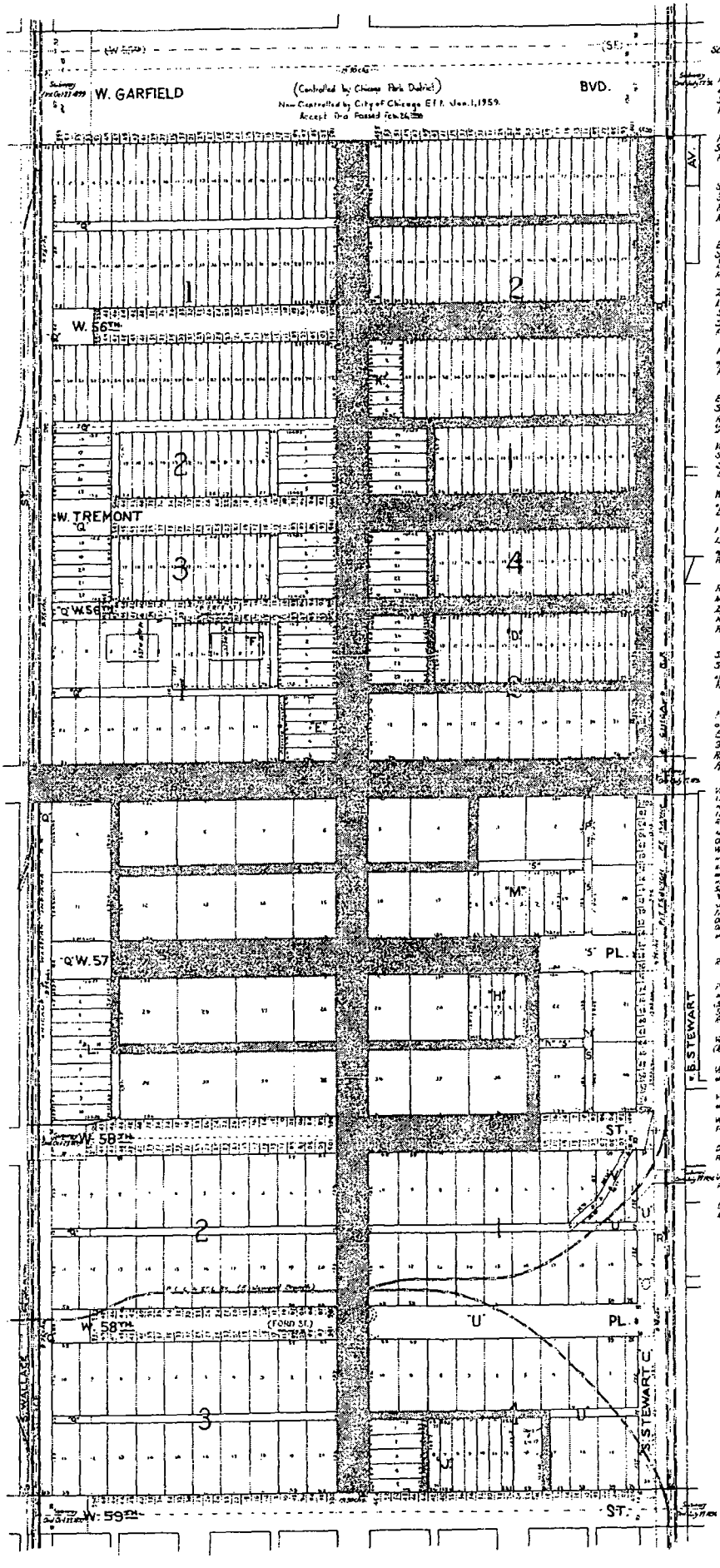
"V" Dedicated for Public Alleys Rec. Sept. 5, 1961 (61-181) Doc. # 18374469

Town of Lake / Page 66

(sub) Exhibit D-2 to Neighborhood Investment Fund Agreement

Streets and Alleys to be Vacated

[Attached]



SCHOOL TRUSTEES Sub of Sec. 16-38-14

"A"
Miller and Ryckman's Sub of Out Lot in Block 29 of School Trustees Sub of Sec. 16-38-14 except the E. 134 ft. thereof. Rec. May 29, 1873 B.S.P.M. Doc. #123693

"B"
H.G. Merrick Sub of N. Pt. of Lot 30 of School Trustees Sub of Sec. 16-38-14. Rec. Feb. 11, 1876. B. 27 P. 19 Doc. #150045

"C"
Spencer and Parmele Sub of S. ½ of Lot 30 of School Trustees Sub of Sec. 16-38-14. Rec. Sept. 5, 1868. B. 6 P. 18 Doc. #181737
Re-Rec. Mch. 21, 1872 in Doc. #30777

"D"
B.F. Jacobs Resub of the N. ½ of Block 2 in Spencer & Parmele Sub of the S. ½ of Lot 30 School Trustees Sub Sec. 16-38-14. Rec. Jan. 5, 1887 A.M. Doc. #787442

"E"
Zerma P. Hannan's Sub of Lot 12 & E. ½ Lot 13 Block 1 in Spencer & Parmele Sub of S. ½ of Lot 30 of School Trustees Sub of Sec. 16-38-14. Rec. Mch. 8, 1881 P.M. Doc. #295808

"F"
Parmele Resub of Lots 6 to 11 incl. in Block 1 of Spencer & Parmele Sub of S. ½ Lot 30 Sec. Rec. Jan. 20, 1883 B. 17 P. 20 Doc. #446600

"G"
Emma Rosenmarkel's Sub. of Lot 31 S. T. Sub. of Sec. 16-38-14. Rec. Dec. 17, 1855 B. 89 P. 279 Doc. #6591

"H"
Wadhams Sub of Lot 23 in Rosenmarkel's Sub of Lot 31 of Block 31 S.T. Sub of Sec. 16-38-14 Rec. Sept. 19, 1884 B. 12 P. 14 Doc. #257901

"I"
Warden's Sub of Out Lot 32 S. T. Sub of Sec. 16-38-14 Rec. Aug. 3, 1852 B. 19 P. 29 Doc. #19483

"J"
Frederick D. Clarke's Sub of Lots 11, 12, 13 & 15 in Block 4 of Rosenmarkel's Sub of Lot 32 in the S.T. Sub of Sec. 16-38-14 Rec. June 17, 1910 Doc. #4198120

"K"
Resub of Lots 42, 50, 51 Block 2 in Miller & Ryckman's Sub of Outlot in Blk. 29 School Trustees Sub of Sec. 16-38-14 Exc. N. 134 ft. thereof. Rec. Feb. 4, 1879 C.T.C.O. Doc. #464851

"L"
Sub of Lots 30 & 31 Rosenmarkel's Sub of Lot 31 School Trustees Sub of Sec. 16-38-14. Rec. Sept. 8, 1911 Doc. #1651651

"M"
H. Wallace Carver's Resub. of Lot 18 and Lot 19 (except the E. 50 ft.) in Emma Rosenmarkel's Sub of Lot 31 in School Trustees Sub of Sec. 16-38-14 Rec. May 18, 1914 Doc. #5419415
Rec. May 22, 1914 Doc. #5419444 T.S.

"N"
Vacation of Alley running N. & S. between Lots 11 & 12 and 30 & 31 Rosenmarkel's Sub of Lot 31 and Alley running E. & W. between Lots 12 & 29 Rec. Aug. 7, 1893 Doc. #1512776

Notice:
Chestnut Street Commissioner of Public Works, be and he is hereby directed to take immediate possession of and open the same grade in the middle - one of such streets and alleys between Lots 11 & 29 and 30 & 31 in Emma Rosenmarkel's Sub of Lot 31 in School Trustees Sub of Sec. 16-38-14 in the 10th ward of the City of Chicago, and with the ordinance passed Aug. 7, 1893 in Recorder's Office of Cook Co. Order passed and deposited in the Office of the City Clerk April 18, 1896.
Jas. R.B. Van Cleave
City Clerk

Rec. May 29, 1896 Doc. #2394235

"O"
Plat of new street (Stewart Ave.) as laid out and in pursuance of the ordinance of July 27, 1896 (Final Ordinance) filed 2nd Special Cert. of Dec. 1896 P. 893
Rec. Jan. 10, 1901 Doc. #3058795

"P"
Vacated by Ordinance passed July 7, 1909 (by Town of Lake)

"Q"
Vacated by Track Elevation Ordinance of Oct. 23, 1899

"R"
Vacated by Track Elevation Ordinance of July 27, 1896

"S"
Vacated by Ordinance Passed May 6, 1959 Rec. July 17, 1959 (59-11) Doc. #17601425

"T"
Dedication for Public Alleys
Rec. July 17, 1959 (59-11) Doc. #17601426

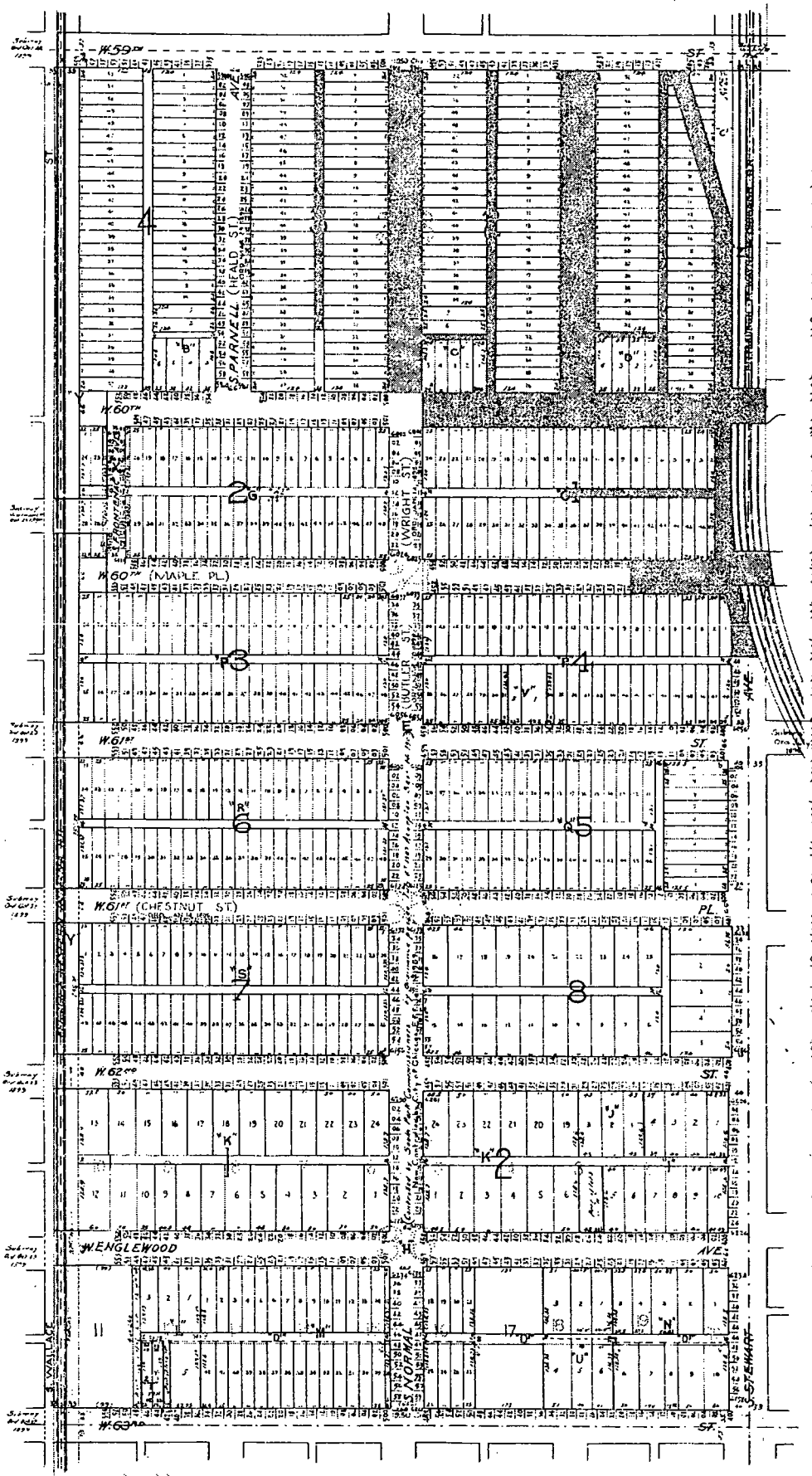
"U"
Part Vacated by Ordinance passed June 8, 1910 Rec. Sept. 3, 1965 (65-493) Doc. #19774749

"V"
Dedicated for Public Alleys
Rec. Sept. 3, 1965 (65-416) Doc. #19774440

(sub) Exhibit D-3 to Neighborhood Investment Fund Agreement

Streets and Alleys to be Vacated

[Attached]



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CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Norfolk Southern Railway Company

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: Three Commercial Place
Norfolk, Virginia 23510

C. Telephone: 757-629-2836 Fax: 757-629-2607 Email: Thomas.Ambler@nscorp.com

D. Name of contact person: Thomas W. Ambler

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Acquisition of 105 city-owned lots in the vicinity of 59th and Normal

G. Which City agency or department is requesting this EDS? Dept.of Housing & Economic Devel.

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[X] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Virginia

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[X] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Charles W. Moorman	Director, Chairman, President & Chief Executive Officer
Mark D. Manion	Director and Vice President
Donald W. Seale	Director and Vice President
James A. Squires	Director, Vice President

(*Continued on Attachment II.B.1.a)

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Norfolk Southern Corp.	Three Commercial Place Norfolk, VA 23510	100%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N.A.

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
Thomas Murphy	111 W. Washington St. Chicago, IL 76060	Lobbyist/Attorney	~~less than~~ $5,000 (estimated)
Charles H. Allen	2305 Club Court Valparaiso, IN 46383	Consultant	~~less than~~ $5,000 (estimated)

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

A number of the questions in the City of Chicago's Economic Disclosure Statement and Affidavit (the "EDS Statement") appear intended to solicit information from smaller organizations where all of the knowledge of that organization's activities resides among a handful of people rather than to a large publicly-traded corporation like Norfolk Southern Corporation ("NSC"), which owns Norfolk Southern Railway Company ("NSR," and together with NSC and NSC's other subsidiaries, "Norfolk Southern") . . . (*Continued on Attachment V.B.6)

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__x__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

Note: Records on this list have references to slave labor. Owners' names are listed with slaves' names when given following in parenthesis. Where no names are given, those records with references to hiring provisioning or medical services for slaves are still noted. All surviving records of antecedent companies in the possession of Norfolk Southern Corporation for the period prior to 1866 have been searched; only those records with references to slave labor have been included in this list . . . ("Continued on Attachment V.E.2.)

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N.A.

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Norfolk Southern Railway Company
(Print or type name of Disclosing Party)

By: _____
(Sign here)

James A. Hixon
(Print or type name of person signing)

Vice President
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-25-13,
at Norfolk County, Virginia (state).

_____ Notary Public.

Commission expires: 1-31-2014.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

ATTACHMENT II.B.1.a

Deborah H. Butler	Vice President
James A. Hixon	Vice President
John P. Rathbone	Vice President
Daniel D. Smith	Vice President
Denise W. Hutson	Corporate Secretary

ATTACHMENT V.B.6

Norfolk Southern has thousands of employees and business operations in 22 states and the District of Columbia. NSR along with its consolidated rail subsidiaries ("NS Rail") is engaged primarily in the transportation of freight by rail. NS Rail operates approximately 21,000 miles, primarily in the east and Midwest, including approximately 861 miles in Illinois and 36 in Chicago. NSR and NSC used their best efforts to gather as much of the requested information as reasonably possible and without undue effort and expense, but, because of their large size, all responses given in all of the EDS Statement are only to the best of the reasonable knowledge of NSC and NSR, are at the risk of not having knowledge of certain information, and the executive officer signing the EDS Statement does so based on actual knowledge or information supplied to that executive officer. Due to the scope of its operations and the number of employees and contractors, Norfolk Southern makes no representations as to parties other than NSR, NSC and their respective executive officers and directors. Additional information about Norfolk Southern Corporation can be found at the website, www.nscorp.com, including its Annual Report for the fiscal year ended December 31, 2008.

The following two paragraphs are responsive to Certification V.B.1.e. on page 5

Norfolk Southern is subject to extensive applicable federal, state, and local environmental laws and regulations. Norfolk Southern is, from time to time, investigated by these and other regulatory agencies in the ordinary course of business. Norfolk Southern cooperates with all government agency investigations. Due to the scope of its operations and the number of employees, however, Norfolk Southern cannot provide information regarding all such investigations without undue effort or expense, if at all. The list of certain investigations found attached in Table V.B.1.e – A is that information that Norfolk Southern was able to identify without undue effort or expense.

In addition to the regulation described in the preceding paragraph, Norfolk Southern is also subject to commercial regulation by the United States Surface Transportation Board, and its operations are regulated extensively by the United States Department of Transportation, including the Federal Railroad Administration, and the Department of Homeland Security, some of which in some cases has a preemptive effect. In addition, Norfolk Southern's operations are subject to extensive federal, state, and local environmental, labor and employment and other laws and regulations. Norfolk Southern is, from time to time, alleged to be in violation of administrative, statutory or regulatory provisions in the ordinary course of business. Norfolk Southern cooperates with all government agencies in seeking to resolve such alleged violations. Due to the scope of its operations and the number of employees, Norfolk Southern cannot provide detailed information regarding all such violations without undue effort or expense, if at all.

However, attached in Table V.B.1.e – B, is that information which can be secured without undue effort or expense.

TABLE V.B.1.e – A

Part 1

1. In April, 2008, the United States Department of Justice filed suit against Norfolk Southern Railway Company seeking civil penalties and injunctive relief under the Clean Water Act and the Comprehensive Environmental Response, Compensation and Liability Act, related to the Jan. 6, 2005 derailment in Graniteville, S.C, and associated release of chlorine into the atmosphere. In April, 2010, the parties reached a consent decree settling the lawsuit, subject to court approval. In the consent decree, Norfolk Southern agreed to pay a civil penalty of $4 million, to undertake emergency response training and undertake a supplemental environmental project. There is no admission of liability.

2. On Oct. 19, 2006, the Pennsylvania Department of Environmental Protection (PDEP) issued an assessment of civil penalties against Norfolk Southern and filed a complaint for civil penalties with the Pennsylvania Environmental Hearing Board (EHB) requesting that the EHB impose civil penalties upon Norfolk Southern for alleged violations of state environmental laws and regulations resulting from a discharge of sodium hydroxide that occurred as a result of the derailment of a Norfolk Southern train in Norwich Township, Pennsylvania, on June 30, 2006. PDEP's actions sought to impose combined penalties of $8,890,000 for alleged past violations and $46,420 per day for alleged continuing violations of state environmental laws and regulations. Norfolk Southern appealed the fines to the EHB. The Pennsylvania Fish and Boat Commission sought financial restitution for damages alleged to have been caused by this accident. In addition, the Pennsylvania Attorney General and the McKean County District Attorney filed three misdemeanor charges for alleged violations of state environmental and aquatic resource protection laws and regulations. Norfolk Southern has entered into a settlement agreement with all Commonwealth of Pennsylvania parties, pursuant to which all claims by the Commonwealth for civil liability resulting from the derailment and spill were resolved, with Norfolk Southern agreeing to pay approximately $7.35 million in restitution to compensate for all natural resource damages and the agencies' response costs caused by the derailment and spill. Norfolk Southern also pled no contest to the three misdemeanor charges and paid fines in the amount of $250,000 to resolve them.

3. On July 13, 2007, Norfolk Southern received a subpoena from a state grand jury requesting documents and materials relating to the company's setting of fuel surcharges. Norfolk Southern cooperated with the state in its investigation, and has been notified that the state decided not to move forward with its investigation at this time, while reserving its right to re-open the matter in the future if it decides circumstances so dictate.

4. On August 15, 2007, Norfolk Southern entered into a Consent Assessment of Civil Penalty (Consent Assessment) with the PDEP, resolving alleged violations of the Clean Streams Law, the Solid Waste Management Act, the Hazardous Sites Cleanup Act, and the Air Pollution Control Act, and regulations promulgated thereunder. The Consent Assessment resolved three Notices of Violation (NOVs) received for alleged violations associated with spill incidents in Bell Township, Creighton, and

New Brighton, Pennsylvania, as well as other issues not subject to NOV. Specifically, on December 29, 2005, Norfolk Southern received a NOV related to a January 5, 2004 derailment near the village of Truxal in Bell Township, which had resulted in the release of shelled corn, lubricating oil, and diesel fuel. On July 1, 2005, Norfolk Southern received a NOV related to a January 31, 2005 derailment near Creighton in East Deer Township, which had resulted in the release of hydrogen fluoride. On October 26, 2006, Norfolk Southern received a NOV related to an October 20, 2006 derailment on and near the railroad bridge between Beaver Falls and New Brighton, which had resulted in the release of ethanol. The other two matters related to a 2003 diesel fuel spill caused by an outside contractor in Union Township and a number of spill incidents arising from September 8, 2003 to the date of the Consent Assessment from Conway Yard in Conway Borough. A civil penalty in the amount of $575,000 was paid to the Commonwealth of Pennsylvania, Clean Water Fund on September 12, 2007 in settlement of these incidents.

5. Norfolk Southern entered into a Consent Order on or about March 12, 2008 with the Georgia Department of Natural Resources Environmental Protection Division in connection with certain alleged violations of the storm water general permit requirements applicable to land disturbing activities associated with a September 2007 track siding extension project in Gordon County, Georgia. Among other things, Norfolk Southern mistakenly submitted the permit fee in April 2007 to the same address used for the application. Under the consent order Norfolk Southern agreed to implement best management measures and to have its erosion and sedimentation control plan certified. Norfolk Southern paid a penalty of $4,500. The EPD inspector was pleased overall with the stability of the project.

6. Norfolk Southern was sued by the State of Illinois in connection with a derailment that was caused when a Union Pacific train improperly entered an interlocking and struck a Norfolk Southern train in Momence, Illinois on November 24, 2005. As a result of the collision, diesel fuel was released from the locomotives of both trains and certain limited amounts of other hazardous and non-hazardous materials were released from rail cars. The State of Illinois sued both Norfolk Southern and Union Pacific alleging various violations of environmental laws as a result of these releases and demanding penalties and other relief. This case was settled for a non-penalty payment of $9,900 in January, 2010.

7. On approximately May 15, 2008, Norfolk Southern was notified by PDEP that the agency assessed a $24,000 penalty against it for alleged violations of the Pennsylvania Storage Tank and Spill Prevention Act. PDEP claims that during an inspection at Conway Yard, Conway, Pennsylvania, it discovered several testing and recordkeeping violations. The penalty assessment was appealed and a final settlement reached with PDEP that resulted in a Consent Assessment of Civil Penalty for a $12,000 fine.

8. On May 14, 2008, the United States Coast Guard issued a Notice of Violation in connection with a sheen of oil that resulted from a gasket failure on the land arm swivel joint of a manifold connecting to a fuel barge at Conway Yard. A boom was immediately deployed by Norfolk Southern forces and the swivel joint was taken out

of service. Less than one gallon of fuel was estimated to be released. The Coast Guard's NOV assessed a $250 penalty, which was paid.

9. Ohio EPA cited Norfolk Southern for the railroad's failure to file a Large Quantity Generator ("LQG") Report on August 6, 2008 in connection with a one-time hazardous material spill cleanup event at Columbus, Ohio. The failure to file was inadvertent since the yard facility ordinarily is a small quantity hazardous waste generator. The railroad late filed the LEQ report and has requested the State to delist the yard as a LQG. No penalty was assessed.

10. On August 20, 2009, Norfolk Southern entered into two Consent Agreements with U.S. EPA Region 4, resolving two alleged violations of the Clean Water Act associated with two separate releases of fuel oil locomotive fuel tanks which were accidently breached by a master shoe retarder in Norris Yard, Irondale, Alabama. Norfolk Southern paid a total of $9,000 in penalties in these two dockets.

11. In April and May 2008, the New Jersey Department of Environmental Protection issued a Notice of Violation and an Administrative Order and Notice of Civil Administrative Penalty Assessment, respectively, alleging that Norfolk Southern violated provisions of its New Jersey Pollutant Discharge Elimination System Permit at its Elizabeth City, NJ rail terminal. Norfolk Southern immediately corrected any potential noncompliance issues and in November 2008, paid a penalty of $5,000.

12. The United States Coast Guard issued a Notice of Violation in connection with the failure of a float level control switch at a waste water treatment plant pumping station that released approximately 500 gallons of oil and resulted in a light sheen on the Ohio River on December 18, 2009. An immediate response was undertaken to the release and the control switch was repaired. The Coast Guard's NOV assessed a $1,500 penalty, which was paid.

13. The United States Coast Guard issued a Notice of Violation in connection with the release of diesel fuel from a valve on a loading dock that created a sheen on the Ohio River on March 2, 2010. An immediate response to the release was undertaken. The Coast Guard's NOV assessed a $500 penalty, which was paid.

14. In late August 2010, as a result of an inspection by the Pipeline and Hazardous Materials Safety Administration, Norfolk Southern received a Notice of Probable Violation, Civil Penalty Assessment and Proposed Compliance Order (NOV) for alleged violations related to the operation and maintenance of a fuel pipeline in Macon, GA, including alleged recordkeeping deficiencies. A penalty of $98,600 was paid on July 19, 2011 pursuant to a Final Order. Two additional Notices of Probable Violation and a Notice of Amendment were received in February 2011. On August 18, 2011 an additional penalty of $77,500 was paid pursuant to a Final Order. Norfolk Southern has since retained a third party operator for this pipeline, thus resolving the alleged deficiencies.

15. In late June, 2010, the State of Ohio filed suit against Norfolk Southern alleging certain violations of state water laws at Norfolk Southern's coal transloading facility in Ashtabula, Ohio. Simultaneous with the filing of the complaint, the parties filed a Consent Order for Preliminary Injunction with the court that requires certain actions be undertaken by Norfolk

Southern at the facility. A final Consent Order was entered by the Court on August 11, 2011 that provided for final relief and the payment of an $115,000 penalty.

Part 2

Month/Year Received	Location	Alleged Violations/ Violations
May, 2012	Austell, GA	POTW Permit violation
April, 2012	Harrisburg, PA	Sanitary Sewer Overflow
April, 2012	Georgetown, KY	KPDES Stormwater Permit violation (9/27/11 inspection)
April, 2012	Melvindale, MI	Fugitive dust violation, blast-cleaning AST w/o approved BMPs
January, 2012	Rossville, TN	Alleged violation of stormwater construction permit
January, 2012	Arcadia, OH	Unpermitted discharge from train derailment
January, 2012	Elkhart, IN	NPDES Permit violation (11/23/11 inspection)
January, 2012	Cresson, PA	AST, external coating failure, corrosion (11/10/11 inspection)
December 2011	Sunbury, PA	Alleged solid waste violation @ TBT Transloading Facility
November 2011	Greencastle, PA	Alleged violation of stormwater construction permit
November 2011	Atlanta, GA	Fab Plant WWF POTW permit noncompliance
October 2011	Kansas City, MO	WWF POTW permit noncompliance
October 2011	Harrisburg, PA	Enola Yard - WWF NPDES permit noncompliance
September 2011	Macon, GA	POTW violation- no advance notice of flowmeter totalizer reset
August 2011	Birmingham, AL	WWF POTW permit noncompliance
July 2011	McKinney, KY	Degradation of DO due to derailment related release
July 2011	Arcadia, OH	Ethanol discharge to surface water during cleanup
June 2011	Harrisburg, PA	Noncompliance notice for unregistered AST
May 2011	Titusville, FL	Storage tank system noncompliance
May 2011	Chattanooga, TN	Diesel shop – Hazardous waste inspection noncompliance
May 2011	Culpeper, VA	Line of road – Embankment erosion
Feb 2011/April 2011	Roanoke, VA	Material Yard Shop – Asbestos citation
February 2011	Memphis, TN	Forrest Yard – POTW permit noncompliance
February 2011	Manville, NJ	Odor from train
February 2011	Manville, NJ	Odor from train
February 2011	Manville, NJ	Odor from train
February 2011	Linwood, NC	Linwood Yard – WWF permit noncompliance
February 2011	Harrisburg, PA	Fueling facility WWF permit noncompliance
February 2011	Conway, PA	Oil release
February 2011	Granite City, IL	Third party illegal open dumping
February 2011	Voltz, MO	Late payment of fees
February 2011	Arcadia, OH	Ethanol Discharge to surface water
January 2011	Atlanta, GA	Inman Yard WWF POTW permit noncompliance
January 2011	Atlanta, GA	Fab Plant WWF POTW permit noncompliance
December 2010	Manville, NJ	Odor from train
December 2010	Manville, NJ	Odor from train
November 2010	Elkhart, IN	Total copper exceedence NPDES permit limit
October 2010	Conway, PA	Release of 50 gallon s of lube oil
September 2010	Decatur, IL	WWF POTW permit noncompliance
July 2010	Charlotte, NC	Incomplete SWP 3 monitoring
July 2010	Institute, WV	Lube oil release
June 2010	Portsmouth, OH	Diesel fuel release
May 2010	Roanoke,, VA	Lube oil release
April 2010	Portlock, VA	Failure to perform stormwater benchmark monitoring
April 2010	Rock, WV	Hydraulic oil release
April 2010	Chicago, IL	Lube oil release
April 2010	Decatur, IL	Lysine tank car release
April 2010	Vanzant, VA	Diesel fuel release
March 2010	Maintland, WV	Coal release
February 2010	Belle, WV	Dimethylformamide vapor release
February 2010	Norfolk, VA	Failure to file updated signatory authorization
February 2010	Elkhart, IN (85-27 Monthly)	Total copper exceedence NPDES permit limit
January 2010	Knoxville, TN	Improper labeling of containers for waste batteries and waste fluorescent lamps
January 2010	West Point, VA	Fuel oil release
January 2010	Elkhart, IN (85-27 Monthly)	Total copper exceedence NPDES permit limit
December 2009	Ashtabula, OH	Coal dock (TSS exceedence NPDES limit)
September 2009	Elkhart, IN (85-27 Monthly)	Total copper exceedence NPDES permit limit
September 2009	Durham, NC	Alleged late reporting of sodium hydroxide spill to the NRC
August 2009	Jeanette, PA	Diesel fuel from ruptured locomotive fuel line
August 2009	Waynesburg, PA	Coal dust release from coal hopper

July 2009	Conway, PA	Conway Yard (NOV for 10 gal. diesel fuel on May 14)
July 2009	Conway, PA	Conway Yard (NOV for 20 gal. diesel fuel on May 14)
July 2009	Conway, PA	Conway Yard (NOV for 15 gal. lube oil on May 6)
July 2009	Waynesburg, PA	Diesel fuel spill from truck caused by grade crossing accident
July 2009	Pittsburgh, PA	Highland Ave. Yard (10 gal. hydraulic oil spill from locomotive)
April 2009	Harrisburg, PA	Lucknow Yard (AST exceptions)
April 2009	East Pennsboro, PA	Enola Yard (AST exceptions)
March 2009	Granite City, IL	Failed to dispose.of old crossties in timely manner
March 2009	Goldsboro, NC	Release of diesel fuel
February 2009	Columbus, OH	Failure to submit 2007 Haz.Waste Annual Rpt.
January 2009	Ashtabula, OH	Fugitive dust/wash water.-bridge/river
November 2008	Carlyle, VA	DEQ refusing to terminate permit
November 2008	Granite City, IL	3rd party dumping on non-operating real estate property
October 2008	Macon, GA – Car Wash	Repl. flow meter w/out prior notification
September 2008	Bluefield, WV	Improper labeling of drums
July 2008	Norfolk, VA – Car	Late submittal
July 2008	Norfolk, VA – Loco	Late submittal
July 2008	Ashtabula, OH – Coal Dock	Coal fines in facility runoff
June 2008	Pickshin, WV	Illegal 3rd party dumping on NS property
June 2008	Conway, PA	AST spill during fuel barge unloading
June 2008	Belvidere, NJ	Illegal dumping trash and debris
May 2008	Roanoke, VA (Shaffers Xing)	Failure to comment on inspection report
May 2008	Elizabeth, NJ – Intermodal	Runoff from salt storage
May 2008	Conway, PA	Tank testing and recordkeeping
May 2008	Conway, PA	Petroleum release
January 2008	Linwood, NC	Phenol Exceedence - October 2007
October 2007	Allentown, PA	Unregistered AST

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TABLE V.B.1.e – B

I. Juniata, PA

On or about January 18, 2008, OSHA issued a Citation and Notification of Penalty to Norfolk Southern regarding its Juniata facility. The Citation was resolved with OSHA through an Informal Settlement Agreement dated February 14, 2008. The alleged violations which are the subject of the Informal Settlement Agreement involve the implementation of administrative or engineering controls to reduce exposure to copper and iron oxide during welding operations; the provision of information and training concerning hexavalent chromium; training concerning potential exposure to lead; and the provision of separate storage facilities for street clothes and protective clothing. All of these violations were classified as Other Than Serious and there was a total penalty of $1,500.

II. Portsmouth, OH

On or about March 18, 2008, OSHA issued a Citation and Notification of Penalty to Norfolk Southern regarding its Portsmouth facility. The alleged serious violations contained in the Citation related to the OSHA requirements concerning electric power generation, transmission and distribution under 29 CFR 1910.269. This matter was settled by stipulation and agreement on May 15, 2008, with a penalty payment of $20,000. The descriptions of certain alleged violations were amended, the citation relating to accident reporting was withdrawn (since NSRC is subject to DOT reporting requirements) and all items were abated by October 8, 2008.

III. Baltimore, MD

The Maryland Department of Labor on March 28, 2008 issued two citations against Norfolk Southern Railway Company, alleging five occupational and safety violations at small car repair mechanical facility in Baltimore, Maryland, including one for which railroads are exempted under state law. The matter was settled on April 28, 2008, with a penalty payment of $2,062.50 for three violations relating to welding shields, open circuit breaker and an electrical obstruction. The two violations relating to maintenance and submission of the chemical inventory list were rescinded.

ATTACHMENT V.E.2.

Blue Ridge Railroad Company

Report to the Directors, November 1857

No names of owners or slaves.

Central Rail Road and Banking Company of Georgia

Report to the Directors May 1839

No names of owners or slaves.

Report to the Directors' December 4, 1839

No names of owners or slaves.

Charlotte and South Carolina Rail Road Company

Proceedings of the Stockholders' October 10, 1849

No names of owners or slaves.

Proceedings of the Stockholders' November 18, 1852

Table B – Paid for Negro Hire: L. G. Jones; J. Leroy Davies; Joseph Herndon; John H. Means; L. J. Vaughn; W. Briee; L. G. Jones (Conley); Carver Randell; Mrs. M. W. Postell; James Pagan; John A. Marion; J. T. Diseker; James Catheart ; Braley Oates; John W. Moore; P. M. Brown; B. H. Davidson; H. B. Williams; J. Leroy Davies; Mrs. Rachel Pharr; Dr. M. M. Orr; George Conley; W. H. Stringfellow; O. Woodward; Peter Nicholson; Edward Moor, adm.; Henry W. Yongue; M. J. Pickett; S. J. Randell, adm.; W. S. Gibbes; Mrs. M. A. Parks; Mrs. C. Z. Mills.

Proceedings of the Stockholders' February 8, 1854

Table B - Paid for Negro Hire 1852: Mrs. M. J. Pickett; James Bynum; Harriet English; W. H. B. Collins; John Adger; L. G. Jones; Carver Randell; R. C. McCalla; James T. Fleming; Rev. J. Leroy Davies; Mrs. Wylie; Mrs. M. W. Postell; John H. Means; William Pratt; S. N. Hutchison, Guard.; W. B. MacLean; G. F. Davidson; Jas. H. Houston; D. A. Caldwell; William Johnston; Dr. W. H. Stringfellow; Wm. M. Nicholson; S. J. Randell; Alexander Pinchback; James Pagan; H. B. Williams; F. G. Simril; B. H. Davidson; Joseph Steele; J. J .Sloan; J. R. Davidson; Joseph F. White; Clem. Williams; J. A. Huggins; Mrs. M. A. Parks; D. S. Patton; E. W. White; John F. Irwin; E. O. Elliott; J. Westmoreland; Thos. J. Grier; James Bynum; William Boyee; H. W. Yongue; J. P. Ross; John L. Younge; J. M. Doby; Thomas L Rosborough; C. J. Duffie, Adminis'r; Mrs. C. Z. Mills; W. D. Henry; A. Pinchback; Wm. R. Myers; Robert H. Stringfellow; Thos. W. Moore, Admr.; P. M. Brown; E. A. Dargan; J. Henderson.

Table C - Cost of Road - No names of owners or slaves.

Proceedings of the Stockholders' February 9, 1859

The Road reported that it owned 11 slaves. No names of slaves.

Proceedings of the Directors' 1860

"From this fund liberal expenditures have been made during the year, embracing ... $1,527 for two slaves, George, a painter, and Alexander, a pump hand..."

Proceedings of the Directors' 1862

"From it is also to be deducted the cost of about 1000 bales of cotton and 40 slaves, purchased for the use and benefit of the Company..."

Annual Report January 20, 1864

No names of owners or slaves.

Chesterfield Railroad Company

Report to the Board of Public Works, 1834

No names of owners or slaves.

Report to the Board of Public Works, 1841

No names of owners or slaves.

Report to the Board of Public Works, 1843

No names of owners or slaves.

Report to the Board of Public Works, 1844

No names of owners or slaves.

Report to the Board of Public Works, 1846

No names of owners or slaves.

Report to the Board of Public Works, 1849

No names of owners or slaves.

Report to the Board of Public Works, 1850

No names of owners or slaves.

City Point Railroad Company

Report to the Board of Public Works, December 7, 1838

No names of owners or slaves.

Columbia and Hamburg Railroad Company

Report to the Stockholders' 1864

No names of owners or slaves.

East Tennessee and Georgia Railroad Company

Report to the Directors' June 30, 1860

"One passenger, and the first since the opening of your road nine years since, has been slightly injured by the breaking of an axle; that one a black woman, the property of James Gelson, of Campbell County. Demand was made for damages, which was settled by a purchase of the woman. She has been placed under the judicious medical treatment of Dr. Brown, of Cleveland, and will soon be well again, when she will be sold and proceeds placed in the hands of your Treasurer, thereby reducing that item of damage to a matter of small consequence." (pp.8) – R.C. Jackson, Superintendent.

Greenville and Columbia Railroad Company

Report to the Stockholders' January, 1857

No names of owners or slaves.

Louisville, Cincinnati, and Charleston Railroad Company

Report to the Stockholders' and Directors' September 1840

No names of owners or slaves.

Memphis and Charleston Railroad Company

Board of Directors Minutes, 1860 – 1872

Minutes, January 21, 1861: Mr. Crutcher

Report to the Directors' March 1, 1855

No names of owners or slaves.

Report to the Directors' July 1, 1857

No names of owners or slaves.

Report to the Directors' July 1, 1859

No names of owners or slaves.

Mobile & Ohio Railroad Company

Annual Reports, 1847 – 1863

Proceedings of the Stockholders' May 9, 1853

No names of owners or slaves.

Proceedings of the Stockholders' February 26, 1855

Table - Casualties of 1855: April 17th. Negro Jack, on pile-driving train, fell between the cars and was killed.

Otherwise no names of owners or slaves.

Proceedings of the Stockholders', February 26, 1859

Table - Casualties of 1859: July 14.—Two negro children belonging to Mrs. Hornsburger.

Otherwise no names of owners or slaves.

Proceedings of the Stockholders', April 21, 1963

"We have also purchased sixty negroes, now in the service of the Road....."

Otherwise no names of owners or slaves.

North Carolina Railroad Company

Proceedings of the Directors' 1862

1862 - John Trollinger (Anderson, Alfred); Richard J. Ashe (Sam, Tom); Archibald Borland (Priam); J. A. Faucett (Isaac); J. S. Turrentine (Sam); Stephen T. Forrest (Ben); T. M Crossan (Robert, Alfred, Aleck, Willis, Plot, Mat, Charles, Horace, Bob, Douglas, Joe); John T. Williams (Joe, Henderson, Brown, Solomon, Eaton, Tom); W.C. Williams (Tom, Lew, Yadkin, Cass, Isom, Albert, John); James N. Patterson (Hubbard); Jesse Grant (Jim, Harrison); W.J. Murray (Stephen, Charley); R.M. Sanders (Henry, Spencer); W.C. Williams (Haywood, John, Gaston); Jacob Holt (Pleasant); S.H. Hood (Bill, West); J.F. Ellington (Willis); William Ellis (Haywood); B.M. Isler (Louis, Henry, Tom, Peter); William K. Lane (Duncan, Henry, Jacob, John, Ben); P.C. Cameron (Reddin, Isaiah, Luke, Bob, Fetter, Fenton, William, Weldon, Wellington, John, Robin, Preston, Humphrey, Turner, Nathan, Kinchen, Rowland, Oliver); Mrs. Susan Mebane (Ruffin, Dick, Aleck); J.B. Balsley (Henry); W.N. Pratt (Paul, Sam, Perry); Wesley Robinson (John, John II, Jack); Mrs. D.F.J. Hill (Ben, Bill, Hardy, Ben); W.J. Allen (Henry, Sawney, Jacob, Eason, Edmund); R.D. Paschall (Beckham, Bob); G.E. Badger (Adam); T.H. Atkinson (Simon, Arnold); George Little (Sam, John, Henry II, Henry, Mills, Henry I, Charles); Mrs. L.D. Sasser (Wash, Tom, Jerry); J.M. Plamer (Henry); A.J. Heather (Cain, Green); Mary E. Holt (Haywood); Bryan Smith (George); James Pierce (Jim, Chap); W.T. Dortch (Warren); James Campbell; L.O.B. Branch (Major); S.A. White (Peter); W.F. Askew Jones, Henry, Dennis, Haywood, Marion, Wilson, Jerry, Abraham); J.F. Clark (Sylvester, Anson, Prive, Prince, Mars, Roden, Alexander, Thomas); Ben J. Parmalee (Ben, James, Henry, Harmon, Allen, Simon); Isaac Kelley (James); Mary E. Jarvis (Abraham); John H. Small (Jacob); Mrs. S.A. Carraway (Cesar, Stephen); Mrs. Susan Allen (Henry); A. Henderson (Ike, Levi, Frank, Julius); Dr. R. Hooker (Mordecai, Cyrus, Willy); W.B. Dunn (Charles, John); H.W. Montague (Henry, James, Jeff, Moses, Sidney); Mrs. Sarah L. Hogg (Henry, Joe, Lee); Mrs. John Sloan (James); Phoebe Taylor (Robert, Richard, John); William C. Blount (Stephen, Jacob, Dave, John); Dr. E.H. Gollet (Ben, Anthony); Dr. William H. McKee (Salem, Sam, Dick); S.S. Turner (Handy); Dempsey H. Blake (Jack, Yancy); James Smith (Pleasant); David W. Bell (Dick, Tom, Terry, Bed, Amos, John); James B. Bell (Issac, Nat); Dr. Sam Masters (Jesse, Alfred, John, Ben, James, Charles); Emmet Cuthbert (Charles); Miles Wagstaff (Peter); Dr. E.B. Haywood (Peter, Alex); Sarah Bryan (Bill); Mrs. Sarah Godwin (Monro); M.C. Hodge; John H. Nelson (Ennis, Stephen, Perry, Ben, Bob, Hardy, Alfred); S.W. Branch (Henry); James L. Dusenberry (Jerry); A.H. Lindsey (Bob); Harrison Harbor (Milton); Henry R. Bryan (Simon); Josiah Collins (Sam Barron, Providence, Henry Morsen, Charles, Oren, Lunite, Toney, Ishmael, Thompson, Aley King, Peter King, Angustus, Mills Tamar, Frank, Stephen Iredell, Josh Baum, Wallis, Simon, Josh. Elsey, Osborn, Daniel, Britton, Madison Jordan, Freeman,

Brian, Aaron, Mills Blount, Warren, Mitchell, Dunbar, Whitmell, Walter, Major); W.H. Jones (George); Mrs. Eliza Knox (Stephen); S.M. White (Ben); Henry R. Nash, Trustee (Sam); John U. Kirkland (Willis); Peter B. Ruffin (Henry); Lizzie Bason (Squire, Giles); William J. Long (Madison); Richard Tapp (Wesley); George W. Mordecai (Ellick, Henry Grip, Henry Bus, Matthew, George, Edmund, Harry, John House, Anderson Bailey, Tom); J.A. Rendleman (Moses); J.D. Flanner (Abel)

Proceedings of the Directors' 1864

1864 - James M. Hurdle (Chelsey); Jacob Holt (Pleasant); Jesse Gant (Harrison); William A. Littlejohn (Jacob, Nathan); James Gorrell (Nelson); Mrs. Ann Ivie Hill (Ben 1, Ben 2, Bill); Thomas. D. Martin (Obra, Alech); Nash Rouse (Jack, Ben, Jim, Alech, Haywood, Nepkin, Hazard); James Thompson (Bob); David McAdams (Grandison, Josiah, Bill); Josiah Collins (Hamilton, Freeman, Henry, Morson, Oem, Learnet, Thompson, Willis, Tamar, Frank, Stephen, Iredell, Josh, Baum, Simon, Wallace, Jordan, Aaron, Miles, Blount, Warren, Mitchell, Dunbar, Whitmel, Waldem, Reuben, Ross, Hobart, Mathias, Philliam Davidson, Rebecca, Daniel); Richard Trapp (Wesley); Mrs. E. H. Rux (Stephen); J.W. Norwood (Bill); James Graham (Sam); William J. Hayes (Bob, David Poe); Samuel P. Lowrie; Al. Mitchell (David); Jery Bason (Isaac, Peter); James S. Scott (Dick); Thomas H. Brem (Issac, Jerry); Samuel Harris (Moses, Jim); Mrs. Scott (Joe); Thomas Brem (Austin, Harty); McCorkle (Crawford); David W. Bell (Anderson); Ben J. Parmelee (Ben); R.C. Jenkins (Ben); D.A. Davis (Humphrey); Mrs. Sidney A Clark (Alylvester, Prince, Mac, Roden, Privo, Aleck, Aon); Sarah A. Caraway (Cesar, Stepheny); William Boylan (Wash, Jim, Bryan, Emanuel); Charles Gerock (Henry); Charles J. Freeland (George 1st George2nd, Edmund, John, Squire, Stephen, Tom, Charles, Jerry) R.M. Sanders (Spencer, Sidney, Henry); George W. Mordicai (Henry Bull, Nathan, Amos, Wesley, Iverson, Henry Grip, Matthew Jr., George, John Green, Harry Jr., Edmund, Ike, Jesse, Anderson Goss, Canaan, Sam Slick, Anderson Baily, Jesse Jr., John House, Ben Laws, Isham, Jerry, Macklin, Ellick, John Sears); Henry K. Nash, Trustee (Sam); Mrs. H.E. Page (Simon, Joe, Bartlett, Miles, Augustus, Sam, Chessire, Ben, Jeffry, Tom, Jerry, Harry, Mills, Miles Warf); Dr. Thomas D. Warren (Frank, Jerry, Harry, Henderson, Augustus, Reuben, Dave Skinner, Mike, John Skinner, Andrew, Richard, Jacob, Andrew,Ganger, Stretus, Armstead, Watson, Solomon, Moses, Ben, Andrew Skinner, Nea Skinner, William Skinner, Ransom Skinner, George Wilder, David, Isaah, Bob Skinner, Dickerson); Rufus S. Tucker (Vergil, Alonzo); Cyrus P. Mendenhall (Charles, David, Charles Ellick); Archibald Henderson (Isaac, Jake, Levi, Julius; Pompey; Mark; Jo); John H. Small (Jacob); Jo Graham (Frank); William A. Blount, Jr.(Major Bill); J. W. B. Watson (Alfred, Albert, Alvin, Ben, Bill Harry, Bill Lawson, Curtis, Dick, Gabriel, Gaston, George, Giles, Harry, Winton, Ishmael, Jacob, John Robert, John Jones, Joseph Larkin, Ludd, Switch, Marcus, Meekin, Primus, Railford, Randell, Reddick, Richard, Sam, Simon, Solomon, Washington Moodley, Bama); George W. Watson (Austin, Bill, Bryan, Daniel, Mac, Dick, Ellick, Giles, Guilford, Hill, Mumford Rufus, Shade); P. E. Watson (Daniel, Whilley, Henderson, Jacob, Jim, John Marshall); Mary Watson (Green, Isham); Jacob Brookfield; William Barringer (Henry, George, Edmund); William S. Gilmer (Sam, Mack); Samuel M. Whitaker (Jordan); Richard J. Ashe (Sam); Samuel M. White (Ben); Peter B. Ruffin (Henry); Samuel S. Biddle (Aaron, Levin, Richard, Downer); L. P. Olds (Aleck); Jacob Mordecai (Herring, William, Lewis, Nathan, Shade, Primus, Fab, Jacob, Joshua, Jack, Ruffin, Daniel, Anthony, Jerry, Henderson, Jim); Fred J. Jones (Henry, Amos); Ben J. Parmerlee (Simon, Henry, Allen, Harman); Mrs. Susan Kelly (Jim); Josiah Collins (Major); A. G. Jones (Peter, Harris, Willis, Ben);

Fred C. Roberts (Moses, Ben, Jim, Josiah, Amos Lane, John, Alex, Farney, Ed, Sneed, Bill, Aleck); John H. Nelson (Stephenny, Perry, Bob, Ennis, Ben, Hardy, Frank); D. W. Bell (Amos, Nathan, Ben, Tom, Issac, John, Jerry); Anderson Thompson (Jerry); Williamson Page, Administrator (Burt); A. J. Morris, Administrator (Alvis); Elizabeth Ferrell (Robert); William Gaylord; Dr. W. Carstaphen

North East & South West Alabama Rail Road Company

Report to the Directors' January 15, 1857

No names of owners or slaves.

Piedmont Rail Road Company

Directors Minutes, 1862-1895

".... the President and Chief Engineer and Chief of Construction in addition to the authority therefore given to hire labor, be also authorized to purchase for the company a number of slaves, intended for the purpose, not exceeding 400...."

Otherwise no names of owners or slaves

Richmond and Danville Railroad Company

Board of Directors' Minutes, December 1, 1847 – September 9, 1869

November 13, 1855: "A claim made by F. Lawson for expended in recovering a runaway slave, was submitted and in motion it was rejected."

Report to the Directors' October 1, 1851

No names of owners or slaves.

Report to the Directors' October 1, 1852

No names of owners or slaves.

Report to the Directors' October 1, 1854

Transportation Expenses (Owners providing contracted slave labor): Robert Bowman; Uriah Hankins; D.M. Branch; James M. Taylor; Otey & Goff; C. J. F. Netherland; Mrs. Mary Galt; J. Morrisett,; Samuel Jones; Ann G. Pulliam; J.J. Robertson,.

Report to the Directors' October 1, 1856

No names of owners or slaves.

Report to the Directors' October 1, 1857

181 slaves employed at depots, at shops, and at stations, on sections, and on trains....

No names of owners or slaves.

Report to the Stockholders' December 8, 1858

No names of owners or slaves.

Auditor's Report, November 8, 1860

165 slaves employed at depots, at shops, and at stations, on sections, and on trains....

No names of owners or slaves.

Report to the Directors' October 1, 1865

No names of owners or slaves.

South-Carolina Canal and Rail-Road Company

Report of the Directors' July 1, 1832

On account of the extreme difficulty and expensiveness of occasional hiring, the Board judged it proper to purchase at certain number of Negroes, and the Company now own sixteen.

No names of owners or slaves.

Report of the Directors' June 30, 1833

Reference to "Purchase of Negroes." No names of owners or slaves.

Report of the Directors' January 1, 1833

No names of owners or slaves.

Report of the Directors' October 1, 1834

No names of owners or slaves.

Report of the Directors' January 11, 1836

No names of owners or slaves.

Report of the Directors' June 30, 1836

No names of owners or slaves.

Report of the Directors' December 31, 1836

No names of owners or slaves.

Report of the Directors' July 15, 1839

No names of owners or slaves.

Report of the Directors' January 18, 1840

No names of owners or slaves.

Report to the Directors' July 20, 1840

No names of owners or slaves.

Report to the Directors' January 18, 1841

No names of owners or slaves.

Report to the Directors' July 19, 1841

No names of owners or slaves.

Report to the Directors' January 17, 1842

No names of owners or slaves.

Report to the Directors' July 20, 1842

No names of owners or slaves.

Report to the Directors' January 1, 1843

No names of owners or slaves.

Report to the Directors' July 20, 1843

No names of owners or slaves.

Book of Relinquishments, 1835 - 1845

L.F. Schuls; Issac Murray; Sara McBurney; David D. Cohen (Peter, Abraham, Moses); Samuel Seyle (Thomas); John Bukley (Jim, Charles, Owen); Thomas N. Gadsden (John, Anthony); Charles L. Desel (Sam, Jack); Daniel Byrd (Lewis, Harry); Emanuel Moon (Jam, Jim, Sam, Mike); Smith Miles (Sam); Henry H. Schulz (Charles, Will, Harry, Jack, Ned); John Gilbert (Ned); L. C. Brown (Apollo, Harry, Joe, John, Dick); J. Fred Butt; John Juabnet; J. S. Murray (Jim); Charles A. Teandan (William); Jamh Veronu (James); Eden Ferrt; T. Tupper; H. V. Firith (Bacchur); Samuel Beronee (Sandy); Jacob Inabnet; R. J. Edwards; M. M. Keun; C. Dupont; S. Henry Dickerson (Paul Todd); F. T. Stall; H. Rausuer; A. H. Mulstom; D. H. Inplesley; D. G. Hairraudelf; Nath Coopen; Joseph Fasabinet (Carolina, William); V. Durande; W. T. Nell (Jim, Pompey); M. Fudlandbulayzeck; John D. Muckinfuff (Isaac); Mr. L. Humayor (Peter, Harry, Lapio, Stephey); W. Sindumme (Joe); H. L. Huckson (Harry, Stewey, Peter, Jario); Elira M. Burry (Bulca); Henry B. Toomer (Charles); L. Lloyd (Pompey); C. Dupont; L. H. Shultz; Jacob F. Schirmu; Richard Way (Peter); W. Vanel (Lugh); Andrew P. Wag; John M. Brut; Edeth Spert (Kelly); A. Rison

No names of owners or slaves: August 8, August 12, August 24, September 9, September 30, October 29, November 14, November 26, December 10, December 31, 1835, January 12, January 25, February 12, April 12, June 15, 1836 and May 12, 1837

Board of Directors Minutes, 1835 – 1841

1835 – L.C. Boyles (Stephen); Gibbes (Bell)

1836 - "The motion that the President is ordered to purchase, for the use of the company, gangs of negroes not excluding 300 in number – this motion was adopted."

1839 – Mrs. Dupont (Stephen)

<u>South Carolina Rail Road Company</u>

Proceedings of the Stockholders', February 1851

No names of owners or slaves.

Proceedings of the Stockholders', February 1852

No names of owners or slaves.

Proceedings of the Stockholders', February 1853

No names of owners or slaves.

Semi-Annual Report of the President, June 30, 1853

No names of owners or slaves.

Proceedings of the Stockholders' February 14, 1854

No names of owners or slaves.

Southside Railroad Company

Board of Directors' Minutes, 1853-1865

1854 – January 2 Thomas H. Daniel; January 3 George W. Butts; William Avent; John G. Adkins; David Adkins; M. Ann Clarke; James F. Deane; Thomas Jones; John F. May; Eliza I. Fowlkes; David Justice; R. C. Motley; R. I. Pennington; William D. Southall; January 5 William L. Lithgow; Edwin James; M. Angelica Hawkes; Elizabeth Booth; John W. Baily; Edward A. Wyatte; January 6 Thomas Armes; Richard Marshall; James A. Vaughn; Raymin Vaughn; Thomas W. Bell; Thomas Brannah; January 9 Robert W. Awin; January 11 William P. Mumford; Green Hill; M. Laura A. Chaffer; Larry; W. Cutter; P. Steth; William H. Brown; January 12 John W. Spice; Dr. Henry E. Thore; John Clay; B. Cam; January 13 Joseph H. Prichard; January 16 John Mann; January 17 Frances Fitzgerald; Mary Fitzgerald; W. W. Guy; January 24 James J. Oliver;

January 27 William Harper; William H. Magee; Larah H. Magee; January 28 Catherine Reese; January 31 George Fitzgerald

No date listed: C. Hamblin; J. A. Ammtiard; Mrs. M. A. Bolling; J. F. May; Mrs. Archer

1854 – December 3 Ann R. Jones; Elisha Chapman; B. F. Cos; John C. Daniel; Thomas H. Daniel; H. F. Bardwell; James Briggs; F. Carr; W. B. Ellington

1855 – February W. F. Davis; W. A. Juckim; A. R. Shaur; A. W. Horner; J. H. Robertson; William Motley; W. P. Emmer; A. J. Revel; Thomas H. Daniel; M. Ann R. Jones; Soloman Davis; I. W. Mingae; P. B. Will

1860 – May W. B. Grigg; T. B. Reed; R. A. Moody; C. H. Wilson; J. A. Wilson; N. Pamplin; B. F. Flippin; T. L. Arrington; R. N. Davis; R. W. Pegrma; J. E. Suth

1863 – July 1 J. P. Hall; T. M. Beard; C. S. Hill; J. S. Belcher; W. B. Conway; R. E. Stung; A. A. Moody; R. A. Moody; J. H. Plunkett; C. H. Wilson; T. B. Rice; M. C. Crenshaw; B. F. Flippin; W. H. Hallowill; L. D. McDearman; T. L. Arrington; N. Pample; R. V. Davis; I. A. Wilson; W. B. Gregg; August 1 N. N. Moody; C. H. Wilson; I. L. Arrington; F. B. Rue; W. C. Curshaw; W. H. Halloway; N. Pamplew; B. F. Fleppin; K. W. Pegsam; W. B. Gregg; J. P. Hall; T. M. Board

Ledger D, January 1860 – March 1865

No names of owners or slaves.

Side Ledger, July 1864- March 1865

1864 - July S. Clottie; R. Atkinson; J. B. Muntur; N. Pamplin; J. J. N. Rice; McCorkle; N. B. Janny; N. E. H. Durphy; Geo E. Baytor; September E. W. Moring; Maria Way; Al Arrington; Kurt Paice; A. Moses; N. N. Bell; A. Johnson; E. P. Evans; Maria Way; D. Lackland; H. Raughan; T. B. Rice; D. G. Potts; Patrick Anderson; November M. V. Dove; J. B. Hilliard;

1865 - January Geo Abbott; L. McDunnan; T. L. Larratt; March 1865: M. M. Campbell; W. C. C; J. H. Wilson; F. Marshall; J. T. Luther; Thomas L. Arrington; E. W. Friend; S. W. Gay; D. P. Harrison; Geo Whitmore (George); Mary Gary; R. S. Gillian; S. A. Gary; M. Fistin; Mrs. Stanberry; H. P. Taylor; Geo D. Saunders (Joe, Richard, Payton, Nathan, Davy, John); Geo E. Gary (Theo, Harvey); A. Johnson; James Coleman; John O. Elam (Hampton, Toby)

No names of owners or slaves: March 1865

South-Western Railroad Company

Superintendent's Report, August 1, 1853

No names of owners or slaves.

Superintendent's Report, August 1, 1854

No names of owners or slaves.

Superintendent's Report, August 1, 1855

No names of owners or slaves.

Superintendent's Report, August 1, 1856

No names of owners or slaves.

Superintendent's Report, August 1, 1857

No names of owners or slaves.

Superintendent's Report, August 1, 1858

No names of owners or slaves.

Superintendent's Report, August 1, 1859

No names of owners or slaves.

Superintendent's Report, August 1, 1860

No names of owners or slaves.

Superintendent's Report, August 1, 1861

No names of owners or slaves.

Superintendent's Report, August 1, 1862

No names of owners or slaves.

Superintendent's Report, August 1, 1863

No names of owners or slaves.

Superintendent's Report, August 1, 1864

No names of owners or slaves.

Spartanburg and Union Railroad Company

Board of Directors' Minutes, 1851-1873

December 21st and 22nd, 1855: "The matter concerning compensation claimed by J. J. Peter and Jacob Walker for the negro men used in whole in the company was said to lesson Bob Trains to be reported upon."

Virginia and Tennessee Rail Road Company

Annual Report, November 27, 1850

"...1 Negro man sold..." No names of owners or slaves.

Annual Report, November 3, 1852

"One of the attendants of the train, Patrick, a slave, was separated from the engine only by an open platform car, loaded with railroad iron – he stood to the brake without relaxing his hold, and doubtless was instrumental in preventing additional damage to the train."

Annual Report, October 26 – 28, 1853

No names of slaves. Hands Employed: Depots, 18 slaves; Passenger Trains, 4 slaves; Freight Trains, 10 slaves, Machine Shop, 15 hands, 2 slaves; Carpenter's Shop, 6 hands; Blacksmith's Shop, 9 hands; Repairs, 90 slaves; Bridges, 6 hands; Masonry, 12 slaves.

Board of Directors' Minutes, December 8, 1853 – March 13, 1857

No names of slaves: May 1, 1855 N. W. Leftwich; J. M. Rucker; W. Nation.

No names of owners or slaves: May 1, 1855; July 11, November 12, 1856.

Annual Report, October 25 – 26, 1854

No names of slaves. Force Employed: at the work shops...3 apprentices and 4 slaves; 5 journeymen and 8 slaves; 1 watchman and 7 slaves. At the Depots...18 Agents and Clerks, 2 watchmen and 50 slaves
On the Repairs of the Road...1 Road master, 1 repairer of bridges, with 5 men; 11 Section masters and 145 slaves running engines and trains...4 conductors, 9 engine runners, 8 Firemen and 15 slaves as Brakes-men

Annual Report, October 31 – November 1, 1855

No names of slaves.

Accidents Resulting in the Loss of Life or Limb:

Involving slaves: 1855, February 20, June 17 and July 18. No names of owners or slaves.

Force Employed: At the Depots...58 slaves; Machine Shop...5 slaves; Carpenter Shop...7 slaves; Smith Shop...11 slaves; Road...160 slaves; Bridges...5 slaves; Trains...18 slaves; Engine House...3 slaves.
299 slaves employed (13 of which are mechanics,)...

Day Book 1854-1857

1854 – December 4 A. J. Black; J. E. Morgan; December 11 William Baniel (Henry); F. G. Morrison; December 15 P. H. Gilmer

1855 – January 3 T. F. Goodwin; J. A. Stigler; H. A. Flood; Charly Seth; Caleb Williamson; Peter Copland; Ben Hunter; James H. Harris; Jepe A. Burton; Washington Hunter; Lawrence Anderson; Thomas Lovchson; S. White; M. G. Talisfere; William S. Minonfor; J. H. Thompson; Luc F. Johnson; James Franklin; Jacues A. Hawnen; R. C. Gary; Charles F. North; B. Barker; Murrell Thatton; Nelson Lowry; James M. Rucker; R. K. Watkins; J. J. Lavington; John W. Quarles; Thomas Dillard; E. J. Gillian; January 5 William Pettyjohn; Richard Ellis; Wilkins Watson; John Hughes; E. M. Poindexter; Mary M. George; Alex Tompkins; Richard Moncure; John Abbott; John F. Slaughter; William Ellis; Jacues Benagh; M. M. Richardson; S. L. Moorman; T. L. Jennings; J. Wilson; Jacues L. Campbell; Susan Campbell; January 6 R. C. Campbell; Nancy Campbell; William Campbell; S. Lawnen; Granville Lane; Thomas L. Saunders; Nowlin Appelson; C. W. Garnett; T. R. Muse; B. P. Walker; Hector Harris; Isaac Drewy; S. H. Early; John M. Oley; T. M. Harwick; B. B. Taliaferro; A. C. Harrison; A. Woodson; John T. Davis; P. H. Burras; January 9 Thomas Blackford; John Hughes; R. Tinsley; Peter Copland; Henry Christian; A. J. Black; G. A. Saunders; Mark Anthony; W. C. Jones; E. J. Anderson; Richard Crawford; C. H. Lynch; January 10 Andrew Hotty; Henry Slaggle; W. B. Preston; C. F. Harris; B. Fitzer; J. S. Goggin; A. L. Stiff; January 12 Robert C. Mitchell; D. R. Edley; R. H. Coleman; Robert Coghill; Jacues Elliott; D. Stratton; February 6 E. Burkley; February 9 Mrs. F. Browning; C. C. Broadders; Tanner Asher; S. C. Anderson; N. L. Buttail; W. R. Gordan; February 14 A. Tompkins; W. J. Green; J. B. Coats; Mrs. S. T. Hackett; W. H. Fitzhugh; J. T. White; G. A. Wingfield; Mrs. Elizabeth Dennis; March 21 William Owenson; William J. Anderson; Jen Gyle; March 27 M. Daniel Hart; John L. Barnett; M. Daniel; Peter Phelpy; J. C. Kasey; H. Harmingly; B. H. Stanley; Robert Latimer; Rob C. Mitchell; E. S. Hunter; J. H. Hoge; Alfred Williamson; Sam Peter; Noble Jordan; Daniel A. Langhorne; George W. Anderson; James M. Robinson; April 2 Abner Early; T. E. Reynolds; Peter Spencer; Mary L. Taliaferro; T. E. Reynolds; Lacey Terry; Anderson Duke; R. Sayers; B. A. Langhorne; G. W. Anderson; April 10 Frances T. Fithugh; John M. Otey; E. A. Craddock; John A. Sowers; J. M. Deel; J. M. Robinson; W. A. Irwin; T. N. Cobbs; April 12 J. Peyton; Theodore Moren; J. J. Meadow; T. M. Jones; T. L. Wade; J. L. Prichard; April 18 M. Daniel Hurst; J. H. Buford; July 9 J. Driscall; J. B. Stone; J. W. Jones; Ann E. Dangerfield; July 14 J. M. Robinson; J. W. Kinney; Samuel Nowlin; J. A. Elliott; Hurt Preston; W. H. Burks; July 18 A. B. White; H. D. Flood; W. Owens; Sam Maurry; A. Tompkins; Dan H. Hog; B. P. Walker; July 19 J. C. Walton; W. W. Leftwich; R. H. Staton; C. S. Flicker; H. H. Lewis; J. B. Shackelford; Richard Dennis (Elizabeth); J. W. Keith; John P. Hughes; July 21 Chriswell Dabney; W. S. Morris; R. K. Cradle; T. Dillard; V. MGinnis; Joseph Lancaster; Charles M. Garnett; J. A. Cowardin; G. M. Saunders; July 25 T. J. Kirkpatrick; Richard Crawford; J. Franklin; E. N. Eubank; July 27 Wyatt Abbitt; August 1 H. C. Pierce; August 6 Daniel Stratton; Henry Harmiling; G. Siggon; Henry Gillian; August 9 Peter Spence; W. K. Bill; E. J. Gillian; Peter Sullenburger; August 16 Nelson Lowry; September 6 D. G. Kean; F. M. Cabbell; September 10 Edwin Tatod (Jeff); S. Dunnington (Jeff); September 11 Hugh Brown; B. B. Dickinson; September 14

Noble Jordan; J. Boud; September 31 S. Poindexter; M. L. Harris; October 6 John P. Hughes; C. B. Christian; A. B. McDonald; T. J. Burke; B. F. Stone; J. Milon; Hector Harris; October 8 H. H. Lewis; Ben Hunter Gard; R. J. Gillian; October 11 B. P. Walker; R. K. Watkins; T. C. Jerning; W. H. Hall; R. C. Prince; October 15 P. Winter; E. N. Eubank; T. K. Jones; J. J. Meaddom; November 1 Lucy Fitzhugh; R. Caiborne; November 21 Charles Miller; Mrs. E. M. Poindexter; November 13 John Dacey; Charles Byrnes; Rich Dennis; December 4 J. V. Knight (Alfred, William); R. Christian (Steven); W. H. Mountcastle; V. M. Ginn; John H. Smith (Randal, Ballard); December 19 G. Fitzhugh (Richard); C. F. Garnett; December 31 F. G. Morrison; R. S. Ellis; F. M. Barker; J. Crouch; Hugh Brown

1856 – January 1 George D. Davis; Ben Williams; H. V. Thompson; January 2 Thomas F. Goodman; T. K. Jones; T. Dillard; N. B. Magruder; W. S. Minor; January 3 T. L. Walker; J. M. Coble; Hector Harrisin; January 4 T. W. Saunders; J. R. Holcombe; J. D. Taylor; R. K. Watkins; W. Gish; January 7 Dade Hood; January 12 L. F. Johnson; January 18 L. B. Jacobs; January 31 E. J. Gillian; February 1 Mrs. J. M. Boyd; F. G. Morrison; W. Daniel; J. A. Burton; February 6 Ben Hunter; J. S. Payne; M. L. Harris; February 8 W. Kent; Lucy Tate; J. W. Stewart; February 9 Charles B. Christian; February 12 T. Jones; R. Crawford; W. W. Broaddus; February 15 W. Stitzer; F. Fitzgerald; M. Humbly; E. M. Hoffman; Isaac Hunter; W. H. Yenglin; F. K. Nelson; C. J. Meriweather; C. Floyd; R. K. Watkins; February 16 Daniel H. Stone; H. F. Sale; February 22 Francis E. Hall; J. Abraham; February 23 C. M. Merridith; C. T. Wills; February 25 Caleb Williamson; February 28 Hector Harris; J. J. Meadow; March 3 E. D. Frazier; Henry Wade; F. M. Barker; N. C. Gary; March 17 Nelson Lowry; W. J. Green; Paul Hull; R. Peyton; March 22 J. S. Payne; Ann M. Ellis; March 24 J. H. Buford; Maria Board; March 28 Mary Whitehall; T. S. Bocock; W. G. Jackson; April 1 A. A. White; J. J. Mays; April 14 John T. Davis; April 19 Mark Anthony; A. W. Saunders; April 28 J. C. Burchfield; April 28 R. K. Watkins; May 10 Josiah B. Sancaster; Richard Dennis; May 13 J. H. Wilson; W. T. Anderson; May 16 R. Crockhill; May 17 Henry Brown; W. G. Jackson; Marshall S. Harris; T. C. Jenning; May 20 John T. Everett; Alexander Kinnier; May 21 Randolph Payton; May 22 Archibald Wade; Dan Stratton; May 26 W. S. Hunter; C. A. Miller; May 30 Sam McDaniel; June 4 S. Brown; June 13 W. B. Preston; A. B. Nichols; June 14 H. H. Lewis; June 18 Melvin Talbott; George Earhart; June 20 R. M. Waddill; June 27 Ben Hunter; G. D. Davis; July 3 John T. Davis; D. C. Clay; July 5 Charles A. Floyd; July 7 Charles S. Scott; July 10 Alfred A. White; July 11 Seth Woodroof (Peter); July 22 G. Whitcock; July 26 J. Downing; August 9 Gilmer Walker; August 16 A. S. Whaling; August 26 Charles J. Harris; J. Cole; R. C. Gary; September 1 T. J. Kirkpatrick; October 1 J. B. Shackelford; October 4 T. S. Wright; October 7 Aubrose M. Donald; October 11 Mary Whitehead; December 6 Randolph Peyton; December 25 G. Calahan; December 26 D. Untermyer; Pat Callan;

1857 – January 2 Archibald Bowling; January 5 Sarah Wiatt; Marshall Harrison; January 8 Gilmer Walker; January 13 A. Wade; January 24 A. Bolling; February 7 M. Curle; February 25 E. H. Gill; March 2 B. Lee; J. B. Radford; March 30 Stopswood Brown

Ledger, 1855-1857

No names of owners or slaves: January 24; October 6, 8, 10, 12, 13, 16-19, 26; November 3, 6, 12, 13, 14, 16; December 4, 5, 7, 10, 14, 15, 18, 19, 22, 26, 31, 1855; January 2-4, 9, 10, 14, 17, 18, 24, 28, 31; February 1, 2, 4, 6, 8, 9, 12, 14, 16, 19, 20-23, 25, 27, 28; March 3-6, 8, 13, 15, 19, 21, 24, 25, 29, 31; April 1, 12, 14, 16, 19, 28; May 12-17, 19, 20-22, 24, 26-28, 31; June 2, 4, 5, 11-14, 16, 19-21, 23, 30; July 1-5, 7-11, 14-16, 19, 21-24, 26, 28-31; August

1, 5, 6, 11, 12, 14, 16, 20, 26; September 1, 4, 5, 8, 17, 30; October 2, 3, 4, 6-8, 10, 13, 14-18, 21-24, 30; November 3, 4, 7, 21, 28, 29; December 11, 12, 16, 23, 25, 26, 29, 30, 31, 1856; January 2, 3, 5-10, 12, 13-17, 19, 22-24, 26, 28, 30, 1857; February 3, 5, 6, 9, 11, 12, 13, 27; March 5, 20, 25, 31, 1857.

Annual Report, October 29 – 30, 1856

Accidents Resulting in the Loss of Life or Limb:

Involving slaves: 1856, February 5 and April 23. No names of owners or slaves.

Force Employed: At the Depots...66 slaves; Machine Shop...4 slaves; Carpenter Shop...10 slaves; Smith Shop...11 slaves; Road...240 slaves; Bridges...5 slaves; Trains...15 slaves; Engine House...4 slaves

360 slaves employed (16 of which are mechanics,)...

Annual Report, September 16-17, 1857

No names of slaves.

Force Employed: At the Depots...67 slaves; Machine Shop...5 slaves; Carpenter Shop...13 slaves; Smith Shop...13 slaves

435 slaves employed – including 30 mechanics...
22 Negro Houses recorded along the road to house hands
Liabilities: Due for three quarters Negro hires for 1857...$49,172.26

Journal, July 1, 1857- March 31, 1859

July, 1857 – May 1859: John R. Hughes to Francs J. Morrison for negro hire.

No names of other owners or slaves.

Journal, July 1, 1857 – May 20, 1859

1857 – July 1 John A. Hughes; December 24 F. B. Deane

Other references made: July 3; July 8; August 12; August 20; August 31; September 18; September 30; October 1; October 28; October 31; November 30; December 24; December 31

1858- January 9 Alexander M. Gray (Jordan); January 14 Walter C. Deyerle; January 15 Parker Smith; Henry D. Flood

Other references made: January 9; January 14; January 21; February 1; February 27; March 12; March 31; April 1; April 7; April 30; May 31; June 30; July 31; August 31; September 30; October 1; October 6; October 9; October 18; October 30; November 12; November 30; December 27; December 31

1859 – January 13 I. E. Harrison; January 13 Charles A Floyd (Allen); May 20 B. F. Coleman

No names of owners or slaves: January 3; January 7; January 26; January 28; February 28; May 20; May 23; June 30

Ledger, 1857-1860

Owners: R. W. Jones; R. C. Strother; C. S. Pepper; W. M. Dinwiddie; Clement Page; Robert Eurley MD; William Owenston; W. M. Sorry MD; Withers G. Martin; John P. Hughes; J. R. Phillips MD; J. Garrett MD; R. Crockett; James; Gilmer Walker; Hugh M. Ewing; William Dennis; R. E. Jetson MD; Robert Crockett and Son; James Leammer MD; Samuel M. Conkey MD; J. J. Loving MD; Campbell White MD; Preston Pitt MD; John H. Griffon MD; E. F. Shettman MD; I. H. Nowlin MD; Phillips Pepper MD; J. L. White MD.

No names of owners or slaves: May 30. June 30, July 2 , July 6, July 11, July 29, July 31, August 31, September 30, October 5, October 8, October 12, October 20, October 31, November 11, November30, December 19, 1857; January 2, January 4-9, January 13-15, January 18, January 21, January 22, January 26, January 27, February 2, February 3, February 9-11, February 24-26, March 4, March 15, March 20, March 22, April 3, April 5, April 14, April 23, April 28, June 9, July 3, October 4, October 4, October 5, October 9, November 9, November 23, December 15, 1858; January 5-7, January 24-26, January 29, February 1, February 2, February 4, February 7, February 17, February 18, March 28, April 20, May 12, July 30, August 11, October 29, December 31, 1859; January 31, 1860.

Day Book 1857-1860

1857 – April 1 W.W. Leftwich; Randolph Peton; Saml. Nolan; Mrs. James Garland; John P. Hugley; John W. Calahan; Charles M. Blackford; A. Tompkins for D. H. Hoge; Robert Crockett; April 2 H.H. Lumis Agt for Estate of F. R. Shackleford; E.J. Gilliam; James A. Haumer for Daniel Stratton; E.R. Page; Garland & Slaughter for C.A. Floyd; James A. Stiegler; April 4 Tho. W. Leftwish; Richard Curle [freeman]; J.R. McDaniel; Wm. Neighbours for Martha Tuggle; F. G. Morrison for S. White; Marshall S. Harris; Wm Owens & Son for John H. Moorman; April 7 Wm A. Millen for E. Wortham & Co. assignee of Samuel Schoolers; Langhorne & Holcombe; Mrs.. DE. Dangerfield; John M. Speed; Mariah Wright; E. N. Eubank; Thomas H. Burnesfirst; N. C. Manson; Samuel H. Early; John Goode; Edgar Whitehead; Thos. G. Hill; Thomas E. Jennings; P.H. Ryan for Wm Daniel; Charles W. Christian for C.F.M Garnett; April 9 James Shearer; Clifton V. Webb; Joseph H. Wilson; H. Whyte for B.B. Jackson; John M. Otey for Charles S. Scott; John M. Otey for William Waller; Samuel P. Poindexter; April 11 Peter Spence & Co. for Lucy Fitzhugh; April 13 Thos. Flood for T.S. Bocock; Samuel Crockett; April 15 A. Tompkins for F. Allison Sr.; Mrs.. P.J. Thompson for H.V. Thompson; John M. Otey for F.H. Conway; James Elliott; H. B. Sumpter for Miss S. W. Percival; J. Franklin for A. R. White; James Franklin; April 18 Thos. G. Hill; T.T. Moorman for Judith Moorman; William S. Morris; Frank Gaium; Wm P. Noal; Mary D. Buchanan; April 21 Charles H. Ruckin assignee of Francis E. Hall; A. Tompkins for R. H. Maurry & Co. assignees of John C. Downing; A. Tompkins & Co. for Philip Samuel; April 25 Alfred A. White; John W. Lowry agt for T.E.R. M.E. Lowry; May 1 Mark Andrews; Mark Andrews for John W. Andrews; T. C. Ivey for E. O. Daniel; May 9 A. Tompkins for Geo. W. Coleman; John M. Otey for Walker Washington; M. Davis for T. K. Jones; May 13 Thomas Kelso for Hugh Brown; A. Tompkins for Wm N. Jordan; May 16 F. G. Morrison for George B. Washington; T. I. Brown; Benjn. Wilkes for Francis Christian; May 22 Alexander Mc Daniel; W. R. Preston; Wm Musit; May 28 W. A. Leftwich; June 1 H. Dannington for Mrs.. Lucy Tate; June 9 F. G. Morrison for R. C. Combs; F. G. Morrison for J. H. Dickinson; June 16 R. C. Mitchell for F. R. Stone; John A. Somers for James Campbell [free]; June 30 J. W. Andrews; W. W. Hanson; July 1 John P. Huglin; S. White Trustee; Langhorn & Holcombe for Mrs. Ann E. Dangerfield; Farmers Bank VA for F. W. Coleman;

M. D. Buchannan; Mary W. Buchannan; Saml Nowlin; Mrs.. James Garland; Alexr McDaniel; R. G. h. Kane for C. M. Blackford; July 2 Richd Crawford; Eliza B. Christian; Richard Curle [free]; James M. Cobb for W. H. Lee; James M. Cobb for Ben Hunter; Jos. H. Wilson; Garland & Slaughter for Charles A. Floyd; N. C. Manson for R. E. Manson Truestee for J. Merriwither assignee of Saml H. Early; Jos H. Philps assignee of J. W. Callahan; July 3 Charles W. Christian agt for C. F. M Garnett; Jn M. Otey for C. S. Scott; Jn M. Otey for Withers Waller; Jn M. Otey for F. H. Conway; Jn M. Otey for T. K. Jones; Jn M. Otey for J.G. Wallace; Thos S. Richardson for Tho. J. Brown; July 6 Samuel Crockett; Phil Samuel; Samuel S. Schooler; John T. davis; M. S. Harris; Richd Perkins; F. G. Morrision for E. S. Motley; Alfred A. White; Tho. C. Walsh for R. McDaniel; July 7 W. O. Owen; Tho. W. Leftwich; Henry White for Ben B. Jackson; W. W. Leftwich; C. F. Harris; A. R. Nichol assignee of John Goode; P. J. Thompson for H. V. Thompson; July 8 James Franklin; James Franklin for A. R. White; T. C. Jennings; John W. Lowry for P. E. & M. E. Lowry; T. W. Sanders for J. B. Sanders; H. H. Lewis agt for H. R. Shackleford; T. H. Ivey agt for E. O. Dance; July 11 H. B. Sumpter for S. W. Sumpter; July 13 James A. Hacuner for "an ill Stratton"; James A. Hacuner for Jesse Thornhill; James A. Hacuner; James A. Hacuner for R. C. Gary; C. M. Wade for Archibald Wade; L. A. Horton; W. R. Neighbour for Martha Tuggle; J. H. Moorman; July 15 R. C. Mitchell for F. B. Stone; Judith Moorman; Hector Harris; July 17 R. C. Hackett; July 24 Henry D. Flood; Henry D. Flood for F. S. Bocock; Geo. W. Dawson for R. A. Coghill; F. G. Morrison for Walker Washington; July 27 F. G. Morrison for P.H. Burress assignee of John Smelser; Randolph Peyton; Wm T. Booker for Garnett H. Leo; August 1 Saml Pryor; John W. Jones; Mark Andrews; August 4 Saml T. Poindexter; John W. Sale; August 8 L.P. Preston for James A. Stiegler; August 10 John W. Sheed for Mrs. Inarnia Wright; Washington Hunter; August 15 Jos H. Stone; J. Morton Shue for Maria L. Leftwich; August 17 Joseph M. Shue for Jn O. Leftwich dec'd; P. H. Ryan for Wm Daniel; Archibald Bolling; August 22 B.W. Jones for Abram L. Stiff; Wm A. Hardy; September 7 Waters Shined & Co for P. Moncure; September 14 Bowling Clark; September 16 Winston W. Faukesley for Caleb Williamson; September 19 Christopher Moore assignee of Judith B. Cardwell admis. Of the Estate of J. E. A. Cardwell dec'd; September 21 F. G. Coleman (Ben); October 3 S. White Trustee; C. R. Slaughter atty for Charles A. Floyd; H. Whyte for Ben B. Jackson; Withers Waller; Jos. H. Philps assignee of J. W. Callahan; C. S. Scott; H. Conway; H. D. Flood; H. D. Flood for Thos S. Bocock; Saml Crockett; Wm R. Mosby for C. S. Mosby (Merchant); October 5 James A, Hamner; James A. Hamner for R.C. Gary; James A. Hamner for Jesse Thornhill; James A. Hamner for Daniel Stratton; Joly & Saunders for Thos W. Leftwich; Geo. McRucker assignee of John P. Hogley; James Franklin for A. B. white; R. E. Manson trustee assignee S. H. Early; T. H. Ivey for E,. O Dance; James Franklin; John R. McDaniel; F. G. Morrison atty for E. S. Mottey; October 6 Wm Neighbour for Mrs. Martha Tuggle; J. W. Anderson; P. J. Thompson for H. V. Thompson; Phill Samuel; A.R. Nichol assignee of John Goode; Tho. T. Moorman for Judith Moorman; Langhorne & Holcombe for Mrs. Ann E. Dangerfield; J. H. Moorman; October 8 S.C. Hunt for Mrs. Frances Christian; Richard Curle [free]; W. H. Taylor for Wm H. Hall assignee of Wm A. Leftwich; Jos H. Wilson; Nelson Lowry assignee of A. M. Lowry; October 12 James M. Cobbs for J. W. Jones; October 15 James A. Stiegler; J. M. Reese for Hugh Brown; F. G. Morrison for W. W. Hanson; Wm L. Bell admr of the estate of John O. Leftwich; October 17 F. W. Coleman; October 20 F. Bank for Mary D. Buchannan; Mary W. Buchannan; James A. Duffan; F. W. Coleman; Beverly Crump; C. D. Reynolds assignee of Wm Gishassignee of Wm B. Preston; Mark Andrews; Joby & Saunders for Wm Muse; October 21; Alexr McDaniel; James Elliott; Wm A. Miller for Saml Schooler; October 24 A. Tompkins for Michael Wallace; H. B. Sumpter for Alfred A. White; Saml Pryor; October 28 J. Morton

Spruce for his wife formerly Maria L. Leftwich; Thos J. Brown; R. G. Bell for S. S. Thomas; A. Tompkins [for] R. H. Maury; P. H. Gilmen; November 2 John W. Lowry agt for T. E. & M. E. Lowry; R. C. Mitchell and R. C. Combs; F. B. Stones; November 7 Saml T. Poindexter; John C. Marrell for B. Cox; Walker Washington; Gustave A. Saunders; November 17 Chas W. Price for H. L. Stiff; November 19 Wm H. Hall assignee of Sarah Wright; November 23 Caleb Williams; November 27 P.H. Ryan for McDaniel; G. A. Wingfield for E. B. Christian; December 1 Mrs. P. J. Thompson for H. V. Thompson; Peter Spence & Co for Lucy Fitzhugh; W. O. Owens; December 10 Daniel Stratton; December 19 Thos P. Mitchell; December 28 F. G. Morrison

1858 – January 2 F. R. Deanne for Elizabeth Fraizer; James A. Hamner; Jesse Conch for Doris Conch; Tho. C. Walch for John R. McDaniel; L. C. Mosley for C. L. Mosby; Saml. H. Quaren for Mary J. G. Watkin; Washington Hunter; Wm Hagden for A. Ogden; John T. Murrell for Garland and Slaughter in full of C. A. Floyd; E. S. Hutter; Peters Spence & Co for P. Moncure; Peters Spence & Co for Lucy Fitzhugh; H.J. Garrett; H. D. Flood for T.S. Bocock; January 4 James Franklin; Wm H. Leo admr; J. P. Whaling for J, W. Neal; M. R. Bohannan for Alexr Wade; H.D. Flood; James Benogh for Mrs. M. Richardson; R. K. Watkins for C. F. Harris; James Garland; Chisince Dabney; James H. Philps for J. W. Callahan; Leo Johnson & Co. for D.C. Dunn; Thos M. McKinney; Wm T. Booker for Garnet Lee; E. S. Halsey for Seth Halsey; Franklin & Bro for A. B. White; Jos. H. Wilson; T. J. Brown; Phillip Samuels; J. R. Holcombe & Co for Ann E. Dangerfield; W. H. Hall assignee of Sarah Wright & Wm A. Leftwich; H. H. Lewis agt for the estate of F. B. Shackleford; Marrell & Stratton for Alexr McDaniel; Marrell & Stratton for James A. Marshall; T. C. Jenning; W. O. Owen; McConkle & Co for Floyd Rocke; January 5 W.W. Leftwich; William Neighbours for Martha Tuggle; M. S. Harris; A. B. Nichols; W. V. Jordan for Richard Dearing; Wm L. Bell admr of Jn O. Leftwich dec'd; Richard Curle [free]; James F. Paine for Fleming Saunders; J. T. Davis; James Elliott; C. M. Blackford; C. Blackford Trustee for M. M. Leftwich; January 6 A. B. Rucker for T. G. Hill; James W. Stewart; Spotswood Jones; L.A. Horton; W. G. Morrison; James A. Stiegler; F. H. Conway; Paul Hull; Withers Waller; Charles S. Scott; N.C. Manson for J. H. early; F. G. Morrison for P. H. Gilmus; January 7 Judith Moorman; F. G. Morrison for E. S. Motley; Wm Q. Spinedteller; F. G. Morrison for Geo. B. Washington; Jn. M. Otey for James Montith; T.T. Saunders; Alfred W. Anderson for Archibald Wade Sr.; Hector Harris; January 8 Richd Crawford; John H. Moorman; John A. Harris for Dabney & Co MD assignees of R. C. Hackett; John Irby; January 13 James L. Campbell; Hugh Brown; John M. Preston for James Saunders; Saml Ferguson for Eliza B. Christian; January 14 R. D. Moor assignee of John P. Hughes; H. Whyte for B. B. Jackson; Beverly Crump; R. D. Moore; P. j. Thompson for H. V. Thompson; Tho. W. Saunders for James B. Saunders; J. J. Williamson for Caleb Williamson; G. A. Saunders; Saml Crockett; Thos H. Burnes; Irby & Saunders for Sawney Price; C. E. Jones for A. L. Stiff; James Shearer; January 16 Saml Nowlin; C. V. Winfree for E. O. Dance; Saml Pryor; January 18 J. H. Thompson assignee of J. W. Sale; J. W. Jones; Wm H. Moorman; Jhn W. Jones; A. Tompkins for Mary D. Buchannan; A. Tompkins for E. A Craddock; A. Tompkins for W. W. Hanson; A. Tompkins for Michael Wallace; A. Tompkins for Michael Wallace;A. Tompkins for M. W. Buchannan; A. Tompkins for James Duffin; A. Tompkins for B. B. Wright; A. Tompkins for Jn Smith; January 21 A. Tompkins forF. W. Coleman; A. Tompkins for N. S. Battaile; A. Tompkins for John Collins; A. Tompkins for Margaret B. Crump; A. Tompkins for B. F. Coleman; A. Tompkins for Johnson Fitzhugh; Bolling Clark; Charles W. Christian agt for C. F. M. Garnett; J. m. Spence for M.L. Leftwich; Simpson & Brothers for Matilda Thareton; Jos Wilson for Winston Radford trustee for Elizabeth Wilson; Jn M. Otey for

J. H. Wilkinson; Jn M. Otey for W.W. Forbes; January 22 Saml T. Poindexter; Jn M. Otey for Wm Jordan; F. K. Nelson; January 25 Richard Perkins; E. R. Page; A. Tompkins for Geo. W. Burke; January 26 John W. Lowry agt; Jn M. Otey for Sarah Sweatman; January 27 F. B. Stone; C. T. Wills; January 29 C. W. Hardy for Wm A. Hardy; P. H. Ryan for Wm Daniel; James C. Hazter; February 3 John H. Moore; Younger & Smith for R. Sedgwick assignee of O.P. Read; Jn M. Otey for J. G. Wallace agt; Wm B. Preston; February 20 Ben Wilkes; February 24 Mark Andrews; Wm A. Millen for Saml Schooler; February 25 Dinwiddie Committee; B. C. Combs; March 1 Wm T. Anderson for Alfred A. White; March 15 A Tompkins for A. G. Broadders; Spotwood Brown Gardn; March 18 C. J. Harris; March 20 L. F. Johnson; March 27 David R. Edley; Thos F. Pollard for Archibald Wade; F. G. Morrison for S. White Trustee; April 1

1859 - January 3 Sara Crockett; Pelinn Skinner for H. H. Wallace; for Peter Spencer and for J. W. Kay; R. Holcometree for James Riaz; J. R. Holcomtree for Ann E. Dangerfield; J. H. Wilson; B.L. Whitenbier; Preston L. W.; E.D. Fraylon; Dr. for W. Owens; January 4 Hugh Chandler; Kinni Sanders for Agnes; Thos. W. Sanders; D.V. Woodroffs; Alison Wade; James S.; W.G.M.; C. Dobney; A.F. Wilson; Washington Hunter; L.T. Hopkinson; N.V. Thompson; J. McGinnis; Richard M. Wells; J.H. Griffinson; St. Griffin for Charles A. H.; Mr. Gillian; M.L. Harris; W. Anderson; Wilbert L. Martin; G.S. Pepper; January 5 Richard Perkins; A.J. Cawfford; Mr. S. Morris; J. M. Lucker; G.G. Waile for Thos. W. Leftwick; J.W. Gallahan; Richard Draring; John M. ShuDin; John M. O'ley; James Monlush; A.H. Lucken; R.R. Junstaw; R.J. Crockett; G.R. Wallace; James L. Hammand; Jonny Montuth for Sarah Swuatman; Ms. M. Spied for Mrs. Maria Wright; January 6 C.C. Wade for J.A. Burton; J.H. Wilmer; R.H. Wilmer; J.H. Brown; Tho. S. Walker; Geo. W. Valentine for Tho. J. Brown; M. Daniel; Charles L. Masby; John T. Davis; James A. Hammond for Charles P. North; Mr. Owens; January 7 J.N. Jorden; John J. Goodwin; W.M. Flanton; M. Wallace; Mary D. Buchannan; A.G. Rroaddey; John Owens; M.R. Crunch; Paul Haw; J.R. Phillips; H.M. Erving; B.R. Wright; John Owens; M. A. Wright; January 8 Alex M. Gray; John A. Hughes; A. McDaniel; January 10 Mr. St. Wright; January 24 Charles W. Christian; Rich Crawford; John Smilfan; Hector Harris; J.D. Pieree; W. J. Green; W. J. Moor; E.O. Daniee; W. Lefton; W. Wallace; James Suanders; R. O. Dob; G.H. Gilmore; M.M. Leftwich; J.C. Jennings; Sarah Wright; Henry Dunnington; T.T. Sunders; D. Crouch; J.C. Moncuro; J.H. Smith; Geo. Callahan; W.H. Moorman; E.M. Poindexter; Davis D. Poindexter; Charles E. Auqua; James W. Stewart; John S. Caldanice; J.C. Hyter; P. Saunders; J.C. Hammeth; John H. Smith; J.H. Nomlin; Caleb Williamson; C. Christian Arlington; Mr. Owens; James L. Crawford; John H. Griffin; J.H. Nomlin; January 26 Peter Spence for N.S. Rautails; January 29 John R. McDaniel; Peter W. Hairston trustee for E.S. Stuart; C.T. Wells; Tho. J. Jarratt; Ro. A. Coghice; Charles W. Christian; January 31 Mr. Owens; Daniel Stratton; Agnes L. Ingles; February 3 W. Kent; R & J Crockett; February 4 J.C. Burchfield; James L. Morgan; Wm. Plunkett; R. & J. Crockett; February 7 Seth Halsey; Thos. A. Harris; February 15 F.G.M. Tho. McKinny; Ro. C. Mitchell for F.K. Nelson; J.S. Plain for Levi C. Dowdy; February 17 John L. Saunders for S. F. Johnson; Wm. Owens; A. Tompkin for J. H. Dejarnett; William Owens; Wm. Hobson; February 23 Parker Smith; February 25 G. A. Saunders; February 28 Ro. Earlys; Wm. Owen; E.J. Sheltuian;

No names of owners or slaves: 1857 - April 2, 4, 13, 30; May 30; June 30; July 30; August 29; October 5; October 31, November 27; December 19, 28, 31. 1858 - January 2, 4, 5, 6, 7, 8, 14, 16, 18, 21, 22, 25, 27, 30; February 3, 24, 25, 27; March 1, 5, 15, 20, 31; 1859 – January 6, 7, 24,

Ledger, 1857 – 1860

1857- April 1 W. W. Leftwich; Randolph Payton; Sam. Nowlin; Mrs. J. Garland; John P. Hughes; John W. Calohan; Charles M. Blackford; A. Tompkins; April 2 Dr. F. Robert Crockett; H. H. Lewis; E. J. Gillian; J. A. Hawner; E. R. Payne; Garland Slaughter; J. A. Stigler; April 4 T. W. Leftwich; Richard Curle; W. Nughborun; John J. Flonnoy; F. G. Morrison; Marshall S. Harris; Dr. F. Cash; W. Owens; April 7 W. A. Miller; Sam Schooler; John M. Speed; E. N. Eubank; N. Manson; John Goode; Edgar Hetchard; Thomas Jennings; P. H. Ryan; Charles W. Christian; April 9 J. Shearer; Clifton V. Webb; W. R. Bohannan; J. H. Wilson; H. Whyte; John M. Otey; Samuel T. Poindexter; April 11 Peter Spence; April 13 H. D. Flood; Samuel Crockett; D. J. Saundries; I. F. Loving; Robert Early; W. Owen; April 15 A. Tompkins; P. J. Thompson; J. Elliott; J. Franklin; April 18 T. G. Heill; T. T. Moorman; William S. Morris; Frank Gains; W. P. Noel; Mary D. Buchannan; April 21 Charles H. Rucker; April 25 Alfred White; John W. Lowry; May 1 Mark Andrews; E. O. Dance; May 9 M. Davis; May 13 T. Kelso; R. C. Saunders; May 16 T. G. Morrison; T. J. Brown; B. Wilker; May 22 Alexander McDaniel; W. B. Preston; June 1 H. Dennington; June 16 R. C. Mitchell; John A. Somers; June 30 J. W. Andrews; W. W. Hanson; Robert Crockett; July 1 John P. Hughes; S. White; Langhorn Holcombe; F. Bank; Mrs. James Garland; July 2 Rich Crawford; Eliza B. Christian; Richard Curle; James M. Cobb; J. H. Wilson; Garland Slaughter; M. Manson; J. H. Philapine; July 3 Charles W. Christian; T. S. Richardson; July 6 Phil Samuels; Sam S. Schooler; John J. Davis; M. S. Harris; Rich Perkins; J. G. Morrison; Alfred A. White; T. C. Walch; July 7 Henry White; C. F. Harris; A. B. Nichol; N. C. Taliaferro; July 8 J. Franklin; J. C. Jeaning; John W. Lowry; T. W. Saunders; H. H. Lewis; July 11 H. B. Slaughter; July 13 J. H. Hammer; C. M. Wade; L. A. Horton; W. R. Neightor; J. H. Moorman; July 15 Judith Moorman; Hector Harris; July 17 R. C. Hackett; July 24 Henry D. Flood; G. W. Dawson; July 27 Randolph Payton; July 30 I. F. Loving; August 1 Sam Pryor; John W. Jones; Mark Andrews; Sam Poindexter; John W. Sale; August 8 L. Preston; August 10 John M. Spud; Washington Hunter; August 15 J. H. Stone; J. Morton; August 17 Joseph M. Shucford; Archibald Bolling; August 22 B. W. Jones; W. A. Hardy; Peter Spine; September 14 Bowling Clark; September 16 Winston W. Faukerey; September 19 Christopher Moore; September 24 F. G. Coleman; October 3 S. White; H. Whyte; C. S. Scott; F. H. Conway; W. R. Mosby; October 5 J. A. Hawner; Daniel Stratton; G. M. Rucker; R. E. Manson; October 6 Mrs. P. J. Thompson; Phil Samuel; A. B. Nichol; October 8 S. C. Hunt; W. H. Taylor; Nelson Lowry; October 12 J. M. Cobbs; October 15 J. M. Reese; W. L. Bellamore; Beverly Crump; C. D. Reynolds; October 21 A. McDaniel; J. Elliott; W. A. Miller; October 28 I. Morton; J. C. Brown; R. G. Ball; P. H. Gilmer; November 2 R. C. Whitehall; November 17 C. M. Price; November 19 Sarah Wright; November 23 Caleb Williamson; November 27 P. H. Ryan; G. A. Wingfield; December 19 S. Pepper

No names of owners or slaves: April 9; April 15; April 18; April 21; April 25; April 30; May 1; May 9; May 13; May 28; May 30; June 1; June 9; June 30; July 1; July 2; July 3; July 6; July 7; July 8; July 13; July 15; July 24; July 27; July 30; August 1; August 29; October 3; October 5; October 6; October 8; October 15; October 17; October 20; October 24; October 28; October 31; November 2; November 7; November 27; December 1; December 10; December 19; December 28

1858 – January 2 F. B. Deanne; T. C. Walch; Sean H. Tuarler; L. Page; W. Hogden; John I. Murru; E. S. Hutter; Peter Spence; James M. Cobb; January 4 T. McKinney; E. S. Halsey; I. R. Phillips; Franklin Booker; R. C. Strother; Mursell Stratton; January 5 Wither Martin; J. T. Davis; January 6 J. W. Stewart; H. I. Garrett; L. A. Horton; Charles S. Sett; January 7

Judith Vicoorman; January 13 Hugh Brown; John M. Preston; Sam H. Ferguson; January 14 R. D. Moore; J. J. Williamson; T. H. Burnes; January 16 C. V. Winfred; Silas P. Vaughter; January 25 Richard Perkins; January 29 C. W. Hardy; February 20 R. C. Hurt; March 15 Spotswood Brown; March 18 C. J. Harris; March 27 David R. Ealey; T. J. Pollard; April 1 T. K. Jones; G. A. Burton; S. C. Woodruff; John T. Davis; April 2 John H. Stone; Marshall L. Harris; April 16 G. R. Peake; April 27 George W. Witt; April 28 P. H. Barr; May 1 Hector Harris; June 15 James L. Morgan; July 8 Murrell Stratton; July 9 William Moon; August 5 W. Hobson; August 7 T. J. Walker; September 1 Francis Thornton; M. M. Ewing; September 17 R. H. Kane; October 1 T. K. Jones; October 4 W. M. Black; October 5 J. T. Davis; October 17 I. B. Anthony; October 30 M. W. Hutcherson; November 8 B. B. Wright; December 27 A. M. Smith; December 28 Abram Shelton;

No names of owners or slaves: January 2; January 4; January 5; January 6; January 7; January 8; January 14; January 16; January 18; January 21; January 22; January 25; January 26; January 29; January 30; February 3; February 24; February 25; February 27; March 1; March 5; March 15; March 18; March 20; March 27; March 31; April 1; April 2; April 7; April 10; April 16; April 19; April 23; April 30; May 1; May 17; May 31; June 3; June 9; June 30; July 1; July 3; July 8; July 9; July 15; July 19; July 22; July 24; July 27; July 30; July 31; August 2; August 5; August 7; August 16; August 19; August 21; August 28; August 31; September 1; September 6; September 22; September 25; September 30; October 1; October 4; October 5; October 6; October 8; October 17; October 21; October 22; October 26; October 30; November 8; November 27; November 30; December 1; December 8; December 15; December 18; December 23; December 27; December 28; December 31

1859 – March 22 G. P. Luck; R. W. Burton; March 28 A. Tompkins; W. Owen; J. J. Johnson; March 31 H. M. Ewing; J. F. Loving; W. F. Figgatt; Preston Pitts; April 1 F. G. Morrison; J. H. Wilson; W. M. Goodman; Sam Nowlin; Charles Christian; J. Franklin; I. C. Slaughter; John P. Hughes; D. C. Dunn; W. Daniel; A. A. Hudson; John R. McDaniel; J. N. Gordon; John J. Davis; April 3 Sam Crockett; J. A. Buchannan; W. A. Preston; T. A. Harris; R. J. Crockett; April 7 T. G. Hedgman; C. V. Newfru; J. A. Hammer; J. M. Rucker; R. Crawford; S. C. Woodroof; Dr. Cash; April 11 John H. Patterson; John H. Flood; John S. Map; J. A. Pierce; Phillip Samuels; W. Gibboney; J. W. Kay; R. Dennis; G. A. Raine; G. I. Cock; E. McGavock; W. G. Coleman; W. W. Mosby; R. Sawyer; J. S. Morgan; W. W. Hanson; April 15 J. Fitzhugh; W. W. Leftwich; John Smeller; Elijah Smeller; April 20 Richard Dennis; D. C. Dunn; W. Terry; T. Wood; April 20 H. M. Sanders; J. M. Harris; April 22 Gary D. Buchannan; J. C. Haytem; W. Tucker; John Greg; R. Tinsley; April 26 B. Carnifit; R. Dop; April 28 S. Baker; Daniel Stratton; May 3 F. J. Bauard; W. A. Hardy; E. S. Hatter; A. McDaniel; May 6 R. C. Steptoe; W. C. Perrow; May 11 Washington Hunter; C. V. Webb; W. Waller; Hector Harris; R. R. Taliaferro; May 16 C. Smith; H. V. Thompson; May 19 A. B. White; L. Hocke; May 23 Joseph Leonard; May 24 R. A. Coghill; May 28 W. J. Campbell; Marion J. Victor; M. W. Lowry; Withers Martin; T. A. Harris; June 17 G. P. Luck; S. A. Patterson; June 20 Sam G. Staples; C. Page; June 22 A. P. Price; June 24 William J. Green; July 2 J. A. Pierce; Ann E. Dangerfield; William A. Gillian; John Gray; J. W. Kay; F. M. Barker; A. S. Stiff; Lu Rocke; Paul C. Cabell; July 5 A. A. Hudson; T. Wood; R. Sawyer; W. W. Hanson; July 8 T. J. Walker; John M. Speed; Robert Dennis; John Young; July 20 John H. Patterson; R. A. Hunter; July 25 J. Franklin; A. B. White; John B. Lie; July 26 D. A. Langhorne; J. M. Callahan; July 27 W. C. Cerrow; J. L. Morgan; July 28 T. H. Burnes; August 3 T. Trent; B. B. Wright; D. P. Jones; C. V. Webb; August 9 H. V. Thompson; August 12 Charles W. Christian; August 20 E. G. Hill; S. A. Patterson; August 26 L. Rocke;

S. J. Blanton; August 30 J. H. Griffin; September 2 F. S. Thomas; Rich Dennis; September 7 C. P. Seth; September 28 C. F. Harris; October 3 R. A. Hurt; R. Sayer; H. B. Homes; October 19 J. W. Utz; C. S. Jones; October 29 Richard Perkins; W. J. Green; Tom Wood; Frederick Roberts; Elijah Holley; John B. Lee; M. B. Preston; October 29 G. A. Saunders; November 30 Florentine Robinson; W. Terry; Marrion J. Victor; W. C. Coleman; December 31 John Earhart; W. C. Smith; Charles F. Garnett; Sally W. Price; A. Wade; S. Wright

No names of owners or slaves: April 1, April 3; April 11; April 15; April 22; April 26; April 28, May 3; May 11; June 20; June 30; July 2; July 5; July 8; July 20; July 25; July 26; July 27; July 28; July 30; August 3; August 9; August 12; August 26; August 30; September 6; September 7; September 22; September 30; October 3; October 19; October 29; November 30; December 31

1860 – January 20 Joseph Patterson; John M. White; Benjamin S. Carnifit; January 31 W. C. Park; F. J. Ballard; E. G. Hill; T. McKinney; E. H. Craddock; Frederick Roberts; John H. Smith; A. Pettyjohn; John H. Patterson; Charles H. Lynch; Richard Dearing; Alexander Wade; W. Wright; T. K. Nelson; Paul Hull; M. Watson; James Shearer; D. H. Griffin; W. J. Alexander; R. Early; H. J. Garrett; L. Bowyer; J. Fitzhugh; Stephen Perrow; Phil Samuels; Frederick Robertson; W. C. Parks; February 29 Hector Harris; Maria Wright; William Kent; James S. Irwine; March 31 Jacob Fowler; J. C. Hayter

No names of owners or slaves: January 20; January 31; February 29; March 31

Journal, August 5, 1858 – March 31, 1860

1858 - August 5 William Hobson; Walker Washington; J. R. H. Combe; Ann E. Dauger; R. C. Mitchen; Withers Walker; William Leftwich; W. J. Warren; A. J. Wilson; August 7 C. A. Floyd; Thomas S. Walker; James M. Spud; Maria Weight; August 19 R. H. Ryan; William Daniel; August 23 J. H. Buford; Bob Dennis; August 25 John H. Brown (Griffin); August 28 Thomas M. Stay; William Owen; September 1 Alex McDaniel; Francis Thornton; John J. Brown; R. J. Crockett; H. Ewing; September 10 J. Woodall; Jave B. June; Florence Robinson; September 21 R. G. H. Keana; Oneill W. Sutton; Cyrus Fisher (Henry); Noble Jordan; G. A. Saunders; September 23 Mary Morarity (Thomas); September 27 William R. Mosby; Charles L. Mosby; September 30, 1858: J. G. Morrison; October 1 J. B. Diane; Mrs. E. D. Frayser; John R. McDaniel; Peter Spud; J. R. H. Combe; E. Dangerfield; L. K. Jones; October 4 Sara Nowlin; A. B. Rucker; William D. Tucker; C. J. M. Garnett; E. A. Dance; S. C. Woodrod; Rich Cramford; G. A. Burton; Timble Black; William J. Moon; M. S. Harris; Sara Crockett; Josh H. Wilson; Toby Saunders; Daniel Stratton; A. Tompkins; J. North (James); J. B. Wallace; B. B. Tunstall; October 5 James Saunders; A. Tompkins; Geo. Earnhart; John T. Sain; J. A. Hawner (Hugh); Thomas W. Saunders; Kinner Sander; A. Ogden; Richard Dennis; October 7 Charles A. Floyd; Thomas L. Jones; A. J. C.; James M. Jordan; A. Tompkins; October 11 Sara Hobson; John Goode; J. B. Author; October 12 W. Waller; R. C. Mitchell; William G. Green; October 14 James M. Tucker; A. B. White; James Franklin; October 18 John P. Hughes; F. G. Morrison; October 19 William Hobson; J. H. Buford; October 21 Woodall A. Finer; R. P. Jones; Alex McDaniel; W. B. Preston; William S. P. Hopkins; October 22 William Daniel; October 27 William A. Hardy; J. M. Reese; October 30 William Hutcheson; November 1 B. B. Wright; November 9 Victor Spence; Geo. K. Taylor; H. H. Wallace; November 23 H. Gilmore; A. W. Price; J. C. Murrell; November 29 J. A. Stigler; J. C. Jeaning; December 1 R. M. Wells; December 13 James Campbell; December 18 Seth Halsey (Randall); J. H. Buford;

December 22 Sandy K. Jones; Dan Stratton; December 28 W. W. Jordan; A. W. Smith; William J. Robinson; John S. Blair; Sam C. Miller; December 29 Abram Shelton; Geo R. Peake; Thomas L. Jones; J. G. Morrison.

1859 - January 3 Sam Crockett; Peter Spence; H. H. Wallace; Peter Spence; Josh W. Key; James C. Hammock; J. R. Malcombe (Jane); Jason Nowlin; J. R. Holcombe; Anne E. Sangorfield; J. J. Loving; R. L. Crockett; Josh Wilson; Geston Pitty; C. L. White; T. E. Lowey; E. D. Froyer; Will Owen; January 4 Kinner Sanders; Hugh Chandler; Thomas W. Saunders; S. C. Woodfroft; Alex Wade; James Shearer; William G. Ghet; Chris Dabney; A. Wilson; Washington Hunter; W. L. Hohkis; H. V. Thompson; Noble J. McGinn; Rich M. Wells; John H. Griffin; Charles H. Floyd; William A. Gillian; Marshall L. Harris; Wither L. Martin; C. S. Peffer; January 5 Richard Perkins; A. J. Caugh; J. C. Murru; W. S. Morris; W. H. Agrew; James M. Rucker; A. J. Engledom; C. L. Wade; J. W. Callahan; Richard Dearing; John M. Shed; John M. Oley; A. B. Rucker; B. B. Dunslau (Woodfon, Wright); R. J. Crockett; G. B. Wallace; James P. Hammett; R. J. Crockett; James Monteth; Maria Wright; January 6 C. C. Wade; H. V. Thompson; L. Walker; L. W. Valentine; William Daniel; William K. Mosby; John T. Davis; J. A. Hawney (Charles); William Owen; J. Carly; January 7 J. N. Gordon; W. W. Hangon; Michael Wallace; Mary D. Buchannan; A. G. Broaddom; M. B. Crunch; J. P. Hammett; Dave Hill; R. J. Crockett; J. R. Holt; J. R. C.; H. M. Earing; B. B. Wright; William A. Wright; January 8 J. M. Otey; Alex. M. Geran; A. T. Johnson; A. Thompkins; John C. Hughes; Alex McDaniel; January 10 A. Thomkins; William H. Wright; January 24 Clement F. Harris; Charles W. Christian; C. M. Garnett; Richard Crawford; John Smeller; Hector Harris; J. A. Price; William J. Green; William J. Moon; E. O. Dance; William Leftwich; Withers Waller; James Saunder; R. O. Dole; P. H. Gilmer; William W. Leftwich; J. C. Jennings; William A. Leftwich; Sara Wright; Henry Dunnington; T. T. Saunders; J. C. Moncure; J. H. Smith; Jes Callahan; William H. Moonman; E. M. Poindexter; Davis D. Poindexter; Charles E. Fugud; James W. Stewart; John S. Caldwell; Phill Samuels; John H. Smith; J. H. Nowlin; R. C. Mitchell; Caleb Williamson; A. Ogden; William Owens; S. Hobson; John Goode; R. J. Crockett; James Campbell; January 25 Paton Spencer; W. S. Battle; January 29 John R. McDaniel; James Franklin; A. B. White; Peter W. Haiston; E. L. Stewart; January 29 C. T. Wills; Thomas J. Jarrett; R. H. Coghill; February 1 Daniel Stratton; Agnes L. Angles; February 3 William Kent; R. J. Crockett; J. C. Burchfield; James L. Morgan; W. N. Plunkett; February 5, 1859 Seth Halsey; Thomas A. Harris; April 9 Ann E. Dangerfield; H. Patterson; John H. Flood; J. S. Pirce; Phillip Samuel JR.; William Gibboney; J. M. Kay; Rob. Dennis; J. W. A. Raine; April 15 Geo L. Cock; E. McGavock; William Owen; G. Coleman; W. W. Mosby; Rob Sawyer; James L. Morgan; C. Dabney; W. W. Hanson; C. H. Leftwich; April 20 J. Fitzhugh; W. W. Leftwich; J. W. Leftwich; John Smeller; Elijah Halley; Richard Dennis; C. Dunn; William Terry; Thomas Wood; April 20 A. M. Saunders; J. M. Harris; James Franklin; E. Ward; Mary D. Buchannan; April 22 J. C. Hunter; William Jacken; John Greg; R. Chimley; April 26 R. S. Carne; R. O. Dap; R. H. Wiatt; R. Gibboney; L. Rake; April 29 Daniel Stratton; May 3 F. J. Ballard; William Leftwich; W. A. Hardy; E. S. Hutter; K. M. Daniel; May 6 R. C. Steptoe; Clement F. Harris; William C. Perrow; May 11 John M. Otey; C. V. Webb; W. Hunter; W. Waller; Hector Harris; Thomas A. Harris; May 13 B. B. Tuliaferro; C. Smith; J. M. Anderson; William A. Gillian; May 17 H. V. Thomson; C. E. Webb; May 19 A. B. White; L. Locke; Jacob Merchant; May 23 Joseph Leonard; May 27 R. A. Coghin; W. Campbell; Marion J. Victor; June 9 R. A. Hurt; June 17 Geo. P. Luck; S. A. Patterson; William Hobson; June 20 Sam G. Stapler; J. P. Hammett; William Owen; C. Page; June 29 S. White; July 2 J. A. Pierce; J. R. Holcombe; Mrs. Ann E. Dangerfield; William A. Gillian; W. T. Anderson;

Mary W. Buchannan; Mary D. Buchannan; John Gray; J. W. Kay; W. Waller; A. Price; Peter D. Hedgman; F. M. Barker; J. C. Hayter; R. P. Patterson; A. S. Stiff; William Terry; A. L. Stiff; J. H. Wilson; Ben S. Carnifer; R. C. Mitchell; S. Rocke; Jacob Merchant; William Hobson; July 5 Paul C. Cabu; R. Coghill; C. M. Garnett; F. M. Garnett; William M. Blackfoot; W. C. Smith; A. A. Hudson; Thomas Wood; William Green; Thomas W. Leftwich; S. C. Woodroof; Sam Crockett; Sam Nowlin; R. H. Wiatt; R. Sawyer; R. Gibboney; John Rake; F. L. Ballard; W. W. Hanson; John R. McDaniel; July 6 William Gibbs; R. Crawford; July 8 J. T. Davis; John Davis; W. W. Mosby; I. L. Walker; A. M. Saunders; G. L. Cock; John M. Spud; Mariah Wright; J. N. Gordon; P. H. Gilmer; J. R. Tinsley; J. M. Spud; R. Dennis; Lawly Baker; John Young; E. O. Dance (Mike); July 11 E. McGavock; July 20 John H. Patterson; James M. Rucker; John M. Otey; James Saunders; R. A. Hurt; E. Frazier; Charles L. Mosby; July 25 A. C. Duhn; C. Samuel; James Franklin; John B. Lee; R. C. Stiploe; C. E. Webb; R. M. Toliferro; John C. Hughes; Washington Hunter; D. A. Langhorne; John Smiller; Elijah Holley; July 26 D. A. Langhorne; J. W. Callahan; July 27 W. C. Perrow; J. W. Saunders; James L. Morgan; James M. Odgen; J. W. Sanders; July 28 C. S. Jones; Joseph Crew; James A. Hammer; I. H. Burnes; July 30 Marion J. Victor; August 3 T. Trent; William Tucker; B. B. Wright; D. P. Jones; Sarah Wright; R. Tinsley; C. V. Webb; August 16 Paul C. Cabell; Sally E. Rose; R. A. Coghill; August 26 E. G. Hill; S. A. Patterson; August 26 D. C. Dunn; W. O. Owen; J. J. Blunton; G. W. Raine; I. Fitzhugh; C. S. Mosby; A. Noell; September 6 F. S. Thomas; Richard Dennis; C. S. Mosby; Sally M. Pierce; A. McDaniel; Pepper Stirna; September 7 William Daniel; C. P. North; J. H. Buford; Sept. 9 G. B. Wallace; September 26 W. N. Jordan; September 27 C. F. Harris; John L. Oglesby; Sept. 30 S. White; Rob Gibboney; C. H. Gilmer; October 3 R. M. Taliaferro; R. A. Hurt; R. Sayer; W. O. Owen; R. H. Wyatt; W. N. Jordan; C. F. Harr; John Goode; R. A. Coghill; W. Hobson; H. B. Hoomey; A. A. Hudson; W. W. Leftwich; October 5 J. M. Kay; Sam Nowlin; A. P. Rice; J. M. Rucker; G. I. Cock; W. W. Hanson; E. McGavock; Daniel Stratton; R. Crawford; Dave A. Hammer; Joseph Crewy; W. Waller; Charles P. North; W. Saunders; A. M. Saunders; C. M. Garrett; D. C. Dunn; G. W. Kain; J. A. Price; S. C. Woodroff; October 17 Sam Miller; Frederick Robertson; James C. Hawwett; October 29 John T. Davis; G. B. Wallace; John H. Flood; D. A. Langhorne; A. C. White; J. Slaughter; James Franklin; J. W. Utz; John C. Henderson; J. M. Barker; M. G. Perrow; John M. Otey; C. S. Mosby; J. N. Gordon; S. C. Woodroof; C. S. Jones; A. S. Stiff; Richard Perkins; F. J. Ballard; John Gray; Peter Hidge; J. Tinsley; J. Caldwell; E. G. Hill; J. H. Wilson; Barry Carnift; I. Wood; Phill Samuel; John McDaniel; October 29 Ann E. Dangerfield; W. Leftwich; W. Gibboney; Henderick Roberts; John Smeller; Elijah Holley; C. S. Mosbey; J. H. Dejarrett; J. H. Burnes; John B. Lee; Jacob Merchant; S. Baker; Sam Crockett; A. McDaniel; R. C. Steptoe; Richard Dennis; James Harris; W. Tucker; H. Keaton; G. A. Saunders; M. B. Preston; R. P. Patterson; G. A. Saunders; H. M. Knet; G. A. Saunders; Mary W. Buchannan; November 30 W. W. Leftwich; Ian Charles; J. S. Morgan; Hector Harris; J. W. Callahan; C. E. Webb; J. W. Utz; M. E. Hurt; G. Luck; Florentine Robinson; W. Terry; John Davis; D. P. Jones; A. C. Dunn; W. A. Gillian; Marion J. Victor; W. Daniel; M. E. Hurt; W. G. Coleman; M. W. Jones; Nov. 30 Robert Tinsley; December 31 J. Shearer; R. A. Christian; Sam Miller; J. R. Phillip; J. S. White; C. Christian; R. Crockett; Thomas Frost; Rich Dearing; A. Pettyjohn; A. Wade; S. Wright.

1860 - January 31 John H. Patterson; W. Hardy; Rich Dennis; F. M. Barker; W. A. Haron; P. H. Gillian; John M. White; R. S. Comfort; john B. Swim; J. Saunders; A. Noel; John S. Bafs; A. C. Dunn; T. W. Saunders; Elizabeth Crawford; H. B. Homer; John Goode; J. M. Ogden; W. Hobbs; R. H. Wyatt; R. H. William; W. C. Parks; W. Gibboney; R. Sayer; W. Waller; E. McGavock; W. W. Hanson; G. B. Wallace; Woodson Wright; C. F. Harrison; John Earhart;

W. J. Green; W. F. Hart; J. M. Harrison; Washington Hunter; G. A. Raine; F. J. Ballard; Mary W. Buchannan; Chapman S. Jones; A. S. Stiff; John M. Otey; John Pierce; Francis Christian; A. A. Hudson; Mary Buchannan; S. A. Patterson; T. Wood; John A. Young; C. S. Mosby; Johnson Fitzhugh; A. B. White; A. Gillian; Joseph Crew; J. M. Harris; C. E. Webb; W. Tucker; J. A. Hammer; J. M. Harrison; E. G. Hill; A. M. Saunders; John P. Hugh; M. W. Jones; M. Walker; T. McKinney; John Sennis; W. Terry; M. Wallace; J. S. Walker; W. Daniel; J. W. Callahan; E. A. Craddock; Sarah Wright; James W. Harris; W. G. Coleman; W. Daniel; A. Pettyjohn; M. M. Kigley; T. McKinney; C. B. Wallace; J. R. Tinsley; J. S. Caldwell; R. Moon; J. J. Blanton; T. T. Saudnerson; M. E. Hurt; S. Crockett; W. O. Owen; Sam Nowlin; J. H. Patterson; James Saunders; W. W. Mosby; Alex Wade; Woodson Wright; R. Moone; J. J. Kent; J. H. Stone; Paul Hill; E. A. Craddock; C. Dabney; J. M. White; T. McKinney; James Saunders; B. B. Wright; John H. Patterson; M. Wallace; M.Wallace; M. M. Kigley; J. M. White; T. T. Saunders; E. Crawford; J. J. Saunders; John H. Smith; R. D. Moon; John Stone; A. Pettyjohn; T. McKinney; W. H. Wright; T. McKinney; M. M. Kingsley; W. H. Wright; E. Crawford; T. T. Saunders; T. McKinney; John Blanton; A. Pettjohn; E. Crawford; John H. Patterson; J. McGinnis; S. F. Johnson; J. F. Kent; M. Wallace; T. K. Watson; J. F. Kent; J. K. Nelson; T. W. Leftwich; J. Mont; J. S. Campbell; Charles Hogmouth; N. F. Thornton; S. Johnson; John Young; Rich Drarington; N. F. Thorton; Alex Wade; W. Hunter; Frances Christian; Woodson Wright; J. K. Nelson; J. Mogden; J. Christian; Paul Hill; W. Owen; R. Tinsley; A. P. Price; J. Griffin; D. Saunders; R. Crockett; W. W. Leftwich; R. Crockett; R. A. Hurt; L. Bowyer; R. R. Wright; W. Owen; J. H. Stain; John Owen; Peter Hedgman; R. E. Jeter; W. C. Person; Ann E. Dangerfield; J. T. Loving; W. W. Wright; W. Owen; M. P. Watson; James Sharer; D. P. Jones; J. H. Griffin; W. J. Alexander; J. McGinnis; Preston Pitty; R. C. Strothern; Preston Pitty; R. C. Strother; W. A. Leftwich; R. C. Strother; R. M. Taliafer; J. H. Griffin; W. Owen; W. J. Alexander; S. Johnson; L. Baker; R. Crockett; J. H. Patterson; R. Early; J. C. Slaughter; W. Owen; J. H. Loving; K. Nelson; J. H. Smith; J. F. Loving; C. V. Webb; J. W. Leftwich; Pepper Sharner; R. Crockett; L. F. Loving; J. Montuth; H. J. Garrett; J. S. Cawhill; Daniel Stratton; T. Arent; R. Coghill; Rich Dearing; R. Crockett; J. Franklin; J. Fitt; H. J. Garrett; Stephen Perrowin; C. P. North; J. N. Jordan; M. Patterson; John Jones; S. A. McConkey; R. P. Patterson; J. F. Loving; R. Gibboney; J. C. Haurauth; W. Owen; L. J. Cock; Phil Sam; J. H. Wilson; R. Crockett; Preston Pitt; Jacob Merchant; W. Leftwich; W. Owen; Pepper Sharner; W. Wright; John Sutton; J. C. Harmouth; H. J. Garrett; W. Owen; Woodson Wright; J. H. Dejarrett; R. Early; J. M. Rucker; Charles L. Mosby (Martha); Frederick Roberts; Albert M. Daniel; T. H. Burnes; James L. Morgan; W. C. Parks; February 29 R. Clement; H. V. Thompson; W. Campbell; Dr. Hector Harrison; W. Owen; Maria Wright; W. Kent; R. Crockett; R. C. Steptoe; February 29 W. Kent; John M. Sherd; Maria Wright; Jane S. Irvine; Fleming Thomasl C. E. Frig; C. E. Fryer; D. A. Langhorne; March 31 C. H. Leftwich; Sam. L. Gray; Jacob Fowler; W. Hughes; Rich Perkins; G. Luck; F. G. Morrison; J. C. Hayton; Sam Gray; M. J. Victor; J. Robinson; E. Hutter; J. S. Jameson; R. Fancy; H. Thornhill.

Annual Report, September 15-16, 1858

No names of slaves.

Force Employed:
There are 341 slaves in all at Depots, on the Road, with Passenger Trains, Freight Trains, Gravel, Material and Wood Trains, including 34 mechanics...

Annual Report, September 12-13, 1860

No names of slaves.

Slaves in depots, 75; on repairs of road, 231; in carpenter shops, 10; in smith shops, 13; in copper and paint shops, 3; machine shops, 10; train service, 37; wood and gravel trains, 24. In all 407...

Journal, 1860

June 13, Washington Hunter; June 30, 1860 - Samuel G. Staples.

No names of owners or slaves: March 31, May 31, 1860.

Ledger A., November 1860 – March 1864

No names of slaves. Combined entries for amounts paid to named owners and aggregate amounts paid.

November 9, 10, 13, 15-17, 22, 23, 28, 29, 30, 1860; December 1, 3-5, 8, 12, 13, 18, 21, 22, 26, 27, 31, 1860; January 1-3, 1861; January 4, 5, 7-12 W. A. Leftwich; 14, 15 Nancy Edgar; 16, 17 R. M. Taliaferro; 18, 22-24 Mrs. F. Christian; 25 W. P. Preston; 26, 28 J. C. Slaughter; 29, 30 H. F. Bocock; 31; February 2, 5 Sally M. Lynch, 6, 7, 1861; 7, 12, 14 R.W. Comer; 20, 21 Margart Gartdil; 22 W.F. Tuckade; 26; March 1, 2 William Kent; 5, 14, 15, 29, 30; April 1, 2, 3, 4, 5, 6, 8 James Campbell; 9, 10, 11, 12 R.A. Coghill); 13, 15, 16; April 16, 17, 19, 22, 23 Jason M. Ogden; 24, 26, 29, 30; May 1, 2 J.F. Davis; 7, 8, 9, 13, 14, 16, 20, 27, 28, 29, 31; June 1, 3, 4, 22, 29; July 1, 2, 3, 4, 5, 6, 8-12; 12, 13, 15-18 M.H. Crump; 20, 23, 25, 26, 30, 31; August 1, 2, 3, 5, 8, 13-15, 22, 23, 28, 29; September 4, 5, 12, 16, 19, 25, 26, 30; October 1, 2 G.B. Wallace; 3 W. Robinson; 4, 5, 7-10 John Jones; 11, 12, 14-19, 23, 26, 28-30; November 5, 6, 12-14, 16, 19-21, 23, 26; December 9, 11, 12, 17, 19, 20 William H. Trent; 21, 24; 26, 27, 30 Rev. Charles Wingfield; 31Richard Dearing; January 1, 2, 5, 6-8, 10, 11, 13-15 Jacob Merchant; 16 W.F. Yingling; 17, 18, 20, 21 H.D. Flood; 22 J.P. Hughes; 23, 24 J.W. Barnett; 29, 30, 1862; February 1, 2, 6, 7, 8, 11, 13, 15, 18, 19, 20, 25, 26; March 17, 20, 21, 27, 30; April 1, 2, 3; 4, 5, 7, 9-12, 14-19, 23, 24, 26, 28, 30 W.C. Smith; May 2, 3, 6-8, 10, 12-14 G. Saunders; 15, 19-22, 30, 31; June 2, 4, 5, 12, 31; July 1-5, 7-13, 15-17, 19, 21-24, 26, 28, 29-31; August 1, 2, 4-7, 9, 12-16, 18, 20, 21, 23, 25, 27-29; September 1, 3, 8, 10, 11, 13, 16, 17, 19, 25, 27, 29, 30;

October 1, 2, 3, 4, 6, 7, 9, 10, 11, 13, 14, 15, 16; 16-18, 21, 22 H.W. Floyd; 24, 25, 27-29; November 1, 3, 4, 7, 8, 10-12, 14, 15, 20, 21, 22, 24, 26, 27, 29; December 2, 6, 12, 16, 17, 18, 19, 22, 23, 24, 25, 27, 29-31, 1862; January 1, 2, 3, 5 S.C. Hurt; 6-10, 13-17 P.G. Cabell; 19 J.S. Crockett; 20, 21, 22; 23, 24, 26, 29, 30 Thomas Corke; 31, 1863; February 2-4 L.M. Oglesby; 5, 9, 12, 13, 19, 25, 27 F.A. Austin; March 4 E.A. Gibbs; 5-7 R.P. Finny; 11, 13, 14, 16, 17, 18; March 19 W.A. Hardy; 20, 24 Samuel Miller; 25, 31; April 1-4, 6-11, 13 R.G. Sutton; 14, 15 J.R. McDaniel; 16-18, 20, 22, 24, 25, 27-30; May 2, 4- 8, 11, 20, 25, 26, 29; June 4, 11, 12 G.W. Clement); 13, 17, 19, 24, 29, 30; July 1-4, 6-11, 13-18, 20-25, 27, 28, 30; 31 William Hobson; August 3 Michael Wallace; 6, 10 John Washington; 11-13, 18-20, 24, 26, 28; September 3, 5, 8-12 Maj. William Leftwich; 14, 15, 18-21, 29, 30 G.W. Dillard; October 1-3, 9, 21; 22-24, 28, 29, 31 J.W. Berry; November 3, 5-7, 11, 13 H.T. Minor; 14, 17-19, 24, 25, 27; December 3, 5, 7 J.M. Wallace; 8, 10-12, 16 Kent Mitchell; 22, 23 R.E. Garey; 26 Mrs. S. A. Campbell; 28, 29, 30; 30 A.L. Stiff; 31 J. W. Perry 1863; January 1, 2, 4, 5-8 W.H. Kinkle; 9 Seth Halsey; 11 R.H. Bucknor; 12, 13, 14, 15, 16, 18, 19

Wesley Wright;, 27, 28, 29, 30; February 1-3, 6, 8 M.M. Williams; 9, 10, 15, 16, 18 Mrs. Sarah Wright; 20, 29; March 2, 14 John O. Washington; 15 Samuel Miller; 16 (J.H. Knight); 17, 18 L. Anderson; 19, 21, 26, 28, 30, 1864. March 30, 31 (W.H. Gray), 1864.

Journal, 1860-1863

1860 - April 30 D. C. Dunn; John Goodwin; John T. Davis; Dan A. Longhorne; R. Hoghill; J. A. Pinco; W. W. Leftwich; E. W. Gavock; Jason Franklin; Robert Tinkey; W. D. Tucker; A. Pettyjohn; A. A. Hudson; Jackson Fitzhugh; J. N. Jordon; R. A. See; T. A. Walthall; J. H. Wilson; H. V. Thompson; John Greg; E. Woodhoop; Thomas Moseley; A. Tompkin; Thomas Mouly; J. A. Hawner; G. L. Locke; Palestine W. Noell; H. Wallace; Ann E. Dangerfield; E. G. Hill; Charles A. Plogs; I. Merchant; Mr. A. M. Saunders; J. W. Kay; John A. Daniel; J. W. Jones; P. A. Gilmer; J. P. Hughes; W. W. Stickley; J. C. Slaughter; R. J. Rurmey; William Trucker; Martha Tuggle; Sarah Wright; John C. Moncure; T. Wood; J. H. Davidson; C. J. Harris; John Gibboney; John Leftwich; L. A. Bagbie; W. E. Patterson; M. S. Harrisin; Robert Gibboney; Sam Nowlin; R. Soft; R. Sayer; Sam Crockett; Paul Cabcell; Reston Getty; Robert Early; William Owens; R. A Moone; J. H. Ruford; W. B. Preston; Dan H. Rusney; Thomas Owens; R. Crockett; R. A. Coghill; G. B. Maunce; John Minon; Joseph Crewin; C. V. Webb; John Sowny; D. S. Patterson; William Daniel; T. Wallace; May 3 M. P. Watson; Robert Crockett; T. W. Saunders; M. Liftwich; R. M. Connor; Elijah Holley; J. Ballard; June 30 F. Morrison; Huston Harrison; Michael Riley; William Waller; D. Dunn; R. A. Coghill; W. W. Latwich; J. Lock.; Jacues Wauklin; August 31 A. C. Harrison; John Minor; J. H. Buford; Phillip Achler; Martha Tuggle; Sally M. Price; H. H. Wallace; Margaret Gaddisin; Ralph Conner; Flaming Thomasin; James Metcalf; D. S. Patterson; William Owens; October 23 William Settwich; J. D. Walthace; M. Wallace; G. B. Wallace; E. B. Halloway; A. A. Hudson; R. M. Talin; Sarah Wright; W. C. Smith; James Campbell; J. T. Davis; John Sowny; M. D. Buchannon; John Goodwin; E. Woodoof; E. Halley; H. McKent; R. M. Talin; D. A. Longhorne; R. M. Taliaferro; J. S. Steptoe; John Moorman; John Dickinson; Charles A. Floyd; L. A. Bagbee; C. V. Webb; C. F. Harris; W. O. Owen; Thomas Mosley; C. V. Webb; W. W. Leftwich; D. C. Dunn; D. S. Patterson; Martha Tuggle; Paul Cabu; R. McDaniel; Robert Tinsley; William Tucker; W. W. Stickley; C. Dabney; J. S. Crockett; W. L. Grun; C. S. Mosby; Mrs. A. M. Saunders; A. M. Smith; W. A. Softwick; G. W. Noel; T. Wallace; James Campbell; Ann E. Daugerfield; M. E. Harris; John Rod; E. McGavock; William Gibboney; J. Merchant; J. W. Jones; John S. Calwell; R. Aleoghill; J. G. Morrison; T. Mosley; Fleming S. Thomas; A. B. White; R. S. Wooson; Sam Nowlin; R. A. Coghill; P. H. Gilmer; J. N. Gordon; R. Pirkins; E. B. Wallar; T. Wood; Rob Gibboney; James Campbell; Mary W. Buchannon; M. W. Buchannon; James Campbell; Josh Giny; David Duncan; Rob Sawyer; W. D. Tucker; G. A. Saunders; R. A. Sye; John Gary; H. Burner; M. A. Gillian; M. Leftwich; R. J. Burnegin; A. S. Stiff; J. M. Kay; J. B. Sayne; J. H. Wilson; C. E. Webb; John Smilser; Archibald Wade; John Moorman; T. G. Burrup; Sam Staples; John Moncure; George A. Cock; A. S. Whaling; Frances Christian. November 3 J. G. Shears; James A. Wamner; Robert W. Conner; November 22 J. H. Dands; December 8 H. V. Thompson.

1861 - January 1 R. A. Lee; R. Perkins; Washington Hunter; John M. White; Mrs. A. M. Saunders; Washington Hunter; James Metcalf; C. A. Floyd; I. S. Pendleton; L. A. Bagbio; C. E. Webb; Thomas Trust; James A. Hammer; D. F. Patterson; J L. Stiff; J. D. Walltrall; J. H. Burnes; J. H. Gordon; Clifton V. Webb; Nancy Conner; January 3 G. J. Cocke; A. Wade; Susan Shephard; Susan Speller; W. W. Manson; Dr. John Minor; Jack Dearing; T. E. Reynolds; Seth Halsey; January 2 Thomas Trunt; F. S. Thomas; James M. Cobbs; I. M. Patterson; I. M. Wilson; I. M. Jones; D. Cauch; I. I. Hughes; R. A. Caghill; William Tucker;

Thomas Mosley; M. L. Morris; John Stone; W. W. Liftwich; Lillian F. Jordan; John Jonis; January 5E. G. Hill; A. B. White; I. B. Layou; I. F. Switman; I. H. Jones; James Franklin; I. I. Alanton; I. L . Stephon; W. Waller; John Goode; R. C. Gary; Thomas Wallace; W. E. Satterson; R. Tinsley; I .F. Switman; William Liftwich Jr.; I. I. Planton; W. D. Tucker; D. A. Longhorne; W. O. Owen; D. L. Dunn; C. F. Harris; January 7 Anne E. Dangerfield; A. A. Hudson; John Dickson; L. P. North; H. V. Thompson; T. T. Saunders; I. Crown; John Guy; Paul Cabell; R. I. Burney; T. G. Morrison; F. T. Ballard; T. H. Gilmer; A. M. Smith; Dr. Charles Fright; Maria Fright; F. G. Morrison; Joseph Cown; T. T. Saunders; C. J. North; John Dickson; January 8 F. W. Naill; Ges F. Luck; John C. Mancure; Paul Hill; J. A. Pannett; William Daniel; C. Dabney; Charles Sunsbraugh; Martha Tuggle; John Lowey; E. M. Clay; R. O. Dof; January 22 A. C. Harrison; M. C. Leftivoch; South Side Railroad Company; J. H. Stone; Mary M. Chambers; January 25 R. B. Preston N. P. Preston; W. W. Hickley; L. Merchant; J. L. Slaughter; James N. Buford; H. M. G. Hunt; January 30, 1861: Samuel Newlin; H. F. Bocock; E. Woodruff; February 1 Parker Jones; February 5 S. L. Dearing; Sally M. Lynch; Mary W. Burchanan; G. B. Rallaco; R. L. Woodson; John Bodken; J. Kegley; A. Thampkey; February 6 Johnson Pitzhugh; H. H. Wallace; E. M. Garack; Mrs. E. R. Wallace; Elizabeth B. Halloway; Michael Wallace; Mary R. Cuchanan; G. B. Wallace; J. S. Crockett; William Gibboney; R. S; Robert Sayers; Samuel Crockett; W. J. Greene; Robert Gibboney; Thomas Woods; February 25 Ancher Pettyjohn; March 1 J. H. Davidson; William Henry; W. G. M. Gennis; March 5 W. J. M. Ginny;

April 8 W. C. Smith; T. W. Sanders; James L. Campbell; William Leftwich; J. W. Wilson; John B. Dabrey; William Owen; J. W. Ians; R. D. Moore; J. B. Sayore; John Guy; Jane J. Hicklin; April 20 W. H. Moorman; W. D. Woodson; James A. Watkins; W. A. Leftwich; James M. Ogden; J. W. Pettigrew; James L. White; M. M. Williams; April 26 J. D. Coler; Henrietta Cunningham; Catherine Gatewood; William Morely; William Saunders; A. J. B. Rucker; W. A. Gillian; May 2 A. M. D. Smith; May 9 C. A. Slaughter; A. C. Harrison; July 23 Mrs. E. W. Withers; John Guy; A. Wade Sr.; J. M. Philips; July 25 J. S. Caldwell; H. D. Flood; W. A. Payne; I. V. Deaton; August 21 John Waller Jones; R. C. Gary; E. M. Clayton; J. V. Depton; August 24 P. H. Noell; September 2 Geo P. Rick; Rick Dearing; September 9 W. Robinson (David); A. M. Maybell (Isaac); J. J. Camden (Jack); October 2 William Leftwich; J. N. Gordon; R. A. Coghill; P. A. Gilmore; John Minor; J. D. Prince; A. G. Cox; Wynham Robinson; J. D. Peirce; J. L. Crockett; M. L Slaughter; H. W. Hill; Samuel Pryor; J. P. Haphur; J. M. Longhorne; J. W. Callahan; C. L. Morby; October 3 C. Gatewood; R. W. Crenshaw; Jane L. Hicklin; Charles Hendson; J. H. Wilson; Emma S. Crenshaw; John Goode; A. J. Rucker; M. L. Harris; P. W. Noell; J. H. Davis; J. W. Pettygrew; J. J. Saunders; James Franklin; A. B. White; William Daniel; Mary A. Wills; James D. Taylor; Samuel Fries; October 11 M. S. Stiffey; William M. Pettyjohn; D. D. Pointdexter; John Smilser; J. M. Rucker; November 25 John Guy; W. B. Prestons; December 17, 1861: Mrs. Jane Picklin (Henry); Mrs. Sally M. Lynch (Daniel); John S. Ralph (Jordan); John Minor (John); J. K. Jones (Riland); Charles Henderson (Carter); G. B. Wallace (Jim); R. A. Coghill (John, Bill); E. B. Wallace (Emanuel); Rev. Charles Wingfield (Cliff); W. H. Lunch (Stephen); Catherine Gatewood (Nimrod); J. J. Burks (Henry); Rich Dearing (Fountain); Warhinton Hunter (Nathan); D. C. Dunn (John, Adam); Michel Wallace (Henderson); Washington Hunter (Umphrey); J. S. Thomas; W. W. Floyd (Dick); John Minor (Thornton); December 26 J. W. Wingfield; W. W. Mickley (Henry); December 30, 1861: P. H. Gilmer; W. W. Roberts; G. C. N. W.; F. G. Morrison; James Dicklin (Henry); H. D. Flood (Priscilla); A. Boutwell (Warner); J. D. Prince (Ian); W. A. Liftwich (Charles); W. C. Perrow (Luke); A. C. White (William); J. M. Ogden (Robert); Samuel D. Rice (Booker); L. D. Robinson (Henry); J. W.

Calahan (Jim); Thomas Mosely (Dick, Andrew); P. C. Cabell (Don); W. W. Roberts (William); Susan L. Dearing (Henry); Benny Williams (Jacob); R. C. Gary (Dick); C. A. Floyd (Jordan); M. O. Richardson (Jack); Robert Family (John, Peter, Noah); C. A. Slaughter (Alex); G. C. Wingfield (Henry); M. D. Richardson (James); Hugh Nilson (Nick); John Camden (Jack); C. Dabney (Sulivan)

1862 - January 1 Jason H. Harris; Jas A. Hammer; R. Y. Hosseley; A.Wade; U. C. Walker; J. J. Stratton; I. C. Slaughter; J. R. Crews; A. Wade; J. C. Walker; I. W. Harris; H. J. Minor; J. F. Suitman; Thomas Wallace; Ann E. Eubanks; G. J. Cock; P. D. G. Hedgeman; Robert Dinsley; J. W. Andrews; Hugh Nelson; A. C. White; I. N. Gordon; A. Pettyjohn; W. A. Mason; D. A. Langhonrne; H. A. Gillion; Seth Halsey; Beiger Williams; J. D. Pierce January 2 Thomas Floyd; J. M. Camden; J. B. Layne; J. W. Callahan; John Guy; A. J. Minor; John Guy; Seth Halsey; W. A. Gillian; J. B. Layne; J. N. Gordon; A. C. White; Hugh Nelson; R. Tinsley; Ann E. Eubank; John Camden; J. D. Price; Benjamin Williams; C. J. Harris; J. Scott; J. A. Smith; A. C. Harrison; John Dickison; W. C. Perrow; C. R. Slaughter; C. W. Jones; R. W. Chrinshaw; R. A. Pendleton; R. A. Coghill; Emmanuel Chrinshaw; Thomas Cock; C. L. Moorbey; A. M. Jennings; W. Hunter; William Ducker; January 3 J. Goode; P. W. Noe; Thomas Moseley; Jus M. Smith; Jim Dickerson; William C. Perrow; C. R. Slaugher A. M Jennings; R. A. Coghill; William Cock; Washington Hunter; William Tucker; Joe Grade,homas Moseley; Sally M.Lynch; I. G. Dearings; Susan Dearing; John Minor; E. Hill; I. J. Crockett; Samuel Prince; Wynham Robinson; I. H. Wilson; J. H. Miller; I. A. Watkins; C. Dabney; I. B. Dabney; Mrs. E. D. Frayzer; P. C. Cabell; J. M. White; A. B. White; James Franklin; P. W. Whithers; January 4 Lamb Nowlin; R. W. Withers; Sally M. Lynch; J. G. Dearings; John Minor; E. G. Hill; J. H. Miller; E. Dabney; Paul C. Cabell; Wyndham Robinson; James Franklin; C. H. Lynch; Thomas L. Walker; C. P. Luck; W. Dandel; John Hancock; Hector Harris; Elijah Hally; J. M. Ogden; Alice Mussell; E. M. Pointdexter; R. A. Coghill; M. M. Williams; M. L. Harris; January 9 R. A. Fogus; Samuel Garland (John); H. V. Thompson; J. L. White; H. Boyd; J. R. Price; J. D. Taylor; M. R. Wills; January 7 A. Thompkins; A. Pucker; Robert Giboney; M D. Buchannan; Michael Wallace; G. B. Wallace; C. A. Floyd; M. W. Buchannan; I. R. M. Daniel; W. W. Leftwich; Samuel Garland; M. O. Buchannan; I. R. McDaniel; January 11 John Smeler; H. Dunnington; Spingly Hamlin; J. W. Bettygreed; J. D. Dicklin; Catherine Gatewoods; Samuel Miller; Charles Henderson; R. D. Moore; A. G. Cox; A. A. Henderson; A. W. Floyd; January 13 Samuel Miller; N. W. Floyd; Charles Henderson; Catherine Gatewood; I. I. Ficklin; John Smilon; January 14 Lucy Perkins; J. S. Campbell; Arthur Lewis; W. A. Leftwich; J. H. Adams; Jacob Merchant; January 16 W. A. Yingling; Sarah Wright; S. B. Poindexter; Seth Woodruff; S. W. Prince; H. H. Wallace; D. D. Poindexter; January 18 A. Ogden; Samuel Pryor; Thomas Longhorne; W. A. Mosbey; January 21 H. D. Flood; I. I. Davis; I. P. Hughes; January 23 William Leftwich; J. W. Burrows; J. W. Basnech; W. J. Parker; John Loury; January 27 William Owens; W. A. Payne; W. A. Hands; James Mucalfe; W. H. Crump; H. H. Lewis; Robert W. Brown; January 31 J. H. Moorman; K. D. Woodson; J. M. Rucker; February 8 Mrs. E. B. Wallace; J. P. Mitchell; F. A. Deaton; February 24 A. D. Stiff; C. J. Merryweather; March 15 W. B. Preston; March 18 John Mitchum; N. J. MCGunnis; W. A. Payne; April 1 Samuel Howlin; C. Wingfield; E. A. Gibbs; C. Dabrey; J. G. Morrison; A. J. Rucker; J. C. Slaughter; Paul C. Cavell; H. D. Flood; J. A. Huyson; W. W. Roberts; Hugh Nelson; Seth Halsy; S. Rutherford; Scott Hix; A. . Hancock; J. L. Schoolfield; S. C. Hush; J. A. Watkins; J. L. Arrington; S. C. Hugh; Samuel Payor; J. M. Ogden; April 4 S. A. Campbell; I. I. Reynolds; I. W. Sale; L. B. Harwick; William C. Perrow; William Daniel; S. D. Williams; I. N. Goron; E. W. Westers; I. W. Pettygrew; I. H. Stone; I. H. Chalmus; C. A. Floyd; W. N. Floyd; Thomas Moseley; P. H.

Ryan; D. D. Poindexter; H. L. Duggle; J. D. Poindexter; C. P. North; W. D. Christian; W. W. Crius; J. B. Oglesby; J. W. Callahan; M. M. Williams; April 11 J. M. Rucker; Thomas Jillis; John Goode; G. C. N. Wingfield; I. A. Dannes; John Smucker; I. W. Jennings; John Williams; P. W. Noell; W. C. Perrow; April 17 Robert Patterson; M. Langhorne; Daniel A. Langhorne; D. B. Joplins; I. L. Burts; I. S. Davis; I .E. Baze; R. B. Dumstall; C. K. Taylor; May 6 Thomas H. Flood; I. M. Watts; E. H. Epps; Rich Dennis;May 12 S. L. Moorman; William Hobson; May 13 Wesley Hugh; G. Abbot; I. O. Scott; T. T. Saunders; May 19 S. A. Patterson; S. S. Poindexter; May 30 H. A. Payne; A. C. Hill; June 2 I. C. Daliaferror; A. A. Legrand; P.D. Cofer; Samuel Pryor; Mrs. P. H. N. Connor; June 25 J. K. Knight; M. A. Church; Thomas Cork; June 30 G. C. N. Wingfield July 1 D. T. Mann; J. J. Reynolds; S. Garland; C. Dabey; Hugh Neilson; W. Kinklin; Samuel Nowlin; M. Langhorne; C. R. Slaughter; M. R. Slaughter; J. J. Cocke; A. Cohn; J. W. Pettyjohn; F. O. Thompkins; Thomas L. Arrington; J. S. Crockett; J. M. Gordon; H. S. Chatmore; P. L. Moorman; F. G. Morrison; S. A. Campbell; W. W. Floyd; B. A. Gibbs; P. H. Dillard (Patrick); H. D. Flood; Sammuel Rucker; J. W. McAlliter; July 5 S. D. Williamson; A. C. White; Charles Wingfield; I. A. Furguson; W. W. Leftwich; A. T. B. Rucker; Charles A. Floyd; John Saulser; John B. Dabney; John Manor; W. D. Tucker; I. W. Callahan; I. P. Yuell; Matilda M. Williams; I. L. Schoalfield; A. G. Hancock; P. H. Ryan; William Daniel; I. L. Burts; R. A. Coghill; John A. Tanner July 11 J. E. Faliafor; W. C. Perrow; July 12 L. M. Agliobe; H. Dunnington; J. P. Hughes; Joseph B. Oglesby; S. P. Browning; Ges Abbott; I. H. Buford; M. S. Steffey; Nancy Legrand; A. Liftwich; I. H. Miller; I. C. Slaughter; July 15 I. M. Ogden; S. C. Hurt; I. S. Harris; A. A. Arthur; John Buford; R. P. Jenny; John Fuller Jr; R. M. Cocke; P. A. Talbot; July 21 R. C. Gary; G. W. Clements; John Williams; S. P. Poindexter; John T. Poindexter; David D. Poindexter; W. W. Roberts; Henry Cooper; I. W. Stuart; Susan A. Hobron; H. V. Thompson; I. E. Bayle; W. A. Thompson; Rick Dennis; Hector Harris; K. C. Hill; I. H. Adams; S. A. Patterson; July 26 M. L. Harris; L. B. Harwick; P. W. Hall; R. H. Teter; E. H. Withers; R. C. James; August 1 C. W. Gill; John Goode; H. A. Allen; H. H. Wallace; Thomas P. Topling; H. H. Wallace (Thornton); William Hobson; Asa Gill; R. H. Bucker; William D. Christian; I. A. Stigler; August 9 John R. McDaniel; E. H. Morris; S. H. Pierce; August 12 Paul Cabell; Thomas Mosseley; Henry L. Tuggle; August 15 I. E. Bayle; I. A. Hammer; E. W. Epps; Jas. A. Watkins; August 26 Seth Halsey; John Lowey; U. A. Isbell; September 1 James B. Scott; P. D. Cofer; A. McSmith; A. Pettyjohn; October 1 Charles Wingfield; J. J. Reynolds; J. A. Furgusan; Martha A. Chadle; Samuel Nowlin; W. H. Kinckle; James M. Rucker; W. H. Kinckle; W. H. Caruter; I. H. Pettigust; Samuel Pryor; C. Dabney; H. L. Tuggle; W. H. Roberts; I. W. McAllister; Thomas L. Arlington; F. O. Thompkins; I. N. Gordon; Hugh Nelson; P. C. Cabell; E. A. Gibbs; William Owen; S. D. Williamson; E. W. Withers; C. R. Slaughter; Mary R. Slaughter; October 14 Thomas Pellis; Henry Dunington; A. McNesmith; R. P. Timmy; James H. Buford; R. R. Owens; John Smiler; J. R. Tunsley; Lucus A. Boalwight; October 17 D. D. Poindexter; R. A. Cophill; A. I. P. Rucker; George Abbott; James M. Ogden; Charles A. Floyd; R. W. and Mrs. N. Conner; October 24 John Warlingdon; W. W. Floyd; Wesley Wright; Sally W. Pierce; J. T Poindexter; D. D. Poindexter; F. G. Morreson; S. Patterson; November 1 John F. Hix; J. A. Watkins; William A. Gillian; November 5 S. B. Poindexter; J. P. Hughes; A. V. H. Watts; November 8 H. V. Grompron; I. A. Adams; R. P. Patterson; H. H. Wallace (William); James M. Ogden (Reubin); W. H. Tilanz (Stephen); P. C. Cabell (Willis); Charles A. Floyd (Henry); John Woodson (Joseph); Charwell Dabney (Sulivan); R. A. Caghill (Charles); November 11 Paul Hull (James, Sam); Thomas Moseley (Archy); W. H. Jobelb (Wash); R. P. Jenny (James); G. A. Clement (John); J. R. Tinsley (Cain); John Minor (Barney, Minor); Henry L. Tuggle (Philip); John H. Smith (Jim); H. D. Akeers (Isaac); H. D. Floods (Brunella,

Thompson); William A. Gillian (Charles); F. O. Thompkins (Abraham); Mary D. Buchanan (James); Mary W. Buchanan (Henry, William); John B. Dabney (Sam); C. L. Mosbey (Merchant); G. D. Davis (Ambrose Booker, Stephen); I. E. Baf (Iaihua); I. S. Harris (Ned); Allen Ogden (Ned); I. A. Furguson (William); I. A. Stigler (Fosley); Charles Henderson (Henry); James I Hicklin (Henry, Bob, Jack, Titer, Henry; Charles) Mrs. Eliza Epps (I. Day); Thomas Moseley; November 26 W. W. Boher; John Buford, John Goode; William Leftwich; December 8 John H. Knight; December 11 Jane S. Nowlin; C. K. Taylor; Susan A. Hobon; December 16 R. C. Allen; Matilda M. Williams; B. W. Connor and Mrs. Nancy Conner (Willis, Jim, Dave); D. D. Minor (Philip); G. C. H. Wingfield; Thomas P. Jopling; December 22 I. L. Schoolfield (George); Robert Michell (Polk); W. H. Caruthers; R. R. Dunslall (Jacob); John Minor (Thornton); Henry D. Flood (Wesley); D. H. Hogue (Harry); I. H. Sweatman (Henry); B. W. Conner and Mrs. B. Conner (Jim, William); December 23 G. W. Clements; P. D. Cofer; Sarah Soretman; I. D. Soretman; S. Rutherford; Martha Cheadle; E. W. Clayton; Mrs. M. A. Cheadle (Peter); I. H. Hugh (Harry); Dr. Robert Patterson; I. B. Dabney; R. P. Hurney; Mary Hurb; I. M. Watts; C. A. Floyd; H. C. Hill; December 25 W. H. Kinckle; James Cambell; S. C. Hunt (Bob); D. B. Poindexter (Gabriel); H. Flood (Ambrose); I. B. Hoplin (Charles); I. B. Layne (Martin); E. M. Clapton (Seroanh); H. T. Minor (Phil); John Minor (Lewis); Sarah Stoetman (Joe); N. McGinnis (Sandy); Seth Halsey (Henry); R. R. Owens (Henry); B. W. and Mrs. N. Conner (Jim); Sam Miller (Grant); I. W. McAllister; John H. Smith (Jim); M. M. Williams (George); I. R. McDaniel (Henry); I. C. Saunders (Mason); D. Mann (William); Seth Halsey (Henry); I. S. Crockett (Spencer); I. D. Davis; I. R. Tinley (Cam); R. C. James (Harry); December 26 I. A. Stigler (Harley); W. W. Floyd; I. D. Davis (Booker); Charles Henderson (Henry); I. P. Hughes (Phil); I. B. Dabney (Emond); Henry D. Flood; I. H. Smith (John Keys); L. Mosby; W. B. Preston; December 29 Paul J. Davis; J. T. Davis; A. C. White; T. L. Arrington; J. H. Buford; John W. Wingfield; Mrs. E. W. Withers; I. A. Buchanan; F. A. Morrison; December 31 A. Pettyjohn; R. Hearring; A. Wade; Thomas Moseley; Samuel A. Patterson; A. A. Legnan; S. A. Williams; R. P. Patterson; John Williams; Charles Wingfield; H. T. Minor; J. W. McAllister; Sarah Wade. W. I. Allen; Charles A. Floyd; John Goode (Martin); W. H. Kinkle (Mush); Robert Jeter (Ellen); December 31 John Smither (Morris); A. C. White (James, Edmond); I. B. Dabney (Sam); R. R. Duntall (John).

1863 - January 1 Nancy Lugrand; William Leftwich; H. B. Diane; F. L. Walker; S. B. Poindexter; I. A. Fanner; James M. Rucker; S. C. Hursh; I. N. Gordon; Seth Healey; Ian L. Harris; Charles A. Floyd; E. C. Hugua, I. I. Poindexter; D. K. Flood; John Goode; W. A. Gillian; R. W. and Mrs. N. Conner; D. D. Poindexter; I. Gordon; Dave S. Harris; John S. Poindexter; Charles A. Flood; Thomas H. Flood; John Goode; W. A. Gillian B. W. and Mrs. N. Conner; January 2 C. R. Slaughter; S. Garland; Mary R. Slaughter; P. H. Ryan; Hugh Nelson; Susan A. Hobon; William Daniel; S. P. Browning; A. V. H. Watts; I. I. Reynolds; H. H. Crevor; James M. Ogden; I. P.. Yuill; D. A. Langhorne; W. W. Floyd; A. B. Nichols; D. I. Mann; A. Chon; H. O. Thompkins; John Minor; R. A. Coghill; I. W. Stuart; W. D. Christian; C. P. North; R. M. Cock; A. F. C. Rucker; Sarah Wright; James A. Hammer; C. Dabney; Henry L Tuggle January 3 I. H. Smith; John Smith; Henry L. Tuggle; S. C. Houry; R. P. Dumstalb; C. K. Taylor; P. K. Dillard; I. E. Bab; S. A. Campbell; M. M. Williams; E. W. Epps; K. D. Acore; A. M. Alapell; I. G. Bentley; B. B. Turtall; I. I. Goodloc; E. A. Gibbs; I. B. Dabney; Jaque P. Scott; Thomas McKuprey; A. M. Glapell; I. P. Bass
January 6 S. C. Kurt; E. W. Morris; D. K. Kipue; W. W. Stickly; Sallie W. Pierce; William C. Perrow; R. K. Bucker; Charles Hendron; I. I. Hicklin; R. H. Buckner; D. H. Hape; January 7 John Woodson; Walter Perkus; W. W. Isbell; Sam S. Nowlin; John P. Hughes; M. D.

Harry; John M. Spud; M. L. Harry; W. W. Isbell; Jane S. Nowlin; S. Chalmer; Sam Pryor; A. G. Hognock; John Smiller; J. M. Robinson; George I. Cock; C. W. Gilf; January 10 D. D. Poindexter; Asa Gill; I. W. Pettygrew; David Poindexter; January 12 I. M. Watts; John Goode; E. W. Howley; James M. Watts; January 14 John Washington; Joshua P. Oglesby; I. L. Schoolful; I. I. Bayner; B. S. Hulter; S. Rutherford; R. Mitchell; H. V. Thompson; R. R. Owen; W. K. Trent; I. I. Saunders; R. R. Owen; A. Dearing; January 16John L. Muffitt; C. L. Mosbey; Lucis A. Boatwright; I. D. Davis; I. R. Tusley; John Davis; William Leftwich; W. A. Gillian; L. W. Wingfield; W. I. Adams; January 17 P. C. Cabell; I. S. Crockett; C. H. Harris; January 21 R. H. Rucker; D. D. Jellis; Allison Ogden; E. M. Clayton; A. Leftiwich; I. W. Callihan; January 23 I. C. Slaughter; W. W. Leftwich; Wesley Hugh; R. C. Gary; Wesley Wright; William Trent; John Lowy; I. A. Stiples; Henry A. Allen; I. A. Furguson; January 26 H. D. Flood; John Buford; Thomas Cooke; January 31 Robert C. James; Greg D. Davis; George D. Davis; R. C. James; February 2 A. C. White; I. K. Knight; John H. Knight; L. M. Oglesby; James A. Watkins; February 5 John P. Sale; W. H. Petts; A. McSmith; February 11 P. W. Burnes; B. H. Peter; P. W. Noell; John W. Burnett; George Abbott; February 19 Francis Deaton; March 2 D. W. Wingfield; E. A. Gibbs; March 9 H. I. McGunnis; R. D. Moore; March 14 I. E. Taliaferra; H. Dunington; March 18 W. A. Hardy; Samuel Miller; March 25 I. H. Adams; H. H. Wallace; John M. Wingfield; March 28 John Smelner; Mrs. M. A. Daniel; W. H. Kinkle; April 1 P. C. Cabell; I. P. Hughes; I. S. Baf; I. N. Goran; Charwell Dabney; Thomas W. Jenny; Martha Chisdle; I. H. Knyght; W. H. Hughes; Samuel Pryor; Bettie W. Nelson; Mary H. Fugu; W. H. Caruther; William Tucker; W. W. Leftwich; I. W. Wingfield; W. D. Tucker; April 3 Thomas D. Walthall; Henry Mapie; H. D. Flood; Seth Halsey; William Daniel; P. H. Ryan; R. B. Tunstaff (Talton); A. M. Glapue (Walker); W. H. Grey (William); April 9 W. W. Crisor; R. Gary; R. D. Dalton; Susan M. Thiftherd; Martha Tuggle; John Goode; W. H. Hughes; April 13 R. C. Sutton; I. B. Dabney; A. M. D. Smith; F. G. Morrison; I. R. McDaniel; John McDaniel; Samuel Miller; April 16 Sarah McFadden; William Leftwich; H. A. Legrand; James Saunders; R. H. Ward; S. M. Lynch; James Dearing; C. H. Lynch; April 18 R. H. Hard; S. M. Lynch; James Dearing; D. Shalton; H. C. Hill; P. H. Noell; C. P. North; H. C. Hill; April 22 I. P. Popling; John M. Wallace; Sam. Nowlin; E. S. Hutter; A. Harrison (James); April 25 L. P. Poindexter; John L. Poindexter; R. A. Coghill; P. H. Christian; Tim Minnis; A. Cohn; Mrs. E. W. Withers; Lucas A. Boatwright; M. Langhorne; M. M. Williams; May 1 Thomas H. Flood; I. C. Taylor; James W. Stuart; Robert Mitchell; Seth Woodruff; I. R. McDaniel; May 7 I. M. Ogden; Mrs. M. Hurt; R. W. Crenshaw; May 19 Hector Harris; W. J. Walthall; H. H. Arthur; Stephen A. Fare; July 1 Susan A. Campbilt; I. S. Bap; Mrs. E. Withers; Mrs. M. A. Daniel; W. W. Kinkle; John Kilmer; C. Dabney; I. N. Gordon; D. H. Miller; Hugh Nelson; G. B. Wallace; July 9 I. M. Odgen; P. H. Christian; Thomas K. Floyd; Charles Carter; D. A. Langhorne; July 11 A. McSmith; C. Hundon; Paul Cabell; Samuel Nowlin; Jim Minis; G. H. Watson; Seth Heasley; I. S. Langhorne; July 14 A. A. Legrand; A. C. Hearson; Henry Mapin; A. C. Harrison; M. M. Fellias; A. H. Yancy; John I. Hinn; I. B. Doplin; July 17 John P. Hughes; July 18 John McAllister; William Daniel; P. H. Ryan; Marshall Harrison; John Goode; I. B. Dance; Lucas A. Boatwright; July 25 I. M. Wallace; C. P. North; I. H. Stone; Martha Tuggle; S. Tuntoll; July 31 W. Hobson; August 3 Michael Wallace; August 10 P. E. Bab; John Harrington; I. O. Washington; I. W. Sale; August 19 David I. Mann; Sallie Wright; Robert Mitchell; August 26 Ellen Thompson; John B. Dabney; R. B. Tuntall (Jim); I. F. Smitman; Sarah Smitman; September 1 William Owen; John Mitchell; George Ground; G. W. Ground; September 8 I. Pettelf; I. Maupin; David Wyant; T. E. Loury; Charles Lunford; September 14 William Leftwich; I. W. Callahan; September 30 A. K. Yancy; George W. Dillard; John Minor; October 1 F. G. Morrison; W. H. Kinkle; Mrs. M. A. Daniel; Charles Scott; Samuel Pryor;

Samuel Nowlin; I. M. McAllister; Seth Halsey; R. P. Patterson; I. N. Gordon; October 9 A. McSmith; D. E. Lowry; Martha Tuggle; Hugh Nelson; A. L. Stiff; C. Dabney; Paul C. Cabell; I. S. Bap. W. W. Leftiwich; A. Cohn; D. A. Langhorne; I. W. Stuart; Mrs. Mary Hurt; R. W. Crenshaw; S. C. Hurt; October 21 John B. Dabney; John P. Hughes; William Tucker; Judith B. Cardwell; William Owen; Henry D. Flood; P. O. Thompkins; W. C. Perrow; W. H. Hughes; Mrs. Mary w. Fuqua; Billies W. Wilson; R. M. Cock; I. W. Wingfield; John Goode; F. B. Dean (Matt); C. P. North; Daniel Shalton; W. W. Crevor; I. R. McDaniel; October 22 Nancy Legrand; James Harris; A. Wade; October 27James M. Odgen; I. W. Sale; P. W. North; S. W. Isbell; George W. Watson; I. Berry; November 6 W. B. Byars; D. B. Doplins; R. H. Bucknor; R. H. Coghill; W. Leftwich; November 11 W. L. Wyantt (Waller); R. M. Coke (Micayah); M. Allen (William); D. E. Caldwell (Steve); C. M. Garnett (Dick); November 16 W. H. Kinkle (Nelson); Rich Dennis (Clem); November 23 Paul Hulb; John Smelson; November 25 M. M. Williams; Charles H. McCurdy; I. W. McCurdy; John W. McCurdy; J. E. Caldwell; Stephen H. Hove; Mrs. A. E. Dangerfield (John, Tom, Dick); John Smiler (Morris); Mrs. Mary Hush (Newton); I. S. Langhorne (Ralph); December 5 Henry Map; I. M. Wallace; James W. Callahan; December 9 I. M. Gayle; Stokes Tuntal; I. I. Saunders; A. Wayland; I. Woodson; December 17 Charles Carter (Barney); William Leftwich (Plinnant); Samuel Hobson (Edum); William Hoben (Jeff, Wyatt); Tucker Woodson (Randall); S. R. Tuggle (Berry); Mrs. A. E. Dangerfield; I. S. Langhorne (Ralph); S. A. Fore (Isaac); I. Maupin; Charles Henderson (William); Mrs. L. Allen (Peter); D. D. Mann (William); A. C. Harrison (Farley); I. W. Isbell (Wiatt); Wesley Wright (John); R. C. Gary (Richard); Sarah Wade (Geanville); D. D. Fricklin (Charles); D. James (William); December 25 James Stewart; R. Dalton; R. C. Gary; L. Oglesby; R. C. Gary; John B. Dabney (William); I. E. Caldwell; H. Gunst (John); E. W. Withers (George); H. D. Flood (Dereck); R. R. Tuntall (Darliton); S. B. Poindexter (Andrew); P. C. Cabell (Royal); I. I. Saunders (Rubin); W. H. Cuark (Emanuel); Dr. W. Owen; A. Hill Brown; Susan A. Campbell; Depres Shiffey; Rob Mitchell (Polk); H. D. Luckett (Bill); Laurind Henderson (Moes); I. L. Brown (George); W. W. Leftwich; H. I. Minor (Phil); R. M. Cox (Macagah); Sam Miller; William Tucker (Creed); James Harris (Ken); S. C. He (Ian); R. B. Tuntall (John); John H. Knight (Mat); E. M. Clayton (Henry); F. A. and G. B. Austin (Gilbert); William Kent (Randal); F. G. Morrison (Ned); R. A. Coghill (John); G. B. Wallace (Willis); D. H. Hoge (Jim, Bob); D. H. Hoge (Ian, Finney); John I. Winn (Ben); G. B. Wallace (Iac, Henry); John B. Dabney (Ned); John H. Smith (Jim); E. M. Clayton (Nelson); I. I. Fricklin (Sites); Seth Healey; Mrs. Sarah Wright (Green); Sam Nowlin (Peter); H. C. Minor (William); W. C. Perrow (John); M. M. Williams (Geo); Seth Halney (Henry); I. M. Gayle; December 29 R. S. Booton; H. L. Stiff; I. F. Smitman (Henry); Mrs. Mary W. Furgua (William); A. M. Clapell (Cyrus); G. B. Wallace (Ben); Miles C. Leftwich; R. H. Rucker; Robert Mitchell; E. B. Wallace; I. W. Berry; Susan A. Hobson; Thomas Cox (pp. 490)

No names of owners or slaves: January 31, 1861.

Journal, 1860 – 1864

1860 – November 9 C. E. Tuques; Nancy Edger; J. C. Slaughter; F. J. Ballard; November 13 John Stone; L. J. Gordon; W. Waller; W. W. Hanson; November 16 J. W. Sandris; H. H. Wallace; November 22 R. O. Doh; A. C. Hanson; J. H. Davidson; November 27 C. H. Leftwich; Charles Aunspaugh; November 29 S. Crockett; James Hammer; December 3 J. C. Shearer; December 5 R. W. Conner; December 8 H. V. Thompson; December 12 Susan Spiller; December 13 William Daniel; December 18 John Davis (Daniel); W. Leftwich (Micajah, Hanibal); William F. Lucads (Henry); James Metcalf (Carter); M. E. B. Wallace

(Emanuel); Elizabeth R. Holloway (Wellis); E. D. Feazer (Mat); A. E. Christian (Spencer); Robert Tinsley (Dick); James Franklin (John); William Preston (Jerry); Rich Taliaferra (Miles, Charles); Marshal Harris (Jim); Henry D. Flood (Anderson, Washington); Margaret Gaddir (John); John J. Moorman (Jacob); James Campbell (Albert, Westley, Edward, Isaac, Stephen); W. C. M. Ghee (Henry); Dr. J. S. Tendleton (William); Charles A. Floyd (Jordan); Nancy Edgar (Davy); C. E. Webb (Daniel); Robert Gibany; Sally M. Lynch; James C. Slaughter (Mason); Ann E. Dangerfield (Jam, Bob, Dick); George P. Luck (Henry); R. W. Conner (Wyatt); John Goode (Buck, Aaron, Martin, Booker, Zack); W. A. Hardy (Henry); Joseph Wilson (William, Briston, Philip, Frederick, Sam); Sam Miller (Jepee); J. J. Blanton; John Deckerson; December 21 I. H. Wilson (William); W. A. Gilliam; R. A. Coghill (Moses, Alexander); T. T. Saunders (Robert); I. W. Wilson (Sam, Frederick); Seth Haley (Henry, Bob); Washington Hunter (Tom); John Dickerson (Smith); William Leftwich (Jim, William, Hanibal, Jac); J. J. Saunders; James Saunders (Tom); John R. Daniel (Henry); Thomas Trunt (Stephen); Robert Geboning (Hays); December 22 William Hunt (Randal); Thomas Buah (Ben); H. H. Wallace (Pampey); F. G. Morreson (Ned); W. B. Preston (Bob); I. S. Pendleton (Moses); M. R. Hurt (Peter, Tom); John Kay (Tharnton); December 25 G. A. Saunders (Ben, Stephen); W. Waller (George); Mrs. A. M. Saunders (Frank); G. B. Wallace (William, Richard); December 27 J. M. Odgen; J. L. Walker; William Gibboney (Jac); R. A. Hurst (Tom); Kirkwood Otey (Sawney); E. S. Hutter (Bob); N. L. MGinnis (Balis, Sandy, Chat); December 29 T. E. Reynolds; J. D. Pierce; Marc Murrell

No names of owners or slaves: December 3; December 18; December 21; December 22

1861 – January 1 R. C. Gary (John, Dick); R. C. L. Moncuro (Henry, James); John Deckerson (Henry); C. E. Webb (Daniel); W. Waller (Charles); T. Tunt (Stephen); T. Moseley (Archy); H. F. Bocock (Nixon, Jac); R. O. Doj (Bob, Randal, Tom); Col. James A. Hammer (Momot); Daniel Stratton (Patrick); Mrs. E. D. Frazier (Madison); C. P. North (Henry); H. D. Flood; I. B. Cruso (Charles); James N. Gordon (John, Jim); : . A. Bagbio (Ben); W. A. Leftwich (Sam); D. F. Patterson (Jepes); G. B. Wallace (Henry); Paul Hull (Sam, Jim); I. I. Blanton (Mitchell, Cooper); Robb Tensly (Coleman, Nat, Peter); R. A. Lee; R. Perkins; W. Hunters; J. M. White; J. Metcalf; C. A. Floyd; J. S. Pendleton; January 2 L. A. Bogbie; C. E. Webb; Thomas Trent; James A. Hammer; I. L. Stiff; I. D. Watthall; I. H. Burns; I. A. Gordon; Clifton Webb; Nancy Conner; James Metcalf; I. S. Pendleton; Thomas Tunt; C. A. Floyd; C. E. Webb; F. S. Thomas; J. M. Cobb; January 3 John N. Jane; J. J. Cocke; A. Nude; S. M. Shepherd; Susan Spiller; W. W. Hanson; Dr. John Minor; Rich Dearing; Seth Halsey; Charles W. Christian; J. M. Cobbs; I. M. Patterson; I. M. Nelson; I. W. Jones; D. Couch; I. T. Hughes; William Tucker; Thomas Mosley; M. L. Harris; John Stone; L. F. Gordon; M. L. Harris; January 5 E. G. Hill; A. B. White; I. B. Layne; I. I. Switman; I . W. Jones; James Franklin; I. I. Blanton; I. L. Steptoe; Withers Wallace; John Goode; R. C. Gary; Thomas Wallace; W. E. Patterson; Robert Tinsley; January 7 W. D. Tucker; D. A. Langhorne; W. O. Owen; C. F. Harris; A. E. Dangerfield; A. A. Hudson; John Dickson; H. V. Thompson; John Guy; Paul C. Cabell; R. I. Burney; F. L. Ballard; P. H. Gilmer; A. M. D. Smith; Dr. Charles Wright; Maria Wright; January 8 F. G. Morrison; Joseph Crevos; I. I. Saunders; P. Noell; Geo P. Luck; January 9 Paul Hill; I. W. Barnett; William Daniel; C. Dabney; Martha Puggle; E. M. Clayton; Paul Hull; January 10 C. S. Mosby; W. A. Gillian; John S. Cauldwill; Kirkwood W. Otey; Hector Harris; January 11 J. C. Shearus; January 14 E. D. Frazer; D. W. Price; I. F. Gordon; January 15 L. F. Johnson; Elijah Heally; Nancy Edgar; John Hancock; January 16 C. M. Lynch; R. M. Tuliaferro; January 18 D. Stratton; G. P. Locke; I. R. McDaniel; January 19; A. C. Harrison; January 22 I. H. Stone;

January 24 W. B. Preston; January 25 W. W. Stickley; I. Monchard; I. C. Slaughter; January 28 J. H. Buford; Sam Newton; H. F. Bocock; January 30 E. Wooduff; February 1 P. Smith; February 4 S. L. Dearing; Sally M. Lynch; February 6 M. N. Buchanan; G. B. Wallace; R. L. Woodson; John Bodkin; I. I. Kegley; A. Thompkins; Johnson Fitzhugh; H. H. Wallace; E. M. Garock; E. B. Halloway; William Gibboney; February 11 Alex Wade; J. J. Moorman; February 14 H. Cunningham; R. W. Conner; February 19 M. Gaddie; February 20 J. H. Smith; February 22 W. F. Luckady; February 26 A. Pettyjohn; Robert Coghill (Henry); J. B. Wallace (Pat); March 1 I. H. Davidson; William Kent; March 13 W. A. Hardy; G. A. Saunders; March 29 William Tucker; W. W. Roberts; April 1 A. C. White; April 2 T. D. Watthall; F. B. Dear; Wyndham Roberts; M. L. Hardy; I. W. Callahan; I. I. Burke; C. O. Willis; April 4 Mary R. Willy; James B. Taylor; James P. Scott; April 6 A. A. Hudson; D. G. Hedgman; I. W. Utz; April 8 I. W. Wilson; William Owen; April 13 A. B. White; I. Merchant; S. D. Rice; April 17 W. C. Perrow; April 24 Catherine Gatewood; May 2 Elsey Burke; John T. Davis; T. D. Watthall; July 2 M. L. Harry; Samuel Garland; Emma Crenshaw; July 5 William Daniel; July 8 Jane Ficklin; F. B. Dean; July 12 Lucy Derkins; July 20 G. W. Grounds; W. C. Perno; July 25 W. A. Payne; August 1 P. F. Camden; August 13 P. B. Tunstell; P. H. Gilmore; September 2 Rich Dearing; September 20 R. D. Moore; October 1 A. G. Cox; October 3 C. Gatewood; October 17 P. D. Cofer; November 11 David Pointdexter (Gabriel); I. I. Saunders (Henry); John W. Barnett (Doc); James C. Slaughter (Mason); November 22 Samuel D. Rico (Booker); H. W. Hill (Randolph); John Guy (George); December 9 G. B. Wallace (Alex); Charles Henderson (Jerry); C. A. Floyd (James); Seth Halsey (Henry, Winston, Rilly, Bill); C. A. Floyd (Jim, Joshua); William Leftwich (Cagy, Jac, David, Bob, John, Isaac, Edmond, Stephen, Charles); James A. Buchannan (James); December 10 A. M. Pennings (James); Thomas N. Langhorne (Lewis); December 14 John Coats (Abram); December 16 Mrs. Jane Pecklin (Henry); Sally M. Lynch (Daniel); John S. Bah (Jordan, Steve); John Minor (John, Thornton); J. K. Jones (Riland); Charles Henderson (Caster); R. A. Coghill (John, Bill); December 17 N. W. Floyd (Dick); I. F. Camden (Caliborne); H. D. Flood (Ed, Peter, Dick, Wesley, Lewis); Paul C. Cabell (Tom); Archy Wade (Peter); I. H. Miller (Dan); W. Tucker (Frederick); James L. Campbell (Albert, Wesley); E. B. Wallace (Emanuel); R. Charles Wingfield (Clifton); W. H. Trunt (Stephen); Catherine Gatewood (Nennor); I. I. Burks (Henry); Richard Dearing (Fountam); D. C. Dunn (John, Adam); Michael Wallace (Ewing, Henderson); December 21 Seth Halsey (Vince); R. W. Withers (Flemming); John Dickerson (Calvin, Bob, Smith); R. B. Tunstall (John); T. Smiler (Morris); James Stewart (Claiborne); December 26 John H. Smith (James); Wyndham Robinson (Gilbert); John B. McDaniel (Harry); J. S. Caldwell (Henry); Samuel Miller (King, Rice); N. I. McGinnis (Dan, Penn); I. B. Layne (Martin); December 30 J. C. Walker (Bondurach); J. J. Flicklin (Henry); H. D. Flood (Brunella); A. Boutwell (Warner); J. D. Pierce (Joe); W. C. Perrow (Luke); A. C. White (William); W. W. Roberts (William); Beny Williams (Jacob); M. O. Buchanan (Jack, Wren); R. Tinsly (Abner, Peter, Nat); December 31 H. W. Hill (Randolph); James Franklin (John); John Guy (William, George); I. H. Stone (George)

No names of owners or slaves: January 1; January 2; January 3; January 5; January 7; January 9; January 10; January 11; January 15; January 18; January 19; January 25; January 28; January 30; February 4; February 6; February 11; February 14; February 20; February 22; February 26; March 5; March 13; March 29; April 1; April 2; April 4; April 6; April 8; April 13; April 22; April 24; April 30; May 1; May 6; May 8; May 13; May 16; May 20; May 24; May 29; June 1; June 4; June 22; June 29; July 1; July 2; July 3; July 5; July 8; July 10; July 12; July 17; July 18; July 20; July 27; July 31; August 1; August 5; August 8; August 15;

August 26; August 31; September 2; September 6; September 11; September 18; September 20; October 1; October 2; October 3; October 4; October 5; October 9; October 11; October 12; October 15; October 17; October 19; October 23; October 26; October 30; November 11; November 14; November 15; November 19; November 22; November 26; December 9; December 10; December 16; December 17; December 21; December 25; December 26; December 30; December 31

1862 – January 2 I. B. Layne; Ann E. Eubanks; January 3 C. F. Harry; A. M. Purning; J. A. Watkins; January 4 Paul C. Caleb; Alice Murrell; M. M. Williams; January 7 H. B. Bucker; Sam Garland; January 10 H. V. Thompson; January 14 Henry Dunnington; January 16 W. F. Yingling; January 18 John Smelson; Lucy Pirkins; W. M. Mcoy; January 24 I. W. Basnett; January 28 William Owen; W. A. Payne; W. A. Cump; H. H. Lewis; January 30 R. W. Brown; February 1 H. G. Mglue; A. M. Glapell; April 7 M. Ruark; April 12 J. H. DeJarnett; April 16 J. B. Jopling; April 19 A. Cohn; June 2 A. A. Legrand; July 1 I. Yonce; July 3 S. O. Yewell; August 1 N. N. Floyd (Dick, Jack); August 21; S. Butterford; L. Poatoright; W. E. Eakin; November 10 H. H. Wallace (William); James M. Ogden (Baubin); W. H. Trent (Stephen); P. C. Cabett (Willis); Charles A. Floyd (Henry); John Woodson (Pauph); C. Dabney (Sulivan, Sam); R. A. Coghill (Charles); Paul Hull (James, Sam); Thomas Mosley (Archy); W. N. Isbell (Nash); R. P. Jenny (James); G. W. Clement (John); J. R. Tinsley (Cain); John Minor (Barney); Henry L. Tuggle (Philip); John H. Smith (Jim); H. D. Akee (Isaac); H. D. Flood (Brunella, Thompson); W. A. Gillian (Charles); F. O. Thompkins (Abraham); Mary D. Buchannan (James, Henry, William); George D. Davis (Ambrose, Booker, Steve); I. E. Bale (Joshua); J. S. Harris (Ned); Allen Ogden (Jodran); I. A. Fingerson (William); Tammy A. Stipler (Farley); Charles Henderson (Henry); Jim I. Finkle (Henry, Bob, Jack, Charles); Robert Peter (Elem); R. A. Rucker (Moses, Giles); W. A. Houff (Lewis); A. Cohn (Charles); John C. Washington (William); December 16 R. C. Sutton (Sam); December 20 I. L. Schoolguild (George); R. Mitchell (Polk)

No names of owners or slaves: January 2; January 3; January 4; January 7; January 8; January 10; January 14; January 15; January 16; January 18; January 20; January 24; January 28; January 30; January 31; February 1; February 4; February 8; February 11; February 13; February 17; February 19; February 22; February 28; March 14; March 17; March 18; March 25; March 28; March 31; April 1; April 3; April 7; April 9; April 11; April 12; April 16; April 19; April 21; April 24; April 28; April 29; May 1; May 5; May 8; May 10; May 12; May 13; May 14; May 16; May 19; May 21; June 2; June 16; June 27; July 1; July 3; July 8; July 14; July 16; July 19; July 28; July 31; August 1; August 9; August 12; August 15; August 21; August 27; August 30; September 1; September 6; September 14; September 19; September 30; October 1; October 3; October 7; October 13; October 17; October 21; October 24; October 29; October 31; November 1; November 4; November 8; November 10; November 11; November 13; November 15; November 17; November 22; November 27; December 1; December 6; December 16; November 20; December 23; December 25; December 26; December 29; December 31

1863 – January 2 C. P. Hort; March 14 Henry Dunnington; November 2 Mrs. E. H. Withers

No names of owners or slaves: January 1; January 2; January 6; January 9; January 13; January 16; January 19; January 23; January 30; February 16; February 20; February 24; February 28; March 4; March 11; March 20; March 31; April 3; April 10; April 15; April 20; May 6; May 9; May 23; June 6; June 13; June 20; July 1; July 7; July 13; July 17; July 24; July 31; August 5; August 11; August 17; August 25; September 1; September 11; September

14; September 19; September 30; October 9; October 24; October 27; November 6; November 19; November 28; December 1

1864 – January 2 F. A. Deaton (Henry); Rich Dennis (Cole, Alex); Daniel Hage (Dennis); H. D. Flood (Edmond); January 23 C. E. Gary (Richard); January 25 William Kent (Randal); January 28 L. Stiff (Allen); March 18 Laura Anderson; March 28 J. W. Isabell

No names of owners or slaves: January 1; January 5; January 7; January 12; January 15; January 19; January 23; January 28; January 29 January 31; February 9; February 17; February 29; March 18; March 28; March 31

Journal, 1861-1864

July 1, 1861 – January 1862: W. Wingfield to Francis J. Morrison for negro hire.

No names of slaves or owners or slaves: March, July, May, September 1863; January 1864.

Journal, 1861-1864

1861 - July 1 John W. Wingfield; John P. Hurley; John Muse

No names of owners or slaves: August 31, September 3; September 26; October 12; October 28; November 1; December 31

1862- A. Pettyjohn; James C. Deyule; Mayo David; William B. Byrnes; David Graham; John Wygal; Henry Clark; William P. Bilbo; T. B. Lane; James Broady; Hayman L. Lange; John June; Isaac Harrison; Thomas W. Daist; John W. Holt; James W. Williams; E. H. Erons; Joseph Corrism; Soloman Buck; Andrew J. Deyanlo; Joseph James; Joshua P. Davidson; H. H. Chitton; October 1 Richard H. Larry; Joseph H. Bendolph; Smith J. Herwood; John B. Davis; John H. Phelps

No names of owners or slaves: January 1; January 31; February 28; March 31; June 30; July 1; October 1

1863 – January 1 H. H. Stickley; W. W. Robberts; Charles Wingfield; October 16 Richard P. Gillian; Robert A. Paid; Mason H. Jarench; John P. Steptoe; William F. Lowns; December 11 Benjamin P. Browning

No names of owners or slaves: January 1; March 31; April 30; May 30; June 30; October 16; December 11

1864 – January 11 Charles A. Floyd; May 31 Robert O. Brayson; Carlisle Henderson; Rhodes Hilton; Thomas D. Jellis; Milton M. Lowry;

No names of owners or slaves: June 30

Journal, 1862 – 1868

December 31, 1864: James L. Campbell (Wesley, Isaac, Stephen); M. L. Harris; James Johnson.

Journal No. 8, July 2, 1864 – June 30, 1867

No names of slaves.

Transactions from Negro Hire Account:

1864 - July 2 M. C. James Jr.; John W. Wingfield; Francis B. Deane Jr.; Justin K. Moore; James M. Kelp; Williams and Sowers; Johnston and Cassell; Williamd J. Swanson; Richard W. Robinson; William T. Granny; Samuel T. Williams; August 11 Saloman Herman; James Mearring; Richard W. Robinson; August 11Colin Baseport; Beukin B. Davis; James C. Saughten; August 23 John W. Wingfield; Buefor Kent; B. S. Tinkle to John S. Hickey; October 28 Cobbs Mellingrice; M. B. Somey.

1865 - January 31 Clayton S. Filler.

Ledger B, April 1864 – May 1868

No names of slaves. Combined entries for amounts paid to named owners and aggregate amounts paid.

April 6-8 George W. Clement; 9, 11, 12 James M. Williams; 13, 14, 18 Francis B. Winston; 19, 20, 21, 23 Martin Hollins; 25 J. McDearman; 26; May 2, 4, 5, J.B. Howlin; 6, 7, 10, 13 J.W. Pettygrew; 18 Edward Scott; 30 A.C. Harrison; June 4, 6 P.E. Caldwell; 9 J.B. McClung; 10 W.A. Hardy; 11, 27, 30; July 1, 2, 4-7 R. T. Saunders; 8 John R. McDaniel; 9, 11-16, 18, 22, 23 Ann M. Saunders; 25, 27-30; August 2-4 Jim Johnston; 5 Davis Poindexter; 6, 8, 10, 12, 15, 16, 18, 19, 22 T. Hardy; 27 William Perrow); 29; September 1 Thomas P. Mitchell; 8, 10, 20 James Campbell; 22, 23; October 1, 3-8, 11-13, 15, 17-19, 21, 22, 25, 28; November 1, 5, 9-11, 14 Ann E. Dangerfield; 18, 22 Nancy L. Jones; 24, 25, 29 A.G. Harrison; December 1-3 T. Dodamead; 7, 12-15, 19, 20, 26-28, 1864; January 2-7, 9-14, 16-21, 23, 25; February 6 J. D. Williamson; 11, 13, 17, 18, 20-24, 28; March 13 J.R. McDaniel; 20, 21, 23, 30, 1865; May 8, 1865 R. Pollard.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Norfolk Southern Corporation

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [ ] the Applicant
   OR
2. [X] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Norfolk Southern Railway Company
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: Three Commercial Place
Norfolk, Virginia 23510

C. Telephone: 757-629-2836 Fax: 757-629-2607 Email: Thomas.Ambler@nscorp.com

D. Name of contact person: Thomas W. Ambler

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Acquisition of 105 city-owned lots in the vicinity of 59th and Normal

G. Which City agency or department is requesting this EDS? Dept.ofHousing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[X] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Virginia

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [X] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Charles W. Moorman	Director, Chairman, President & Chief Executive Officer
Mark D. Manion	Executive Vice President and Chief Operating Officer
Deborah H. Butler	Executive Vice President Planning & Chief Information Officer
James A. Hixon	Executive Vice President Law and Corporate Relations

(*Continued on Attachment II.B.1.a)

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

N.A.

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
N.A.			

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [x] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

A number of the questions in the City of Chicago's Economic Disclosure Statement and Affidavit (the "EDS Statement") appear intended to solicit information from smaller organizations where all of the knowledge of that organization's activities resides among a handful of people rather than to a large publicly-traded corporation like Norfolk Southern Corporation ("NSC"), which owns Norfolk Southern Railway Company ("NSR," and together with NSC and NSC's other subsidiaries, "Norfolk Southern") . . . (*Continued on Attachment V.B.6)

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

Tijuana Williams, David Martin Slavina, and Jaraille Vontrell Babbitt (all former employees of Chicago)

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

____1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

__x__2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

Note: Records on this list have references to slave labor. Owners' names are listed with slaves' names when given following in parenthesis. Where no names are given, those records with references to hiring provisioning or medical services for slaves are still noted. All surviving records of antecedent companies in the possession of Norfolk Southern Corporation for the period prior to 1866 have been searched; only those records with references to slave labor have been included in this list . . . ("Continued on Attachment V.E.2.)

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N.A.

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Norfolk Southern Corporation
(Print or type name of Disclosing Party)

By: James A Hixon
(Sign here)

James A. Hixon
(Print or type name of person signing)

Executive Vice President-Law and Corporate Relations
(Print or type title of person signing)

Signed and sworn to before me on (date) 1-25-13,
at Norfolk County, Virginia (state).

Terrel M. Wiggins Notary Public.

Commission expires: 1-31-2014.

TERREL M. WIGGINS NOTARY PUBLIC REG # 210382 MY COMMISSION EXPIRES 1/31/2014 COMMONWEALTH OF VIRGINIA

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [x] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

ATTACHMENT II.B.1.a

James A. Squires	Executive Vice President – Administration
Donald W. Seale	Executive Vice President and Chief Marketing Officer
John P. Rathbone	Executive Vice President and Chief Financial Officer
Daniel D. Smith	Senior Vice President
Howard D. McFadden	Corporate Secretary
Gerald L. Bailies	Director
Thomas D. Bell, Jr.	Director
Erskine B. Bowles	Director
Robert A. Bradway	Director
Wesley G. Bush	Director
Daniel A. Carp	Director
Alston D. Correll	Director
Karen N. Horn	Director
Burton M. Joyce	Director
Steven F. Leer	Director
Michael D. Lockhart	Director
J. Paul Reason	Director

ATTACHMENT V.B.6

Norfolk Southern has thousands of employees and business operations in 22 states and the District of Columbia. NSR along with its consolidated rail subsidiaries ("NS Rail") is engaged primarily in the transportation of freight by rail. NS Rail operates approximately 21,000 miles, primarily in the east and Midwest, including approximately 861 miles in Illinois and 36 in Chicago. NSR and NSC used their best efforts to gather as much of the requested information as reasonably possible and without undue effort and expense, but, because of their large size, all responses given in all of the EDS Statement are only to the best of the reasonable knowledge of NSC and NSR, are at the risk of not having knowledge of certain information, and the executive officer signing the EDS Statement does so based on actual knowledge or information supplied to that executive officer. Due to the scope of its operations and the number of employees and contractors, Norfolk Southern makes no representations as to parties other than NSR, NSC and their respective executive officers and directors. Additional information about Norfolk Southern Corporation can be found at the website, www.nscorp.com, including its Annual Report for the fiscal year ended December 31, 2008.

The following two paragraphs are responsive to Certification V.B.1.e. on page 5

Norfolk Southern is subject to extensive applicable federal, state, and local environmental laws and regulations. Norfolk Southern is, from time to time, investigated by these and other regulatory agencies in the ordinary course of business. Norfolk Southern cooperates with all government agency investigations. Due to the scope of its operations and the number of employees, however, Norfolk Southern cannot provide information regarding all such investigations without undue effort or expense, if at all. The list of certain investigations found attached in Table V.B.1.e – A is that information that Norfolk Southern was able to identify without undue effort or expense.

In addition to the regulation described in the preceding paragraph, Norfolk Southern is also subject to commercial regulation by the United States Surface Transportation Board, and its operations are regulated extensively by the United States Department of Transportation, including the Federal Railroad Administration, and the Department of Homeland Security, some of which in some cases has a preemptive effect. In addition, Norfolk Southern's operations are subject to extensive federal, state, and local environmental, labor and employment and other laws and regulations. Norfolk Southern is, from time to time, alleged to be in violation of administrative, statutory or regulatory provisions in the ordinary course of business. Norfolk Southern cooperates with all government agencies in seeking to resolve such alleged violations. Due to the scope of its operations and the number of employees, Norfolk Southern cannot provide detailed information regarding all such violations without undue effort or expense, if at all.

However, attached in Table V.B.1.e – B, is that information which can be secured without undue effort or expense.

TABLE V.B.1.e – A

Part 1

1. In April, 2008, the United States Department of Justice filed suit against Norfolk Southern Railway Company seeking civil penalties and injunctive relief under the Clean Water Act and the Comprehensive Environmental Response, Compensation and Liability Act, related to the Jan. 6, 2005 derailment in Graniteville, S.C, and associated release of chlorine into the atmosphere. In April, 2010, the parties reached a consent decree settling the lawsuit, subject to court approval. In the consent decree, Norfolk Southern agreed to pay a civil penalty of $4 million, to undertake emergency response training and undertake a supplemental environmental project. There is no admission of liability.

2. On Oct. 19, 2006, the Pennsylvania Department of Environmental Protection (PDEP) issued an assessment of civil penalties against Norfolk Southern and filed a complaint for civil penalties with the Pennsylvania Environmental Hearing Board (EHB) requesting that the EHB impose civil penalties upon Norfolk Southern for alleged violations of state environmental laws and regulations resulting from a discharge of sodium hydroxide that occurred as a result of the derailment of a Norfolk Southern train in Norwich Township, Pennsylvania, on June 30, 2006. PDEP's actions sought to impose combined penalties of $8,890,000 for alleged past violations and $46,420 per day for alleged continuing violations of state environmental laws and regulations. Norfolk Southern appealed the fines to the EHB. The Pennsylvania Fish and Boat Commission sought financial restitution for damages alleged to have been caused by this accident. In addition, the Pennsylvania Attorney General and the McKean County District Attorney filed three misdemeanor charges for alleged violations of state environmental and aquatic resource protection laws and regulations. Norfolk Southern has entered into a settlement agreement with all Commonwealth of Pennsylvania parties, pursuant to which all claims by the Commonwealth for civil liability resulting from the derailment and spill were resolved, with Norfolk Southern agreeing to pay approximately $7.35 million in restitution to compensate for all natural resource damages and the agencies' response costs caused by the derailment and spill. Norfolk Southern also pled no contest to the three misdemeanor charges and paid fines in the amount of $250,000 to resolve them.

3. On July 13, 2007, Norfolk Southern received a subpoena from a state grand jury requesting documents and materials relating to the company's setting of fuel surcharges. Norfolk Southern cooperated with the state in its investigation, and has been notified that the state decided not to move forward with its investigation at this time, while reserving its right to re-open the matter in the future if it decides circumstances so dictate.

4. On August 15, 2007, Norfolk Southern entered into a Consent Assessment of Civil Penalty (Consent Assessment) with the PDEP, resolving alleged violations of the Clean Streams Law, the Solid Waste Management Act, the Hazardous Sites Cleanup Act, and the Air Pollution Control Act, and regulations promulgated thereunder. The Consent Assessment resolved three Notices of Violation (NOVs) received for alleged violations associated with spill incidents in Bell Township, Creighton, and

New Brighton, Pennsylvania, as well as other issues not subject to NOV. Specifically, on December 29, 2005, Norfolk Southern received a NOV related to a January 5, 2004 derailment near the village of Truxal in Bell Township, which had resulted in the release of shelled corn, lubricating oil, and diesel fuel. On July 1, 2005, Norfolk Southern received a NOV related to a January 31, 2005 derailment near Creighton in East Deer Township, which had resulted in the release of hydrogen fluoride. On October 26, 2006, Norfolk Southern received a NOV related to an October 20, 2006 derailment on and near the railroad bridge between Beaver Falls and New Brighton, which had resulted in the release of ethanol. The other two matters related to a 2003 diesel fuel spill caused by an outside contractor in Union Township and a number of spill incidents arising from September 8, 2003 to the date of the Consent Assessment from Conway Yard in Conway Borough. A civil penalty in the amount of $575,000 was paid to the Commonwealth of Pennsylvania, Clean Water Fund on September 12, 2007 in settlement of these incidents.

5. Norfolk Southern entered into a Consent Order on or about March 12, 2008 with the Georgia Department of Natural Resources Environmental Protection Division in connection with certain alleged violations of the storm water general permit requirements applicable to land disturbing activities associated with a September 2007 track siding extension project in Gordon County, Georgia. Among other things, Norfolk Southern mistakenly submitted the permit fee in April 2007 to the same address used for the application. Under the consent order Norfolk Southern agreed to implement best management measures and to have its erosion and sedimentation control plan certified. Norfolk Southern paid a penalty of $4,500. The EPD inspector was pleased overall with the stability of the project.

6. Norfolk Southern was sued by the State of Illinois in connection with a derailment that was caused when a Union Pacific train improperly entered an interlocking and struck a Norfolk Southern train in Momence, Illinois on November 24, 2005. As a result of the collision, diesel fuel was released from the locomotives of both trains and certain limited amounts of other hazardous and non-hazardous materials were released from rail cars. The State of Illinois sued both Norfolk Southern and Union Pacific alleging various violations of environmental laws as a result of these releases and demanding penalties and other relief. This case was settled for a non-penalty payment of $9,900 in January, 2010.

7. On approximately May 15, 2008, Norfolk Southern was notified by PDEP that the agency assessed a $24,000 penalty against it for alleged violations of the Pennsylvania Storage Tank and Spill Prevention Act. PDEP claims that during an inspection at Conway Yard, Conway, Pennsylvania, it discovered several testing and recordkeeping violations. The penalty assessment was appealed and a final settlement reached with PDEP that resulted in a Consent Assessment of Civil Penalty for a $12,000 fine.

8. On May 14, 2008, the United States Coast Guard issued a Notice of Violation in connection with a sheen of oil that resulted from a gasket failure on the land arm swivel joint of a manifold connecting to a fuel barge at Conway Yard. A boom was immediately deployed by Norfolk Southern forces and the swivel joint was taken out

of service. Less than one gallon of fuel was estimated to be released. The Coast Guard's NOV assessed a $250 penalty, which was paid.

9. Ohio EPA cited Norfolk Southern for the railroad's failure to file a Large Quantity Generator ("LQG") Report on August 6, 2008 in connection with a one-time hazardous material spill cleanup event at Columbus, Ohio. The failure to file was inadvertent since the yard facility ordinarily is a small quantity hazardous waste generator. The railroad late filed the LEQ report and has requested the State to delist the yard as a LQG. No penalty was assessed.

10. On August 20, 2009, Norfolk Southern entered into two Consent Agreements with U.S. EPA Region 4, resolving two alleged violations of the Clean Water Act associated with two separate releases of fuel oil locomotive fuel tanks which were accidently breached by a master shoe retarder in Norris Yard, Irondale, Alabama. Norfolk Southern paid a total of $9,000 in penalties in these two dockets.

11. In April and May 2008, the New Jersey Department of Environmental Protection issued a Notice of Violation and an Administrative Order and Notice of Civil Administrative Penalty Assessment, respectively, alleging that Norfolk Southern violated provisions of its New Jersey Pollutant Discharge Elimination System Permit at its Elizabeth City, NJ rail terminal. Norfolk Southern immediately corrected any potential noncompliance issues and in November 2008, paid a penalty of $5,000.

12. The United States Coast Guard issued a Notice of Violation in connection with the failure of a float level control switch at a waste water treatment plant pumping station that released approximately 500 gallons of oil and resulted in a light sheen on the Ohio River on December 18, 2009. An immediate response was undertaken to the release and the control switch was repaired. The Coast Guard's NOV assessed a $1,500 penalty, which was paid.

13. The United States Coast Guard issued a Notice of Violation in connection with the release of diesel fuel from a valve on a loading dock that created a sheen on the Ohio River on March 2, 2010. An immediate response to the release was undertaken. The Coast Guard's NOV assessed a $500 penalty, which was paid.

14. In late August 2010, as a result of an inspection by the Pipeline and Hazardous Materials Safety Administration, Norfolk Southern received a Notice of Probable Violation, Civil Penalty Assessment and Proposed Compliance Order (NOV) for alleged violations related to the operation and maintenance of a fuel pipeline in Macon, GA, including alleged recordkeeping deficiencies. A penalty of $98,600 was paid on July 19, 2011 pursuant to a Final Order. Two additional Notices of Probable Violation and a Notice of Amendment were received in February 2011. On August 18, 2011 an additional penalty of $77,500 was paid pursuant to a Final Order. Norfolk Southern has since retained a third party operator for this pipeline, thus resolving the alleged deficiencies.

15. In late June, 2010, the State of Ohio filed suit against Norfolk Southern alleging certain violations of state water laws at Norfolk Southern's coal transloading facility in Ashtabula, Ohio. Simultaneous with the filing of the complaint, the parties filed a Consent Order for Preliminary Injunction with the court that requires certain actions be undertaken by Norfolk

Southern at the facility. A final Consent Order was entered by the Court on August 11, 2011 that provided for final relief and the payment of an $115,000 penalty.

Part 2

Month/Year Received	Location	Alleged Violations/ Violations
May, 2012	Austell, GA	POTW Permit violation
April, 2012	Harrisburg, PA	Sanitary Sewer Overflow
April, 2012	Georgetown, KY	KPDES Stormwater Permit violation (9/27/11 inspection)
April, 2012	Melvindale, MI	Fugitive dust violation, blast-cleaning AST w/o approved BMPs
January, 2012	Rossville, TN	Alleged violation of stormwater construction permit
January, 2012	Arcadia, OH	Unpermitted discharge from train derailment
January, 2012	Elkhart, IN	NPDES Permit violation (11/23/11 inspection)
January, 2012	Cresson, PA	AST, external coating failure, corrosion (11/10/11 inspection)
December 2011	Sunbury, PA	Alleged solid waste violation @ TBT Transloading Facility
November 2011	Greencastle, PA	Alleged violation of stormwater construction permit
November 2011	Atlanta, GA	Fab Plant WWF POTW permit noncompliance
October 2011	Kansas City, MO	WWF POTW permit noncompliance
October 2011	Harrisburg, PA	Enola Yard - WWF NPDES permit noncompliance
September 2011	Macon, GA	POTW violation- no advance notice of flowmeter totalizer reset
August 2011	Birmingham, AL	WWF POTW permit noncompliance
July 2011	McKinney, KY	Degradation of DO due to derailment related release
July 2011	Arcadia, OH	Ethanol discharge to surface water during cleanup
June 2011	Harrisburg, PA	Noncompliance notice for unregistered AST
May 2011	Titusville, FL	Storage tank system noncompliance
May 2011	Chattanooga, TN	Diesel shop – Hazardous waste inspection noncompliance
May 2011	Culpeper, VA	Line of road – Embankment erosion
Feb 2011/April 2011	Roanoke, VA	Material Yard Shop – Asbestos citation
February 2011	Memphis, TN	Forrest Yard – POTW permit noncompliance
February 2011	Manville, NJ	Odor from train
February 2011	Manville, NJ	Odor from train
February 2011	Manville, NJ	Odor from train
February 2011	Linwood, NC	Linwood Yard – WWF permit noncompliance
February 2011	Harrisburg, PA	Fueling facility WWF permit noncompliance
February 2011	Conway, PA	Oil release
February 2011	Granite City, IL	Third party illegal open dumping
February 2011	Voltz, MO	Late payment of fees
February 2011	Arcadia, OH	Ethanol Discharge to surface water
January 2011	Atlanta, GA	Inman Yard WWF POTW permit noncompliance
January 2011	Atlanta, GA	Fab Plant WWF POTW permit noncompliance
December 2010	Manville, NJ	Odor from train
December 2010	Manville, NJ	Odor from train
November 2010	Elkhart, IN	Total copper exceedence NPDES permit limit
October 2010	Conway, PA	Release of 50 gallon s of lube oil
September 2010	Decatur, IL	WWF POTW permit noncompliance
July 2010	Charlotte, NC	Incomplete SWP 3 monitoring
July 2010	Institute, WV	Lube oil release
June 2010	Portsmouth, OH	Diesel fuel release
May 2010	Roanoke,, VA	Lube oil release
April 2010	Portlock, VA	Failure to perform stormwater benchmark monitoring
April 2010	Rock, WV	Hydraulic oil release
April 2010	Chicago, IL	Lube oil release
April 2010	Decatur, IL	Lysine tank car release
April 2010	Vanzant, VA	Diesel fuel release
March 2010	Maintland, WV	Coal release
February 2010	Belle, WV	Dimethylformamide vapor release
February 2010	Norfolk, VA	Failure to file updated signatory authorization
February 2010	Elkhart, IN (85-27 Monthly)	Total copper exceedence NPDES permit limit
January 2010	Knoxville, TN	Improper labeling of containers for waste batteries and waste fluorescent lamps
January 2010	West Point, VA	Fuel oil release
January 2010	Elkhart, IN (85-27 Monthly)	Total copper exceedence NPDES permit limit
December 2009	Ashtabula, OH	Coal dock (TSS exceedence NPDES limit)
September 2009	Elkhart, IN (85-27 Monthly)	Total copper exceedence NPDES permit limit
September 2009	Durham, NC	Alleged late reporting of sodium hydroxide spill to the NRC
August 2009	Jeanette, PA	Diesel fuel from ruptured locomotive fuel line
August 2009	Waynesburg, PA	Coal dust release from coal hopper

July 2009	Conway, PA	Conway Yard (NOV for 10 gal. diesel fuel on May 14)
July 2009	Conway, PA	Conway Yard (NOV for 20 gal. diesel fuel on May 14)
July 2009	Conway, PA	Conway Yard (NOV for 15 gal. lube oil on May 6)
July 2009	Waynesburg, PA	Diesel fuel spill from truck caused by grade crossing accident
July 2009	Pittsburgh, PA	Highland Ave. Yard (10 gal. hydraulic oil spill from locomotive)
April 2009	Harrisburg, PA	Lucknow Yard (AST exceptions)
April 2009	East Pennsboro, PA	Enola Yard (AST exceptions)
March 2009	Granite City, IL	Failed to dispose.of old crossties in timely manner
March 2009	Goldsboro, NC	Release of diesel fuel
February 2009	Columbus, OH	Failure to submit 2007 Haz.Waste Annual Rpt.
January 2009	Ashtabula, OH	Fugitive dust/wash water.-bridge/river
November 2008	Carlyle, VA	DEQ refusing to terminate permit
November 2008	Granite City, IL	3rd party dumping on non-operating real estate property
October 2008	Macon, GA – Car Wash	Repl. flow meter w/out prior notification
September 2008	Bluefield, WV	Improper labeling of drums
July 2008	Norfolk, VA – Car	Late submittal
July 2008	Norfolk, VA – Loco	Late submittal
July 2008	Ashtabula, OH – Coal Dock	Coal fines in facility runoff
June 2008	Pickshin, WV	Illegal 3rd party dumping on NS property
June 2008	Conway, PA	AST spill during fuel barge unloading
June 2008	Belvidere, NJ	Illegal dumping trash and debris
May 2008	Roanoke, VA (Shaffers Xing)	Failure to comment on inspection report
May 2008	Elizabeth, NJ – Intermodal	Runoff from salt storage
May 2008	Conway, PA	Tank testing and recordkeeping
May 2008	Conway, PA	Petroleum release
January 2008	Linwood, NC	Phenol Exceedence - October 2007
October 2007	Allentown, PA	Unregistered AST

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TABLE V.B.1.e – B

I. Juniata, PA

On or about January 18, 2008, OSHA issued a Citation and Notification of Penalty to Norfolk Southern regarding its Juniata facility. The Citation was resolved with OSHA through an Informal Settlement Agreement dated February 14, 2008. The alleged violations which are the subject of the Informal Settlement Agreement involve the implementation of administrative or engineering controls to reduce exposure to copper and iron oxide during welding operations; the provision of information and training concerning hexavalent chromium; training concerning potential exposure to lead; and the provision of separate storage facilities for street clothes and protective clothing. All of these violations were classified as Other Than Serious and there was a total penalty of $1,500.

II. Portsmouth, OH

On or about March 18, 2008, OSHA issued a Citation and Notification of Penalty to Norfolk Southern regarding its Portsmouth facility. The alleged serious violations contained in the Citation related to the OSHA requirements concerning electric power generation, transmission and distribution under 29 CFR 1910.269. This matter was settled by stipulation and agreement on May 15, 2008, with a penalty payment of $20,000. The descriptions of certain alleged violations were amended, the citation relating to accident reporting was withdrawn (since NSRC is subject to DOT reporting requirements) and all items were abated by October 8, 2008.

III. Baltimore, MD

The Maryland Department of Labor on March 28, 2008 issued two citations against Norfolk Southern Railway Company, alleging five occupational and safety violations at small car repair mechanical facility in Baltimore, Maryland, including one for which railroads are exempted under state law. The matter was settled on April 28, 2008, with a penalty payment of $2,062.50 for three violations relating to welding shields, open circuit breaker and an electrical obstruction. The two violations relating to maintenance and submission of the chemical inventory list were rescinded.

ATTACHMENT V.E.2.

Blue Ridge Railroad Company

Report to the Directors, November 1857

No names of owners or slaves.

Central Rail Road and Banking Company of Georgia

Report to the Directors May 1839

No names of owners or slaves.

Report to the Directors' December 4, 1839

No names of owners or slaves.

Charlotte and South Carolina Rail Road Company

Proceedings of the Stockholders' October 10, 1849

No names of owners or slaves.

Proceedings of the Stockholders' November 18, 1852

Table B – Paid for Negro Hire: L. G. Jones; J. Leroy Davies; Joseph Herndon; John H. Means; L. J. Vaughn; W. Briee; L. G. Jones (Conley); Carver Randell; Mrs. M. W. Postell; James Pagan; John A. Marion; J. T. Diseker; James Catheart ; Braley Oates; John W. Moore; P. M. Brown; B. H. Davidson; H. B. Williams; J. Leroy Davies; Mrs. Rachel Pharr; Dr. M. M. Orr; George Conley; W. H. Stringfellow; O. Woodward; Peter Nicholson; Edward Moor, adm.; Henry W. Yongue; M. J. Pickett; S. J. Randell, adm.; W. S. Gibbes; Mrs. M. A. Parks; Mrs. C. Z. Mills.

Proceedings of the Stockholders' February 8, 1854

Table B - Paid for Negro Hire 1852: Mrs. M. J. Pickett; James Bynum; Harriet English; W. H. B. Collins; John Adger; L. G. Jones; Carver Randell; R. C. McCalla; James T. Fleming; Rev. J. Leroy Davies; Mrs. Wylie; Mrs. M. W. Postell; John H. Means; William Pratt; S. N. Hutchison, Guard.; W. B. MacLean; G. F. Davidson; Jas. H. Houston; D. A. Caldwell; William Johnston; Dr. W. H. Stringfellow; Wm. M. Nicholson; S. J. Randell; Alexander Pinchback; James Pagan; H. B. Williams; F. G. Simril; B. H. Davidson; Joseph Steele; J. J .Sloan; J. R. Davidson; Joseph F. White; Clem. Williams; J. A. Huggins; Mrs. M. A. Parks; D. S. Patton; E. W. White; John F. Irwin; E. O. Elliott; J. Westmoreland; Thos. J. Grier; James Bynum; William Boyee; H. W. Yongue; J. P. Ross; John L. Younge; J. M. Doby; Thomas L Rosborough; C. J. Duffie, Adminis'r; Mrs. C. Z. Mills; W. D. Henry; A. Pinchback; Wm. R. Myers; Robert H. Stringfellow; Thos. W. Moore, Admr.; P. M. Brown; E. A. Dargan; J. Henderson.

Table C - Cost of Road - No names of owners or slaves.

Proceedings of the Stockholders' February 9, 1859

The Road reported that it owned 11 slaves. No names of slaves.

Proceedings of the Directors' 1860

"From this fund liberal expenditures have been made during the year, embracing ... $1,527 for two slaves, George, a painter, and Alexander, a pump hand..."

Proceedings of the Directors' 1862

"From it is also to be deducted the cost of about 1000 bales of cotton and 40 slaves, purchased for the use and benefit of the Company..."

Annual Report January 20, 1864

No names of owners or slaves.

Chesterfield Railroad Company

Report to the Board of Public Works, 1834

No names of owners or slaves.

Report to the Board of Public Works, 1841

No names of owners or slaves.

Report to the Board of Public Works, 1843

No names of owners or slaves.

Report to the Board of Public Works, 1844

No names of owners or slaves.

Report to the Board of Public Works, 1846

No names of owners or slaves.

Report to the Board of Public Works, 1849

No names of owners or slaves.

Report to the Board of Public Works, 1850

No names of owners or slaves.

City Point Railroad Company

Report to the Board of Public Works, December 7, 1838

No names of owners or slaves.

Columbia and Hamburg Railroad Company

Report to the Stockholders' 1864

No names of owners or slaves.

East Tennessee and Georgia Railroad Company

Report to the Directors' June 30, 1860

"One passenger, and the first since the opening of your road nine years since, has been slightly injured by the breaking of an axle; that one a black woman, the property of James Gelson, of Campbell County. Demand was made for damages, which was settled by a purchase of the woman. She has been placed under the judicious medical treatment of Dr. Brown, of Cleveland, and will soon be well again, when she will be sold and proceeds placed in the hands of your Treasurer, thereby reducing that item of damage to a matter of small consequence." (pp.8) – R.C. Jackson, Superintendent.

Greenville and Columbia Railroad Company

Report to the Stockholders' January, 1857

No names of owners or slaves.

Louisville, Cincinnati, and Charleston Railroad Company

Report to the Stockholders' and Directors' September 1840

No names of owners or slaves.

Memphis and Charleston Railroad Company

Board of Directors Minutes, 1860 – 1872

Minutes, January 21, 1861: Mr. Crutcher

Report to the Directors' March 1, 1855

No names of owners or slaves.

Report to the Directors' July 1, 1857

No names of owners or slaves.

Report to the Directors' July 1, 1859

No names of owners or slaves.

Mobile & Ohio Railroad Company

Annual Reports, 1847 – 1863

Proceedings of the Stockholders' May 9, 1853

No names of owners or slaves.

Proceedings of the Stockholders' February 26, 1855

Table - Casualties of 1855: April 17th. Negro Jack, on pile-driving train, fell between the cars and was killed.

Otherwise no names of owners or slaves.

Proceedings of the Stockholders', February 26, 1859

Table - Casualties of 1859: July 14.—Two negro children belonging to Mrs. Hornsburger.

Otherwise no names of owners or slaves.

Proceedings of the Stockholders', April 21, 1963

"We have also purchased sixty negroes, now in the service of the Road....."

Otherwise no names of owners or slaves.

North Carolina Railroad Company

Proceedings of the Directors' 1862

1862 - John Trollinger (Anderson, Alfred); Richard J. Ashe (Sam, Tom); Archibald Borland (Priam); J. A. Faucett (Isaac); J. S. Turrentine (Sam); Stephen T. Forrest (Ben); T. M Crossan (Robert, Alfred, Aleck, Willis, Plot, Mat, Charles, Horace, Bob, Douglas, Joe); John T. Williams (Joe, Henderson, Brown, Solomon, Eaton, Tom); W.C. Williams (Tom, Lew, Yadkin, Cass, Isom, Albert, John); James N. Patterson (Hubbard); Jesse Grant (Jim, Harrison); W.J. Murray (Stephen, Charley); R.M. Sanders (Henry, Spencer); W.C. Williams (Haywood, John, Gaston); Jacob Holt (Pleasant); S.H. Hood (Bill, West); J.F. Ellington (Willis); William Ellis (Haywood); B.M. Isler (Louis, Henry, Tom, Peter); William K. Lane (Duncan, Henry, Jacob, John, Ben); P.C. Cameron (Reddin, Isaiah, Luke, Bob, Fetter, Fenton, William, Weldon, Wellington, John, Robin, Preston, Humphrey, Turner, Nathan, Kinchen, Rowland, Oliver); Mrs. Susan Mebane (Ruffin, Dick, Aleck); J.B. Balsley (Henry); W.N. Pratt (Paul, Sam, Perry); Wesley Robinson (John, John II, Jack); Mrs. D.F.J. Hill (Ben, Bill, Hardy, Ben); W.J. Allen (Henry, Sawney, Jacob, Eason, Edmund); R.D. Paschall (Beckham, Bob); G.E. Badger (Adam); T.H. Atkinson (Simon, Arnold); George Little (Sam, John, Henry II, Henry, Mills, Henry I, Charles); Mrs. L.D. Sasser (Wash, Tom, Jerry); J.M. Plamer (Henry); A.J. Heather (Cain, Green); Mary E. Holt (Haywood); Bryan Smith (George); James Pierce (Jim, Chap); W.T. Dortch (Warren); James Campbell; L.O.B. Branch (Major); S.A. White (Peter); W.F. Askew Jones, Henry, Dennis, Haywood, Marion, Wilson, Jerry, Abraham); J.F. Clark (Sylvester, Anson, Prive, Prince, Mars, Roden, Alexander, Thomas); Ben J. Parmalee (Ben, James, Henry, Harmon, Allen, Simon); Isaac Kelley (James); Mary E. Jarvis (Abraham); John H. Small (Jacob); Mrs. S.A. Carraway (Cesar, Stephen); Mrs. Susan Allen (Henry); A. Henderson (Ike, Levi, Frank, Julius); Dr. R. Hooker (Mordecai, Cyrus, Willy); W.B. Dunn (Charles, John); H.W. Montague (Henry, James, Jeff, Moses, Sidney); Mrs. Sarah L. Hogg (Henry, Joe, Lee); Mrs. John Sloan (James); Phoebe Taylor (Robert, Richard, John); William C. Blount (Stephen, Jacob, Dave, John); Dr. E.H. Gollet (Ben, Anthony); Dr. William H. McKee (Salem, Sam, Dick); S.S. Turner (Handy); Dempsey H. Blake (Jack, Yancy); James Smith (Pleasant); David W. Bell (Dick, Tom, Terry, Bed, Amos, John); James B. Bell (Issac, Nat); Dr. Sam Masters (Jesse, Alfred, John, Ben, James, Charles); Emmet Cuthbert (Charles); Miles Wagstaff (Peter); Dr. E.B. Haywood (Peter, Alex); Sarah Bryan (Bill); Mrs. Sarah Godwin (Monro); M.C. Hodge; John H. Nelson (Ennis, Stephen, Perry, Ben, Bob, Hardy, Alfred); S.W. Branch (Henry); James L. Dusenberry (Jerry); A.H. Lindsey (Bob); Harrison Harbor (Milton); Henry R. Bryan (Simon); Josiah Collins (Sam Barron, Providence, Henry Morsen, Charles, Oren, Lunite, Toney, Ishmael, Thompson, Aley King, Peter King, Angustus, Mills Tamar, Frank, Stephen Iredell, Josh Baum, Wallis, Simon, Josh. Elsey, Osborn, Daniel, Britton, Madison Jordan, Freeman,

Brian, Aaron, Mills Blount, Warren, Mitchell, Dunbar, Whitmell, Walter, Major); W.H. Jones (George); Mrs. Eliza Knox (Stephen); S.M. White (Ben); Henry R. Nash, Trustee (Sam); John U. Kirkland (Willis); Peter B. Ruffin (Henry); Lizzie Bason (Squire, Giles); William J. Long (Madison); Richard Tapp (Wesley); George W. Mordecai (Ellick, Henry Grip, Henry Bus, Matthew, George, Edmund, Harry, John House, Anderson Bailey, Tom); J.A. Rendleman (Moses); J.D. Flanner (Abel)

Proceedings of the Directors' 1864

1864 - James M. Hurdle (Chelsey); Jacob Holt (Pleasant); Jesse Gant (Harrison); William A. Littlejohn (Jacob, Nathan); James Gorrell (Nelson); Mrs. Ann Ivie Hill (Ben 1, Ben 2, Bill); Thomas. D. Martin (Obra, Alech); Nash Rouse (Jack, Ben, Jim, Alech, Haywood, Nepkin, Hazard); James Thompson (Bob); David McAdams (Grandison, Josiah, Bill); Josiah Collins (Hamilton, Freeman, Henry, Morson, Oem, Learnet, Thompson, Willis, Tamar, Frank, Stephen, Iredell, Josh, Baum, Simon, Wallace, Jordan, Aaron, Miles, Blount, Warren, Mitchell, Dunbar, Whitmel, Waldem, Reuben, Ross, Hobart, Mathias, Philliam Davidson, Rebecca, Daniel); Richard Trapp (Wesley); Mrs. E. H. Rux (Stephen); J.W. Norwood (Bill); James Graham (Sam); William J. Hayes (Bob, David Poe); Samuel P. Lowrie; Al. Mitchell (David); Jery Bason (Isaac, Peter); James S. Scott (Dick); Thomas H. Brem (Issac, Jerry); Samuel Harris (Moses, Jim); Mrs. Scott (Joe); Thomas Brem (Austin, Harty); McCorkle (Crawford); David W. Bell (Anderson); Ben J. Parmelee (Ben); R.C. Jenkins (Ben); D.A. Davis (Humphrey); Mrs. Sidney A Clark (Alylvester, Prince, Mac, Roden, Privo, Aleck, Aon); Sarah A. Caraway (Cesar, Stepheny); William Boylan (Wash, Jim, Bryan, Emanuel); Charles Gerock (Henry); Charles J. Freeland (George 1st George2nd, Edmund, John, Squire, Stephen, Tom, Charles, Jerry) R.M. Sanders (Spencer, Sidney, Henry); George W. Mordicai (Henry Bull, Nathan, Amos, Wesley, Iverson, Henry Grip, Matthew Jr., George, John Green, Harry Jr., Edmund, Ike, Jesse, Anderson Goss, Canaan, Sam Slick, Anderson Baily, Jesse Jr., John House, Ben Laws, Isham, Jerry, Macklin, Ellick, John Sears); Henry K. Nash, Trustee (Sam); Mrs. H.E. Page (Simon, Joe, Bartlett, Miles, Augustus, Sam, Chessire, Ben, Jeffry, Tom, Jerry, Harry, Mills, Miles Warf); Dr. Thomas D. Warren (Frank, Jerry, Harry, Henderson, Augustus, Reuben, Dave Skinner, Mike, John Skinner, Andrew, Richard, Jacob, Andrew,Ganger, Stretus, Armstead, Watson, Solomon, Moses, Ben, Andrew Skinner, Nea Skinner, William Skinner, Ransom Skinner, George Wilder, David, Isaah, Bob Skinner, Dickerson); Rufus S. Tucker (Vergil, Alonzo); Cyrus P. Mendenhall (Charles, David, Charles Ellick); Archibald Henderson (Isaac, Jake, Levi, Julius; Pompey; Mark; Jo); John H. Small (Jacob); Jo Graham (Frank); William A. Blount, Jr.(Major Bill); J. W. B. Watson (Alfred, Albert, Alvin, Ben, Bill Harry, Bill Lawson, Curtis, Dick, Gabriel, Gaston, George, Giles, Harry, Winton, Ishmael, Jacob, John Robert, John Jones, Joseph Larkin, Ludd, Switch, Marcus, Meekin, Primus, Railford, Randell, Reddick, Richard, Sam, Simon, Solomon, Washington Moodley, Bama); George W. Watson (Austin, Bill, Bryan, Daniel, Mac, Dick, Ellick, Giles, Guilford, Hill, Mumford Rufus, Shade); P. E. Watson (Daniel, Whilley, Henderson, Jacob, Jim, John Marshall); Mary Watson (Green, Isham); Jacob Brookfield; William Barringer (Henry, George, Edmund); William S. Gilmer (Sam, Mack); Samuel M. Whitaker (Jordan); Richard J. Ashe (Sam); Samuel M. White (Ben); Peter B. Ruffin (Henry); Samuel S. Biddle (Aaron, Levin, Richard, Downer); L. P. Olds (Aleck); Jacob Mordecai (Herring, William, Lewis, Nathan, Shade, Primus, Fab, Jacob, Joshua, Jack, Ruffin, Daniel, Anthony, Jerry, Henderson, Jim); Fred J. Jones (Henry, Amos); Ben J. Parmerlee (Simon, Henry, Allen, Harman); Mrs. Susan Kelly (Jim); Josiah Collins (Major); A. G. Jones (Peter, Harris, Willis, Ben);

Fred C. Roberts (Moses, Ben, Jim, Josiah, Amos Lane, John, Alex, Farney, Ed, Sneed, Bill, Aleck); John H. Nelson (Stephenny, Perry, Bob, Ennis, Ben, Hardy, Frank); D. W. Bell (Amos, Nathan, Ben, Tom, Issac, John, Jerry); Anderson Thompson (Jerry); Williamson Page, Administrator (Burt); A. J. Morris, Administrator (Alvis); Elizabeth Ferrell (Robert); William Gaylord; Dr. W. Carstaphen

North East & South West Alabama Rail Road Company

Report to the Directors' January 15, 1857

No names of owners or slaves.

Piedmont Rail Road Company

Directors Minutes, 1862-1895

".... the President and Chief Engineer and Chief of Construction in addition to the authority therefore given to hire labor, be also authorized to purchase for the company a number of slaves, intended for the purpose, not exceeding 400...."

Otherwise no names of owners or slaves

Richmond and Danville Railroad Company

Board of Directors' Minutes, December 1, 1847 – September 9, 1869

November 13, 1855: "A claim made by F. Lawson for expended in recovering a runaway slave, was submitted and in motion it was rejected."

Report to the Directors' October 1, 1851

No names of owners or slaves.

Report to the Directors' October 1, 1852

No names of owners or slaves.

Report to the Directors' October 1, 1854

Transportation Expenses (Owners providing contracted slave labor): Robert Bowman; Uriah Hankins; D.M. Branch; James M. Taylor; Otey & Goff; C. J. F. Netherland; Mrs. Mary Galt; J. Morrisett,; Samuel Jones; Ann G. Pulliam; J.J. Robertson,.

Report to the Directors' October 1, 1856

No names of owners or slaves.

Report to the Directors' October 1, 1857

181 slaves employed at depots, at shops, and at stations, on sections, and on trains....

No names of owners or slaves.

Report to the Stockholders' December 8, 1858

No names of owners or slaves.

Auditor's Report, November 8, 1860

165 slaves employed at depots, at shops, and at stations, on sections, and on trains....

No names of owners or slaves.

Report to the Directors' October 1, 1865

No names of owners or slaves.

South-Carolina Canal and Rail-Road Company

Report of the Directors' July 1, 1832

On account of the extreme difficulty and expensiveness of occasional hiring, the Board judged it proper to purchase at certain number of Negroes, and the Company now own sixteen.

No names of owners or slaves.

Report of the Directors' June 30, 1833

Reference to "Purchase of Negroes." No names of owners or slaves.

Report of the Directors' January 1, 1833

No names of owners or slaves.

Report of the Directors' October 1, 1834

No names of owners or slaves.

Report of the Directors' January 11, 1836

No names of owners or slaves.

Report of the Directors' June 30, 1836

No names of owners or slaves.

Report of the Directors' December 31, 1836

No names of owners or slaves.

Report of the Directors' July 15, 1839

No names of owners or slaves.

Report of the Directors' January 18, 1840

No names of owners or slaves.

Report to the Directors' July 20, 1840

No names of owners or slaves.

Report to the Directors' January 18, 1841

No names of owners or slaves.

Report to the Directors' July 19, 1841

No names of owners or slaves.

Report to the Directors' January 17, 1842

No names of owners or slaves.

Report to the Directors' July 20, 1842

No names of owners or slaves.

Report to the Directors' January 1, 1843

No names of owners or slaves.

Report to the Directors' July 20, 1843

No names of owners or slaves.

Book of Relinquishments, 1835 - 1845

L.F. Schuls; Issac Murray; Sara McBurney; David D. Cohen (Peter, Abraham, Moses); Samuel Seyle (Thomas); John Bukley (Jim, Charles, Owen); Thomas N. Gadsden (John, Anthony); Charles L. Desel (Sam, Jack); Daniel Byrd (Lewis, Harry); Emanuel Moon (Jam, Jim, Sam, Mike); Smith Miles (Sam); Henry H. Schulz (Charles, Will, Harry, Jack, Ned); John Gilbert (Ned); L. C. Brown (Apollo, Harry, Joe, John, Dick); J. Fred Butt; John Juabnet; J. S. Murray (Jim); Charles A. Teandan (William); Jamh Veronu (James); Eden Ferrt; T. Tupper; H. V. Firith (Bacchur); Samuel Beronee (Sandy); Jacob Inabnet; R. J. Edwards; M. M. Keun; C. Dupont; S. Henry Dickerson (Paul Todd); F. T. Stall; H. Rausuer; A. H. Mulstom; D. H. Inplesley; D. G. Hairraudelf; Nath Coopen; Joseph Fasabinet (Carolina, William); V. Durande; W. T. Nell (Jim, Pompey); M. Fudlandbulayzeck; John D. Muckinfuff (Isaac); Mr. L. Humayor (Peter, Harry, Lapio, Stephey); W. Sindumme (Joe); H. L. Huckson (Harry, Stewey, Peter, Jario); Elira M. Burry (Bulca); Henry B. Toomer (Charles); L. Lloyd (Pompey); C. Dupont; L. H. Shultz; Jacob F. Schirmu; Richard Way (Peter); W. Vanel (Lugh); Andrew P. Wag; John M. Brut; Edeth Spert (Kelly); A. Rison

No names of owners or slaves: August 8, August 12, August 24, September 9, September 30, October 29, November 14, November 26, December 10, December 31, 1835, January 12, January 25, February 12, April 12, June 15, 1836 and May 12, 1837

Board of Directors Minutes, 1835 – 1841

1835 – L.C. Boyles (Stephen); Gibbes (Bell)

1836 - "The motion that the President is ordered to purchase, for the use of the company, gangs of negroes not excluding 300 in number – this motion was adopted."

1839 – Mrs. Dupont (Stephen)

<u>South Carolina Rail Road Company</u>

Proceedings of the Stockholders', February 1851

No names of owners or slaves.

Proceedings of the Stockholders', February 1852

No names of owners or slaves.

Proceedings of the Stockholders', February 1853

No names of owners or slaves.

Semi-Annual Report of the President, June 30, 1853

No names of owners or slaves.

Proceedings of the Stockholders' February 14, 1854

No names of owners or slaves.

Southside Railroad Company

Board of Directors' Minutes, 1853-1865

1854 – January 2 Thomas H. Daniel; January 3 George W. Butts; William Avent; John G. Adkins; David Adkins; M. Ann Clarke; James F. Deane; Thomas Jones; John F. May; Eliza I. Fowlkes; David Justice; R. C. Motley; R. I. Pennington; William D. Southall; January 5 William L. Lithgow; Edwin James; M. Angelica Hawkes; Elizabeth Booth; John W. Baily; Edward A. Wyatte; January 6 Thomas Armes; Richard Marshall; James A. Vaughn; Raymin Vaughn; Thomas W. Bell; Thomas Brannah; January 9 Robert W. Awin; January 11 William P. Mumford; Green Hill; M. Laura A. Chaffer; Larry; W. Cutter; P. Steth; William H. Brown; January 12 John W. Spice; Dr. Henry E. Thore; John Clay; B. Cam; January 13 Joseph H. Prichard; January 16 John Mann; January 17 Frances Fitzgerald; Mary Fitzgerald; W. W. Guy; January 24 James J. Oliver;

January 27 William Harper; William H. Magee; Larah H. Magee; January 28 Catherine Reese; January 31 George Fitzgerald

No date listed: C. Hamblin; J. A. Ammtiard; Mrs. M. A. Bolling; J. F. May; Mrs. Archer

1854 – December 3 Ann R. Jones; Elisha Chapman; B. F. Cos; John C. Daniel; Thomas H. Daniel; H. F. Bardwell; James Briggs; F. Carr; W. B. Ellington

1855 – February W. F. Davis; W. A. Juckim; A. R. Shaur; A. W. Horner; J. H. Robertson; William Motley; W. P. Emmer; A. J. Revel; Thomas H. Daniel; M. Ann R. Jones; Soloman Davis; I. W. Mingae; P. B. Will

1860 – May W. B. Grigg; T. B. Reed; R. A. Moody; C. H. Wilson; J. A. Wilson; N. Pamplin; B. F. Flippin; T. L. Arrington; R. N. Davis; R. W. Pegrma; J. E. Suth

1863 – July 1 J. P. Hall; T. M. Beard; C. S. Hill; J. S. Belcher; W. B. Conway; R. E. Stung; A. A. Moody; R. A. Moody; J. H. Plunkett; C. H. Wilson; T. B. Rice; M. C. Crenshaw; B. F. Flippin; W. H. Hallowill; L. D. McDearman; T. L. Arrington; N. Pample; R. V. Davis; I. A. Wilson; W. B. Gregg; August 1 N. N. Moody; C. H. Wilson; I. L. Arrington; F. B. Rue; W. C. Curshaw; W. H. Halloway; N. Pamplew; B. F. Fleppin; K. W. Pegsam; W. B. Gregg; J. P. Hall; T. M. Board

Ledger D, January 1860 – March 1865

No names of owners or slaves.

Side Ledger, July 1864- March 1865

1864 - July S. Clottie; R. Atkinson; J. B. Muntur; N. Pamplin; J. J. N. Rice; McCorkle; N. B. Janny; N. E. H. Durphy; Geo E. Baytor; September E. W. Moring; Maria Way; Al Arrington; Kurt Paice; A. Moses; N. N. Bell; A. Johnson; E. P. Evans; Maria Way; D. Lackland; H. Raughan; T. B. Rice; D. G. Potts; Patrick Anderson; November M. V. Dove; J. B. Hilliard;

1865 - January Geo Abbott; L. McDunnan; T. L. Larratt; March 1865: M. M. Campbell; W. C. C; J. H. Wilson; F. Marshall; J. T. Luther; Thomas L. Arrington; E. W. Friend; S. W. Gay; D. P. Harrison; Geo Whitmore (George); Mary Gary; R. S. Gillian; S. A. Gary; M. Fistin; Mrs. Stanberry; H. P. Taylor; Geo D. Saunders (Joe, Richard, Payton, Nathan, Davy, John); Geo E. Gary (Theo, Harvey); A. Johnson; James Coleman; John O. Elam (Hampton, Toby)

No names of owners or slaves: March 1865

South-Western Railroad Company

Superintendent's Report, August 1, 1853

No names of owners or slaves.

Superintendent's Report, August 1, 1854

No names of owners or slaves.

Superintendent's Report, August 1, 1855

No names of owners or slaves.

Superintendent's Report, August 1, 1856

No names of owners or slaves.

Superintendent's Report, August 1, 1857

No names of owners or slaves.

Superintendent's Report, August 1, 1858

No names of owners or slaves.

Superintendent's Report, August 1, 1859

No names of owners or slaves.

Superintendent's Report, August 1, 1860

No names of owners or slaves.

Superintendent's Report, August 1, 1861

No names of owners or slaves.

Superintendent's Report, August 1, 1862

No names of owners or slaves.

Superintendent's Report, August 1, 1863

No names of owners or slaves.

Superintendent's Report, August 1, 1864

No names of owners or slaves.

Spartanburg and Union Railroad Company

Board of Directors' Minutes, 1851-1873

December 21st and 22nd, 1855: "The matter concerning compensation claimed by J. J. Peter and Jacob Walker for the negro men used in whole in the company was said to lesson Bob Trains to be reported upon."

Virginia and Tennessee Rail Road Company

Annual Report, November 27, 1850

"...1 Negro man sold..." No names of owners or slaves.

Annual Report, November 3, 1852

"One of the attendants of the train, Patrick, a slave, was separated from the engine only by an open platform car, loaded with railroad iron – he stood to the brake without relaxing his hold, and doubtless was instrumental in preventing additional damage to the train."

Annual Report, October 26 – 28, 1853

No names of slaves. Hands Employed: Depots, 18 slaves; Passenger Trains, 4 slaves; Freight Trains, 10 slaves, Machine Shop, 15 hands, 2 slaves; Carpenter's Shop, 6 hands; Blacksmith's Shop, 9 hands; Repairs, 90 slaves; Bridges, 6 hands; Masonry, 12 slaves.

Board of Directors' Minutes, December 8, 1853 – March 13, 1857

No names of slaves: May 1, 1855 N. W. Leftwich; J. M. Rucker; W. Nation.

No names of owners or slaves: May 1, 1855; July 11, November 12, 1856.

Annual Report, October 25 – 26, 1854

No names of slaves. Force Employed: at the work shops...3 apprentices and 4 slaves; 5 journeymen and 8 slaves; 1 watchman and 7 slaves. At the Depots...18 Agents and Clerks, 2 watchmen and 50 slaves
On the Repairs of the Road...1 Road master, 1 repairer of bridges, with 5 men; 11 Section masters and 145 slaves running engines and trains...4 conductors, 9 engine runners, 8 Firemen and 15 slaves as Brakes-men

Annual Report, October 31 – November 1, 1855

No names of slaves.

Accidents Resulting in the Loss of Life or Limb:

Involving slaves: 1855, February 20, June 17 and July 18. No names of owners or slaves.

Force Employed: At the Depots...58 slaves; Machine Shop...5 slaves; Carpenter Shop...7 slaves; Smith Shop...11 slaves; Road...160 slaves; Bridges...5 slaves; Trains...18 slaves; Engine House...3 slaves.
299 slaves employed (13 of which are mechanics,)...

Day Book 1854-1857

1854 – December 4 A. J. Black; J. E. Morgan; December 11 William Baniel (Henry); F. G. Morrison; December 15 P. H. Gilmer

1855 – January 3 T. F. Goodwin; J. A. Stigler; H. A. Flood; Charly Seth; Caleb Williamson; Peter Copland; Ben Hunter; James H. Harris; Jepe A. Burton; Washington Hunter; Lawrence Anderson; Thomas Lovchson; S. White; M. G. Talisfere; William S. Minonfor; J. H. Thompson; Luc F. Johnson; James Franklin; Jacues A. Hawnen; R. C. Gary; Charles F. North; B. Barker; Murrell Thatton; Nelson Lowry; James M. Rucker; R. K. Watkins; J. J. Lavington; John W. Quarles; Thomas Dillard; E. J. Gillian; January 5 William Pettyjohn; Richard Ellis; Wilkins Watson; John Hughes; E. M. Poindexter; Mary M. George; Alex Tompkins; Richard Moncure; John Abbott; John F. Slaughter; William Ellis; Jacues Benagh; M. M. Richardson; S. L. Moorman; T. L. Jennings; J. Wilson; Jacues L. Campbell; Susan Campbell; January 6 R. C. Campbell; Nancy Campbell; William Campbell; S. Lawnen; Granville Lane; Thomas L. Saunders; Nowlin Appelson; C. W. Garnett; T. R. Muse; B. P. Walker; Hector Harris; Isaac Drewy; S. H. Early; John M. Oley; T. M. Harwick; B. B. Taliaferro; A. C. Harrison; A. Woodson; John T. Davis; P. H. Burras; January 9 Thomas Blackford; John Hughes; R. Tinsley; Peter Copland; Henry Christian; A. J. Black; G. A. Saunders; Mark Anthony; W. C. Jones; E. J. Anderson; Richard Crawford; C. H. Lynch; January 10 Andrew Hotty; Henry Slaggle; W. B. Preston; C. F. Harris; B. Fitzer; J. S. Goggin; A. L. Stiff; January 12 Robert C. Mitchell; D. R. Edley; R. H. Coleman; Robert Coghill; Jacues Elliott; D. Stratton; February 6 E. Burkley; February 9 Mrs. F. Browning; C. C. Broadders; Tanner Asher; S. C. Anderson; N. L. Buttail; W. R. Gordan; February 14 A. Tompkins; W. J. Green; J. B. Coats; Mrs. S. T. Hackett; W. H. Fitzhugh; J. T. White; G. A. Wingfield; Mrs. Elizabeth Dennis; March 21 William Owenson; William J. Anderson; Jen Gyle; March 27 M. Daniel Hart; John L. Barnett; M. Daniel; Peter Phelpy; J. C. Kasey; H. Harmingly; B. H. Stanley; Robert Latimer; Rob C. Mitchell; E. S. Hunter; J. H. Hoge; Alfred Williamson; Sam Peter; Noble Jordan; Daniel A. Langhorne; George W. Anderson; James M. Robinson; April 2 Abner Early; T. E. Reynolds; Peter Spencer; Mary L. Taliaferro; T. E. Reynolds; Lacey Terry; Anderson Duke; R. Sayers; B. A. Langhorne; G. W. Anderson; April 10 Frances T. Fithugh; John M. Otey; E. A. Craddock; John A. Sowers; J. M. Deel; J. M. Robinson; W. A. Irwin; T. N. Cobbs; April 12 J. Peyton; Theodore Moren; J. J. Meadow; T. M. Jones; T. L. Wade; J. L. Prichard; April 18 M. Daniel Hurst; J. H. Buford; July 9 J. Driscall; J. B. Stone; J. W. Jones; Ann E. Dangerfield; July 14 J. M. Robinson; J. W. Kinney; Samuel Nowlin; J. A. Elliott; Hurt Preston; W. H. Burks; July 18 A. B. White; H. D. Flood; W. Owens; Sam Maurry; A. Tompkins; Dan H. Hog; B. P. Walker; July 19 J. C. Walton; W. W. Leftwich; R. H. Staton; C. S. Flicker; H. H. Lewis; J. B. Shackelford; Richard Dennis (Elizabeth); J. W. Keith; John P. Hughes; July 21 Chriswell Dabney; W. S. Morris; R. K. Cradle; T. Dillard; V. MGinnis; Joseph Lancaster; Charles M. Garnett; J. A. Cowardin; G. M. Saunders; July 25 T. J. Kirkpatrick; Richard Crawford; J. Franklin; E. N. Eubank; July 27 Wyatt Abbitt; August 1 H. C. Pierce; August 6 Daniel Stratton; Henry Harmiling; G. Siggon; Henry Gillian; August 9 Peter Spence; W. K. Bill; E. J. Gillian; Peter Sullenburger; August 16 Nelson Lowry; September 6 D. G. Kean; F. M. Cabbell; September 10 Edwin Tatod (Jeff); S. Dunnington (Jeff); September 11 Hugh Brown; B. B. Dickinson; September 14

Noble Jordan; J. Boud; September 31 S. Poindexter; M. L. Harris; October 6 John P. Hughes; C. B. Christian; A. B. McDonald; T. J. Burke; B. F. Stone; J. Milon; Hector Harris; October 8 H. H. Lewis; Ben Hunter Gard; R. J. Gillian; October 11 B. P. Walker; R. K. Watkins; T. C. Jerning; W. H. Hall; R. C. Prince; October 15 P. Winter; E. N. Eubank; T. K. Jones; J. J. Meaddom; November 1 Lucy Fitzhugh; R. Caiborne; November 21 Charles Miller; Mrs. E. M. Poindexter; November 13 John Dacey; Charles Byrnes; Rich Dennis; December 4 J. V. Knight (Alfred, William); R. Christian (Steven); W. H. Mountcastle; V. M. Ginn; John H. Smith (Randal, Ballard); December 19 G. Fitzhugh (Richard); C. F. Garnett; December 31 F. G. Morrison; R. S. Ellis; F. M. Barker; J. Crouch; Hugh Brown

1856 – January 1 George D. Davis; Ben Williams; H. V. Thompson; January 2 Thomas F. Goodman; T. K. Jones; T. Dillard; N. B. Magruder; W. S. Minor; January 3 T. L. Walker; J. M. Coble; Hector Harrisin; January 4 T. W. Saunders; J. R. Holcombe; J. D. Taylor; R. K. Watkins; W. Gish; January 7 Dade Hood; January 12 L. F. Johnson; January 18 L. B. Jacobs; January 31 E. J. Gillian; February 1 Mrs. J. M. Boyd; F. G. Morrison; W. Daniel; J. A. Burton; February 6 Ben Hunter; J. S. Payne; M. L. Harris; February 8 W. Kent; Lucy Tate; J. W. Stewart; February 9 Charles B. Christian; February 12 T. Jones; R. Crawford; W. W. Broaddus; February 15 W. Stitzer; F. Fitzgerald; M. Humbly; E. M. Hoffman; Isaac Hunter; W. H. Yenglin; F. K. Nelson; C. J. Meriweather; C. Floyd; R. K. Watkins; February 16 Daniel H. Stone; H. F. Sale; February 22 Francis E. Hall; J. Abraham; February 23 C. M. Merridith; C. T. Wills; February 25 Caleb Williamson; February 28 Hector Harris; J. J. Meadow; March 3 E. D. Frazier; Henry Wade; F. M. Barker; N. C. Gary; March 17 Nelson Lowry; W. J. Green; Paul Hull; R. Peyton; March 22 J. S. Payne; Ann M. Ellis; March 24 J. H. Buford; Maria Board; March 28 Mary Whitehall; T. S. Bocock; W. G. Jackson; April 1 A. A. White; J. J. Mays; April 14 John T. Davis; April 19 Mark Anthony; A. W. Saunders; April 28 J. C. Burchfield; April 28 R. K. Watkins; May 10 Josiah B. Sancaster; Richard Dennis; May 13 J. H. Wilson; W. T. Anderson; May 16 R. Crockhill; May 17 Henry Brown; W. G. Jackson; Marshall S. Harris; T. C. Jenning; May 20 John T. Everett; Alexander Kinnier; May 21 Randolph Payton; May 22 Archibald Wade; Dan Stratton; May 26 W. S. Hunter; C. A. Miller; May 30 Sam McDaniel; June 4 S. Brown; June 13 W. B. Preston; A. B. Nichols; June 14 H. H. Lewis; June 18 Melvin Talbott; George Earhart; June 20 R. M. Waddill; June 27 Ben Hunter; G. D. Davis; July 3 John T. Davis; D. C. Clay; July 5 Charles A. Floyd; July 7 Charles S. Scott; July 10 Alfred A. White; July 11 Seth Woodroof (Peter); July 22 G. Whitcock; July 26 J. Downing; August 9 Gilmer Walker; August 16 A. S. Whaling; August 26 Charles J. Harris; J. Cole; R. C. Gary; September 1 T. J. Kirkpatrick; October 1 J. B. Shackelford; October 4 T. S. Wright; October 7 Aubrose M. Donald; October 11 Mary Whitehead; December 6 Randolph Peyton; December 25 G. Calahan; December 26 D. Untermyer; Pat Callan;

1857 – January 2 Archibald Bowling; January 5 Sarah Wiatt; Marshall Harrison; January 8 Gilmer Walker; January 13 A. Wade; January 24 A. Bolling; February 7 M. Curle; February 25 E. H. Gill; March 2 B. Lee; J. B. Radford; March 30 Stopswood Brown

Ledger, 1855-1857

No names of owners or slaves: January 24; October 6, 8, 10, 12, 13, 16-19, 26; November 3, 6, 12, 13, 14, 16; December 4, 5, 7, 10, 14, 15, 18, 19, 22, 26, 31, 1855; January 2-4, 9, 10, 14, 17, 18, 24, 28, 31; February 1, 2, 4, 6, 8, 9, 12, 14, 16, 19, 20-23, 25, 27, 28; March 3-6, 8, 13, 15, 19, 21, 24, 25, 29, 31; April 1, 12, 14, 16, 19, 28; May 12-17, 19, 20-22, 24, 26-28, 31; June 2, 4, 5, 11-14, 16, 19-21, 23, 30; July 1-5, 7-11, 14-16, 19, 21-24, 26, 28-31; August

1, 5, 6, 11, 12, 14, 16, 20, 26; September 1, 4, 5, 8, 17, 30; October 2, 3, 4, 6-8, 10, 13, 14-18, 21-24, 30; November 3, 4, 7, 21, 28, 29; December 11, 12, 16, 23, 25, 26, 29, 30, 31, 1856; January 2, 3, 5-10, 12, 13-17, 19, 22-24, 26, 28, 30, 1857; February 3, 5, 6, 9, 11, 12, 13, 27; March 5, 20, 25, 31, 1857.

Annual Report, October 29 – 30, 1856

Accidents Resulting in the Loss of Life or Limb:

Involving slaves: 1856, February 5 and April 23. No names of owners or slaves.

Force Employed: At the Depots...66 slaves; Machine Shop...4 slaves; Carpenter Shop...10 slaves; Smith Shop...11 slaves; Road...240 slaves; Bridges...5 slaves; Trains...15 slaves; Engine House...4 slaves

360 slaves employed (16 of which are mechanics,)...

Annual Report, September 16-17, 1857

No names of slaves.

Force Employed: At the Depots...67 slaves; Machine Shop...5 slaves; Carpenter Shop...13 slaves; Smith Shop...13 slaves

435 slaves employed – including 30 mechanics...
22 Negro Houses recorded along the road to house hands
Liabilities: Due for three quarters Negro hires for 1857...$49,172.26

Journal, July 1, 1857- March 31, 1859

July, 1857 – May 1859: John R. Hughes to Francs J. Morrison for negro hire.

No names of other owners or slaves.

Journal, July 1, 1857 – May 20, 1859

1857 – July 1 John A. Hughes; December 24 F. B. Deane

Other references made: July 3; July 8; August 12; August 20; August 31; September 18; September 30; October 1; October 28; October 31; November 30; December 24; December 31

1858- January 9 Alexander M. Gray (Jordan); January 14 Walter C. Deyerle; January 15 Parker Smith; Henry D. Flood

Other references made: January 9; January 14; January 21; February 1; February 27; March 12; March 31; April 1; April 7; April 30; May 31; June 30; July 31; August 31; September 30; October 1; October 6; October 9; October 18; October 30; November 12; November 30; December 27; December 31

1859 – January 13 I. E. Harrison; January 13 Charles A Floyd (Allen); May 20 B. F. Coleman

No names of owners or slaves: January 3; January 7; January 26; January 28; February 28; May 20; May 23; June 30

Ledger, 1857-1860

Owners: R. W. Jones; R. C. Strother; C. S. Pepper; W. M. Dinwiddie; Clement Page; Robert Eurley MD; William Owenston; W. M. Sorry MD; Withers G. Martin; John P. Hughes; J. R. Phillips MD; J. Garrett MD; R. Crockett; James; Gilmer Walker; Hugh M. Ewing; William Dennis; R. E. Jetson MD; Robert Crockett and Son; James Leammer MD; Samuel M. Conkey MD; J. J. Loving MD; Campbell White MD; Preston Pitt MD; John H. Griffon MD; E. F. Shettman MD; I. H. Nowlin MD; Phillips Pepper MD; J. L. White MD.

No names of owners or slaves: May 30. June 30, July 2 , July 6, July 11, July 29, July 31, August 31, September 30, October 5, October 8, October 12, October 20, October 31, November 11, November30, December 19, 1857; January 2, January 4-9, January 13-15, January 18, January 21, January 22, January 26, January 27, February 2, February 3, February 9-11, February 24-26, March 4, March 15, March 20, March 22, April 3, April 5, April 14, April 23, April 28, June 9, July 3, October 4, October 4, October 5, October 9, November 9, November 23, December 15, 1858; January 5-7, January 24-26, January 29, February 1, February 2, February 4, February 7, February 17, February 18, March 28, April 20, May 12, July 30, August 11, October 29, December 31, 1859; January 31, 1860.

Day Book 1857-1860

1857 – April 1 W.W. Leftwich; Randolph Peton; Saml. Nolan; Mrs. James Garland; John P. Hugley; John W. Calahan; Charles M. Blackford; A. Tompkins for D. H. Hoge; Robert Crockett; April 2 H.H. Lumis Agt for Estate of F. R. Shackleford; E.J. Gilliam; James A. Haumer for Daniel Stratton; E.R. Page; Garland & Slaughter for C.A. Floyd; James A. Stiegler; April 4 Tho. W. Leftwish; Richard Curle [freeman]; J.R. McDaniel; Wm. Neighbours for Martha Tuggle; F. G. Morrison for S. White; Marshall S. Harris; Wm Owens & Son for John H. Moorman; April 7 Wm A. Millen for E. Wortham & Co. assignee of Samuel Schoolers; Langhorne & Holcombe; Mrs.. DE. Dangerfield; John M. Speed; Mariah Wright; E. N. Eubank; Thomas H. Burnesfirst; N. C. Manson; Samuel H. Early; John Goode; Edgar Whitehead; Thos. G. Hill; Thomas E. Jennings; P.H. Ryan for Wm Daniel; Charles W. Christian for C.F.M Garnett; April 9 James Shearer; Clifton V. Webb; Joseph H. Wilson; H. Whyte for B.B. Jackson; John M. Otey for Charles S. Scott; John M. Otey for William Waller; Samuel P. Poindexter; April 11 Peter Spence & Co. for Lucy Fitzhugh; April 13 Thos. Flood for T.S. Bocock; Samuel Crockett; April 15 A. Tompkins for F. Allison Sr.; Mrs.. P.J. Thompson for H.V. Thompson; John M. Otey for F.H. Conway; James Elliott; H. B. Sumpter for Miss S. W. Percival; J. Franklin for A. R. White; James Franklin; April 18 Thos. G. Hill; T.T. Moorman for Judith Moorman; William S. Morris; Frank Gaium; Wm P. Noal; Mary D. Buchanan; April 21 Charles H. Ruckin assignee of Francis E. Hall; A. Tompkins for R. H. Maurry & Co. assignees of John C. Downing; A. Tompkins & Co. for Philip Samuel; April 25 Alfred A. White; John W. Lowry agt for T.E.R. M.E. Lowry; May 1 Mark Andrews; Mark Andrews for John W. Andrews; T. C. Ivey for E. O. Daniel; May 9 A. Tompkins for Geo. W. Coleman; John M. Otey for Walker Washington; M. Davis for T. K. Jones; May 13 Thomas Kelso for Hugh Brown; A. Tompkins for Wm N. Jordan; May 16 F. G. Morrison for George B. Washington; T. I. Brown; Benjn. Wilkes for Francis Christian; May 22 Alexander Mc Daniel; W. R. Preston; Wm Musit; May 28 W. A. Leftwich; June 1 H. Dannington for Mrs.. Lucy Tate; June 9 F. G. Morrison for R. C. Combs; F. G. Morrison for J. H. Dickinson; June 16 R. C. Mitchell for F. R. Stone; John A. Somers for James Campbell [free]; June 30 J. W. Andrews; W. W. Hanson; July 1 John P. Huglin; S. White Trustee; Langhorn & Holcombe for Mrs. Ann E. Dangerfield; Farmers Bank VA for F. W. Coleman;

M. D. Buchannan; Mary W. Buchannan; Saml Nowlin; Mrs.. James Garland; Alexr McDaniel; R. G. h. Kane for C. M. Blackford; July 2 Richd Crawford; Eliza B. Christian; Richard Curle [free]; James M. Cobb for W. H. Lee; James M. Cobb for Ben Hunter; Jos. H. Wilson; Garland & Slaughter for Charles A. Floyd; N. C. Manson for R. E. Manson Truestee for J. Merriwither assignee of Saml H. Early; Jos H. Philps assignee of J. W. Callahan; July 3 Charles W. Christian agt for C. F. M Garnett; Jn M. Otey for C. S. Scott; Jn M. Otey for Withers Waller; Jn M. Otey for F. H. Conway; Jn M. Otey for T. K. Jones; Jn M. Otey for J.G. Wallace; Thos S. Richardson for Tho. J. Brown; July 6 Samuel Crockett; Phil Samuel; Samuel S. Schooler; John T. davis; M. S. Harris; Richd Perkins; F. G. Morrision for E. S. Motley; Alfred A. White; Tho. C. Walsh for R. McDaniel; July 7 W. O. Owen; Tho. W. Leftwich; Henry White for Ben B. Jackson; W. W. Leftwich; C. F. Harris; A. R. Nichol assignee of John Goode; P. J. Thompson for H. V. Thompson; July 8 James Franklin; James Franklin for A. R. White; T. C. Jennings; John W. Lowry for P. E. & M. E. Lowry; T. W. Sanders for J. B. Sanders; H. H. Lewis agt for H. R. Shackleford; T. H. Ivey agt for E. O. Dance; July 11 H. B. Sumpter for S. W. Sumpter; July 13 James A. Hacuner for "an ill Stratton"; James A. Hacuner for Jesse Thornhill; James A. Hacuner; James A. Hacuner for R. C. Gary; C. M. Wade for Archibald Wade; L. A. Horton; W. R. Neighbour for Martha Tuggle; J. H. Moorman; July 15 R. C. Mitchell for F. B. Stone; Judith Moorman; Hector Harris; July 17 R. C. Hackett; July 24 Henry D. Flood; Henry D. Flood for F. S. Bocock; Geo. W. Dawson for R. A. Coghill; F. G. Morrison for Walker Washington; July 27 F. G. Morrison for P.H. Burress assignee of John Smelser; Randolph Peyton; Wm T. Booker for Garnett H. Leo; August 1 Saml Pryor; John W. Jones; Mark Andrews; August 4 Saml T. Poindexter; John W. Sale; August 8 L.P. Preston for James A. Stiegler; August 10 John W. Sheed for Mrs. Inarnia Wright; Washington Hunter; August 15 Jos H. Stone; J. Morton Shue for Maria L. Leftwich; August 17 Joseph M. Shue for Jn O. Leftwich dec'd; P. H. Ryan for Wm Daniel; Archibald Bolling; August 22 B.W. Jones for Abram L. Stiff; Wm A. Hardy; September 7 Waters Shined & Co for P. Moncure; September 14 Bowling Clark; September 16 Winston W. Faukesley for Caleb Williamson; September 19 Christopher Moore assignee of Judith B. Cardwell admis. Of the Estate of J. E. A. Cardwell dec'd; September 21 F. G. Coleman (Ben); October 3 S. White Trustee; C. R. Slaughter atty for Charles A. Floyd; H. Whyte for Ben B. Jackson; Withers Waller; Jos. H. Philps assignee of J. W. Callahan; C. S. Scott; H. Conway; H. D. Flood; H. D. Flood for Thos S. Bocock; Saml Crockett; Wm R. Mosby for C. S. Mosby (Merchant); October 5 James A, Hamner; James A. Hamner for R.C. Gary; James A. Hamner for Jesse Thornhill; James A. Hamner for Daniel Stratton; Joly & Saunders for Thos W. Leftwich; Geo. McRucker assignee of John P. Hogley; James Franklin for A. B. white; R. E. Manson trustee assignee S. H. Early; T. H. Ivey for E,. O Dance; James Franklin; John R. McDaniel; F. G. Morrison atty for E. S. Mottey; October 6 Wm Neighbour for Mrs. Martha Tuggle; J. W. Anderson; P. J. Thompson for H. V. Thompson; Phill Samuel; A.R. Nichol assignee of John Goode; Tho. T. Moorman for Judith Moorman; Langhorne & Holcombe for Mrs. Ann E. Dangerfield; J. H. Moorman; October 8 S.C. Hunt for Mrs. Frances Christian; Richard Curle [free]; W. H. Taylor for Wm H. Hall assignee of Wm A. Leftwich; Jos H. Wilson; Nelson Lowry assignee of A. M. Lowry; October 12 James M. Cobbs for J. W. Jones; October 15 James A. Stiegler; J. M. Reese for Hugh Brown; F. G. Morrison for W. W. Hanson; Wm L. Bell admr of the estate of John O. Leftwich; October 17 F. W. Coleman; October 20 F. Bank for Mary D. Buchannan; Mary W. Buchannan; James A. Duffan; F. W. Coleman; Beverly Crump; C. D. Reynolds assignee of Wm Gishassignee of Wm B. Preston; Mark Andrews; Joby & Saunders for Wm Muse; October 21; Alexr McDaniel; James Elliott; Wm A. Miller for Saml Schooler; October 24 A. Tompkins for Michael Wallace; H. B. Sumpter for Alfred A. White; Saml Pryor; October 28 J. Morton

Spruce for his wife formerly Maria L. Leftwich; Thos J. Brown; R. G. Bell for S. S. Thomas; A. Tompkins [for] R. H. Maury; P. H. Gilmen; November 2 John W. Lowry agt for T. E. & M. E. Lowry; R. C. Mitchell and R. C. Combs; F. B. Stones; November 7 Saml T. Poindexter; John C. Marrell for B. Cox; Walker Washington; Gustave A. Saunders; November 17 Chas W. Price for H. L. Stiff; November 19 Wm H. Hall assignee of Sarah Wright; November 23 Caleb Williams; November 27 P.H. Ryan for McDaniel; G. A. Wingfield for E. B. Christian; December 1 Mrs. P. J. Thompson for H. V. Thompson; Peter Spence & Co for Lucy Fitzhugh; W. O. Owens; December 10 Daniel Stratton; December 19 Thos P. Mitchell; December 28 F. G. Morrison

1858 – January 2 F. R. Deanne for Elizabeth Fraizer; James A. Hamner; Jesse Conch for Doris Conch; Tho. C. Walch for John R. McDaniel; L. C. Mosley for C. L. Mosby; Saml. H. Quaren for Mary J. G. Watkin; Washington Hunter; Wm Hagden for A. Ogden; John T. Murrell for Garland and Slaughter in full of C. A. Floyd; E. S. Hutter; Peters Spence & Co for P. Moncure; Peters Spence & Co for Lucy Fitzhugh; H.J. Garrett; H. D. Flood for T.S. Bocock; January 4 James Franklin; Wm H. Leo admr; J. P. Whaling for J, W. Neal; M. R. Bohannan for Alexr Wade; H.D. Flood; James Benogh for Mrs. M. Richardson; R. K. Watkins for C. F. Harris; James Garland; Chisince Dabney; James H. Philps for J. W. Callahan; Leo Johnson & Co. for D.C. Dunn; Thos M. McKinney; Wm T. Booker for Garnet Lee; E. S. Halsey for Seth Halsey; Franklin & Bro for A. B. White; Jos. H. Wilson; T. J. Brown; Phillip Samuels; J. R. Holcombe & Co for Ann E. Dangerfield; W. H. Hall assignee of Sarah Wright & Wm A. Leftwich; H. H. Lewis agt for the estate of F. B. Shackleford; Marrell & Stratton for Alexr McDaniel; Marrell & Stratton for James A. Marshall; T. C. Jenning; W. O. Owen; McConkle & Co for Floyd Rocke; January 5 W.W. Leftwich; William Neighbours for Martha Tuggle; M. S. Harris; A. B. Nichols; W. V. Jordan for Richard Dearing; Wm L. Bell admr of Jn O. Leftwich dec'd; Richard Curle [free]; James F. Paine for Fleming Saunders; J. T. Davis; James Elliott; C. M. Blackford; C. Blackford Trustee for M. M. Leftwich; January 6 A. B. Rucker for T. G. Hill; James W. Stewart; Spotswood Jones; L.A. Horton; W. G. Morrison; James A. Stiegler; F. H. Conway; Paul Hull; Withers Waller; Charles S. Scott; N.C. Manson for J. H. early; F. G. Morrison for P. H. Gilmus; January 7 Judith Moorman; F. G. Morrison for E. S. Motley; Wm Q. Spinedteller; F. G. Morrison for Geo. B. Washington; Jn. M. Otey for James Montith; T.T. Saunders; Alfred W. Anderson for Archibald Wade Sr.; Hector Harris; January 8 Richd Crawford; John H. Moorman; John A. Harris for Dabney & Co MD assignees of R. C. Hackett; John Irby; January 13 James L. Campbell; Hugh Brown; John M. Preston for James Saunders; Saml Ferguson for Eliza B. Christian; January 14 R. D. Moor assignee of John P. Hughes; H. Whyte for B. B. Jackson; Beverly Crump; R. D. Moore; P. j. Thompson for H. V. Thompson; Tho. W. Saunders for James B. Saunders; J. J. Williamson for Caleb Williamson; G. A. Saunders; Saml Crockett; Thos H. Burnes; Irby & Saunders for Sawney Price; C. E. Jones for A. L. Stiff; James Shearer; January 16 Saml Nowlin; C. V. Winfree for E. O. Dance; Saml Pryor; January 18 J. H. Thompson assignee of J. W. Sale; J. W. Jones; Wm H. Moorman; Jhn W. Jones; A. Tompkins for Mary D. Buchannan; A. Tompkins for E. A Craddock; A. Tompkins for W. W. Hanson; A. Tompkins for Michael Wallace; A. Tompkins for Michael Wallace;A. Tompkins for M. W. Buchannan; A. Tompkins for James Duffin; A. Tompkins for B. B. Wright; A. Tompkins for Jn Smith; January 21 A. Tompkins forF. W. Coleman; A. Tompkins for N. S. Battaile; A. Tompkins for John Collins; A. Tompkins for Margaret B. Crump; A. Tompkins for B. F. Coleman; A. Tompkins for Johnson Fitzhugh; Bolling Clark; Charles W. Christian agt for C. F. M. Garnett; J. m. Spence for M.L. Leftwich; Simpson & Brothers for Matilda Thareton; Jos Wilson for Winston Radford trustee for Elizabeth Wilson; Jn M. Otey for

J. H. Wilkinson; Jn M. Otey for W.W. Forbes; January 22 Saml T. Poindexter; Jn M. Otey for Wm Jordan; F. K. Nelson; January 25 Richard Perkins; E. R. Page; A. Tompkins for Geo. W. Burke; January 26 John W. Lowry agt; Jn M. Otey for Sarah Sweatman; January 27 F. B. Stone; C. T. Wills; January 29 C. W. Hardy for Wm A. Hardy; P. H. Ryan for Wm Daniel; James C. Hazter; February 3 John H. Moore; Younger & Smith for R. Sedgwick assignee of O.P. Read; Jn M. Otey for J. G. Wallace agt; Wm B. Preston; February 20 Ben Wilkes; February 24 Mark Andrews; Wm A. Millen for Saml Schooler; February 25 Dinwiddie Committee; B. C. Combs; March 1 Wm T. Anderson for Alfred A. White; March 15 A Tompkins for A. G. Broadders; Spotwood Brown Gardn; March 18 C. J. Harris; March 20 L. F. Johnson; March 27 David R. Edley; Thos F. Pollard for Archibald Wade; F. G. Morrison for S. White Trustee; April 1

1859 - January 3 Sara Crockett; Pelinn Skinner for H. H. Wallace; for Peter Spencer and for J. W. Kay; R. Holcometree for James Riaz; J. R. Holcomtree for Ann E. Dangerfield; J. H. Wilson; B.L. Whitenbier; Preston L. W.; E.D. Fraylon; Dr. for W. Owens; January 4 Hugh Chandler; Kinni Sanders for Agnes; Thos. W. Sanders; D.V. Woodroffs; Alison Wade; James S.; W.G.M.; C. Dobney; A.F. Wilson; Washington Hunter; L.T. Hopkinson; N.V. Thompson; J. McGinnis; Richard M. Wells; J.H. Griffinson; St. Griffin for Charles A. H.; Mr. Gillian; M.L. Harris; W. Anderson; Wilbert L. Martin; G.S. Pepper; January 5 Richard Perkins; A.J. Cawfford; Mr. S. Morris; J. M. Lucker; G.G. Waile for Thos. W. Leftwick; J.W. Gallahan; Richard Draring; John M. ShuDin; John M. O'ley; James Monlush; A.H. Lucken; R.R. Junstaw; R.J. Crockett; G.R. Wallace; James L. Hammand; Jonny Montuth for Sarah Swuatman; Ms. M. Spied for Mrs. Maria Wright; January 6 C.C. Wade for J.A. Burton; J.H. Wilmer; R.H. Wilmer; J.H. Brown; Tho. S. Walker; Geo. W. Valentine for Tho. J. Brown; M. Daniel; Charles L. Masby; John T. Davis; James A. Hammond for Charles P. North; Mr. Owens; January 7 J.N. Jorden; John J. Goodwin; W.M. Flanton; M. Wallace; Mary D. Buchannan; A.G. Rroaddey; John Owens; M.R. Crunch; Paul Haw; J.R. Phillips; H.M. Erving; B.R. Wright; John Owens; M. A. Wright; January 8 Alex M. Gray; John A. Hughes; A. McDaniel; January 10 Mr. St. Wright; January 24 Charles W. Christian; Rich Crawford; John Smilfan; Hector Harris; J.D. Pieree; W. J. Green; W. J. Moor; E.O. Daniee; W. Lefton; W. Wallace; James Suanders; R. O. Dob; G.H. Gilmore; M.M. Leftwich; J.C. Jennings; Sarah Wright; Henry Dunnington; T.T. Sunders; D. Crouch; J.C. Moncuro; J.H. Smith; Geo. Callahan; W.H. Moorman; E.M. Poindexter; Davis D. Poindexter; Charles E. Auqua; James W. Stewart; John S. Caldanice; J.C. Hyter; P. Saunders; J.C. Hammeth; John H. Smith; J.H. Nomlin; Caleb Williamson; C. Christian Arlington; Mr. Owens; James L. Crawford; John H. Griffin; J.H. Nomlin; January 26 Peter Spence for N.S. Rautails; January 29 John R. McDaniel; Peter W. Hairston trustee for E.S. Stuart; C.T. Wells; Tho. J. Jarratt; Ro. A. Coghice; Charles W. Christian; January 31 Mr. Owens; Daniel Stratton; Agnes L. Ingles; February 3 W. Kent; R & J Crockett; February 4 J.C. Burchfield; James L. Morgan; Wm. Plunkett; R. & J. Crockett; February 7 Seth Halsey; Thos. A. Harris; February 15 F.G.M. Tho. McKinny; Ro. C. Mitchell for F.K. Nelson; J.S. Plain for Levi C. Dowdy; February 17 John L. Saunders for S. F. Johnson; Wm. Owens; A. Tompkin for J. H. Dejarnett; William Owens; Wm. Hobson; February 23 Parker Smith; February 25 G. A. Saunders; February 28 Ro. Earlys; Wm. Owen; E.J. Sheltuian;

No names of owners or slaves: 1857 - April 2, 4, 13, 30; May 30; June 30; July 30; August 29; October 5; October 31, November 27; December 19, 28, 31. 1858 – January 2, 4, 5, 6, 7, 8, 14, 16, 18, 21, 22, 25, 27, 30; February 3, 24, 25, 27; March 1, 5, 15, 20, 31; 1859 – January 6, 7, 24,

Ledger, 1857 – 1860

1857- April 1 W. W. Leftwich; Randolph Payton; Sam. Nowlin; Mrs. J. Garland; John P. Hughes; John W. Calohan; Charles M. Blackford; A. Tompkins; April 2 Dr. F. Robert Crockett; H. H. Lewis; E. J. Gillian; J. A. Hawner; E. R. Payne; Garland Slaughter; J. A. Stigler; April 4 T. W. Leftwich; Richard Curle; W. Nughborun; John J. Flonnoy; F. G. Morrison; Marshall S. Harris; Dr. F. Cash; W. Owens; April 7 W. A. Miller; Sam Schooler; John M. Speed; E. N. Eubank; N. Manson; John Goode; Edgar Hetchard; Thomas Jennings; P. H. Ryan; Charles W. Christian; April 9 J. Shearer; Clifton V. Webb; W. R. Bohannan; J. H. Wilson; H. Whyte; John M. Otey; Samuel T. Poindexter; April 11 Peter Spence; April 13 H. D. Flood; Samuel Crockett; D. J. Saundries; I. F. Loving; Robert Early; W. Owen; April 15 A. Tompkins; P. J. Thompson; J. Elliott; J. Franklin; April 18 T. G. Heill; T. T. Moorman; William S. Morris; Frank Gains; W. P. Noel; Mary D. Buchannan; April 21 Charles H. Rucker; April 25 Alfred White; John W. Lowry; May 1 Mark Andrews; E. O. Dance; May 9 M. Davis; May 13 T. Kelso; R. C. Saunders; May 16 T. G. Morrison; T. J. Brown; B. Wilker; May 22 Alexander McDaniel; W. B. Preston; June 1 H. Dennington; June 16 R. C. Mitchell; John A. Somers; June 30 J. W. Andrews; W. W. Hanson; Robert Crockett; July 1 John P. Hughes; S. White; Langhorn Holcombe; F. Bank; Mrs. James Garland; July 2 Rich Crawford; Eliza B. Christian; Richard Curle; James M. Cobb; J. H. Wilson; Garland Slaughter; M. Manson; J. H. Philapine; July 3 Charles W. Christian; T. S. Richardson; July 6 Phil Samuels; Sam S. Schooler; John J. Davis; M. S. Harris; Rich Perkins; J. G. Morrison; Alfred A. White; T. C. Walch; July 7 Henry White; C. F. Harris; A. B. Nichol; N. C. Taliaferro; July 8 J. Franklin; J. C. Jeaning; John W. Lowry; T. W. Saunders; H. H. Lewis; July 11 H. B. Slaughter; July 13 J. H. Hammer; C. M. Wade; L. A. Horton; W. R. Neightor; J. H. Moorman; July 15 Judith Moorman; Hector Harris; July 17 R. C. Hackett; July 24 Henry D. Flood; G. W. Dawson; July 27 Randolph Payton; July 30 I. F. Loving; August 1 Sam Pryor; John W. Jones; Mark Andrews; Sam Poindexter; John W. Sale; August 8 L. Preston; August 10 John M. Spud; Washington Hunter; August 15 J. H. Stone; J. Morton; August 17 Joseph M. Shucford; Archibald Bolling; August 22 B. W. Jones; W. A. Hardy; Peter Spine; September 14 Bowling Clark; September 16 Winston W. Faukerey; September 19 Christopher Moore; September 24 F. G. Coleman; October 3 S. White; H. Whyte; C. S. Scott; F. H. Conway; W. R. Mosby; October 5 J. A. Hawner; Daniel Stratton; G. M. Rucker; R. E. Manson; October 6 Mrs. P. J. Thompson; Phil Samuel; A. B. Nichol; October 8 S. C. Hunt; W. H. Taylor; Nelson Lowry; October 12 J. M. Cobbs; October 15 J. M. Reese; W. L. Bellamore; Beverly Crump; C. D. Reynolds; October 21 A. McDaniel; J. Elliott; W. A. Miller; October 28 I. Morton; J. C. Brown; R. G. Ball; P. H. Gilmer; November 2 R. C. Whitehall; November 17 C. M. Price; November 19 Sarah Wright; November 23 Caleb Williamson; November 27 P. H. Ryan; G. A. Wingfield; December 19 S. Pepper

No names of owners or slaves: April 9; April 15; April 18; April 21; April 25; April 30; May 1; May 9; May 13; May 28; May 30; June 1; June 9; June 30; July 1; July 2; July 3; July 6; July 7; July 8; July 13; July 15; July 24; July 27; July 30; August 1; August 29; October 3; October 5; October 6; October 8; October 15; October 17; October 20; October 24; October 28; October 31; November 2; November 7; November 27; December 1; December 10; December 19; December 28

1858 – January 2 F. B. Deanne; T. C. Walch; Sean H. Tuarler; L. Page; W. Hogden; John I. Murru; E. S. Hutter; Peter Spence; James M. Cobb; January 4 T. McKinney; E. S. Halsey; I. R. Phillips; Franklin Booker; R. C. Strother; Mursell Stratton; January 5 Wither Martin; J. T. Davis; January 6 J. W. Stewart; H. I. Garrett; L. A. Horton; Charles S. Sett; January 7

Judith Vicoorman; January 13 Hugh Brown; John M. Preston; Sam H. Ferguson; January 14 R. D. Moore; J. J. Williamson; T. H. Burnes; January 16 C. V. Winfred; Silas P. Vaughter; January 25 Richard Perkins; January 29 C. W. Hardy; February 20 R. C. Hurt; March 15 Spotswood Brown; March 18 C. J. Harris; March 27 David R. Ealey; T. J. Pollard; April 1 T. K. Jones; G. A. Burton; S. C. Woodruff; John T. Davis; April 2 John H. Stone; Marshall L. Harris; April 16 G. R. Peake; April 27 George W. Witt; April 28 P. H. Barr; May 1 Hector Harris; June 15 James L. Morgan; July 8 Murrell Stratton; July 9 William Moon; August 5 W. Hobson; August 7 T. J. Walker; September 1 Francis Thornton; M. M. Ewing; September 17 R. H. Kane; October 1 T. K. Jones; October 4 W. M. Black; October 5 J. T. Davis; October 17 I. B. Anthony; October 30 M. W. Hutcherson; November 8 B. B. Wright; December 27 A. M. Smith; December 28 Abram Shelton;

No names of owners or slaves: January 2; January 4; January 5; January 6; January 7; January 8; January 14; January 16; January 18; January 21; January 22; January 25; January 26; January 29; January 30; February 3; February 24; February 25; February 27; March 1; March 5; March 15; March 18; March 20; March 27; March 31; April 1; April 2; April 7; April 10; April 16; April 19; April 23; April 30; May 1; May 17; May 31; June 3; June 9; June 30; July 1; July 3; July 8; July 9; July 15; July 19; July 22; July 24; July 27; July 30; July 31; August 2; August 5; August 7; August 16; August 19; August 21; August 28; August 31; September 1; September 6; September 22; September 25; September 30; October 1; October 4; October 5; October 6; October 8; October 17; October 21; October 22; October 26; October 30; November 8; November 27; November 30; December 1; December 8; December 15; December 18; December 23; December 27; December 28; December 31

1859 – March 22 G. P. Luck; R. W. Burton; March 28 A. Tompkins; W. Owen; J. J. Johnson; March 31 H. M. Ewing; J. F. Loving; W. F. Figgatt; Preston Pitts; April 1 F. G. Morrison; J. H. Wilson; W. M. Goodman; Sam Nowlin; Charles Christian; J. Franklin; I. C. Slaughter; John P. Hughes; D. C. Dunn; W. Daniel; A. A. Hudson; John R. McDaniel; J. N. Gordon; John J. Davis; April 3 Sam Crockett; J. A. Buchannan; W. A. Preston; T. A. Harris; R. J. Crockett; April 7 T. G. Hedgman; C. V. Newfru; J. A. Hammer; J. M. Rucker; R. Crawford; S. C. Woodroof; Dr. Cash; April 11 John H. Patterson; John H. Flood; John S. Map; J. A. Pierce; Phillip Samuels; W. Gibboney; J. W. Kay; R. Dennis; G. A. Raine; G. I. Cock; E. McGavock; W. G. Coleman; W. W. Mosby; R. Sawyer; J. S. Morgan; W. W. Hanson; April 15 J. Fitzhugh; W. W. Leftwich; John Smeller; Elijah Smeller; April 20 Richard Dennis; D. C. Dunn; W. Terry; T. Wood; April 20 H. M. Sanders; J. M. Harris; April 22 Gary D. Buchannan; J. C. Haytem; W. Tucker; John Greg; R. Tinsley; April 26 B. Carnifit; R. Dop; April 28 S. Baker; Daniel Stratton; May 3 F. J. Bauard; W. A. Hardy; E. S. Hatter; A. McDaniel; May 6 R. C. Steptoe; W. C. Perrow; May 11 Washington Hunter; C. V. Webb; W. Waller; Hector Harris; R. R. Taliaferro; May 16 C. Smith; H. V. Thompson; May 19 A. B. White; L. Hocke; May 23 Joseph Leonard; May 24 R. A. Coghill; May 28 W. J. Campbell; Marion J. Victor; M. W. Lowry; Withers Martin; T. A. Harris; June 17 G. P. Luck; S. A. Patterson; June 20 Sam G. Staples; C. Page; June 22 A. P. Price; June 24 William J. Green; July 2 J. A. Pierce; Ann E. Dangerfield; William A. Gillian; John Gray; J. W. Kay; F. M. Barker; A. S. Stiff; Lu Rocke; Paul C. Cabell; July 5 A. A. Hudson; T. Wood; R. Sawyer; W. W. Hanson; July 8 T. J. Walker; John M. Speed; Robert Dennis; John Young; July 20 John H. Patterson; R. A. Hunter; July 25 J. Franklin; A. B. White; John B. Lie; July 26 D. A. Langhorne; J. M. Callahan; July 27 W. C. Cerrow; J. L. Morgan; July 28 T. H. Burnes; August 3 T. Trent; B. B. Wright; D. P. Jones; C. V. Webb; August 9 H. V. Thompson; August 12 Charles W. Christian; August 20 E. G. Hill; S. A. Patterson; August 26 L. Rocke;

S. J. Blanton; August 30 J. H. Griffin; September 2 F. S. Thomas; Rich Dennis; September 7 C. P. Seth; September 28 C. F. Harris; October 3 R. A. Hurt; R. Sayer; H. B. Homes; October 19 J. W. Utz; C. S. Jones; October 29 Richard Perkins; W. J. Green; Tom Wood; Frederick Roberts; Elijah Holley; John B. Lee; M. B. Preston; October 29 G. A. Saunders; November 30 Florentine Robinson; W. Terry; Marrion J. Victor; W. C. Coleman; December 31 John Earhart; W. C. Smith; Charles F. Garnett; Sally W. Price; A. Wade; S. Wright

No names of owners or slaves: April 1, April 3; April 11; April 15; April 22; April 26; April 28, May 3; May 11; June 20; June 30; July 2; July 5; July 8; July 20; July 25; July 26; July 27; July 28; July 30; August 3; August 9; August 12; August 26; August 30; September 6; September 7; September 22; September 30; October 3; October 19; October 29; November 30; December 31

1860 – January 20 Joseph Patterson; John M. White; Benjamin S. Carnifit; January 31 W. C. Park; F. J. Ballard; E. G. Hill; T. McKinney; E. H. Craddock; Frederick Roberts; John H. Smith; A. Pettyjohn; John H. Patterson; Charles H. Lynch; Richard Dearing; Alexander Wade; W. Wright; T. K. Nelson; Paul Hull; M. Watson; James Shearer; D. H. Griffin; W. J. Alexander; R. Early; H. J. Garrett; L. Bowyer; J. Fitzhugh; Stephen Perrow; Phil Samuels; Frederick Robertson; W. C. Parks; February 29 Hector Harris; Maria Wright; William Kent; James S. Irwine; March 31 Jacob Fowler; J. C. Hayter

No names of owners or slaves: January 20; January 31; February 29; March 31

Journal, August 5, 1858 – March 31, 1860

1858 - August 5 William Hobson; Walker Washington; J. R. H. Combe; Ann E. Dauger; R. C. Mitchen; Withers Walker; William Leftwich; W. J. Warren; A. J. Wilson; August 7 C. A. Floyd; Thomas S. Walker; James M. Spud; Maria Weight; August 19 R. H. Ryan; William Daniel; August 23 J. H. Buford; Bob Dennis; August 25 John H. Brown (Griffin); August 28 Thomas M. Stay; William Owen; September 1 Alex McDaniel; Francis Thornton; John J. Brown; R. J. Crockett; H. Ewing; September 10 J. Woodall; Jave B. June; Florence Robinson; September 21 R. G. H. Keana; Oneill W. Sutton; Cyrus Fisher (Henry); Noble Jordan; G. A. Saunders; September 23 Mary Morarity (Thomas); September 27 William R. Mosby; Charles L. Mosby; September 30, 1858: J. G. Morrison; October 1 J. B. Diane; Mrs. E. D. Frayser; John R. McDaniel; Peter Spud; J. R. H. Combe; E. Dangerfield; L. K. Jones; October 4 Sara Nowlin; A. B. Rucker; William D. Tucker; C. J. M. Garnett; E. A. Dance; S. C. Woodrod; Rich Cramford; G. A. Burton; Timble Black; William J. Moon; M. S. Harris; Sara Crockett; Josh H. Wilson; Toby Saunders; Daniel Stratton; A. Tompkins; J. North (James); J. B. Wallace; B. B. Tunstall; October 5 James Saunders; A. Tompkins; Geo. Earnhart; John T. Sain; J. A. Hawner (Hugh); Thomas W. Saunders; Kinner Sander; A. Ogden; Richard Dennis; October 7 Charles A. Floyd; Thomas L. Jones; A. J. C.; James M. Jordan; A. Tompkins; October 11 Sara Hobson; John Goode; J. B. Author; October 12 W. Waller; R. C. Mitchell; William G. Green; October 14 James M. Tucker; A. B. White; James Franklin; October 18 John P. Hughes; F. G. Morrison; October 19 William Hobson; J. H. Buford; October 21 Woodall A. Finer; R. P. Jones; Alex McDaniel; W. B. Preston; William S. P. Hopkins; October 22 William Daniel; October 27 William A. Hardy; J. M. Reese; October 30 William Hutcheson; November 1 B. B. Wright; November 9 Victor Spence; Geo. K. Taylor; H. H. Wallace; November 23 H. Gilmore; A. W. Price; J. C. Murrell; November 29 J. A. Stigler; J. C. Jeaning; December 1 R. M. Wells; December 13 James Campbell; December 18 Seth Halsey (Randall); J. H. Buford;

December 22 Sandy K. Jones; Dan Stratton; December 28 W. W. Jordan; A. W. Smith; William J. Robinson; John S. Blair; Sam C. Miller; December 29 Abram Shelton; Geo R. Peake; Thomas L. Jones; J. G. Morrison.

1859 - January 3 Sam Crockett; Peter Spence; H. H. Wallace; Peter Spence; Josh W. Key; James C. Hammock; J. R. Malcombe (Jane); Jason Nowlin; J. R. Holcombe; Anne E. Sangorfield; J. J. Loving; R. L. Crockett; Josh Wilson; Geston Pitty; C. L. White; T. E. Lowey; E. D. Froyer; Will Owen; January 4 Kinner Sanders; Hugh Chandler; Thomas W. Saunders; S. C. Woodfroft; Alex Wade; James Shearer; William G. Ghet; Chris Dabney; A. Wilson; Washington Hunter; W. L. Hohkis; H. V. Thompson; Noble J. McGinn; Rich M. Wells; John H. Griffin; Charles H. Floyd; William A. Gillian; Marshall L. Harris; Wither L. Martin; C. S. Peffer; January 5 Richard Perkins; A. J. Caugh; J. C. Murru; W. S. Morris; W. H. Agrew; James M. Rucker; A. J. Engledom; C. L. Wade; J. W. Callahan; Richard Dearing; John M. Shed; John M. Oley; A. B. Rucker; B. B. Dunslau (Woodfon, Wright); R. J. Crockett; G. B. Wallace; James P. Hammett; R. J. Crockett; James Monteth; Maria Wright; January 6 C. C. Wade; H. V. Thompson; L. Walker; L. W. Valentine; William Daniel; William K. Mosby; John T. Davis; J. A. Hawney (Charles); William Owen; J. Carly; January 7 J. N. Gordon; W. W. Hangon; Michael Wallace; Mary D. Buchannan; A. G. Broaddom; M. B. Crunch; J. P. Hammett; Dave Hill; R. J. Crockett; J. R. Holt; J. R. C.; H. M. Earing; B. B. Wright; William A. Wright; January 8 J. M. Otey; Alex. M. Geran; A. T. Johnson; A. Thompkins; John C. Hughes; Alex McDaniel; January 10 A. Thomkins; William H. Wright; January 24 Clement F. Harris; Charles W. Christian; C. M. Garnett; Richard Crawford; John Smeller; Hector Harris; J. A. Price; William J. Green; William J. Moon; E. O. Dance; William Leftwich; Withers Waller; James Saunder; R. O. Dole; P. H. Gilmer; William W. Leftwich; J. C. Jennings; William A. Leftwich; Sara Wright; Henry Dunnington; T. T. Saunders; J. C. Moncure; J. H. Smith; Jes Callahan; William H. Moonman; E. M. Poindexter; Davis D. Poindexter; Charles E. Fugud; James W. Stewart; John S. Caldwell; Phill Samuels; John H. Smith; J. H. Nowlin; R. C. Mitchell; Caleb Williamson; A. Ogden; William Owens; S. Hobson; John Goode; R. J. Crockett; James Campbell; January 25 Paton Spencer; W. S. Battle; January 29 John R. McDaniel; James Franklin; A. B. White; Peter W. Haiston; E. L. Stewart; January 29 C. T. Wills; Thomas J. Jarrett; R. H. Coghill; February 1 Daniel Stratton; Agnes L. Angles; February 3 William Kent; R. J. Crockett; J. C. Burchfield; James L. Morgan; W. N. Plunkett; February 5, 1859 Seth Halsey; Thomas A. Harris; April 9 Ann E. Dangerfield; H. Patterson; John H. Flood; J. S. Pirce; Phillip Samuel JR.; William Gibboney; J. M. Kay; Rob. Dennis; J. W. A. Raine; April 15 Geo L. Cock; E. McGavock; William Owen; G. Coleman; W. W. Mosby; Rob Sawyer; James L. Morgan; C. Dabney; W. W. Hanson; C. H. Leftwich; April 20 J. Fitzhugh; W. W. Leftwich; J. W. Leftwich; John Smeller; Elijah Halley; Richard Dennis; C. Dunn; William Terry; Thomas Wood; April 20 A. M. Saunders; J. M. Harris; James Franklin; E. Ward; Mary D. Buchannan; April 22 J. C. Hunter; William Jacken; John Greg; R. Chimley; April 26 R. S. Carne; R. O. Dap; R. H. Wiatt; R. Gibboney; L. Rake; April 29 Daniel Stratton; May 3 F. J. Ballard; William Leftwich; W. A. Hardy; E. S. Hutter; K. M. Daniel; May 6 R. C. Steptoe; Clement F. Harris; William C. Perrow; May 11 John M. Otey; C. V. Webb; W. Hunter; W. Waller; Hector Harris; Thomas A. Harris; May 13 B. B. Tuliaferro; C. Smith; J. M. Anderson; William A. Gillian; May 17 H. V. Thomson; C. E. Webb; May 19 A. B. White; L. Locke; Jacob Merchant; May 23 Joseph Leonard; May 27 R. A. Coghin; W. Campbell; Marion J. Victor; June 9 R. A. Hurt; June 17 Geo. P. Luck; S. A. Patterson; William Hobson; June 20 Sam G. Stapler; J. P. Hammett; William Owen; C. Page; June 29 S. White; July 2 J. A. Pierce; J. R. Holcombe; Mrs. Ann E. Dangerfield; William A. Gillian; W. T. Anderson;

Mary W. Buchannan; Mary D. Buchannan; John Gray; J. W. Kay; W. Waller; A. Price; Peter D. Hedgman; F. M. Barker; J. C. Hayter; R. P. Patterson; A. S. Stiff; William Terry; A. L. Stiff; J. H. Wilson; Ben S. Carnifer; R. C. Mitchell; S. Rocke; Jacob Merchant; William Hobson; July 5 Paul C. Cabu; R. Coghill; C. M. Garnett; F. M. Garnett; William M. Blackfoot; W. C. Smith; A. A. Hudson; Thomas Wood; William Green; Thomas W. Leftwich; S. C. Woodroof; Sam Crockett; Sam Nowlin; R. H. Wiatt; R. Sawyer; R. Gibboney; John Rake; F. L. Ballard; W. W. Hanson; John R. McDaniel; July 6 William Gibbs; R. Crawford; July 8 J. T. Davis; John Davis; W. W. Mosby; I. L. Walker; A. M. Saunders; G. L. Cock; John M. Spud; Mariah Wright; J. N. Gordon; P. H. Gilmer; J. R. Tinsley; J. M. Spud; R. Dennis; Lawly Baker; John Young; E. O. Dance (Mike); July 11 E. McGavock; July 20 John H. Patterson; James M. Rucker; John M. Otey; James Saunders; R. A. Hurt; E. Frazier; Charles L. Mosby; July 25 A. C. Duhn; C. Samuel; James Franklin; John B. Lee; R. C. Stiploe; C. E. Webb; R. M. Toliferro; John C. Hughes; Washington Hunter; D. A. Langhorne; John Smiller; Elijah Holley; July 26 D. A. Langhorne; J. W. Callahan; July 27 W. C. Perrow; J. W. Saunders; James L. Morgan; James M. Odgen; J. W. Sanders; July 28 C. S. Jones; Joseph Crew; James A. Hammer; I. H. Burnes; July 30 Marion J. Victor; August 3 T. Trent; William Tucker; B. B. Wright; D. P. Jones; Sarah Wright; R. Tinsley; C. V. Webb; August 16 Paul C. Cabell; Sally E. Rose; R. A. Coghill; August 26 E. G. Hill; S. A. Patterson; August 26 D. C. Dunn; W. O. Owen; J. J. Blunton; G. W. Raine; I. Fitzhugh; C. S. Mosby; A. Noell; September 6 F. S. Thomas; Richard Dennis; C. S. Mosby; Sally M. Pierce; A. McDaniel; Pepper Stirna; September 7 William Daniel; C. P. North; J. H. Buford; Sept. 9 G. B. Wallace; September 26 W. N. Jordan; September 27 C. F. Harris; John L. Oglesby; Sept. 30 S. White; Rob Gibboney; C. H. Gilmer; October 3 R. M. Taliaferro; R. A. Hurt; R. Sayer; W. O. Owen; R. H. Wyatt; W. N. Jordan; C. F. Harr; John Goode; R. A. Coghill; W. Hobson; H. B. Hoomey; A. A. Hudson; W. W. Leftwich; October 5 J. M. Kay; Sam Nowlin; A. P. Rice; J. M. Rucker; G. I. Cock; W. W. Hanson; E. McGavock; Daniel Stratton; R. Crawford; Dave A. Hammer; Joseph Crewy; W. Waller; Charles P. North; W. Saunders; A. M. Saunders; C. M. Garrett; D. C. Dunn; G. W. Kain; J. A. Price; S. C. Woodroff; October 17 Sam Miller; Frederick Robertson; James C. Hawwett; October 29 John T. Davis; G. B. Wallace; John H. Flood; D. A. Langhorne; A. C. White; J. Slaughter; James Franklin; J. W. Utz; John C. Henderson; J. M. Barker; M. G. Perrow; John M. Otey; C. S. Mosby; J. N. Gordon; S. C. Woodroof; C. S. Jones; A. S. Stiff; Richard Perkins; F. J. Ballard; John Gray; Peter Hidge; J. Tinsley; J. Caldwell; E. G. Hill; J. H. Wilson; Barry Carnift; I. Wood; Phill Samuel; John McDaniel; October 29 Ann E. Dangerfield; W. Leftwich; W. Gibboney; Henderick Roberts; John Smeller; Elijah Holley; C. S. Mosbey; J. H. Dejarrett; J. H. Burnes; John B. Lee; Jacob Merchant; S. Baker; Sam Crockett; A. McDaniel; R. C. Steptoe; Richard Dennis; James Harris; W. Tucker; H. Keaton; G. A. Saunders; M. B. Preston; R. P. Patterson; G. A. Saunders; H. M. Knet; G. A. Saunders; Mary W. Buchannan; November 30 W. W. Leftwich; Ian Charles; J. S. Morgan; Hector Harris; J. W. Callahan; C. E. Webb; J. W. Utz; M. E. Hurt; G. Luck; Florentine Robinson; W. Terry; John Davis; D. P. Jones; A. C. Dunn; W. A. Gillian; Marion J. Victor; W. Daniel; M. E. Hurt; W. G. Coleman; M. W. Jones; Nov. 30 Robert Tinsley; December 31 J. Shearer; R. A. Christian; Sam Miller; J. R. Phillip; J. S. White; C. Christian; R. Crockett; Thomas Frost; Rich Dearing; A. Pettyjohn; A. Wade; S. Wright.

1860 - January 31 John H. Patterson; W. Hardy; Rich Dennis; F. M. Barker; W. A. Haron; P. H. Gillian; John M. White; R. S. Comfort; john B. Swim; J. Saunders; A. Noel; John S. Bafs; A. C. Dunn; T. W. Saunders; Elizabeth Crawford; H. B. Homer; John Goode; J. M. Ogden; W. Hobbs; R. H. Wyatt; R. H. William; W. C. Parks; W. Gibboney; R. Sayer; W. Waller; E. McGavock; W. W. Hanson; G. B. Wallace; Woodson Wright; C. F. Harrison; John Earhart;

W. J. Green; W. F. Hart; J. M. Harrison; Washington Hunter; G. A. Raine; F. J. Ballard; Mary W. Buchannan; Chapman S. Jones; A. S. Stiff; John M. Otey; John Pierce; Francis Christian; A. A. Hudson; Mary Buchannan; S. A. Patterson; T. Wood; John A. Young; C. S. Mosby; Johnson Fitzhugh; A. B. White; A. Gillian; Joseph Crew; J. M. Harris; C. E. Webb; W. Tucker; J. A. Hammer; J. M. Harrison; E. G. Hill; A. M. Saunders; John P. Hugh; M. W. Jones; M. Walker; T. McKinney; John Sennis; W. Terry; M. Wallace; J. S. Walker; W. Daniel; J. W. Callahan; E. A. Craddock; Sarah Wright; James W. Harris; W. G. Coleman; W. Daniel; A. Pettyjohn; M. M. Kigley; T. McKinney; C. B. Wallace; J. R. Tinsley; J. S. Caldwell; R. Moon; J. J. Blanton; T. T. Saudnerson; M. E. Hurt; S. Crockett; W. O. Owen; Sam Nowlin; J. H. Patterson; James Saunders; W. W. Mosby; Alex Wade; Woodson Wright; R. Moone; J. J. Kent; J. H. Stone; Paul Hill; E. A. Craddock; C. Dabney; J. M. White; T. McKinney; James Saunders; B. B. Wright; John H. Patterson; M. Wallace; M.Wallace; M. M. Kigley; J. M. White; T. T. Saunders; E. Crawford; J. J. Saunders; John H. Smith; R. D. Moon; John Stone; A. Pettyjohn; T. McKinney; W. H. Wright; T. McKinney; M. M. Kingsley; W. H. Wright; E. Crawford; T. T. Saunders; T. McKinney; John Blanton; A. Pettjohn; E. Crawford; John H. Patterson; J. McGinnis; S. F. Johnson; J. F. Kent; M. Wallace; T. K. Watson; J. F. Kent; J. K. Nelson; T. W. Leftwich; J. Mont; J. S. Campbell; Charles Hogmouth; N. F. Thornton; S. Johnson; John Young; Rich Drarington; N. F. Thorton; Alex Wade; W. Hunter; Frances Christian; Woodson Wright; J. K. Nelson; J. Mogden; J. Christian; Paul Hill; W. Owen; R. Tinsley; A. P. Price; J. Griffin; D. Saunders; R. Crockett; W. W. Leftwich; R. Crockett; R. A. Hurt; L. Bowyer; R. R. Wright; W. Owen; J. H. Stain; John Owen; Peter Hedgman; R. E. Jeter; W. C. Person; Ann E. Dangerfield; J. T. Loving; W. W. Wright; W. Owen; M. P. Watson; James Sharer; D. P. Jones; J. H. Griffin; W. J. Alexander; J. McGinnis; Preston Pitty; R. C. Strothern; Preston Pitty; R. C. Strother; W. A. Leftwich; R. C. Strother; R. M. Taliafer; J. H. Griffin; W. Owen; W. J. Alexander; S. Johnson; L. Baker; R. Crockett; J. H. Patterson; R. Early; J. C. Slaughter; W. Owen; J. H. Loving; K. Nelson; J. H. Smith; J. F. Loving; C. V. Webb; J. W. Leftwich; Pepper Sharner; R. Crockett; L. F. Loving; J. Montuth; H. J. Garrett; J. S. Cawhill; Daniel Stratton; T. Arent; R. Coghill; Rich Dearing; R. Crockett; J. Franklin; J. Fitt; H. J. Garrett; Stephen Perrowin; C. P. North; J. N. Jordan; M. Patterson; John Jones; S. A. McConkey; R. P. Patterson; J. F. Loving; R. Gibboney; J. C. Haurauth; W. Owen; L. J. Cock; Phil Sam; J. H. Wilson; R. Crockett; Preston Pitt; Jacob Merchant; W. Leftwich; W. Owen; Pepper Sharner; W. Wright; John Sutton; J. C. Harmouth; H. J. Garrett; W. Owen; Woodson Wright; J. H. Dejarrett; R. Early; J. M. Rucker; Charles L. Mosby (Martha); Frederick Roberts; Albert M. Daniel; T. H. Burnes; James L. Morgan; W. C. Parks; February 29 R. Clement; H. V. Thompson; W. Campbell; Dr. Hector Harrison; W. Owen; Maria Wright; W. Kent; R. Crockett; R. C. Steptoe; February 29 W. Kent; John M. Sherd; Maria Wright; Jane S. Irvine; Fleming Thomasl C. E. Frig; C. E. Fryer; D. A. Langhorne; March 31 C. H. Leftwich; Sam. L. Gray; Jacob Fowler; W. Hughes; Rich Perkins; G. Luck; F. G. Morrison; J. C. Hayton; Sam Gray; M. J. Victor; J. Robinson; E. Hutter; J. S. Jameson; R. Fancy; H. Thomhill.

Annual Report, September 15-16, 1858

No names of slaves.

Force Employed:
There are 341 slaves in all at Depots, on the Road, with Passenger Trains, Freight Trains, Gravel, Material and Wood Trains, including 34 mechanics...

Annual Report, September 12-13, 1860

No names of slaves.

Slaves in depots, 75; on repairs of road, 231; in carpenter shops, 10; in smith shops, 13; in copper and paint shops, 3; machine shops, 10; train service, 37; wood and gravel trains, 24. In all 407...

Journal, 1860

June 13, Washington Hunter; June 30, 1860 - Samuel G. Staples.

No names of owners or slaves: March 31, May 31, 1860.

Ledger A., November 1860 – March 1864

No names of slaves. Combined entries for amounts paid to named owners and aggregate amounts paid.

November 9, 10, 13, 15-17, 22, 23, 28, 29, 30, 1860; December 1, 3-5, 8, 12, 13, 18, 21, 22, 26, 27, 31, 1860; January 1-3, 1861; January 4, 5, 7-12 W. A. Leftwich; 14, 15 Nancy Edgar; 16, 17 R. M. Taliaferro; 18, 22-24 Mrs. F. Christian; 25 W. P. Preston; 26, 28 J. C. Slaughter; 29, 30 H. F. Bocock; 31; February 2, 5 Sally M. Lynch, 6, 7, 1861; 7, 12, 14 R.W. Comer; 20, 21 Margart Gartdil; 22 W.F. Tuckade; 26; March 1, 2 William Kent; 5, 14, 15, 29, 30; April 1, 2, 3, 4, 5, 6, 8 James Campbell; 9, 10, 11, 12 R.A. Coghill); 13, 15, 16; April 16, 17, 19, 22, 23 Jason M. Ogden; 24, 26, 29, 30; May 1, 2 J.F. Davis; 7, 8, 9, 13, 14, 16, 20, 27, 28, 29, 31; June 1, 3, 4, 22, 29; July 1, 2, 3, 4, 5, 6, 8-12; 12, 13, 15-18 M.H. Crump; 20, 23, 25, 26, 30, 31; August 1, 2, 3, 5, 8, 13-15, 22, 23, 28, 29; September 4, 5, 12, 16, 19, 25, 26, 30; October 1, 2 G.B. Wallace; 3 W. Robinson; 4, 5, 7-10 John Jones; 11, 12, 14-19, 23, 26, 28-30; November 5, 6, 12-14, 16, 19-21, 23, 26; December 9, 11, 12, 17, 19, 20 William H. Trent; 21, 24; 26, 27, 30 Rev. Charles Wingfield; 31Richard Dearing; January 1, 2, 5, 6-8, 10, 11, 13-15 Jacob Merchant; 16 W.F. Yingling; 17, 18, 20, 21 H.D. Flood; 22 J.P. Hughes; 23, 24 J.W. Barnett; 29, 30, 1862; February 1, 2, 6, 7, 8, 11, 13, 15, 18, 19, 20, 25, 26; March 17, 20, 21, 27, 30; April 1, 2, 3; 4, 5, 7, 9-12, 14-19, 23, 24, 26, 28, 30 W.C. Smith; May 2, 3, 6-8, 10, 12-14 G. Saunders; 15, 19-22, 30, 31; June 2, 4, 5, 12, 31; July 1-5, 7-13, 15-17, 19, 21-24, 26, 28, 29-31; August 1, 2, 4-7, 9, 12-16, 18, 20, 21, 23, 25, 27-29; September 1, 3, 8, 10, 11, 13, 16, 17, 19, 25, 27, 29, 30;

October 1, 2, 3, 4, 6, 7, 9, 10, 11, 13, 14, 15, 16; 16-18, 21, 22 H.W. Floyd; 24, 25, 27-29; November 1, 3, 4, 7, 8, 10-12, 14, 15, 20, 21, 22, 24, 26, 27, 29; December 2, 6, 12, 16, 17, 18, 19, 22, 23, 24, 25, 27, 29-31, 1862; January 1, 2, 3, 5 S.C. Hurt; 6-10, 13-17 P.G. Cabell; 19 J.S. Crockett; 20, 21, 22; 23, 24, 26, 29, 30 Thomas Corke; 31, 1863; February 2-4 L.M. Oglesby; 5, 9, 12, 13, 19, 25, 27 F.A. Austin; March 4 E.A. Gibbs; 5-7 R.P. Finny; 11, 13, 14, 16, 17, 18; March 19 W.A. Hardy; 20, 24 Samuel Miller; 25, 31; April 1-4, 6-11, 13 R.G. Sutton; 14, 15 J.R. McDaniel; 16-18, 20, 22, 24, 25, 27-30; May 2, 4- 8, 11, 20, 25, 26, 29; June 4, 11, 12 G.W. Clement); 13, 17, 19, 24, 29, 30; July 1-4, 6-11, 13-18, 20-25, 27, 28, 30; 31 William Hobson; August 3 Michael Wallace; 6, 10 John Washington; 11-13, 18-20, 24, 26, 28; September 3, 5, 8-12 Maj. William Leftwich; 14, 15, 18-21, 29, 30 G.W. Dillard; October 1-3, 9, 21; 22-24, 28, 29, 31 J.W. Berry; November 3, 5-7, 11, 13 H.T. Minor; 14, 17-19, 24, 25, 27; December 3, 5, 7 J.M. Wallace; 8, 10-12, 16 Kent Mitchell; 22, 23 R.E. Garey; 26 Mrs. S. A. Campbell; 28, 29, 30; 30 A.L. Stiff; 31 J. W. Perry 1863; January 1, 2, 4, 5-8 W.H. Kinkle; 9 Seth Halsey; 11 R.H. Bucknor; 12, 13, 14, 15, 16, 18, 19

Wesley Wright;, 27, 28, 29, 30; February 1-3, 6, 8 M.M. Williams; 9, 10, 15, 16, 18 Mrs. Sarah Wright; 20, 29; March 2, 14 John O. Washington; 15 Samuel Miller; 16 (J.H. Knight); 17, 18 L. Anderson; 19, 21, 26, 28, 30, 1864. March 30, 31 (W.H. Gray), 1864.

Journal, 1860-1863

1860 - April 30 D. C. Dunn; John Goodwin; John T. Davis; Dan A. Longhorne; R. Hoghill; J. A. Pinco; W. W. Leftwich; E. W. Gavock; Jason Franklin; Robert Tinkey; W. D. Tucker; A. Pettyjohn; A. A. Hudson; Jackson Fitzhugh; J. N. Jordon; R. A. See; T. A. Walthall; J. H. Wilson; H. V. Thompson; John Greg; E. Woodhoop; Thomas Moseley; A. Tompkin; Thomas Mouly; J. A. Hawner; G. L. Locke; Palestine W. Noell; H. Wallace; Ann E. Dangerfield; E. G. Hill; Charles A. Plogs; I. Merchant; Mr. A. M. Saunders; J. W. Kay; John A. Daniel; J. W. Jones; P. A. Gilmer; J. P. Hughes; W. W. Stickley; J. C. Slaughter; R. J. Rurmey; William Trucker; Martha Tuggle; Sarah Wright; John C. Moncure; T. Wood; J. H. Davidson; C. J. Harris; John Gibboney; John Leftwich; L. A. Bagbie; W. E. Patterson; M. S. Harrisin; Robert Gibboney; Sam Nowlin; R. Soft; R. Sayer; Sam Crockett; Paul Cabcell; Reston Getty; Robert Early; William Owens; R. A Moone; J. H. Ruford; W. B. Preston; Dan H. Rusney; Thomas Owens; R. Crockett; R. A. Coghill; G. B. Maunce; John Minon; Joseph Crewin; C. V. Webb; John Sowny; D. S. Patterson; William Daniel; T. Wallace; May 3 M. P. Watson; Robert Crockett; T. W. Saunders; M. Liftwich; R. M. Connor; Elijah Holley; J. Ballard; June 30 F. Morrison; Huston Harrison; Michael Riley; William Waller; D. Dunn; R. A. Coghill; W. W. Latwich; J. Lock.; Jacues Wauklin; August 31 A. C. Harrison; John Minor; J. H. Buford; Phillip Achler; Martha Tuggle; Sally M. Price; H. H. Wallace; Margaret Gaddisin; Ralph Conner; Flaming Thomasin; James Metcalf; D. S. Patterson; William Owens; October 23 William Settwich; J. D. Walthace; M. Wallace; G. B. Wallace; E. B. Halloway; A. A. Hudson; R. M. Talin; Sarah Wright; W. C. Smith; James Campbell; J. T. Davis; John Sowny; M. D. Buchannon; John Goodwin; E. Woodoof; E. Halley; H. McKent; R. M. Talin; D. A. Longhorne; R. M. Taliaferro; J. S. Steptoe; John Moorman; John Dickinson; Charles A. Floyd; L. A. Bagbee; C. V. Webb; C. F. Harris; W. O. Owen; Thomas Mosley; C. V. Webb; W. W. Leftwich; D. C. Dunn; D. S. Patterson; Martha Tuggle; Paul Cabu; R. McDaniel; Robert Tinsley; William Tucker; W. W. Stickley; C. Dabney; J. S. Crockett; W. L. Grun; C. S. Mosby; Mrs. A. M. Saunders; A. M. Smith; W. A. Softwick; G. W. Noel; T. Wallace; James Campbell; Ann E. Daugerfield; M. E. Harris; John Rod; E. McGavock; William Gibboney; J. Merchant; J. W. Jones; John S. Calwell; R. Aleoghill; J. G. Morrison; T. Mosley; Fleming S. Thomas; A. B. White; R. S. Wooson; Sam Nowlin; R. A. Coghill; P. H. Gilmer; J. N. Gordon; R. Pirkins; E. B. Wallar; T. Wood; Rob Gibboney; James Campbell; Mary W. Buchannon; M. W. Buchannon; James Campbell; Josh Giny; David Duncan; Rob Sawyer; W. D. Tucker; G. A. Saunders; R. A. Sye; John Gary; H. Burner; M. A. Gillian; M. Leftwich; R. J. Burnegin; A. S. Stiff; J. M. Kay; J. B. Sayne; J. H. Wilson; C. E. Webb; John Smilser; Archibald Wade; John Moorman; T. G. Burrup; Sam Staples; John Moncure; George A. Cock; A. S. Whaling; Frances Christian. November 3 J. G. Shears; James A. Wamner; Robert W. Conner; November 22 J. H. Dands; December 8 H. V. Thompson.

1861 - January 1 R. A. Lee; R. Perkins; Washington Hunter; John M. White; Mrs. A. M. Saunders; Washington Hunter; James Metcalf; C. A. Floyd; I. S. Pendleton; L. A. Bagbio; C. E. Webb; Thomas Trust; James A. Hammer; D. F. Patterson; J L. Stiff; J. D. Walltrall; J. H. Burnes; J. H. Gordon; Clifton V. Webb; Nancy Conner; January 3 G. J. Cocke; A. Wade; Susan Shephard; Susan Speller; W. W. Manson; Dr. John Minor; Jack Dearing; T. E. Reynolds; Seth Halsey; January 2 Thomas Trunt; F. S. Thomas; James M. Cobbs; I. M. Patterson; I. M. Wilson; I. M. Jones; D. Cauch; I. I. Hughes; R. A. Caghill; William Tucker;

Thomas Mosley; M. L. Morris; John Stone; W. W. Liftwich; Lillian F. Jordan; John Jonis; January 5E. G. Hill; A. B. White; I. B. Layou; I. F. Switman; I. H. Jones; James Franklin; I. I. Alanton; I. L . Stephon; W. Waller; John Goode; R. C. Gary; Thomas Wallace; W. E. Satterson; R. Tinsley; I .F. Switman; William Liftwich Jr.; I. I. Planton; W. D. Tucker; D. A. Longhorne; W. O. Owen; D. L. Dunn; C. F. Harris; January 7 Anne E. Dangerfield; A. A. Hudson; John Dickson; L. P. North; H. V. Thompson; T. T. Saunders; I. Crown; John Guy; Paul Cabell; R. I. Burney; T. G. Morrison; F. T. Ballard; T. H. Gilmer; A. M. Smith; Dr. Charles Fright; Maria Fright; F. G. Morrison; Joseph Cown; T. T. Saunders; C. J. North; John Dickson; January 8 F. W. Naill; Ges F. Luck; John C. Mancure; Paul Hill; J. A. Pannett; William Daniel; C. Dabney; Charles Sunsbraugh; Martha Tuggle; John Lowey; E. M. Clay; R. O. Dof; January 22 A. C. Harrison; M. C. Leftivoch; South Side Railroad Company; J. H. Stone; Mary M. Chambers; January 25 R. B. Preston N. P. Preston; W. W. Hickley; L. Merchant; J. L. Slaughter; James N. Buford; H. M. G. Hunt; January 30, 1861: Samuel Newlin; H. F. Bocock; E. Woodruff; February 1 Parker Jones; February 5 S. L. Dearing; Sally M. Lynch; Mary W. Burchanan; G. B. Rallaco; R. L. Woodson; John Bodken; J. Kegley; A. Thampkey; February 6 Johnson Pitzhugh; H. H. Wallace; E. M. Garack; Mrs. E. R. Wallace; Elizabeth B. Halloway; Michael Wallace; Mary R. Cuchanan; G. B. Wallace; J. S. Crockett; William Gibboney; R. S; Robert Sayers; Samuel Crockett; W. J. Greene; Robert Gibboney; Thomas Woods; February 25 Ancher Pettyjohn; March 1 J. H. Davidson; William Henry; W. G. M. Gennis; March 5 W. J. M. Ginny;

April 8 W. C. Smith; T. W. Sanders; James L. Campbell; William Leftwich; J. W. Wilson; John B. Dabrey; William Owen; J. W. Ians; R. D. Moore; J. B. Sayore; John Guy; Jane J. Hicklin; April 20 W. H. Moorman; W. D. Woodson; James A. Watkins; W. A. Leftwich; James M. Ogden; J. W. Pettigrew; James L. White; M. M. Williams; April 26 J. D. Coler; Henrietta Cunningham; Catherine Gatewood; William Morely; William Saunders; A. J. B. Rucker; W. A. Gillian; May 2 A. M. D. Smith; May 9 C. A. Slaughter; A. C. Harrison; July 23 Mrs. E. W. Withers; John Guy; A. Wade Sr.; J. M. Philips; July 25 J. S. Caldwell; H. D. Flood; W. A. Payne; I. V. Deaton; August 21 John Waller Jones; R. C. Gary; E. M. Clayton; J. V. Depton; August 24 P. H. Noell; September 2 Geo P. Rick; Rick Dearing; September 9 W. Robinson (David); A. M. Maybell (Isaac); J. J. Camden (Jack); October 2 William Leftwich; J. N. Gordon; R. A. Coghill; P. A. Gilmore; John Minor; J. D. Prince; A. G. Cox; Wynham Robinson; J. D. Peirce; J. L. Crockett; M. L Slaughter; H. W. Hill; Samuel Pryor; J. P. Haphur; J. M. Longhorne; J. W. Callahan; C. L. Morby; October 3 C. Gatewood; R. W. Crenshaw; Jane L. Hicklin; Charles Hendson; J. H. Wilson; Emma S. Crenshaw; John Goode; A. J. Rucker; M. L. Harris; P. W. Noell; J. H. Davis; J. W. Pettygrew; J. J. Saunders; James Franklin; A. B. White; William Daniel; Mary A. Wills; James D. Taylor; Samuel Fries; October 11 M. S. Stiffey; William M. Pettyjohn; D. D. Pointdexter; John Smilser; J. M. Rucker; November 25 John Guy; W. B. Prestons; December 17, 1861: Mrs. Jane Picklin (Henry); Mrs. Sally M. Lynch (Daniel); John S. Ralph (Jordan); John Minor (John); J. K. Jones (Riland); Charles Henderson (Carter); G. B. Wallace (Jim); R. A. Coghill (John, Bill); E. B. Wallace (Emanuel); Rev. Charles Wingfield (Cliff); W. H. Lunch (Stephen); Catherine Gatewood (Nimrod); J. J. Burks (Henry); Rich Dearing (Fountain); Warhinton Hunter (Nathan); D. C. Dunn (John, Adam); Michel Wallace (Henderson); Washington Hunter (Umphrey); J. S. Thomas; W. W. Floyd (Dick); John Minor (Thornton); December 26 J. W. Wingfield; W. W. Mickley (Henry); December 30, 1861: P. H. Gilmer; W. W. Roberts; G. C. N. W.; F. G. Morrison; James Dicklin (Henry); H. D. Flood (Priscilla); A. Boutwell (Warner); J. D. Prince (Ian); W. A. Liftwich (Charles); W. C. Perrow (Luke); A. C. White (William); J. M. Ogden (Robert); Samuel D. Rice (Booker); L. D. Robinson (Henry); J. W.

Calahan (Jim); Thomas Mosely (Dick, Andrew); P. C. Cabell (Don); W. W. Roberts (William); Susan L. Dearing (Henry); Benny Williams (Jacob); R. C. Gary (Dick); C. A. Floyd (Jordan); M. O. Richardson (Jack); Robert Family (John, Peter, Noah); C. A. Slaughter (Alex); G. C. Wingfield (Henry); M. D. Richardson (James); Hugh Nilson (Nick); John Camden (Jack); C. Dabney (Sulivan)

1862 - January 1 Jason H. Harris; Jas A. Hammer; R. Y. Hosseley; A.Wade; U. C. Walker; J. J. Stratton; I. C. Slaughter; J. R. Crews; A. Wade; J. C. Walker; I. W. Harris; H. J. Minor; J. F. Suitman; Thomas Wallace; Ann E. Eubanks; G. J. Cock; P. D. G. Hedgeman; Robert Dinsley; J. W. Andrews; Hugh Nelson; A. C. White; I. N. Gordon; A. Pettyjohn; W. A. Mason; D. A. Langhonrne; H. A. Gillion; Seth Halsey; Beiger Williams; J. D. Pierce January 2 Thomas Floyd; J. M. Camden; J. B. Layne; J. W. Callahan; John Guy; A. J. Minor; John Guy; Seth Halsey; W. A. Gillian; J. B. Layne; J. N. Gordon; A. C. White; Hugh Nelson; R. Tinsley; Ann E. Eubank; John Camden; J. D. Price; Benjamin Williams; C. J. Harris; J. Scott; J. A. Smith; A. C. Harrison; John Dickison; W. C. Perrow; C. R. Slaughter; C. W. Jones; R. W. Chrinshaw; R. A. Pendleton; R. A. Coghill; Emmanuel Chrinshaw; Thomas Cock; C. L. Moorbey; A. M. Jennings; W. Hunter; William Ducker; January 3 J. Goode; P. W. Noe; Thomas Moseley; Jus M. Smith; Jim Dickerson; William C. Perrow; C. R. Slaugher A. M Jennings; R. A. Coghill; William Cock; Washington Hunter; William Tucker; Joe Grade,homas Moseley; Sally M.Lynch; I. G. Dearings; Susan Dearing; John Minor; E. Hill; I. J. Crockett; Samuel Prince; Wynham Robinson; I. H. Wilson; J. H. Miller; I. A. Watkins; C. Dabney; I. B. Dabney; Mrs. E. D. Frayzer; P. C. Cabell; J. M. White; A. B. White; James Franklin; P. W. Whithers; January 4 Lamb Nowlin; R. W. Withers; Sally M. Lynch; J. G. Dearings; John Minor; E. G. Hill; J. H. Miller; E. Dabney; Paul C. Cabell; Wyndham Robinson; James Franklin; C. H. Lynch; Thomas L. Walker; C. P. Luck; W. Dandel; John Hancock; Hector Harris; Elijah Hally; J. M. Ogden; Alice Mussell; E. M. Pointdexter; R. A. Coghill; M. M. Williams; M. L. Harris; January 9 R. A. Fogus; Samuel Garland (John); H. V. Thompson; J. L. White; H. Boyd; J. R. Price; J. D. Taylor; M. R. Wills; January 7 A. Thompkins; A. Pucker; Robert Giboney; M D. Buchannan; Michael Wallace; G. B. Wallace; C. A. Floyd; M. W. Buchannan; I. R. M. Daniel; W. W. Leftwich; Samuel Garland; M. O. Buchannan; I. R. McDaniel; January 11 John Smeler; H. Dunnington; Spingly Hamlin; J. W. Bettygreed; J. D. Dicklin; Catherine Gatewoods; Samuel Miller; Charles Henderson; R. D. Moore; A. G. Cox; A. A. Henderson; A. W. Floyd; January 13 Samuel Miller; N. W. Floyd; Charles Henderson; Catherine Gatewood; I. I. Ficklin; John Smilon; January 14 Lucy Perkins; J. S. Campbell; Arthur Lewis; W. A. Leftwich; J. H. Adams; Jacob Merchant; January 16 W. A. Yingling; Sarah Wright; S. B. Poindexter; Seth Woodruff; S. W. Prince; H. H. Wallace; D. D. Poindexter; January 18 A. Ogden; Samuel Pryor; Thomas Longhorne; W. A. Mosbey; January 21 H. D. Flood; I. I. Davis; I. P. Hughes; January 23 William Leftwich; J. W. Burrows; J. W. Basnech; W. J. Parker; John Loury; January 27 William Owens; W. A. Payne; W. A. Hands; James Mucalfe; W. H. Crump; H. H. Lewis; Robert W. Brown; January 31 J. H. Moorman; K. D. Woodson; J. M. Rucker; February 8 Mrs. E. B. Wallace; J. P. Mitchell; F. A. Deaton; February 24 A. D. Stiff; C. J. Merryweather; March 15 W. B. Preston; March 18 John Mitchum; N. J. MCGunnis; W. A. Payne; April 1 Samuel Howlin; C. Wingfield; E. A. Gibbs; C. Dabrey; J. G. Morrison; A. J. Rucker; J. C. Slaughter; Paul C. Cavell; H. D. Flood; J. A. Huyson; W. W. Roberts; Hugh Nelson; Seth Halsy; S. Rutherford; Scott Hix; A. . Hancock; J. L. Schoolfield; S. C. Hush; J. A. Watkins; J. L. Arrington; S. C. Hugh; Samuel Payor; J. M. Ogden; April 4 S. A. Campbell; I. I. Reynolds; I. W. Sale; L. B. Harwick; William C. Perrow; William Daniel; S. D. Williams; I. N. Goron; E. W. Westers; I. W. Pettygrew; I. H. Stone; I. H. Chalmus; C. A. Floyd; W. N. Floyd; Thomas Moseley; P. H.

Ryan; D. D. Poindexter; H. L. Duggle; J. D. Poindexter; C. P. North; W. D. Christian; W. W. Crius; J. B. Oglesby; J. W. Callahan; M. M. Williams; April 11 J. M. Rucker; Thomas Jillis; John Goode; G. C. N. Wingfield; I. A. Dannes; John Smucker; I. W. Jennings; John Williams; P. W. Noell; W. C. Perrow; April 17 Robert Patterson; M. Langhorne; Daniel A. Langhorne; D. B. Joplins; I. L. Burts; I. S. Davis; I .E. Baze; R. B. Dumstall; C. K. Taylor; May 6 Thomas H. Flood; I. M. Watts; E. H. Epps; Rich Dennis;May 12 S. L. Moorman; William Hobson; May 13 Wesley Hugh; G. Abbot; I. O. Scott; T. T. Saunders; May 19 S. A. Patterson; S. S. Poindexter; May 30 H. A. Payne; A. C. Hill; June 2 I. C. Daliaferror; A. A. Legrand; P.D. Cofer; Samuel Pryor; Mrs. P. H. N. Connor; June 25 J. K. Knight; M. A. Church; Thomas Cork; June 30 G. C. N. Wingfield July 1 D. T. Mann; J. J. Reynolds; S. Garland; C. Dabey; Hugh Neilson; W. Kinklin; Samuel Nowlin; M. Langhorne; C. R. Slaughter; M. R. Slaughter; J. J. Cocke; A. Cohn; J. W. Pettyjohn; F. O. Thompkins; Thomas L. Arrington; J. S. Crockett; J. M. Gordon; H. S. Chatmore; P. L. Moorman; F. G. Morrison; S. A. Campbell; W. W. Floyd; B. A. Gibbs; P. H. Dillard (Patrick); H. D. Flood; Sammuel Rucker; J. W. McAlliter; July 5 S. D. Williamson; A. C. White; Charles Wingfield; I. A. Furguson; W. W. Leftwich; A. T. B. Rucker; Charles A. Floyd; John Saulser; John B. Dabney; John Manor; W. D. Tucker; I. W. Callahan; I. P. Yuell; Matilda M. Williams; I. L. Schoalfield; A. G. Hancock; P. H. Ryan; William Daniel; I. L. Burts; R. A. Coghill; John A. Tanner July 11 J. E. Faliafor; W. C. Perrow; July 12 L. M. Agliobe; H. Dunnington; J. P. Hughes; Joseph B. Oglesby; S. P. Browning; Ges Abbott; I. H. Buford; M. S. Steffey; Nancy Legrand; A. Liftwich; I. H. Miller; I. C. Slaughter; July 15 I. M. Ogden; S. C. Hurt; I. S. Harris; A. A. Arthur; John Buford; R. P. Jenny; John Fuller Jr; R. M. Cocke; P. A. Talbot; July 21 R. C. Gary; G. W. Clements; John Williams; S. P. Poindexter; John T. Poindexter; David D. Poindexter; W. W. Roberts; Henry Cooper; I. W. Stuart; Susan A. Hobron; H. V. Thompson; I. E. Bayle; W. A. Thompson; Rick Dennis; Hector Harris; K. C. Hill; I. H. Adams; S. A. Patterson; July 26 M. L. Harris; L. B. Harwick; P. W. Hall; R. H. Teter; E. H. Withers; R. C. James; August 1 C. W. Gill; John Goode; H. A. Allen; H. H. Wallace; Thomas P. Topling; H. H. Wallace (Thornton); William Hobson; Asa Gill; R. H. Bucker; William D. Christian; I. A. Stigler; August 9 John R. McDaniel; E. H. Morris; S. H. Pierce; August 12 Paul Cabell; Thomas Mosseley; Henry L. Tuggle; August 15 I. E. Bayle; I. A. Hammer; E. W. Epps; Jas. A. Watkins; August 26 Seth Halsey; John Lowey; U. A. Isbell; September 1 James B. Scott; P. D. Cofer; A. McSmith; A. Pettyjohn; October 1 Charles Wingfield; J. J. Reynolds; J. A. Furgusan; Martha A. Chadle; Samuel Nowlin; W. H. Kinckle; James M. Rucker; W. H. Kinckle; W. H. Caruter; I. H. Pettigust; Samuel Pryor; C. Dabney; H. L. Tuggle; W. H. Roberts; I. W. McAllister; Thomas L. Arlington; F. O. Thompkins; I. N. Gordon; Hugh Nelson; P. C. Cabell; E. A. Gibbs; William Owen; S. D. Williamson; E. W. Withers; C. R. Slaughter; Mary R. Slaughter; October 14 Thomas Pellis; Henry Dunington; A. McNesmith; R. P. Timmy; James H. Buford; R. R. Owens; John Smiler; J. R. Tunsley; Lucus A. Boalwight; October 17 D. D. Poindexter; R. A. Cophill; A. I. P. Rucker; George Abbott; James M. Ogden; Charles A. Floyd; R. W. and Mrs. N. Conner; October 24 John Warlingdon; W. W. Floyd; Wesley Wright; Sally W. Pierce; J. T Poindexter; D. D. Poindexter; F. G. Morreson; S. Patterson; November 1 John F. Hix; J. A. Watkins; William A. Gillian; November 5 S. B. Poindexter; J. P. Hughes; A. V. H. Watts; November 8 H. V. Grompron; I. A. Adams; R. P. Patterson; H. H. Wallace (William); James M. Ogden (Reubin); W. H. Tilanz (Stephen); P. C. Cabell (Willis); Charles A. Floyd (Henry); John Woodson (Joseph); Charwell Dabney (Sulivan); R. A. Caghill (Charles); November 11 Paul Hull (James, Sam); Thomas Moseley (Archy); W. H. Jobelb (Wash); R. P. Jenny (James); G. A. Clement (John); J. R. Tinsley (Cain); John Minor (Barney, Minor); Henry L. Tuggle (Philip); John H. Smith (Jim); H. D. Akeers (Isaac); H. D. Floods (Brunella,

Thompson); William A. Gillian (Charles); F. O. Thompkins (Abraham); Mary D. Buchanan (James); Mary W. Buchanan (Henry, William); John B. Dabney (Sam); C. L. Mosbey (Merchant); G. D. Davis (Ambrose Booker, Stephen); I. E. Baf (Iaihua); I. S. Harris (Ned); Allen Ogden (Ned); I. A. Furguson (William); I. A. Stigler (Fosley); Charles Henderson (Henry); James I Hicklin (Henry, Bob, Jack, Titer, Henry; Charles) Mrs. Eliza Epps (I. Day); Thomas Moseley; November 26 W. W. Boher; John Buford, John Goode; William Leftwich; December 8 John H. Knight; December 11 Jane S. Nowlin; C. K. Taylor; Susan A. Hobon; December 16 R. C. Allen; Matilda M. Williams; B. W. Connor and Mrs. Nancy Conner (Willis, Jim, Dave); D. D. Minor (Philip); G. C. H. Wingfield; Thomas P. Jopling; December 22 I. L. Schoolfield (George); Robert Michell (Polk); W. H. Caruthers; R. R. Dunslall (Jacob); John Minor (Thornton); Henry D. Flood (Wesley); D. H. Hogue (Harry); I. H. Sweatman (Henry); B. W. Conner and Mrs. B. Conner (Jim, William); December 23 G. W. Clements; P. D. Cofer; Sarah Soretman; I. D. Soretman; S. Rutherford; Martha Cheadle; E. W. Clayton; Mrs. M. A. Cheadle (Peter); I. H. Hugh (Harry); Dr. Robert Patterson; I. B. Dabney; R. P. Hurney; Mary Hurb; I. M. Watts; C. A. Floyd; H. C. Hill; December 25 W. H. Kinckle; James Cambell; S. C. Hunt (Bob); D. B. Poindexter (Gabriel); H. Flood (Ambrose); I. B. Hoplin (Charles); I. B. Layne (Martin); E. M. Clapton (Seroanh); H. T. Minor (Phil); John Minor (Lewis); Sarah Stoetman (Joe); N. McGinnis (Sandy); Seth Halsey (Henry); R. R. Owens (Henry); B. W. and Mrs. N. Conner (Jim); Sam Miller (Grant); I. W. McAllister; John H. Smith (Jim); M. M. Williams (George); I. R. McDaniel (Henry); I. C. Saunders (Mason); D. Mann (William); Seth Halsey (Henry); I. S. Crockett (Spencer); I. D. Davis; I. R. Tinley (Cam); R. C. James (Harry); December 26 I. A. Stigler (Harley); W. W. Floyd; I. D. Davis (Booker); Charles Henderson (Henry); I. P. Hughes (Phil); I. B. Dabney (Emond); Henry D. Flood; I. H. Smith (John Keys); L. Mosby; W. B. Preston; December 29 Paul J. Davis; J. T. Davis; A. C. White; T. L. Arrington; J. H. Buford; John W. Wingfield; Mrs. E. W. Withers; I. A. Buchanan; F. A. Morrison; December 31 A. Pettyjohn; R. Hearring; A. Wade; Thomas Moseley; Samuel A. Patterson; A. A. Legnan; S. A. Williams; R. P. Patterson; John Williams; Charles Wingfield; H. T. Minor; J. W. McAllister; Sarah Wade. W. I. Allen; Charles A. Floyd; John Goode (Martin); W. H. Kinkle (Mush); Robert Jeter (Ellen); December 31 John Smither (Morris); A. C. White (James, Edmond); I. B. Dabney (Sam); R. R. Duntall (John).

1863 - January 1 Nancy Lugrand; William Leftwich; H. B. Diane; F. L. Walker; S. B. Poindexter; I. A. Fanner; James M. Rucker; S. C. Hursh; I. N. Gordon; Seth Healey; Ian L. Harris; Charles A. Floyd; E. C. Hugua, I. I. Poindexter; D. K. Flood; John Goode; W. A. Gillian; R. W. and Mrs. N. Conner; D. D. Poindexter; I. Gordon; Dave S. Harris; John S. Poindexter; Charles A. Flood; Thomas H. Flood; John Goode; W. A. Gillian B. W. and Mrs. N. Conner; January 2 C. R. Slaughter; S. Garland; Mary R. Slaughter; P. H. Ryan; Hugh Nelson; Susan A. Hobon; William Daniel; S. P. Browning; A. V. H. Watts; I. I. Reynolds; H. H. Crevor; James M. Ogden; I. P.. Yuill; D. A. Langhorne; W. W. Floyd; A. B. Nichols; D. I. Mann; A. Chon; H. O. Thompkins; John Minor; R. A. Coghill; I. W. Stuart; W. D. Christian; C. P. North; R. M. Cock; A. F. C. Rucker; Sarah Wright; James A. Hammer; C. Dabney; Henry L Tuggle January 3 I. H. Smith; John Smith; Henry L. Tuggle; S. C. Houry; R. P. Dumstalb; C. K. Taylor; P. K. Dillard; I. E. Bab; S. A. Campbell; M. M. Williams; E. W. Epps; K. D. Acore; A. M. Alapell; I. G. Bentley; B. B. Turtall; I. I. Goodloc; E. A. Gibbs; I. B. Dabney; Jaque P. Scott; Thomas McKuprey; A. M. Glapell; I. P. Bass
January 6 S. C. Kurt; E. W. Morris; D. K. Kipue; W. W. Stickly; Sallie W. Pierce; William C. Perrow; R. K. Bucker; Charles Hendron; I. I. Hicklin; R. H. Buckner; D. H. Hape; January 7 John Woodson; Walter Perkus; W. W. Isbell; Sam S. Nowlin; John P. Hughes; M. D.

Harry; John M. Spud; M. L. Harry; W. W. Isbell; Jane S. Nowlin; S. Chalmer; Sam Pryor; A. G. Hognock; John Smiller; J. M. Robinson; George I. Cock; C. W. Gilf; January 10 D. D. Poindexter; Asa Gill; I. W. Pettygrew; David Poindexter; January 12 I. M. Watts; John Goode; E. W. Howley; James M. Watts; January 14 John Washington; Joshua P. Oglesby; I. L. Schoolful; I. I. Bayner; B. S. Hulter; S. Rutherford; R. Mitchell; H. V. Thompson; R. R. Owen; W. K. Trent; I. I. Saunders; R. R. Owen; A. Dearing; January 16John L. Muffitt; C. L. Mosbey; Lucis A. Boatwright; I. D. Davis; I. R. Tusley; John Davis; William Leftwich; W. A. Gillian; L. W. Wingfield; W. I. Adams; January 17 P. C. Cabell; I. S. Crockett; C. H. Harris; January 21 R. H. Rucker; D. D. Jellis; Allison Ogden; E. M. Clayton; A. Leftiwich; I. W. Callihan; January 23 I. C. Slaughter; W. W. Leftwich; Wesley Hugh; R. C. Gary; Wesley Wright; William Trent; John Lowy; I. A. Stiples; Henry A. Allen; I. A. Furguson; January 26 H. D. Flood; John Buford; Thomas Cooke; January 31 Robert C. James; Greg D. Davis; George D. Davis; R. C. James; February 2 A. C. White; I. K. Knight; John H. Knight; L. M. Oglesby; James A. Watkins; February 5 John P. Sale; W. H. Petts; A. McSmith; February 11 P. W. Burnes; B. H. Peter; P. W. Noell; John W. Burnett; George Abbott; February 19 Francis Deaton; March 2 D. W. Wingfield; E. A. Gibbs; March 9 H. I. McGunnis; R. D. Moore; March 14 I. E. Taliaferra; H. Dunington; March 18 W. A. Hardy; Samuel Miller; March 25 I. H. Adams; H. H. Wallace; John M. Wingfield; March 28 John Smelner; Mrs. M. A. Daniel; W. H. Kinkle; April 1 P. C. Cabell; I. P. Hughes; I. S. Baf; I. N. Goran; Charwell Dabney; Thomas W. Jenny; Martha Chisdle; I. H. Knyght; W. H. Hughes; Samuel Pryor; Bettie W. Nelson; Mary H. Fugu; W. H. Caruther; William Tucker; W. W. Leftwich; I. W. Wingfield; W. D. Tucker; April 3 Thomas D. Walthall; Henry Mapie; H. D. Flood; Seth Halsey; William Daniel; P. H. Ryan; R. B. Tunstaff (Talton); A. M. Glapue (Walker); W. H. Grey (William); April 9 W. W. Crisor; R. Gary; R. D. Dalton; Susan M. Thiftherd; Martha Tuggle; John Goode; W. H. Hughes; April 13 R. C. Sutton; I. B. Dabney; A. M. D. Smith; F. G. Morrison; I. R. McDaniel; John McDaniel; Samuel Miller; April 16 Sarah McFadden; William Leftwich; H. A. Legrand; James Saunders; R. H. Ward; S. M. Lynch; James Dearing; C. H. Lynch; April 18 R. H. Hard; S. M. Lynch; James Dearing; D. Shalton; H. C. Hill; P. H. Noell; C. P. North; H. C. Hill; April 22 I. P. Popling; John M. Wallace; Sam. Nowlin; E. S. Hutter; A. Harrison (James); April 25 L. P. Poindexter; John L. Poindexter; R. A. Coghill; P. H. Christian; Tim Minnis; A. Cohn; Mrs. E. W. Withers; Lucas A. Boatwright; M. Langhorne; M. M. Williams; May 1 Thomas H. Flood; I. C. Taylor; James W. Stuart; Robert Mitchell; Seth Woodruff; I. R. McDaniel; May 7 I. M. Ogden; Mrs. M. Hurt; R. W. Crenshaw; May 19 Hector Harris; W. J. Walthall; H. H. Arthur; Stephen A. Fare; July 1 Susan A. Campbilt; I. S. Bap; Mrs. E. Withers; Mrs. M. A. Daniel; W. W. Kinkle; John Kilmer; C. Dabney; I. N. Gordon; D. H. Miller; Hugh Nelson; G. B. Wallace; July 9 I. M. Odgen; P. H. Christian; Thomas K. Floyd; Charles Carter; D. A. Langhorne; July 11 A. McSmith; C. Hundon; Paul Cabell; Samuel Nowlin; Jim Minis; G. H. Watson; Seth Heasley; I. S. Langhorne; July 14 A. A. Legrand; A. C. Hearson; Henry Mapin; A. C. Harrison; M. M. Fellias; A. H. Yancy; John I. Hinn; I. B. Doplin; July 17 John P. Hughes; July 18 John McAllister; William Daniel; P. H. Ryan; Marshall Harrison; John Goode; I. B. Dance; Lucas A. Boatwright; July 25 I. M. Wallace; C. P. North; I. H. Stone; Martha Tuggle; S. Tuntoll; July 31 W. Hobson; August 3 Michael Wallace; August 10 P. E. Bab; John Harrington; I. O. Washington; I. W. Sale; August 19 David I. Mann; Sallie Wright; Robert Mitchell; August 26 Ellen Thompson; John B. Dabney; R. B. Tuntall (Jim); I. F. Smitman; Sarah Smitman; September 1 William Owen; John Mitchell; George Ground; G. W. Ground; September 8 I. Pettelf; I. Maupin; David Wyant; T. E. Loury; Charles Lunford; September 14 William Leftwich; I. W. Callahan; September 30 A. K. Yancy; George W. Dillard; John Minor; October 1 F. G. Morrison; W. H. Kinkle; Mrs. M. A. Daniel; Charles Scott; Samuel Pryor;

Samuel Nowlin; I. M. McAllister; Seth Halsey; R. P. Patterson; I. N. Gordon; October 9 A. McSmith; D. E. Lowry; Martha Tuggle; Hugh Nelson; A. L. Stiff; C. Dabney; Paul C. Cabell; I. S. Bap. W. W. Leftiwich; A. Cohn; D. A. Langhorne; I. W. Stuart; Mrs. Mary Hurt; R. W. Crenshaw; S. C. Hurt; October 21 John B. Dabney; John P. Hughes; William Tucker; Judith B. Cardwell; William Owen; Henry D. Flood; P. O. Thompkins; W. C. Perrow; W. H. Hughes; Mrs. Mary w. Fuqua; Billies W. Wilson; R. M. Cock; I. W. Wingfield; John Goode; F. B. Dean (Matt); C. P. North; Daniel Shalton; W. W. Crevor; I. R. McDaniel; October 22 Nancy Legrand; James Harris; A. Wade; October 27James M. Odgen; I. W. Sale; P. W. North; S. W. Isbell; George W. Watson; I. Berry; November 6 W. B. Byars; D. B. Doplins; R. H. Bucknor; R. H. Coghill; W. Leftwich; November 11 W. L. Wyantt (Waller); R. M. Coke (Micayah); M. Allen (William); D. E. Caldwell (Steve); C. M. Garnett (Dick); November 16 W. H. Kinkle (Nelson); Rich Dennis (Clem); November 23 Paul Hulb; John Smelson; November 25 M. M. Williams; Charles H. McCurdy; I. W. McCurdy; John W. McCurdy; J. E. Caldwell; Stephen H. Hove; Mrs. A. E. Dangerfield (John, Tom, Dick); John Smiler (Morris); Mrs. Mary Hush (Newton); I. S. Langhorne (Ralph); December 5 Henry Map; I. M. Wallace; James W. Callahan; December 9 I. M. Gayle; Stokes Tuntal; I. I. Saunders; A. Wayland; I. Woodson; December 17 Charles Carter (Barney); William Leftwich (Plinnant); Samuel Hobson (Edum); William Hoben (Jeff, Wyatt); Tucker Woodson (Randall); S. R. Tuggle (Berry); Mrs. A. E. Dangerfield; I. S. Langhorne (Ralph); S. A. Fore (Isaac); I. Maupin; Charles Henderson (William); Mrs. L. Allen (Peter); D. D. Mann (William); A. C. Harrison (Farley); I. W. Isbell (Wiatt); Wesley Wright (John); R. C. Gary (Richard); Sarah Wade (Geanville); D. D. Fricklin (Charles); D. James (William); December 25 James Stewart; R. Dalton; R. C. Gary; L. Oglesby; R. C. Gary; John B. Dabney (William); I. E. Caldwell; H. Gunst (John); E. W. Withers (George); H. D. Flood (Dereck); R. R. Tuntall (Darliton); S. B. Poindexter (Andrew); P. C. Cabell (Royal); I. I. Saunders (Rubin); W. H. Cuark (Emanuel); Dr. W. Owen; A. Hill Brown; Susan A. Campbell; Depres Shiffey; Rob Mitchell (Polk); H. D. Luckett (Bill); Laurind Henderson (Moes); I. L. Brown (George); W. W. Leftwich; H. I. Minor (Phil); R. M. Cox (Macagah); Sam Miller; William Tucker (Creed); James Harris (Ken); S. C. He (Ian); R. B. Tuntall (John); John H. Knight (Mat); E. M. Clayton (Henry); F. A. and G. B. Austin (Gilbert); William Kent (Randal); F. G. Morrison (Ned); R. A. Coghill (John); G. B. Wallace (Willis); D. H. Hoge (Jim, Bob); D. H. Hoge (Ian, Finney); John I. Winn (Ben); G. B. Wallace (Iac, Henry); John B. Dabney (Ned); John H. Smith (Jim); E. M. Clayton (Nelson); I. I. Fricklin (Sites); Seth Healey; Mrs. Sarah Wright (Green); Sam Nowlin (Peter); H. C. Minor (William); W. C. Perrow (John); M. M. Williams (Geo); Seth Halney (Henry); I. M. Gayle; December 29 R. S. Booton; H. L. Stiff; I. F. Smitman (Henry); Mrs. Mary W. Furgua (William); A. M. Clapell (Cyrus); G. B. Wallace (Ben); Miles C. Leftwich; R. H. Rucker; Robert Mitchell; E. B. Wallace; I. W. Berry; Susan A. Hobson; Thomas Cox (pp. 490)

No names of owners or slaves: January 31, 1861.

Journal, 1860 – 1864

1860 – November 9 C. E. Tuques; Nancy Edger; J. C. Slaughter; F. J. Ballard; November 13 John Stone; L. J. Gordon; W. Waller; W. W. Hanson; November 16 J. W. Sandris; H. H. Wallace; November 22 R. O. Doh; A. C. Hanson; J. H. Davidson; November 27 C. H. Leftwich; Charles Aunspaugh; November 29 S. Crockett; James Hammer; December 3 J. C. Shearer; December 5 R. W. Conner; December 8 H. V. Thompson; December 12 Susan Spiller; December 13 William Daniel; December 18 John Davis (Daniel); W. Leftwich (Micajah, Hanibal); William F. Lucads (Henry); James Metcalf (Carter); M. E. B. Wallace

(Emanuel); Elizabeth R. Holloway (Wellis); E. D. Feazer (Mat); A. E. Christian (Spencer); Robert Tinsley (Dick); James Franklin (John); William Preston (Jerry); Rich Taliaferra (Miles, Charles); Marshal Harris (Jim); Henry D. Flood (Anderson, Washington); Margaret Gaddir (John); John J. Moorman (Jacob); James Campbell (Albert, Westley, Edward, Isaac, Stephen); W. C. M. Ghee (Henry); Dr. J. S. Tendleton (William); Charles A. Floyd (Jordan); Nancy Edgar (Davy); C. E. Webb (Daniel); Robert Gibany; Sally M. Lynch; James C. Slaughter (Mason); Ann E. Dangerfield (Jam, Bob, Dick); George P. Luck (Henry); R. W. Conner (Wyatt); John Goode (Buck, Aaron, Martin, Booker, Zack); W. A. Hardy (Henry); Joseph Wilson (William, Briston, Philip, Frederick, Sam); Sam Miller (Jepee); J. J. Blanton; John Deckerson; December 21 I. H. Wilson (William); W. A. Gilliam; R. A. Coghill (Moses, Alexander); T. T. Saunders (Robert); I. W. Wilson (Sam, Frederick); Seth Haley (Henry, Bob); Washington Hunter (Tom); John Dickerson (Smith); William Leftwich (Jim, William, Hanibal, Jac); J. J. Saunders; James Saunders (Tom); John R. Daniel (Henry); Thomas Trunt (Stephen); Robert Geboning (Hays); December 22 William Hunt (Randal); Thomas Buah (Ben); H. H. Wallace (Pampey); F. G. Morreson (Ned); W. B. Preston (Bob); I. S. Pendleton (Moses); M. R. Hurt (Peter, Tom); John Kay (Tharnton); December 25 G. A. Saunders (Ben, Stephen); W. Waller (George); Mrs. A. M. Saunders (Frank); G. B. Wallace (William, Richard); December 27 J. M. Odgen; J. L. Walker; William Gibboney (Jac); R. A. Hurst (Tom); Kirkwood Otey (Sawney); E. S. Hutter (Bob); N. L. MGinnis (Balis, Sandy, Chat); December 29 T. E. Reynolds; J. D. Pierce; Marc Murrell

No names of owners or slaves: December 3; December 18; December 21; December 22

1861 – January 1 R. C. Gary (John, Dick); R. C. L. Moncuro (Henry, James); John Deckerson (Henry); C. E. Webb (Daniel); W. Waller (Charles); T. Tunt (Stephen); T. Moseley (Archy); H. F. Bocock (Nixon, Jac); R. O. Doj (Bob, Randal, Tom); Col. James A. Hammer (Momot); Daniel Stratton (Patrick); Mrs. E. D. Frazier (Madison); C. P. North (Henry); H. D. Flood; I. B. Cruso (Charles); James N. Gordon (John, Jim); : . A. Bagbio (Ben); W. A. Leftwich (Sam); D. F. Patterson (Jepes); G. B. Wallace (Henry); Paul Hull (Sam, Jim); I. I. Blanton (Mitchell, Cooper); Robb Tensly (Coleman, Nat, Peter); R. A. Lee; R. Perkins; W. Hunters; J. M. White; J. Metcalf; C. A. Floyd; J. S. Pendleton; January 2 L. A. Bogbie; C. E. Webb; Thomas Trent; James A. Hammer; I. L. Stiff; I. D. Watthall; I. H. Burns; I. A. Gordon; Clifton Webb; Nancy Conner; James Metcalf; I. S. Pendleton; Thomas Tunt; C. A. Floyd; C. E. Webb; F. S. Thomas; J. M. Cobb; January 3 John N. Jane; J. J. Cocke; A. Nude; S. M. Shepherd; Susan Spiller; W. W. Hanson; Dr. John Minor; Rich Dearing; Seth Halsey; Charles W. Christian; J. M. Cobbs; I. M. Patterson; I. M. Nelson; I. W. Jones; D. Couch; I. T. Hughes; William Tucker; Thomas Mosley; M. L. Harris; John Stone; L. F. Gordon; M. L. Harris; January 5 E. G. Hill; A. B. White; I. B. Layne; I. I. Switman; I . W. Jones; James Franklin; I. I. Blanton; I. L. Steptoe; Withers Wallace; John Goode; R. C. Gary; Thomas Wallace; W. E. Patterson; Robert Tinsley; January 7 W. D. Tucker; D. A. Langhorne; W. O. Owen; C. F. Harris; A. E. Dangerfield; A. A. Hudson; John Dickson; H. V. Thompson; John Guy; Paul C. Cabell; R. I. Burney; F. L. Ballard; P. H. Gilmer; A. M. D. Smith; Dr. Charles Wright; Maria Wright; January 8 F. G. Morrison; Joseph Crevos; I. I. Saunders; P. Noell; Geo P. Luck; January 9 Paul Hill; I. W. Barnett; William Daniel; C. Dabney; Martha Puggle; E. M. Clayton; Paul Hull; January 10 C. S. Mosby; W. A. Gillian; John S. Cauldwill; Kirkwood W. Otey; Hector Harris; January 11 J. C. Shearus; January 14 E. D. Frazer; D. W. Price; I. F. Gordon; January 15 L. F. Johnson; Elijah Heally; Nancy Edgar; John Hancock; January 16 C. M. Lynch; R. M. Tuliaferro; January 18 D. Stratton; G. P. Locke; I. R. McDaniel; January 19; A. C. Harrison; January 22 I. H. Stone;

January 24 W. B. Preston; January 25 W. W. Stickley; I. Monchard; I. C. Slaughter; January 28 J. H. Buford; Sam Newton; H. F. Bocock; January 30 E. Wooduff; February 1 P. Smith; February 4 S. L. Dearing; Sally M. Lynch; February 6 M. N. Buchanan; G. B. Wallace; R. L. Woodson; John Bodkin; I. I. Kegley; A. Thompkins; Johnson Fitzhugh; H. H. Wallace; E. M. Garock; E. B. Halloway; William Gibboney; February 11 Alex Wade; J. J. Moorman; February 14 H. Cunningham; R. W. Conner; February 19 M. Gaddie; February 20 J. H. Smith; February 22 W. F. Luckady; February 26 A. Pettyjohn; Robert Coghill (Henry); J. B. Wallace (Pat); March 1 I. H. Davidson; William Kent; March 13 W. A. Hardy; G. A. Saunders; March 29 William Tucker; W. W. Roberts; April 1 A. C. White; April 2 T. D. Watthall; F. B. Dear; Wyndham Roberts; M. L. Hardy; I. W. Callahan; I. I. Burke; C. O. Willis; April 4 Mary R. Willy; James B. Taylor; James P. Scott; April 6 A. A. Hudson; D. G. Hedgman; I. W. Utz; April 8 I. W. Wilson; William Owen; April 13 A. B. White; I. Merchant; S. D. Rice; April 17 W. C. Perrow; April 24 Catherine Gatewood; May 2 Elsey Burke; John T. Davis; T. D. Watthall; July 2 M. L. Harry; Samuel Garland; Emma Crenshaw; July 5 William Daniel; July 8 Jane Ficklin; F. B. Dean; July 12 Lucy Derkins; July 20 G. W. Grounds; W. C. Perno; July 25 W. A. Payne; August 1 P. F. Camden; August 13 P. B. Tunstell; P. H. Gilmore; September 2 Rich Dearing; September 20 R. D. Moore; October 1 A. G. Cox; October 3 C. Gatewood; October 17 P. D. Cofer; November 11 David Pointdexter (Gabriel); I. I. Saunders (Henry); John W. Barnett (Doc); James C. Slaughter (Mason); November 22 Samuel D. Rico (Booker); H. W. Hill (Randolph); John Guy (George); December 9 G. B. Wallace (Alex); Charles Henderson (Jerry); C. A. Floyd (James); Seth Halsey (Henry, Winston, Rilly, Bill); C. A. Floyd (Jim, Joshua); William Leftwich (Cagy, Jac, David, Bob, John, Isaac, Edmond, Stephen, Charles); James A. Buchannan (James); December 10 A. M. Pennings (James); Thomas N. Langhorne (Lewis); December 14 John Coats (Abram); December 16 Mrs. Jane Pecklin (Henry); Sally M. Lynch (Daniel); John S. Bah (Jordan, Steve); John Minor (John, Thornton); J. K. Jones (Riland); Charles Henderson (Caster); R. A. Coghill (John, Bill); December 17 N. W. Floyd (Dick); I. F. Camden (Caliborne); H. D. Flood (Ed, Peter, Dick, Wesley, Lewis); Paul C. Cabell (Tom); Archy Wade (Peter); I. H. Miller (Dan); W. Tucker (Frederick); James L. Campbell (Albert, Wesley); E. B. Wallace (Emanuel); R. Charles Wingfield (Clifton); W. H. Trunt (Stephen); Catherine Gatewood (Nennor); I. I. Burks (Henry); Richard Dearing (Fountam); D. C. Dunn (John, Adam); Michael Wallace (Ewing, Henderson); December 21 Seth Halsey (Vince); R. W. Withers (Flemming); John Dickerson (Calvin, Bob, Smith); R. B. Tunstall (John); T. Smiler (Morris); James Stewart (Claiborne); December 26 John H. Smith (James); Wyndham Robinson (Gilbert); John B. McDaniel (Harry); J. S. Caldwell (Henry); Samuel Miller (King, Rice); N. I. McGinnis (Dan, Penn); I. B. Layne (Martin); December 30 J. C. Walker (Bondurach); J. J. Flicklin (Henry); H. D. Flood (Brunella); A. Boutwell (Warner); J. D. Pierce (Joe); W. C. Perrow (Luke); A. C. White (William); W. W. Roberts (William); Beny Williams (Jacob); M. O. Buchanan (Jack, Wren); R. Tinsly (Abner, Peter, Nat); December 31 H. W. Hill (Randolph); James Franklin (John); John Guy (William, George); I. H. Stone (George)

No names of owners or slaves: January 1; January 2; January 3; January 5; January 7; January 9; January 10; January 11; January 15; January 18; January 19; January 25; January 28; January 30; February 4; February 6; February 11; February 14; February 20; February 22; February 26; March 5; March 13; March 29; April 1; April 2; April 4; April 6; April 8; April 13; April 22; April 24; April 30; May 1; May 6; May 8; May 13; May 16; May 20; May 24; May 29; June 1; June 4; June 22; June 29; July 1; July 2; July 3; July 5; July 8; July 10; July 12; July 17; July 18; July 20; July 27; July 31; August 1; August 5; August 8; August 15;

August 26; August 31; September 2; September 6; September 11; September 18; September 20; October 1; October 2; October 3; October 4; October 5; October 9; October 11; October 12; October 15; October 17; October 19; October 23; October 26; October 30; November 11; November 14; November 15; November 19; November 22; November 26; December 9; December 10; December 16; December 17; December 21; December 25; December 26; December 30; December 31

1862 – January 2 I. B. Layne; Ann E. Eubanks; January 3 C. F. Harry; A. M. Purning; J. A. Watkins; January 4 Paul C. Caleb; Alice Murrell; M. M. Williams; January 7 H. B. Bucker; Sam Garland; January 10 H. V. Thompson; January 14 Henry Dunnington; January 16 W. F. Yingling; January 18 John Smelson; Lucy Pirkins; W. M. Mcoy; January 24 I. W. Basnett; January 28 William Owen; W. A. Payne; W. A. Cump; H. H. Lewis; January 30 R. W. Brown; February 1 H. G. Mglue; A. M. Glapell; April 7 M. Ruark; April 12 J. H. DeJarnett; April 16 J. B. Jopling; April 19 A. Cohn; June 2 A. A. Legrand; July 1 I. Yonce; July 3 S. O. Yewell; August 1 N. N. Floyd (Dick, Jack); August 21; S. Butterford; L. Poatoright; W. E. Eakin; November 10 H. H. Wallace (William); James M. Ogden (Baubin); W. H. Trent (Stephen); P. C. Cabett (Willis); Charles A. Floyd (Henry); John Woodson (Pauph); C. Dabney (Sulivan, Sam); R. A. Coghill (Charles); Paul Hull (James, Sam); Thomas Mosley (Archy); W. N. Isbell (Nash); R. P. Jenny (James); G. W. Clement (John); J. R. Tinsley (Cain); John Minor (Barney); Henry L. Tuggle (Philip); John H. Smith (Jim); H. D. Akee (Isaac); H. D. Flood (Brunella, Thompson); W. A. Gillian (Charles); F. O. Thompkins (Abraham); Mary D. Buchannan (James, Henry, William); George D. Davis (Ambrose, Booker, Steve); I. E. Bale (Joshua); J. S. Harris (Ned); Allen Ogden (Jodran); I. A. Fingerson (William); Tammy A. Stipler (Farley); Charles Henderson (Henry); Jim I. Finkle (Henry, Bob, Jack, Charles); Robert Peter (Elem); R. A. Rucker (Moses, Giles); W. A. Houff (Lewis); A. Cohn (Charles); John C. Washington (William); December 16 R. C. Sutton (Sam); December 20 I. L. Schoolguild (George); R. Mitchell (Polk)

No names of owners or slaves: January 2; January 3; January 4; January 7; January 8; January 10; January 14; January 15; January 16; January 18; January 20; January 24; January 28; January 30; January 31; February 1; February 4; February 8; February 11; February 13; February 17; February 19; February 22; February 28; March 14; March 17; March 18; March 25; March 28; March 31; April 1; April 3; April 7; April 9; April 11; April 12; April 16; April 19; April 21; April 24; April 28; April 29; May 1; May 5; May 8; May 10; May 12; May 13; May 14; May 16; May 19; May 21; June 2; June 16; June 27; July 1; July 3; July 8; July 14; July 16; July 19; July 28; July 31; August 1; August 9; August 12; August 15; August 21; August 27; August 30; September 1; September 6; September 14; September 19; September 30; October 1; October 3; October 7; October 13; October 17; October 21; October 24; October 29; October 31; November 1; November 4; November 8; November 10; November 11; November 13; November 15; November 17; November 22; November 27; December 1; December 6; December 16; November 20; December 23; December 25; December 26; December 29; December 31

1863 – January 2 C. P. Hort; March 14 Henry Dunnington; November 2 Mrs. E. H. Withers

No names of owners or slaves: January 1; January 2; January 6; January 9; January 13; January 16; January 19; January 23; January 30; February 16; February 20; February 24; February 28; March 4; March 11; March 20; March 31; April 3; April 10; April 15; April 20; May 6; May 9; May 23; June 6; June 13; June 20; July 1; July 7; July 13; July 17; July 24; July 31; August 5; August 11; August 17; August 25; September 1; September 11; September

14; September 19; September 30; October 9; October 24; October 27; November 6; November 19; November 28; December 1

1864 – January 2 F. A. Deaton (Henry); Rich Dennis (Cole, Alex); Daniel Hage (Dennis); H. D. Flood (Edmond); January 23 C. E. Gary (Richard); January 25 William Kent (Randal); January 28 L. Stiff (Allen); March 18 Laura Anderson; March 28 J. W. Isabell

No names of owners or slaves: January 1; January 5; January 7; January 12; January 15; January 19; January 23; January 28; January 29 January 31; February 9; February 17; February 29; March 18; March 28; March 31

Journal, 1861-1864

July 1, 1861 – January 1862: W. Wingfield to Francis J. Morrison for negro hire.

No names of slaves or owners or slaves: March, July, May, September 1863; January 1864.

Journal, 1861-1864

1861 - July 1 John W. Wingfield; John P. Hurley; John Muse

No names of owners or slaves: August 31, September 3; September 26; October 12; October 28; November 1; December 31

1862- A. Pettyjohn; James C. Deyule; Mayo David; William B. Byrnes; David Graham; John Wygal; Henry Clark; William P. Bilbo; T. B. Lane; James Broady; Hayman L. Lange; John June; Isaac Harrison; Thomas W. Daist; John W. Holt; James W. Williams; E. H. Erons; Joseph Corrism; Soloman Buck; Andrew J. Deyanlo; Joseph James; Joshua P. Davidson; H. H. Chitton; October 1 Richard H. Larry; Joseph H. Bendolph; Smith J. Herwood; John B. Davis; John H. Phelps

No names of owners or slaves: January 1; January 31; February 28; March 31; June 30; July 1; October 1

1863 – January 1 H. H. Stickley; W. W. Robberts; Charles Wingfield; October 16 Richard P. Gillian; Robert A. Paid; Mason H. Jarench; John P. Steptoe; William F. Lowns; December 11 Benjamin P. Browning

No names of owners or slaves: January 1; March 31; April 30; May 30; June 30; October 16; December 11

1864 – January 11 Charles A. Floyd; May 31 Robert O. Brayson; Carlisle Henderson; Rhodes Hilton; Thomas D. Jellis; Milton M. Lowry;

No names of owners or slaves: June 30

Journal, 1862 – 1868

December 31, 1864: James L. Campbell (Wesley, Isaac, Stephen); M. L. Harris; James Johnson.

Journal No. 8, July 2, 1864 – June 30, 1867

No names of slaves.

Transactions from Negro Hire Account:

1864 - July 2 M. C. James Jr.; John W. Wingfield; Francis B. Deane Jr.; Justin K. Moore; James M. Kelp; Williams and Sowers; Johnston and Cassell; Williamd J. Swanson; Richard W. Robinson; William T. Granny; Samuel T. Williams; August 11 Saloman Herman; James Mearring; Richard W. Robinson; August 11Colin Baseport; Beukin B. Davis; James C. Saughten; August 23 John W. Wingfield; Buefor Kent; B. S. Tinkle to John S. Hickey; October 28 Cobbs Mellingrice; M. B. Somey.

1865 - January 31 Clayton S. Filler.

Ledger B, April 1864 – May 1868

No names of slaves. Combined entries for amounts paid to named owners and aggregate amounts paid.

April 6-8 George W. Clement; 9, 11, 12 James M. Williams; 13, 14, 18 Francis B. Winston; 19, 20, 21, 23 Martin Hollins; 25 J. McDearman; 26; May 2, 4, 5, J.B. Howlin; 6, 7, 10, 13 J.W. Pettygrew; 18 Edward Scott; 30 A.C. Harrison; June 4, 6 P.E. Caldwell; 9 J.B. McClung; 10 W.A. Hardy; 11, 27, 30; July 1, 2, 4-7 R. T. Saunders; 8 John R. McDaniel; 9, 11-16, 18, 22, 23 Ann M. Saunders; 25, 27-30; August 2-4 Jim Johnston; 5 Davis Poindexter; 6, 8, 10, 12, 15, 16, 18, 19, 22 T. Hardy; 27 William Perrow); 29; September 1 Thomas P. Mitchell; 8, 10, 20 James Campbell; 22, 23; October 1, 3-8, 11-13, 15, 17-19, 21, 22, 25, 28; November 1, 5, 9-11, 14 Ann E. Dangerfield; 18, 22 Nancy L. Jones; 24, 25, 29 A.G. Harrison; December 1-3 T. Dodamead; 7, 12-15, 19, 20, 26-28, 1864; January 2-7, 9-14, 16-21, 23, 25; February 6 J. D. Williamson; 11, 13, 17, 18, 20-24, 28; March 13 J.R. McDaniel; 20, 21, 23, 30, 1865; May 8, 1865 R. Pollard.

Office of the City Clerk

O2013-819

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Sale of City-owned property at 1908 E 75th St
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City, through the foreclosure of demolition liens, tax sales and other methods of acquisition, has acquired title to numerous parcels of real property which are of minimal value and costly to clean up and maintain, and because title to such properties was vested in the City, the properties were exempted from real estate taxes, thus depriving the City of revenue; and

WHEREAS, by ordinances passed by the City Council of the City ("City Council") on March 6, 1981 and published on pages 5584-5585 of the Journal of Proceedings of the City Council ("Journal") for such date, as amended on July 23, 1982 and published in the Journal for such date at pages 11830-11833, as amended January 7, 1983 and published in the Journal for such date at pages14803- 14805, as amended September 14 19, 1994 and published in the Journal for such date at pages 56195 - 56198, as amended September 4 14, 2002 and published in the Journal for such date at pages 92771 - 92773, and as amended July 28, 2010 and published in the Journal for such date at pages 97370 - 97374, a program for the disposition of certain vacant real property owned by the City known as the Adjacent Neighbors Land Acquisition Program (the "ANLAP Program") was established; and

WHEREAS, pursuant to the current ANLAP Program, as codified at Municipal Code Chapter 2-159-010 et seq. (the "ANLAP Program Ordinance"), a qualified City-owned parcel may be sold if it has an appraised value of not more than Fifty Thousand Dollars ($50,000); and

WHEREAS, pursuant to the current ANLAP Program, if the property appraises at or for less than Ten Thousand Dollars ($10,000.00) the minimum acceptable bid must be at least One Thousand Dollars ($1,000.00); if the property appraises at or for less than Twenty Thousand Dollars ($20,000.00) but more than Ten Thousand Dollars ($10,000.00) the minimum acceptable bid must be at least Two Thousand Dollars ($2,000.00); and if the property appraises for more than Twenty Thousand Dollars ($20,000.00) the minimum acceptable bid must be Two Thousand Dollars ($2,000.00), plus fifty percent (50%) of the appraised value which exceeds Twenty Thousand Dollars ($20,000.00); and

WHEREAS, pursuant to the current ANLAP Program, any deed conveying a parcel pursuant thereto shall contain covenants which: (1) prohibit the grantee from conveying, assigning or otherwise transferring the parcel except in conjunction with the adjacent parcel owned by the grantee; and (2) require that the parcel be improved with landscaped open space within six (6) months of the conveyance of such parcel and prohibit the construction of any permanent improvements on the parcel, excluding only improvements made by the grantee on the parcel that constitute an integrated addition to the grantee's primary residence on the adjacent lot, or a garage appurtenant thereto; and (3) require the grantee to maintain the parcel in accordance with the provisions of the Municipal Code of Chicago. The covenants shall terminate ten (10) years after the date of the conveyance of the parcel to the grantee; and

WHEREAS, the Department of Housing and Economic Development ("DHED") of the City desires to convey the vacant parcel of real property identified on Exhibit A to this ordinance (the "ANLAP Parcel") to Syreeta N. Talbert (the "Purchaser"), who has a principal residence of 7451 South Euclid Parkway, Chicago, Illinois; and

WHEREAS, DHED has caused notice of the proposed sale of the ANLAP Parcel to be sent to all eligible adjacent neighbors (if any); and

WHEREAS, Purchaser's proposal was the only proposal received by the deadline indicated in the aforesaid notice; and

WHEREAS, pursuant to Resolution Number 13-005-21 adopted on January 24, 2013, by the Plan Commission of the City of Chicago ("Commission"), the Commission approved the sale of the Property to the Purchaser; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The City hereby accepts the bid of the Purchaser to purchase the ANLAP Parcel, which purchase shall be subject to all of the terms, conditions, covenants and restrictions of the ANLAP Program and the ANLAP Program Ordinance.

SECTION 2. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the ANLAP Parcel to the Purchaser for the purchase price of One Thousand and 00/100 Dollars ($1,000.00). Such deed shall include a covenant obligating the Purchaser to use the Parcel only for a use consistent with the requirements of the ANLAP Program Ordinance.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity of such provision shall not effect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders inconsistent with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect upon its passage and approval.

EXHIBIT A

Bidder: Syreeta N. Talbert
Bidder Address: 7451 South Euclid Parkway, Chicago, Illinois
Bid Amount: $1,000.00
Appraised Value: $3,500.00

Legal Description (Subject to Title Commitment and Survey):

The East ½ of Lot 24 and the East ½ of the South 5 feet of Lot 25 in Ulrich & Bond's Subdivision of Block 15 in George W. Clark's Subdivision of the East ½ of the Northwest ¼ of Section 25, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Address: 1908 East 75th Street, Chicago, Illinois

Property Index Number: 20-25-136-086-0000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Syreeta N. Talbert

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 7451 S. Euclid Pkwy
Chicago IL 60649

C. Telephone: (708)415-2724 Fax: (866)6688329 Email: snt033e@gmail.com

D. Name of contact person: Syreeta N Talbert

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Purchase 1908 East 75th Street through ANCAP

G. Which City agency or department is requesting this EDS? Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[X] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

_____

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name Title

_____

_____

_____

_____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below: N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary): N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary): N/A

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Sireeta Talbert
(Print or type name of Disclosing Party)

By: Sireeta Talbert
(Sign here)

Sireeta Talbert
(Print or type name of person signing)

Owner
(Print or type title of person signing)

Signed and sworn to before me on (date) 12-12-2012,
at Cook County, Illinois (state).

Sophia Cole Notary Public.

"OFFICIAL SEAL"
SOPHIA COLE
Notary Public, State of Illinois
My Commission Expires Nov. 10, 2015

Commission expires: Nov. 10, 2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Office of the City Clerk

O2013-821

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Sale of City-owned property at 2929-2931 W Wilcox St
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is the owner of the vacant parcel of property located at 2929-2931 W. Wilcox Street, Chicago, Illinois, which is legally described on Exhibit A attached hereto (the "Property"), which Property is located in the Midwest Redevelopment Project Area ("Area") established pursuant to ordinances adopted by the City Council of the City on May 17, 2000, published in the Journal of Proceedings of the City Council for such date at pages 30775 through 30953; and

WHEREAS, Aleksandra Hodowany ("Grantee"), 2902 W. Wilcox Street, Chicago, Illinois 60612, has offered to purchase the Property from the City for the sum of Twelve Thousand and No/100 Dollars ($12,000.00), such amount being the appraised fair market value of the Property, to improve with landscaped open space thereon; and

WHEREAS, pursuant to Resolution No. 12-085-21 adopted on December 20, 2012, by the Plan Commission of the City of Chicago (the" Commission"), the Commission approved the negotiated sale of the Property to the Grantee; and

WHEREAS, public notice advertising the City's intent to enter into a negotiated sale of the Property with the Grantee and requesting alternative proposals appeared in the *Chicago Sun-Times*, a newspaper of general circulation, on January 8, 2013, and January 15, 2013; and

WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notice; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The City Council of the City hereby approves the sale of the Property to the Grantee for the amount of Twelve Thousand and No/100 Dollars ($12,000.00).

SECTION 2. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Grantee. Such deed shall include a covenant obligating the Grantee to use the Property only for use consistent with the land uses permitted under the redevelopment plan for the Area. Grantee's acceptance of the City's deed shall constitute Grantee's agreement to such covenant. The quitclaim deed shall also contain language substantially in the following form:

> This conveyance is subject to the express condition that the Property is improved with landscaped open space within six (6) months of the date of this deed. In the event that the condition is not met, the City of Chicago may re-enter the Property and revest title in the City of Chicago. Grantee, at the request of the City of Chicago, covenants to execute and deliver to the City a reconveyance deed to the Property to further evidence such revesting of title. This right of reverter and re-entry shall terminate upon the issuance of a certificate of completion, release or similar instrument by the City of Chicago.

The Grantee acknowledges that if the Grantee develops the Property with a residential housing project, as defined under and that is subject to Section 2-45-110 of the Municipal Code of the City (the "Affordable Requirements Ordinance"), the Grantee and such project shall be obligated to comply with the Affordable Requirements Ordinance.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders inconsistent with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect upon its passage and approval.

EXHIBIT A

Purchaser: Aleksandra Hodowany
Purchaser's Address: 2902 W. Wilcox Street
Appraised Value: $12,000.00
Purchase Amount: $12,000.00

Legal Description (Subject to Title Commitment and Survey):

Lots 9 and 10 in the Subdivision of Lots 1 to 6, inclusive, in Block 2 in Delamater's Subdivision of the West ½ of the East 7 acres of that part South of Barry Point Road of the West ½ of the Northeast 1/4 of the Northwest 1/4 of Section 13, also of Lots 1 to 6 inclusive in Block 2 in Jones' Subdivision of that part South of Barry Point Road (except the East 7 acres thereof) of the West ½ of the Northeast 1/4 of the Northwest 1/4 of Section 13, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Address: 2929-2931 W. Wilcox Street
Chicago, Illinois 60612

Property Index Numbers: 16-13-110-015-0000
16-13-110-016-0000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

ALeksandra Hodowany

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 2902 W. Wilcox
Chicago IL 60612

C. Telephone: 773-939-1847 Fax: _____ Email: cyganka2000@yahoo.co

D. Name of contact person: ALeksandra Hodowany

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Purchase of 2929-31 W. Wilcox Street through Negotiated Sale

G. Which City agency or department is requesting this EDS? Dept. of Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N.A. and Contract # N. A.

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[X] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

N. A.

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
N. A.	N. A.

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
	N. A.	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
		N/A	

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N.A.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N. A.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N. A.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [N] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N. A.

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [M] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

V 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Aleksandra Hodowany
(Print or type name of Disclosing Party)

By: Ahl Hodowany
(Sign here)

Aleksandra Hodowany
(Print or type name of person signing)

Applicant
(Print or type title of person signing)

Signed and sworn to before me on (date) November 09, 2012
at Chicago County, IL (state).

Lesia Kourpito Notary Public.

Commission expires: .

"OFFICIAL SEAL"
LESIA KOURPITA
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 11/27/2014

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with 2929-31 W. Wilcox [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

Aleksandra Hodowany Date: 1/22/13
(Print or type legal name of Disclosing Party)

By:
(sign here)

Print or type name of signatory:

Title of signatory:

Signed and sworn to before me on [date] 01/22/2013, by _____, at Cook County, IL [state].

Lesya Bahriy Notary Public.

Commission expires: 10/12/2016.

"OFFICIAL SEAL"
LESYA BAHRIY
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 10/12/2016

Office of the City Clerk

O2013-822

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Sale of City-owned property at 5600-5602 S Carpenter St
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is the owner of the vacant parcel of property located at 5600-5602 South Carpenter Street, Chicago, Illinois, which is legally described on Exhibit A attached hereto (the "Property"), which Property is located in the Englewood Neighborhood Redevelopment Project Area ("Area") established pursuant to ordinances adopted by the City Council of the City on June 27, 2001, published in the Journal of Proceedings of the City Council for such date at pages 61850 through 62055; and

WHEREAS, Joseph Morris ("Grantee"), 12446 South Princeton Avenue, Chicago, IL 60628, has offered to purchase the Property from the City for the sum of Three Thousand and No/100 Dollars ($3,000.00), such amount being the appraised fair market value of the Property, to improve with landscaped open space thereon; and

WHEREAS, pursuant to Resolution No. 12-079-21 adopted on November 27, 2012, by the Plan Commission of the City of Chicago (the "Commission"), the Commission approved the negotiated sale of the Property to the Grantee; and

WHEREAS, public notice advertising the City's intent to enter into a negotiated sale of the Property with the Grantee and requesting alternative proposals appeared in the *Chicago Sun-Times*, a newspaper of general circulation, on December 3, 2012, and December 10, 2012; and

WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notice; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The City Council of the City hereby approves the sale of the Property to the Grantee for the amount of Three Thousand and No/100 Dollars ($3,000.00).

SECTION 2. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Grantee. Such deed shall include a covenant obligating the Grantee to use the Property only for use consistent with the land uses permitted under the redevelopment plan for the Area. Grantee's acceptance of the City's deed shall constitute Grantee's agreement to such covenant. The quitclaim deed shall also contain language substantially in the following form:

> This conveyance is subject to the express condition that the Property is improved with landscaped open space within six (6) months of the date of this deed. In the event that the condition is not met, the City of Chicago may re-enter the Property and revest title in the City of Chicago. Grantee, at the request of the City of Chicago, covenants to execute and deliver to the City a reconveyance deed to the Property to further evidence such revesting of title. This right of reverter and re-entry shall terminate upon the issuance of a certificate of completion, release or similar instrument by the City of Chicago.

The Grantee acknowledges that if the Grantee develops the Property with a residential housing project, as defined under and that is subject to Section 2-45-110 of the Municipal Code of the City (the "Affordable Requirements Ordinance"), the Grantee and such project shall be obligated to comply with the Affordable Requirements Ordinance.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders inconsistent with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect upon its passage and approval.

EXHIBIT A

Purchaser:	Joseph Morris
Purchaser's Address:	12446 South Princeton Avenue
Purchase Amount:	$3,000.00
Appraised Value:	$3,000.00

Legal Description (Subject to Title Commitment and Survey):

Lots 1 and 2 in Block 2 in Stodder's Subdivision of the Southeast ¼ of the Northwest ¼ of the Northeast ¼ of Section 17, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Address:	5600-5602 South Carpenter Street Chicago, Illinois 60621
Property Index Number:	20-17-210-024-0000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Joseph Morris

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 12446 South Princeton Ave.
Home Chicago, IL 60628

C. Telephone: 312 719-2161 Fax: _____ Email: vmorris@outlook.com

D. Name of contact person: Joseph Morris

E. Federal Employer Identification No. (if you have one): N/A

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Purchase property at 5600-02 S. Carpenter, Chicago through ANLAP

G. Which City agency or department is requesting this EDS? Dept of Housing and Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[✓] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

n/a

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [✓] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE**: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
n/a	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
n/a		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
n/a			

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

n/a

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

n/a

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

n/a

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [✓] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

n/a

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

__V__1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

n/a

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 C[illegible] Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requ[illegible]ents?
[ ] Yes [ ] No

3. Have you participated in a[illegible] previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Joseph Howard S

(Print or type name of Disclosing Party)

By: Joseph Howard

(Sign here)

Joseph Howard S

(Print or type name of person signing)

Joseph Howard

(Print or type title of person signing)

Signed and sworn to before me on (date) October 22, 2012,
at Cook County, Ill. (state).

Rosemary Jenkins Notary Public

"OFFICIAL SEAL"
ROSEMARY JENKINS
Notary Public, State of Illinois
My Commission Expires Feb. 17, 2015

Commission expires: 2-17-2015.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with _____ [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

Joseph Mondi Date: 1-24-13

(Print or type legal name of Disclosing Party)

By:

(sign here)

Print or type name of signatory:

Joseph Mondi

Title of signatory:

Signed and sworn to before me on [date] January 24, 2013, by Joseph Mondi, at Cook County, IL [state].

Notary Public.

Commission expires: 2-17-2015

"OFFICIAL SEAL"
ROSEMARY JENKINS
Notary Public, State of Illinois
My Commission Expires Feb. 17, 2015

Ver. 11-01-05

Office of the City Clerk

O2013-826

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Sale of City-owned property at 6130-6132 S Kenwood Ave
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; now, therefore,

WHEREAS, the City is the owner of the vacant parcel of property located at 6130-6132 South Kenwood Avenue, Chicago, Illinois, which is legally described on Exhibit A attached hereto (the "Property"), which Property is located in the Woodlawn Redevelopment Project Area ("Area") established pursuant to ordinances adopted by the City Council of the City on January 20,1999, published in the Journal of Proceedings of the City Council for such date at pages 87763 through 87861; and

WHEREAS, Phillip K. Beth ("Grantee"), 6128 S. Kenwood Avenue, Chicago, Illinois 60637, has offered to purchase the Property from the City for the sum of Fifty Eight Thousand and No/100 Dollars ($58,000.00), such amount being the appraised fair market value of the Property with an open space in perpetuity deed restriction, to improve with landscaped open space thereon; and

WHEREAS, pursuant to Resolution No. 13-001-21 adopted on January 24, 2013, by the Plan Commission of the City of Chicago (the "Commission"), the Commission approved the sale of the Property to the Grantee; and

WHEREAS, public notice advertising the City's intent to enter into a negotiated sale of the Property with the Grantee and requesting alternative proposals appeared in the *Chicago Sun-Times*, a newspaper of general circulation, on January 25, 2013, and February 1, 2013; and

WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notice; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The City Council hereby approves the sale of the Property to the Grantee for the amount of Fifty Eight Thousand and No/100 Dollars ($58,000.00).

SECTION 2. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Grantee. Such deed shall include a covenant obligating the Grantee to use the Property only for a use consistent with the land uses permitted under the redevelopment plan for the Area. Grantee's acceptance of the City's deed shall constitute Grantee's agreement to such covenant. The quitclaim deed shall contain language substantially in the following form:

> This conveyance is subject to the express conditions that: 1) the Property is improved with landscaped open space within six (6) months of the date of this deed; and 2) the Property is thereafter maintained and used as landscaped open space in perpetuity.
>
> In the event that the conditions are not met, the City of Chicago may re-enter the Property and revest title in the City of Chicago. Grantee, at the request of the City of Chicago, covenants to execute and deliver to the City a reconveyance deed to the Property to further evidence such revesting of title.

This right of reverter and re-entry in favor of the City of Chicago shall terminate forty (40) years from the date of this deed.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders inconsistent with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect upon its passage and approval.

EXHIBIT A

Purchaser: Phillip K. Beth
Purchaser Address: 6128 S. Kenwood Avenue
Purchased Amount: $58,000.00
Appraised Value with an open space in Perpetuity Deed Restriction : $58,000.00
Unrestricted Appraised Value; $116,000.00

Legal Description (Subject to Title Commitment and Survey):

Lot 7 in Block 2 in C. R. Keith's Subdivision of the Southwest 1/4 of the Southeast 1/4 of Section 14, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Address: 6130-6132 S. Kenwood Avenue
Chicago, Illinois 60637

Property Index Number: 20-14-408-021-0000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Phillip K. Beth

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [✓] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 6128 S. Kenwood
Chicago IL. 60637

C. Telephone: 773 905 9083 Fax: 312 784 5429 Email: hadley3000@gmail.com

D. Name of contact person: Phillip K. Beth

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Purchase of property at 6130 S. Kenwood, PIN No. 20-14-408-021-0000
through negotiated sale

G. Which City agency or department is requesting this EDS? Dept. of Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[✓] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

_____

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name Title

_____

_____

_____

_____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
	N/A	

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.
		N/A	

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [X] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [✓] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Phillip Beth
(Print or type name of Disclosing Party)

By: _____
(Sign here)

_____
(Print or type name of person signing)

_____
(Print or type title of person signing)

Signed and sworn to before me on (date) November 26, 2012
at Cook County, IL (state).

_____ Notary Public.

Commission expires: 3/9/14.

OFFICIAL SEAL
MINERVA MEDINA
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:03/09/14

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [✓] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Office of the City Clerk

O2013-827

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Sale of City-owned property at 6843 S Ada St
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City is the owner of the vacant parcel of property located at 6843 South Ada Street, Chicago, Illinois, which is legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, Lorraine Hale ("Grantee"), 6841 South Ada Street, Chicago, Illinois 60636, has offered to purchase the Property from the City for the sum of One Thousand and No/100 Dollars ($1,000.00), such amount being the appraised fair market value of the Property, to improve with landscaped open space thereon; and

WHEREAS, pursuant to Resolution No. 13-004-21 adopted on January 24, 2013, by the Plan Commission of the City of Chicago (the "Commission"), the Commission approved the negotiated sale of the Property to the Grantee; and

WHEREAS, public notice advertising the City's intent to enter into a negotiated sale of the Property with the Grantee and requesting alternative proposals appeared in the *Chicago Sun-Times*, a newspaper of general circulation, on January 28, 2013, and February 4, 2013; and

WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notice; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The City Council of the City hereby approves the sale of the Property to the Grantee for the amount of One Thousand and No/100 Dollars ($1,000.00).

SECTION 2. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying the Property to the Grantee. The quitclaim deed shall also contain language substantially in the following form:

> This conveyance is subject to the express condition that the Property is improved with landscaped open space within six (6) months of the date of this deed. In the event that the condition is not met, the City of Chicago may re-enter the Property and revest title in the City of Chicago. Grantee, at the request of the City of Chicago, covenants to execute and deliver to the City a reconveyance deed to the Property to further evidence such revesting of title. This right of reverter and re-entry shall terminate upon the issuance of a certificate of completion, release or similar instrument by the City of Chicago.
>
> The Grantee acknowledges that if the Grantee develops the Property with a residential housing project, as defined under and that is subject to Section 2-45-110 of the Municipal Code of the City (the "Affordable Requirements Ordinance"), the Grantee and such project shall be obligated to comply with the Affordable Requirements Ordinance.

SECTION 3. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 4. All ordinances, resolutions, motions or orders inconsistent with this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. This ordinance shall take effect upon its passage and approval.

EXHIBIT A

Purchaser:	Lorraine Hale
Purchaser's Address:	6841 South Ada Street
Purchase Amount:	$1,000.00
Appraised Value:	$1,000.00

Legal Description (Subject to Title Commitment and Survey):

Lot 311 in Weddell and Cox's Addition to Englewood, of the East ½ of the Southwest ¼ of Section 20, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Address:	6843 South Ada Street Chicago, Illinois 60636
Property Index Number:	20-20-313-016-0000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Lorraine Hale

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 6841 S. Ada
Chicago, IL 60636

C. Telephone: 773-846-3810 Fax: _____ Email: _____

D. Name of contact person: _____

E. Federal Employer Identification No. (if you have one): _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Purchase 6843 S. Ada through Negotiated Sale

G. Which City agency or department is requesting this EDS? Housing & Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[X] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[ ] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[ ] Yes [ ] No
[ ] Other (please specify)

_____

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

_____

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [ ] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name N/A Title

_____

_____

_____

_____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [✓] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) **NOTE:** "hourly rate" or "t.b.d." is not an acceptable response.

(Add sheets if necessary)

[✓] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [✓] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

_____

_____

_____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

_____

_____

_____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [✓] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [✓] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[ ] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded,** proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

_____

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[ ] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)
[ ] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
[ ] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
[ ] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

Lorraine Hale
(Print or type name of Disclosing Party)

By: X Lorraine Hale
(Sign here)

Lorraine Hale
(Print or type name of person signing)

(Print or type title of person signing)

Signed and sworn to before me on (date) Dec. 14, 2012,
at Cook County, IL (state).

Asyzine Edwards-Ali Notary Public

OFFICIAL SEAL
ASYZINE EDWARDS-ALI
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES:08/04/13

Commission expires: 8/4/13.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

Office of the City Clerk

O2013-833

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	2/13/2013
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Negotiated sale of City-owned property at 7841 S Racine Ave to Beloved Community, Inc.
Committee(s) Assignment:	Committee on Housing and Real Estate

HSG.

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

February 13, 2013

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith ordinances authorizing the sale of City-owned property.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

Rahm Emanuel

Mayor

ORDINANCE
AUTHORIZING THE NEGOTIATED SALE
AND CONVEYANCE OF A CERTAIN CITY PARCEL TO
BELOVED COMMUNITY, INC.
AND DESIGNATING
BELOVED COMMUNITY, INC.
AS DEVELOPER

WHEREAS, the City of Chicago ("City") is a home rule unit of government by virtue of the provisions of the Constitution of the State of Illinois of 1970, and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City has established the Community Development Commission ("Commission") to, among other things, designate redevelopment areas and approve redevelopment plans, and recommend the sale of parcels located in redevelopment areas, subject to the approval of the City Council of the City of Chicago ("City Council"); and

WHEREAS, the City is the owner of one vacant parcel of property, improved with a surface parking lot and fencing, located at 7841 South Racine Avenue, Chicago, Illinois, which is legally described on **Exhibit A** attached hereto (the "Property"), and which Property is located in the 79th Street Corridor Tax Increment Financing Area ("Area") established pursuant to ordinances adopted by the City Council of the City (the "City Council") on July 8, 1998 and published in the Journal of Proceedings of the City Council for such date at pages 72438 through 72509; and

WHEREAS, Beloved Community, Inc., an Illinois not-for-profit corporation ("Developer"), having an address of 7823 South Racine Avenue, Chicago, Illinois 60620 has offered to purchase the Property from the City for the sum of One and No/100 Dollars ($1.00), such amount being a land write down of Twenty One Thousand Nine Hundred Ninety Nine and No/100 Dollars ($21,999) from the Property's appraised fair market value of Twenty Two Thousand and No/Dollars ($22,000), in consideration of the Developer's agreement to comply with the covenants in and to perform certain redevelopment obligations, as more fully set forth in the Redevelopment Agreement (as herein defined); and

WHEREAS, pursuant to Resolution No. 12-CDC-46 adopted on December 11, 2012 by the Community Development Commission of the City of Chicago (the "Commission"), the Commission authorized the Department of Housing and Economic Development ("Department") to advertise its intention to enter into a negotiated sale with the Developer for the redevelopment of the Property; approved the Department's request to advertise for alternative proposals, and recommended that City Council approve the sale of the Property to the Developer if no alternative proposals were received without further Commission action; and

WHEREAS, the Department published the notice in the *Chicago Sun-Times*, a newspaper of general circulation, on December 17, 2012, December 28, 2012, and January 7, 2013, requested alternative proposals for the redevelopment of the Property and provided reasonable opportunity for other persons to submit alternative bids or proposals ; and

WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notice; now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The foregoing recitals are hereby adopted as the findings of the City Council.

SECTION 2. The Commissioner of the Department (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between the Developer and the City substantially in the form attached hereto as **Exhibit B** and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Redevelopment Agreement, with any such amendments, changes, deletions and insertions as shall be authorized by the persons executing the Redevelopment Agreement, with the approval of the City's Corporation Counsel.

SECTION 3. The City is hereby authorized to sell and convey to the Developer the Property for the land write down value of One and no/Dollars ($1.00) in accordance with and subject to the terms and covenants of such Redevelopment Agreement.

SECTION 4. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy City Clerk is authorized to attest, a quitclaim deed conveying to the Developer, or to a land trust of which the Developer is the sole beneficiary, or to a business entity of which the Developer is the sole controlling party, the Property for the consideration described therein and otherwise in accordance with and subject to the terms of such Redevelopment Agreement.

SECTION 5. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 6. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 7. This ordinance shall be in full force and effect immediately upon its passage and approval.

Attachments:

Exhibit A - Legal Description
Exhibit B - Agreement For The Sale and Redevelopment of Land

EXHIBIT A

LEGAL DESCRIPTION OF CITY PROPERTY

(SUBJECT TO FINAL SURVEY AND TITLE COMMITMENT)

COMMONLY KNOWN AS:	7841 South Racine Avenue, CHICAGO, ILLINOIS
PERMANENT INDEX NOS.	20-29-424-040-0000

EXHIBIT B
AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND
(attached)

THIS INSTRUMENT PREPARED BY, AND
AFTER RECORDING, PLEASE RETURN TO:

Karen Bielarz
Acting Deputy Corporation Counsel
City of Chicago
Department of Law, Real Estate Division
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
(312) 744-6910

**AGREEMENT FOR THE
SALE AND REDEVELOPMENT
OF LAND**

(The Above Space For Recorder's Use Only)

This **AGREEMENT FOR THE SALE AND REDEVELOPMENT OF LAND** ("Agreement") is made on or as of the ___ day of _____, 2013, by and between the **CITY OF CHICAGO**, an Illinois municipal corporation ("City"), acting by and through its Department of Housing and Economic Development ("DHED"), having its principal offices at City Hall, 121 North LaSalle Street, Chicago, Illinois 60602 and **BELOVED COMMUNITY, INC.**, an Illinois not-for-profit corporation ("Developer"), whose offices are located at 7823 South Racine Avenue, Chicago, Illinois 60620.

RECITALS

WHEREAS, the City is the owner of one vacant parcel of property, improved with a surface parking lot and fencing, located at 7841 South Racine Avenue, Chicago, Illinois, which is legally described on **Exhibit A** attached hereto (the "Property"), and which Property is located in the 79th Street Corridor Tax Increment Financing Area ("Area") established pursuant to ordinances adopted by the City Council of the City (the "City Council") on July 8, 1998 and published in the Journal of Proceedings of the City Council for such date at pages 72438 through 72509; and

WHEREAS, the Developer desires to purchase from the City one (1) vacant parcel of land, improved with a surface parking lot and fencing, located at 7841 South Racine Avenue, Chicago, Illinois, which is legally described on Exhibit A attached hereto (the "Property"), which such Property is located in the Area; and

WHEREAS, the City is willing to sell the Property to the Developer for the land write down value of One and No/100 Dollars ($1.00), in consideration of the Developer's fulfillment of its obligations under this Agreement including the obligations to develop a seventeen (17) space surface parking lot to be utilized for parking in perpetuity (the "Project"), which shall primarily be utilized by the Developer and the tenants of a nearby Developer owned residential building located at 1203-09 W. 78th Place, Chicago, Illinois, and perform other redevelopment obligations as set forth in this Agreement; and

WHEREAS, the Developer and the City acknowledge that the implementation of the policies and provisions described in this Agreement will be of mutual benefit to the Developer and the City.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1. INCORPORATION OF RECITALS.

The foregoing findings and recitals constitute an integral part of this Agreement and are incorporated herein by this reference with the same force and effect as if set forth herein as agreements of the parties.

SECTION 2. PURCHASE PRICE.

The City hereby agrees to sell, and the Developer hereby agrees to purchase, upon and subject to the terms and conditions of this Agreement, the Property, for the sum of One and 00/100 Dollars ($1.00) ("Purchase Price"). Such amount shall be paid to the City at the Closing (as defined in Section 4). The appraised market value of the Property is Twenty Two Thousand and No/Dollars ($22,000). The write-down is being offered in consideration of the Developer's agreement to comply with the covenants in this Agreement, including, without limitation, the covenants referenced in Section 18, which shall run with the land. Except as specifically provided herein to the contrary, the Developer shall pay all escrow fees and other title insurance fees and all other closing costs.

SECTION 3. EARNEST MONEY AND PERFORMANCE DEPOSIT.

[Intentionally Deleted]

SECTION 4. CLOSING.

The closing of the transaction contemplated by this Agreement (the "Closing") shall take place at the downtown offices of Greater Illinois Title Insurance Company (the "Title Company"), 120 North LaSalle Street, Chicago, Illinois 60601, within thirty (30) days after the Developer has obtained all necessary building permits and zoning approvals for the Project, as required pursuant to Section 9.1, or on such date as the parties mutually agree upon in writing (the "Closing Date"); provided, however, in no event shall the Closing occur (a) until the Developer has satisfied all conditions precedent set forth in Section 9, unless DHED, in its sole discretion, waives such conditions, and (b) any later than August 30, 2013 (the "Outside Closing Date"). On or before the Closing Date, the City shall deliver to the Title Company the Deed, all necessary state, county and municipal real estate transfer tax declarations, and an ALTA statement.

SECTION 5. CONVEYANCE OF TITLE.

5.1 Form of Deed. Without limiting the generality of the quitclaim nature of the deed, the City shall convey the Property to the Developer by quitclaim deed ("Deed"), subject to the terms of this Agreement and the following (collectively, the "Permitted Exceptions"):

(a) the standard exceptions in an ALTA title insurance policy;

(b) general real estate taxes and any special assessments or other taxes;

(c) all easements, encroachments, covenants and restrictions of record and not shown of record that will not adversely affect the use and insurability of the Property for the development of the Project;

(d) such other title defects as may exist; and

(e) any and all exceptions caused by the acts of the Developer or its agents.

5.2 Recording Costs. The Developer shall pay to record the Deed, this Agreement, and any other documents incident to the conveyance of the Property to the Developer.

SECTION 6. TITLE AND SURVEY.

6.1 The Developer acknowledges that the City has delivered to the Developer a commitment for an owner's policy of title insurance for the Property (the "Title Commitment") from the Title Company, showing the City in title to the Property. The Developer shall be solely responsible for and shall pay all costs associated with updating the Title Commitment (including all search, continuation and later-date fees), and obtaining any title insurance, extended coverage or other endorsements it deems necessary. The Developer shall also be solely responsible for and shall pay all costs associated with obtaining any survey it deems necessary.

6.2 The City shall use reasonable efforts to obtain the waiver or release of any delinquent real estate tax liens on the Property prior to the Closing Date, to the extent such tax liens can be waived or released through submission of an abatement letter to the Cook County Treasurer or a motion to vacate a tax sale. If the City is unable to obtain the waiver or release of any such tax liens or is unable to cause the Title Company to insure over such tax liens, or if the Property is encumbered with any other unpermitted exceptions, the Developer shall have the option to do one of the following: (a) accept title to the Property subject to the exceptions, which shall then become Permitted Exceptions, without reduction in the Purchase Price; or (b) terminate this Agreement by delivery of written notice to the City at least fourteen (14) days prior to the Closing Date, in which event the City shall return the Earnest Money and Performance Deposit to the Developer, this Agreement shall be null and void and, except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement as aforesaid, the Developer agrees to accept title subject to the unpermitted exceptions. The Developer shall be responsible for all taxes accruing after the Closing.

SECTION 7. BUILDING PERMITS AND OTHER GOVERNMENTAL APPROVALS.

The Developer shall apply for all necessary building permits and other required permits and approvals for the construction of the Project no later than fourteen (14) days after the City Council authorizes the sale of the Property, and shall pursue such permits and approvals in good faith and with all due diligence.

SECTION 8. PROJECT BUDGET.

The total budget for the Project is currently estimated to be a small budget of Two Thousand Four Hundred Fifty and No/100 Dollars ($2,450) since the surface parking lot is already in place and the remaining costs involving striping, landscaping, and other maintenance tasks.

SECTION 9. CONDITIONS TO THE CITY'S OBLIGATION TO CLOSE.

The obligations of the City under this Agreement are contingent upon each of the following being done at least fourteen (14) days prior to the Closing Date, unless another date is specified:

9.1 Final Governmental Approvals. The Developer shall have delivered to the City evidence of all building permits and other final governmental approvals necessary to construct the Project.

9.2 Budget and Proof of Financing. The City shall have approved the Developer's Budget and Proof of Financing.

9.3 Simultaneous Loan Closing. On the Closing Date, the Developer shall simultaneously close any financing, if any, approved pursuant to this Agreement and be in a position to immediately commence construction of the Project.

9.4 Insurance. The Developer shall have delivered to the City evidence of insurance reasonably acceptable to the City. The City shall be named as an additional insured on all liability insurance policies and as a loss payee (subject to the prior rights of any first mortgagee) on all property insurance policies from the Closing Date through the date the City issues the Certificate of Completion (as defined in Section 13 below). With respect to property insurance, the City will accept an ACORD 28 form. With respect to liability insurance, the City will accept an ACORD 25 form, together with a copy of the endorsement that is added to the Developer's policy showing the City as an additional insured.

9.5 Legal Opinion. The Developer shall, at the City's request, deliver to the City a legal opinion in a form reasonably acceptable to the City's Corporation Counsel.

9.6 Due Diligence. The Developer shall have delivered to the City due diligence searches in its name (UCC liens, state and federal tax liens, pending suits and judgments in Cook County and the U.S. District Court for the Northern District of Illinois, and bankruptcy), showing no unacceptable liens, litigation, judgments or filings, as reasonably determined by the City's Corporation Counsel.

9.7 Organization and Authority Documents. The Developer shall have delivered to the City the Developer's articles of incorporation, including all amendments thereto, as furnished and certified by the Illinois Secretary of State; the by-laws of the Developer, as certified by the secretary of the Developer; resolutions authorizing the Developer to execute and deliver this Agreement and any other documents required to complete the transaction contemplated by this Agreement and to perform its obligations under this Agreement; a certificate of good standing from the Illinois Secretary of State dated no more than thirty (30) days prior to the Closing Date; and such other corporate authority and organizational documents as the City may reasonably request.

9.8 Subordination Agreement. On the Closing Date, and prior to recording any mortgage approved pursuant to Section 9.2, the Developer shall, at the City's request, deliver to the City a subordination agreement in which the construction lender agrees to subordinate the lien of its mortgage to the covenants running with the land, or such other subordination assurance as the Corporation Counsel shall deem acceptable.

9.9 MBE/WBE Compliance Plan. The Developer and the Developer's general contractor and all major subcontractors shall meet with staff from the Department of Housing ("DOH") regarding compliance with the MBE/WBE, city residency hiring, prevailing wage and other requirements set forth in Section 23, and at least seven (7) days prior to the Closing Date, the City shall have approved the Developer's compliance plan in accordance with Section 23.4.

9.10 Representations and Warranties. On the Closing Date, each of the representations and warranties of the Developer in Section 24 and elsewhere in this Agreement shall be true and correct.

9.11 Other Obligations. On the Closing Date, the Developer shall have performed all of the other obligations required to be performed by the Developer under this Agreement as and when required under this Agreement.

If any of the conditions in this Section 9 have not been satisfied to the City's reasonable satisfaction within the time periods provided for herein, or waived by DHED in writing, the City may, at its option, terminate this Agreement by delivery of written notice to the Developer at any time after the expiration of the applicable time period and this Agreement shall be null and void and, except as otherwise specifically provided herein, neither party shall have any further right, duty or obligation hereunder. Any forbearance by the City in exercising its right to terminate this Agreement upon a default hereunder shall not be construed as a waiver of such right.

SECTION 10. CONSTRUCTION REQUIREMENTS.

10.1 Site Plans. The Developer shall construct the Project on the Property in accordance with the final design development drawings and specifications prepared by C. Johnson & Associates, which have been approved by DHED and which are incorporated herein by reference ("Working Drawings and Specifications"). No material deviation from the Working Drawings and Specifications may be made without the prior written approval of DHED. If the Developer submits and DHED approves revised design development drawings and specifications after the date of this Agreement, the term "Working Drawings and Specifications" as used herein shall refer to the revised design development drawings and specifications upon DHED's written approval of the same.

10.2 Relocation of Utilities, Curb Cuts and Driveways. The Developer shall be solely responsible for and shall pay all costs associated with: (a) the relocation, installation or construction of public or private utilities, curb cuts and driveways; (b) the repair or reconstruction of any curbs, vaults, sidewalks or parkways required in connection with or damaged as a result of the Developer's construction of the Project; (c) the removal of existing pipes, utility equipment or building foundations; and (d) the termination of existing water or other services. The City shall have the right to approve any streetscaping provided by the Developer as part of the Project, including, without limitation, any paving of sidewalks, landscaping and lighting.

10.3 City's Right to Inspect Property. For the period commencing on the Closing Date and continuing through the date the City issues a Certificate of Completion, any duly authorized representative of the City shall have access to the Property at all reasonable times for the purpose of determining whether the Developer is constructing the Project in accordance with the terms of this Agreement and all applicable federal, state and local statutes, laws, ordinances, codes, rules, regulations, orders and judgments, including, without limitation, Sections 7-28 and 11-4 of the Municipal Code of Chicago relating to waste disposal (collectively, "Laws").

10.4 Barricades and Signs. Promptly after the execution of this Agreement, the Developer shall, at its sole cost and expense, erect and maintain such signs as the City may reasonably require identifying the Property as a City redevelopment project. Prior to the commencement of any construction activity requiring barricades, the Developer shall install barricades of a type and appearance satisfactory to the City and constructed in compliance with all applicable Laws. DHED shall have the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades, which approval shall not be unreasonably withheld or delayed. The Developer shall erect all signs and barricades so as not to interfere with or affect any bus stop or train station in the vicinity of the Property.

10.5 Survival. The provisions of this Section 10 shall survive the Closing.

SECTION 11. LIMITED APPLICABILITY.

DHED's approval of the Drawings are for the purposes of this Agreement only and do not constitute the approval required by the City's Department of Buildings ("DOB") or any other City department; nor does the approval by DHED pursuant to this Agreement constitute an approval of the quality, structural soundness or the safety of any improvements located or to be located on the Property. The approval given by DHED shall be only for the benefit of the Developer and any lienholder authorized by this Agreement.

SECTION 12. COMMENCEMENT AND COMPLETION OF PROJECT.

The Developer shall commence construction of the Project no later than April 1, 2013, and shall complete the Project (as evidenced by the issuance of a Certificate of Completion) no later than October 1, 2013. The Developer shall give written notice to the City within five (5) days after it commences construction. The Developer shall construct the Project in accordance with the Working Drawings and Specifications, and all Laws and covenants and restrictions of record.

SECTION 13. CERTIFICATE OF COMPLETION.

The Developer shall request from the City a certificate of completion ("Certificate of Completion") upon the completion of the Project in accordance with this Agreement. Within forty-five (45) days after receipt of a written request by the Developer for a Certificate of Completion, the City shall provide the Developer with either the Certificate of Completion or a written statement indicating in adequate detail how the Developer has failed to complete the Project in conformity with this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the sole opinion of the City, for the Developer to take or perform in order to obtain the Certificate of Completion. If the City requires additional measures or acts to assure compliance, the Developer shall resubmit a written request for the Certificate of Completion upon compliance with the City's response. The Certificate of Completion shall be in recordable form, and shall, upon recording, constitute a conclusive determination of satisfaction and termination of the covenants in this Agreement and the Deed with respect to the Developer's obligations to construct the Project. The Certificate of Completion shall not, however, constitute evidence that the Developer has complied with any Laws relating to the construction of the Project, and shall not serve as any "guaranty" as to the quality of the construction. Upon recordation of the Certificate of Completion, the City shall return the Performance Deposit to the Developer.

SECTION 14. RESTRICTIONS ON USE.

The Developer agrees that it:

14.1 Shall devote the Property solely to the Project.

14.2 Shall not discriminate on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status, or source of income in the use or occupancy of the Property or any part thereof or the Project or any part thereof.

14.3 Shall use and operate Property solely as parking in perpetuity.

14.4 Shall in no instance use the Property for any inherently religious activities, such as worship, religious instruction, or proselytization.

SECTION 15. PROHIBITION AGAINST SALE OR TRANSFER OF PROPERTY.

Prior to the issuance of the Certificate of Completion for the Project, the Developer may not, without the prior written consent of DHED, which consent shall be in DHED's sole discretion: (a) directly or indirectly sell, transfer or otherwise dispose of the Property or any part thereof or any interest therein or the Developer's controlling interests therein (including without limitation, a transfer by assignment of any beneficial interest under a land trust); or (b) directly or indirectly assign this Agreement. The Developer acknowledges and agrees that DHED may withhold its consent under (a) or (b) above if, among other reasons, the proposed purchaser, transferee or assignee (or such entity's principal officers or directors) is in violation of any Laws, or if the Developer fails to submit sufficient evidence of the financial responsibility, business background and reputation of the proposed purchaser, transferee or assignee. If the Developer is a business entity, no principal party of the Developer (e.g., a general partner, member, manager or shareholder) may sell, transfer or assign any of its interest in the entity prior to the issuance of the Certificate of Completion to anyone other than another principal party, without the prior written consent of DHED, which consent shall be in DHED's sole discretion. The Developer must disclose the identity of all limited partners to the City at the time such limited partners obtain an interest in the Developer. The provisions of this Section 15 shall not prohibit the Developer from transferring or conveying the Property to an Illinois land trust of which the Developer is the sole beneficiary.

SECTION 16. LIMITATION UPON ENCUMBRANCE OF PROPERTY.

Prior to the issuance of the Certificate of Completion, the Developer shall not, without DHED's prior written consent, which shall be in DHED's sole discretion, engage in any financing or other transaction which would create an encumbrance or lien on the Property, except for any mortgage approved pursuant to Section 9.2.

SECTION 17. MORTGAGEES NOT OBLIGATED TO CONSTRUCT.

Notwithstanding any other provision of this Agreement or of the Deed, the holder of any mortgage authorized by this Agreement (or any affiliate of such holder) shall not itself be obligated to construct or complete the Project, or to guarantee such construction or completion, but shall be bound by the other covenants running with the land specified in Section 18 and shall, prior to recording any mortgage approved pursuant to Section 9.2, execute and record a Subordination Agreement (as defined in Section 9.8). If any such mortgagee or its affiliate succeeds to the Developer's interest in the Property prior to the issuance of the Certificate of Completion, whether by foreclosure, deed-in-lieu of foreclosure or otherwise, and thereafter

transfers its interest in the Property to another party, such transferee shall be obligated to complete the Project, and shall also be bound by the other covenants running with the land specified in Section 18.

SECTION 18. COVENANTS RUNNING WITH THE LAND.

The parties agree that the covenants provided in Section 12 (Commencement and Completion of Project), Section 14 (Restrictions on Use), Section 15 (Prohibition Against Sale or Transfer of Property) and Section 16 (Limitation Upon Encumbrance of Property) will be covenants running with the land, binding on the Developer and its successors and assigns (subject to the limitation set forth in Section 17 above as to any permitted mortgagee) to the fullest extent permitted by law and equity for the benefit and in favor of the City, and shall be enforceable by the City. The covenants provided in Section 12, Section 15 and Section 16 shall terminate upon the issuance of the Certificate of Completion. The covenant contained in Section 14 shall run in perpetuity.

SECTION 19. PERFORMANCE AND BREACH.

19.1 Time of the Essence. Time is of the essence in the Developer's performance of its obligations under this Agreement.

19.2 Permitted Delays. The Developer shall not be considered in breach of its obligations under this Agreement in the event of a delay due to unforeseeable causes beyond the Developer's control and without the Developer's fault or negligence, including, without limitation, acts of God, acts of the public enemy, acts of the United States government, fires, floods, epidemics, quarantine restrictions, strikes, embargoes and unusually severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations shall be extended only for the period of the delay and only if the Developer requests an extension in writing within twenty (20) days after the beginning of any such delay.

19.3 Cure. If the Developer defaults in the performance of its obligations under this Agreement, the Developer shall have sixty (60) days after written notice of default from the City to cure the default, or such longer period as shall be reasonably necessary to cure such default provided the Developer promptly commences such cure and thereafter diligently pursues such cure to completion (so long as continuation of the default does not create material risk to the Project or to persons using the Project). Notwithstanding the foregoing, no notice or cure period shall apply to defaults under Sections 19.4 (c), (e) and (g).

19.4 Event of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Agreement:

(a) The Developer makes or furnishes a warranty, representation, statement or certification to the City (whether in this Agreement, an Economic Disclosure Statement, or another document) that is not true and correct.

(b) A petition is filed by or against the Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereafter existing, which is not vacated, stayed or set aside within thirty (30) days after filing.

(c) The Developer fails to complete the Project in accordance with the time line outlined in Section 12 above, or the Developer abandons or substantially suspends construction of the Project.

(d) The Developer fails to pay real estate taxes or assessments affecting the Property or any part thereof when due, or places thereon any encumbrance or lien unauthorized by this Agreement, or suffers or permits any levy or attachment, mechanic's, laborer's, material supplier's, or any other lien or encumbrance unauthorized by this Agreement to attach to the Property unless bonded or insured over.

(e) The Developer makes an assignment, pledge, unpermitted financing, encumbrance, transfer or other disposition in violation of this Agreement.

(f) There is a material and adverse change in the Developer's financial condition or operations.

(g) The Developer fails to close by the Outside Closing Date, unless DHED, in its sole discretion, extends the Outside Closing Date.

(h) The Developer fails to perform, keep or observe any of the other covenants, conditions, promises, agreements or obligations under this Agreement or any other written agreement entered into with the City with respect to the Project.

19.5 Prior to Closing. If an Event of Default occurs prior to the Closing, and the default is not cured in the time period provided for in Section 19.3 above, the City may terminate this Agreement, institute any action or proceeding at law or in equity against the Developer, and retain the Earnest Money and Performance Deposit as liquidated damages.

19.6 After Closing. If an Event of Default occurs after the Closing but prior to the issuance of the Certificate of Completion, and the default is not cured in the time period provided for in Section 19.3 above, the City may terminate this Agreement and exercise any and all remedies available to it at law or in equity, including, without limitation, the right to re-enter and take possession of the Property, terminate the estate conveyed to the Developer, and revest title to the Property in the City (the "Right of Reverter"); provided, however, the City's Right of Reverter shall be limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage authorized by this Agreement.

19.7 Resale of the Property. Upon the revesting in the City of title to the Property as provided in Section 19.6, the City may complete the Project or convey the Property, subject to any first mortgage lien, to a qualified and financially responsible party reasonably acceptable to the first mortgagee, who shall assume the obligation of completing the Project or such other improvements as shall be satisfactory to DHED, and otherwise comply with the covenants that run with the land as specified in Section 18.

19.8 Disposition of Resale Proceeds. If the City sells the Property as provided for in Section 19.7, the net proceeds from the sale, after payment of all amounts owed under any

mortgage liens authorized by this Agreement in order of lien priority, shall be utilized to reimburse the City for:

(a) costs and expenses incurred by the City (including, without limitation, salaries of personnel) in connection with the recapture, management and resale of the Property (less any income derived by the City from the Property in connection with such management); and

(b) all unpaid taxes, assessments, and water and sewer charges assessed against the Property; and

(c) any payments made (including, without limitation, reasonable attorneys' fees and court costs) to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Developer; and

(d) any expenditures made or obligations incurred with respect to construction or maintenance of the Project; and

(e) any other amounts owed to the City by the Developer.

The Developer shall be entitled to receive any remaining proceeds up to the amount of the Developer's equity investment in the Property. In addition to, and without in any way limiting the City's rights under this Section 19, the City shall have the right to retain the Performance Deposit in the event of a default by the Developer.

SECTION 20. CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE.

The Developer represents and warrants that no agent, official or employee of the City shall have any personal interest, direct or indirect, in the Developer, this Agreement, the Property or the Project, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, association or other entity in which he or she is directly or indirectly interested. No agent, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer or successor or with respect to any commitment or obligation of the City under the terms of this Agreement.

SECTION 21. INDEMNIFICATION.

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with: (a) the failure of the Developer to perform its obligations under this Agreement; (b) the failure of the Developer or any contractor or other agent, entity or individual acting under the control or at the request of the Developer ("Agent") to pay contractors, subcontractors or material suppliers in connection with the construction and

management of the Project; (c) any misrepresentation or omission made by the Developer or any Agent; (d) the failure of the Developer to redress any misrepresentations or omissions in this Agreement or any other agreement relating hereto; and (e) any activity undertaken by the Developer or any Agent on the Property prior to or after the Closing. This indemnification shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 22. INSPECTION; CONDITION OF PROPERTY AT CLOSING.

22.1 "As Is" Sale. The City makes no covenant, representation or warranty, express or implied, of any kind, as to the structural, physical or environmental condition of the Property or the suitability of the Property for any purpose whatsoever, and the Developer agrees to accept the property in its "as is," "where is" and "with all faults" condition.

22.2 Right of Entry.

(a) The Developer's obligations hereunder are conditioned upon the Developer being satisfied with the condition of the Property for the construction, development and operation of the Project. Upon the Developer's request, the City shall grant the Developer the right, at its sole cost and expense, to enter the Property for a period of thirty (30) days (the "Inspection Period") pursuant to a Right of Entry Agreement in form and substance reasonably acceptable to the City to inspect the same, perform surveys, environmental assessments, soil and any other due diligence it deems necessary or desirable to satisfy itself as to the condition of the Property.

(b) If the Developer determines that it is not satisfied, in its sole discretion, with the condition of the Property, the Developer may terminate this Agreement by written notice to the City within thirty (30) days after the expiration of the Inspection Period, whereupon the City shall return the Earnest Money and Performance Deposit to the Developer and this Agreement shall be null and void and, except as otherwise specifically provided, neither party shall have any further right, duty or obligation hereunder. If the Developer elects not to terminate this Agreement pursuant to this Section 22.2, the Developer shall be deemed satisfied with the condition of the Property.

22.3 Indemnity. The Developer hereby waives and releases, and indemnifies the City from and against, any claims and liabilities relating to or arising from the structural, physical or environmental condition of the Property, including, without limitation, claims arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), and shall undertake and discharge all liabilities of the City arising from any structural, physical or environmental condition that existed on the Property prior to the Closing, including, without limitation, liabilities arising under CERCLA. The Developer hereby acknowledges that, in purchasing the Property, the Developer is relying solely upon its own inspection and other due diligence activities and not upon any information (including, without limitation, environmental studies or reports of any kind) provided by or on behalf of the City or its agents or employees with respect thereto. The Developer shall perform such studies and investigations, conduct such tests and surveys, and engage such specialists as the Developer deems appropriate to evaluate fairly the structural, physical and environmental condition and risks of the Property. If, after the Closing, the structural, physical and environmental condition

of the Property is not in all respects entirely suitable for its intended use, it shall be the Developer's sole responsibility and obligation to take such action as is necessary to put the Property in a condition which is suitable for its intended use. The provisions of this Section 22.3 shall survive the Closing.

SECTION 23. DEVELOPER'S EMPLOYMENT OBLIGATIONS.

23.1 Employment Opportunity. The Developer agrees, and shall contractually obligate its various contractors, subcontractors and any affiliate of the Developer operating on the Property (collectively, the "Employers" and individually, an "Employer") to agree, that with respect to the provision of services in connection with the construction of the Project or occupation of the Property:

(a) Neither the Developer nor any Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, gender identity, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Section 2-160-010 et seq. of the Municipal Code of Chicago, as amended from time to time (the "Human Rights Ordinance"). The Developer and each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon the foregoing grounds, and are treated in a non-discriminatory manner with regard to all job-related matters, including, without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer and each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Developer and each Employer, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon the foregoing grounds.

(b) To the greatest extent feasible, the Developer and each Employer shall present opportunities for training and employment of low and moderate income residents of the City, and provide that contracts for work in connection with the construction of the Project be awarded to business concerns which are located in or owned in substantial part by persons residing in, the City.

(c) The Developer and each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including, without limitation, the Human Rights Ordinance, and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

(d) The Developer, in order to demonstrate compliance with the terms of this Section 23.1, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.

(e) The Developer and each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the construction of the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or affiliate, as the case may be.

(f) Failure to comply with the employment obligations described in this Section 23.1 shall be a basis for the City to pursue remedies under the provisions of Section 19.

23.2 City Resident Employment Requirement.

(a) The Developer agrees, and shall contractually obligate each Employer to agree, that during the construction of the Project, the Developer and each Employer shall comply with the minimum percentage of total worker hours performed by actual residents of the City of Chicago as specified in Section 2-92-330 of the Municipal Code of Chicago (at least fifty percent); provided, however, that in addition to complying with this percentage, the Developer and each Employer shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

(b) The Developer and the Employers may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the chief procurement officer of the City of Chicago.

(c) "Actual residents of the City of Chicago" shall mean persons domiciled within the City of Chicago. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

(d) The Developer and the Employers shall provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed on the construction of the Project. The Developer and the Employers shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

(e) The Developer and the Employers shall submit weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) to the City's Department of Housing ("DOH") in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Developer or Employer hired the employee should be written in after the employee's name.

(f) The Developer and the Employers shall provide full access to their employment records to the chief procurement officer, DOH, the Superintendent of the Chicago Police Department, the inspector general, or any duly authorized representative

thereof. The Developer and the Employers shall maintain all relevant personnel data and records for a period of at least three (3) years after the issuance of the Certificate of Completion.

(g) At the direction of DOH, the Developer and the Employers shall provide affidavits and other supporting documentation to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

(h) Good faith efforts on the part of the Developer and the Employers to provide work for actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the chief procurement officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section 23.2 concerning the worker hours performed by actual Chicago residents.

(i) If the City determines that the Developer or an Employer failed to ensure the fulfillment of the requirements of this Section 23.2 concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section 23.2. If such non-compliance is not remedied in accordance with the breach and cure provisions of Section 19.3, the parties agree that 1/20 of 1 percent (.05%) of the aggregate hard construction costs set forth in the Budget shall be surrendered by the Developer and for the Employers to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer and/or the other Employers or employees to prosecution.

(j) Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement.

(k) The Developer shall cause or require the provisions of this Section 23.2 to be included in all construction contracts and subcontracts related to the construction of the Project.

23.3 Developer's MBE/WBE Commitment. The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the general contractor to agree, that during the construction of the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the

Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 23.3, during the course of construction of the Project, at least 24% of the aggregate hard construction costs shall be expended for contract participation by minority-owned businesses and at least 4% of the aggregate hard construction costs shall be expended for contract participation by women-owned businesses.

(b) For purposes of this Section 23.3 only:

(i) The Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(ii) The term "minority-owned business" or "MBE" shall mean a business identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(iii) The term "women-owned business" or "WBE" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed on the Project by the MBE or WBE); by the Developer utilizing a MBE or a WBE as the general contractor (but only to the extent of any actual work performed on the Project by the general contractor); by subcontracting or causing the general contractor to subcontract a portion of the construction of the Project to one or more MBEs or WBEs; by the purchase of materials or services used in the construction of the Project from one or more MBEs or WBEs; or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 23.3. In accordance with Section 2-92-730,

Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE general contractor or subcontractor without the prior written approval of DOH.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the construction of the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or the general contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the construction of the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the construction of the Project for at least five (5) years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on prior notice of at least five (5) business days, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the construction of the Project.

(e) Upon the disqualification of any MBE or WBE general contractor or subcontractor, if the disqualified party misrepresented such status, the Developer shall be obligated to discharge or cause to be discharged the disqualified general contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 23.3 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

23.4 Pre-Construction Conference and Post-Closing Compliance Requirements. Not less than fourteen (14) days prior to the Closing Date, the Developer and the Developer's general contractor and all major subcontractors shall meet with DOH monitoring staff regarding compliance with all Section 23 requirements. During this pre-construction meeting, the Developer shall present its plan to achieve its obligations under this Section 23, the sufficiency of which the City's monitoring staff shall approve as a precondition to the Closing. During the construction of the Project, the Developer shall submit all documentation required by this Section 23 to the City's monitoring staff, including, without limitation, the following: (a) subcontractor's activity report; (b) contractor's certification concerning labor standards and prevailing wage requirements; (c) contractor letter of understanding; (d) monthly utilization report; (e) authorization for payroll agent; (f) certified payroll; (g) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (h) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 23, shall, upon the delivery of written notice to the Developer, be deemed an Event

of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (x) issue a written demand to the Developer to halt construction of the Project, (y) withhold any further payment of any City funds to the Developer or the general contractor, or (z) seek any other remedies against the Developer available at law or in equity.

SECTION 24. REPRESENTATIONS AND WARRANTIES.

24.1 Representations and Warranties of the Developer. To induce the City to execute this Agreement and perform its obligations hereunder, the Developer hereby represents and warrants to the City that as of the date of this Agreement and as of the Closing Date the following shall be true and correct in all respects:

(a) The Developer is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of Illinois with full power and authority to acquire, own and redevelop the Property, and that the person signing this Agreement on behalf of the Developer has the authority to do so.

(b) All certifications and statements contained in the Economic Disclosure Statement last submitted to the City by the Developer (and any legal entity holding an interest in the Developer) are true, accurate and complete.

(c) The Developer's execution, delivery and performance of this Agreement and all instruments and agreements contemplated hereby will not, upon the giving of notice or lapse of time, or both, result in a breach or violation of, or constitute a default under, the Developer's operating agreement or any other agreement to which the Developer, or any party affiliated with the Developer, is a party or by which the Developer or the Property is bound.

(d) To the best of the Developer's knowledge, no action, litigation, investigation or proceeding of any kind is pending or threatened against the Developer, or any party affiliated with the Developer, and the Developer knows of no facts which could give rise to any such action, litigation, investigation or proceeding, which could: (i) affect the ability of the Developer to perform its obligations hereunder; or (ii) materially affect the operation or financial condition of the Developer.

(e) To the best of the Developer's knowledge, the Project will not violate: (i) any Laws, including, without limitation, any zoning and building codes and environmental regulations; or (ii) any building permit, restriction of record or other agreement affecting the Property.

24.2 Representations and Warranties of the City. To induce the Developer to execute this Agreement and perform its obligations hereunder, the City hereby represents and warrants to the Developer that the City has authority under its home rule powers to execute and deliver this Agreement and perform the terms and obligations contained herein.

24.3 Survival of Representations and Warranties. Each of the parties agrees that all of its representations and warranties set forth in this Section 24 or elsewhere in this Agreement

are true as of the date of this Agreement and will be true in all material respects at all times thereafter, except with respect to matters which have been disclosed in writing and approved by the other party.

SECTION 25. NOTICES.

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) facsimile; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

If to the City:	City of Chicago Department of Housing and Economic Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Fax: 312-744-4477
With a copy to:	City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attn: Real Estate Division Fax: 312-744-0277
If to the Developer:	Beloved Community, Inc., 7823 South Racine Avenue Chicago, Illinois 60620 Attn:

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon confirmed transmission by facsimile, respectively, provided that such facsimile transmission is confirmed as having occurred prior to 5:00 p.m. on a business day. If such transmission occurred after 5:00 p.m. on a business day or on a non-business day, it shall be deemed to have been given on the next business day. Any notice, demand or communication given pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given. The refusal to accept delivery by any party or the inability to deliver any communication because of a changed address of which no notice has been given in accordance with this Section 25 shall constitute delivery.

SECTION 26. ORGANIZATION AND AUTHORITY.

The Developer represents and warrants that it is duly organized and validly existing and authorized to do business under the laws of the State of Illinois, with full power and authority to acquire, own and redevelop the Property and that the person signing this Agreement on behalf of the Developer has the authority to do so.

SECTION 27. SUCCESSORS AND ASSIGNS.

Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties.

SECTION 28. TERMINATION.

In the event that the Closing has not occurred by the Closing Dates, or any extensions thereof in DHED's sole discretion, defined herein, then the City may terminate this Agreement upon written notice to the Developer.

SECTION 29. RECORDATION OF AGREEMENT.

This Agreement shall be recorded at the Office of the Cook County Recorder of Deeds. The Developer shall pay the recording fees.

SECTION 30. CONSENT AND APPROVAL.

Except where otherwise specified, whenever the consent or approval of the City is required hereunder, such consent or approval shall not be unreasonably withheld or delayed.

SECTION 31. OTHER ACTS

The parties agree to perform such other acts and to execute, acknowledge and deliver such other instruments, documents and materials as may be reasonably necessary to consummate the transactions contemplated by this Agreement.

SECTION 32. BUSINESS RELATIONSHIPS.

The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that it has read such provision and understands that pursuant to such Section 2-156-030 (b) it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that no violation of

Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 33. PATRIOT ACT CERTIFICATION.

The Developer represents and warrants that neither the Developer nor any Affiliate thereof (as defined in the next paragraph) is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to the Developer that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Developer, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

SECTION 34. PROHIBITION ON CERTAIN CONTRIBUTIONS-MAYORAL EXECUTIVE ORDER NO. 2011-4.

Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("Contractors"), any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("Sub-owners") and spouses and domestic partners of such Sub-owners (Developer and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later to occur of (a) May 16, 2011, and (b) the date the City approached the Developer or the date the Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) Bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source, which is then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City of Chicago to which Developer is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the City Council of the City of Chicago.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

(A) they are each other's sole domestic partner, responsible for each other's common welfare; and
(B) neither party is married; and
(C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
(D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
(E) two of the following four conditions exist for the partners:
    1. The partners have been residing together for at least 12 months.
    2. The partners have common or joint ownership of a residence.
    3. The partners have at least two of the following arrangements:
        a. joint ownership of a motor vehicle;
        b. a joint credit account;

c. a joint checking account;
d. a lease for a residence identifying both domestic partners as tenants.

4. Each partner identifies the other partner as a primary beneficiary in a will.

"Political fundraising committee" means a "political fundraising committee" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

SECTION 35. COOPERATION WITH OFFICE OF COMPLIANCE.

In accordance with Chapter 2-26-010 *et seq.* of the Municipal Code, the Developer acknowledges that every officer, employee, department and agency of the City shall be obligated to cooperate with the Executive Director of the Office of Compliance in connection with any activities undertaken by such office with respect to this Agreement, including, without limitation, making available to the Executive Director the department's premises, equipment, personnel, books, records and papers. The Developer agrees to abide by the provisions of Chapter 2-26-010 *et seq.*

SECTION 36. FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS WITH THE CITY.

Failure by Developer or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of the Agreement and the transactions contemplated thereby. Developer shall at all times comply with Section 2-154-020 of the Municipal Code of Chicago.

SECTION 37. INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL.

It is the duty of every officer, employee, department, agency, contractor, subcontractor, developer and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the City's Legislative Inspector General and with the City's Inspector General in any investigation or hearing undertaken pursuant to Chapters 2-55 and 2-56, respectively, of the Municipal Code of Chicago. The Developer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code of Chicago.

SECTION 38. WASTE ORDINANCE PROVISIONS.

In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Developer warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation of any provisions of Section 7-28 or Section 11-4 of the Municipal Code (the "Waste Sections"). During the period while this Amendment is executory, Developer's, any general contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole designation of the Chief Procurement Officer. Such breach and default entitles the City to all remedies under the Amendment, at law or in equity. This section does not limit Developer's, general contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances

and executive orders, in effect now or later, and whether or not they appear in this Amendment. Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Amendment, and may further affect Developer's eligibility for future contract awards.

SECTION 39. SHAKMAN ACCORD

(i) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in Shakman v. Democratic Organization of Cook County, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with Developer, either as an employee or as a subcontractor, and from directing Developer to hire an individual as an employee or as a subcontractor. Accordingly, Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Developer under this Agreement are employees or subcontractors of Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Developer.

(iii) Developer will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Developer by a City employee or City official in violation of Section 39(ii) above, or advocating a violation of Section 39(iii) above, Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also to the head of the relevant City Department utilizing services provided under this Agreement. Developer will also cooperate with any inquiries by IGO Hiring Oversight or the *Shakman* Monitor's Office related to the contract.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on or as of the date first above written.

CITY OF CHICAGO,
an Illinois municipal corporation

By:_____
Andrew J. Mooney
Commissioner
Department of Housing and Economic Development

BELOVED COMMUNITY, INC.,
an Illinois not-for-profit corporation

By:_____
Name:
Its: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew J. Mooney, the Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that, as said Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 2013.

_____
NOTARY PUBLIC

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____the _____ of Beloved Community, Inc., an Illinois not-for-profit corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and, being first duly sworn by me, acknowledged that he/she signed and delivered the foregoing instrument pursuant to authority given by said corporation, as his/her free and voluntary act and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this ____ day of _____, 2013.

_____
NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY
(Subject to Final Title and Survey)

COMMONLY KNOWN AS: 7841 South Racine Avenue
CHICAGO, ILLINOIS

PERMANENT INDEX NOS. 20-29-424-040-0000

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Beloved Community, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. [X] the Applicant
   OR
2. [ ] a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
   OR
3. [ ] a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 7823 S. Racine Ave.
Chicago, IL 60620

C. Telephone: 773-891-0630 Fax: 773-891-0681 Email: adumas@belovedcommunity chicago.org

D. Name of contact person: April D. Dumas

E. Federal Employer Identification No. (if you have one): N/A

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Parking Lot Acquisition - 7845 S Racine Ave (60620)

G. Which City agency or department is requesting this EDS? Housing & Economic Developmen

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

[ ] Person
[ ] Publicly registered business corporation
[ ] Privately held business corporation
[ ] Sole proprietorship
[ ] General partnership
[ ] Limited partnership
[ ] Trust
[ ] Limited liability company
[ ] Limited liability partnership
[ ] Joint venture
[X] Not-for-profit corporation
(Is the not-for-profit corporation also a 501(c)(3))?
[X] Yes [ ] No
[ ] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

[ ] Yes [ ] No [X] N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. **NOTE:** For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
April D. Dumas	Executive Director
Michael L. Pfleger	President, Board of Directors
James Miller	Chairman
Stephen Blessman	Secretary

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture,

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE**: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None.		

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

[ ] Yes [X] No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
A. Johnson & Associates	7903 S. Racine Ave.		No Charge
Cheryl Johnson		Subcontractor	

(Add sheets if necessary)

[ ] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

SECTION V – CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

[ ] Yes [ ] No [ ] No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

[ ] Yes [ ] No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows: (i) neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;

d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

3. The certifications in subparts 3, 4 and 5 concern:

• the Disclosing Party;
• any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
• any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
• any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or

c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

_____

_____

_____

_____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None.

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than $20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

[ ] is [X] is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

[ ] Yes [X] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

[X] Yes [ ] No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

✓ 1. The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

____2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

_____

_____

_____

_____

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. **If the Matter is not federally funded**, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None.

_____

_____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

[X] Yes [ ] No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

[X] Yes [ ] No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

[X] Yes [ ] No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

[X] Yes [ ] No

If you checked "No" to question 1. or 2. above, please provide an explanation:

_____

_____

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N.

Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS and Appendix A (if applicable) on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS and Appendix A (if applicable) are true, accurate and complete as of the date furnished to the City.

The Beloved Community
(Print or type name of Disclosing Party)

By: _____
(Sign here)

April D. Dumas
(Print or type name of person signing)

Executive Director
(Print or type title of person signing)

Signed and sworn to before me on (date) 10/26/12,
at Cook County, Illinois (state).

_____ Notary Public.

Commission expires: 3/16/15.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all executive officers of the Disclosing Party listed in Section II.B.1.a., if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

[ ] Yes [X] No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of such familial relationship.

_____

_____

_____

(DO NOT SUBMIT THIS PAGE WITH YOUR EDS. The purpose of this page is for you to recertify your EDS prior to submission to City Council or on the date of closing. If unable to recertify truthfully, the Disclosing Party must complete a new EDS with correct or corrected information)

RECERTIFICATION

Generally, for use with City Council matters. Not for City procurements unless requested.

This recertification is being submitted in connection with 7845 S. Racine Ave. (60620) [identify the Matter]. Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS recertification on behalf of the Disclosing Party, (2) warrants that all certifications and statements contained in the Disclosing Party's original EDS are true, accurate and complete as of the date furnished to the City and continue to be true, accurate and complete as of the date of this recertification, and (3) reaffirms its acknowledgments.

Beloved Community, Inc. Date: 1-24-2013
(Print or type legal name of Disclosing Party)

By:

(sign here)

Print or type name of signatory:

April D. Dumas

Title of signatory:

Executive Director

Signed and sworn to before me on [date] January 24, 2013, by _____, at Cook County, Illinois [state].

Hubert Newkirk Notary Public.

Commission expires: 2-16-2014.

Ver. 11-01-05

OFFICIAL SEAL
HUBERT NEWKIRK
Notary Public - State of Illinois
My Commission Expires Feb 16, 2014